



COASTAL CONTRACTS BHD.

(Registration No.: 200001015043 (517649-A))
(Incorporated in Malaysia)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting (“**EGM**”) of COASTAL CONTRACTS BHD. (“**COASTAL**” or “**Company**”) will be held at the registered office of the Company at Block G, Lot 3B, Bandar Leila, 90000 Sandakan, Sabah on Thursday, 16 December 2021 at 11.30 a.m., or immediately following the conclusion or adjournment of the 21st Annual General Meeting of the Company which will be held at the same venue and on the same date at 10.00 a.m., whichever is later.

ORDINARY RESOLUTION 1

PROPOSED ESTABLISHMENT OF AN EMPLOYEES’ SHARE OPTION SCHEME (“ESOS”) OF UP TO 10% OF THE TOTAL NUMBER OF ISSUED SHARES OF COASTAL (“COASTAL SHARE(S)” OR “SHARE(S)”) (EXCLUDING TREASURY SHARES, IF ANY) AT ANY POINT IN TIME TO BE GRANTED TO THE ELIGIBLE DIRECTORS AND EMPLOYEES OF COASTAL AND ITS SUBSIDIARIES WHICH ARE NOT DORMANT (“PROPOSED ESOS”)

“**THAT**, subject to and conditional upon the approvals of all relevant authorities, the Board of Directors of the Company (“**Board**”) be and is hereby authorised to establish, implement and administer an ESOS for the benefit of eligible Directors and employees of Coastal and its subsidiary companies (excluding subsidiaries which are dormant, if any), who meet the criteria of eligibility for participation in the Proposed ESOS (“**Eligible Person(s)**”) under which options will be granted to the Eligible Persons to subscribe for new Coastal Shares in accordance with the draft by-laws of the Proposed ESOS (“**By-Laws**”) as set out in **Appendix I** of the circular to shareholders dated 26 November 2021, and to adopt and approve the By-Laws and do all such acts, execute all such documents and to enter into all such transactions, arrangements, agreements, deeds and undertakings and to make such rules or regulations or impose such terms and conditions or delegate part of its power as may be necessary or expedient in order to give full effect to the Proposed ESOS and terms of the By-Laws;

THAT, the Board be and is hereby authorised to issue, allot and/or transfer from time to time such number of Coastal Shares as may be required pursuant to the exercise of the options under the Proposed ESOS (“**ESOS Option(s)**”) provided that the aggregate number of Coastal Shares to be issued, allotted and/or transferred shall not exceed 10% of the total number of issued Coastal Shares (excluding treasury shares, if any) at any point in time throughout the duration of the Proposed ESOS and that such new Coastal Shares arising from the exercise of the ESOS Options shall, upon issuance and allotment, rank equally in all respects with the existing issued Coastal Shares, except that the new Coastal Shares will not be entitled to any dividends, rights, allotment and/or any other forms of distribution (“**Distribution**”) that may be declared, made or paid to shareholders of the Company, for which the entitlement date for the Distribution precedes the date of which the new Coastal Shares are credited into the Central Depository System account with Bursa Malaysia Depository Sdn Bhd of the Eligible Persons who have accepted the offer, and such new Coastal Shares will be subject to the constitution of the Company relating to transfer, transmission and otherwise of Coastal Shares;

THAT, the Board be and is hereby authorised to make such applications as may be necessary at the appropriate time or times to Bursa Malaysia Securities Berhad (“**Bursa Securities**”) for the listing of and quotation for the new Coastal Shares which may hereafter from time to time be allotted and issued pursuant to the exercise of the ESOS Options to be granted under the Proposed ESOS;

AND THAT, subject to the By-Laws and compliance with the Main Market Listing Requirements of Bursa Securities and the approvals of any other authorities (if required), the Board be and is hereby authorised to amend and/or modify the By-Laws from time to time as may be required/permitted by the authorities or deemed to be necessary by the Board provided that such amendments and/or modifications are effected in accordance with the provisions in the By-Laws relating to amendments and/or modifications, to extend the duration of the ESOS, provided always that such extension made pursuant to the By-Laws shall not in aggregate exceed a duration of 10 years from the effective date of implementation of the Proposed ESOS, or such longer period as may be allowed by the relevant authorities, without having to obtain any further approvals (including approval of the shareholders of the Company in a general meeting) and to take all such acts and steps and to enter into such transactions, agreements, arrangements, undertakings, indemnities, transfers, assignments, deeds and/or guarantees with any party or parties, to deliver and/or cause to be delivered all such documents and to make such rules or regulations, or impose such terms and conditions or delegate part of its powers as may be necessary or expedient to implement, finalise and to give full effect to the Proposed ESOS.”

ORDINARY RESOLUTIONS 2 TO 18

PROPOSED ALLOCATION OF ESOS OPTIONS TO THE DIRECTORS OF COASTAL AND PERSONS CONNECTED TO THEM

“**THAT**, subject to the passing of Ordinary Resolution 1 as well as the approvals of all relevant authorities, and for so long as this approval remains in force, approval be and is hereby given to the Board to authorise the ESOS Committee, to make an ESOS offer at any time and from time to time to each of the Directors of Coastal and persons connected with them as named therein below:-

(i)	Ng Chin Heng (Executive Chairman)	Ordinary Resolution 2
(ii)	Ng Chin Shin (Executive Director)	Ordinary Resolution 3
(iii)	Ng Chin Keuan (Executive Director)	Ordinary Resolution 4
(iv)	Jacob O Pang Su Yin (Independent Non-Executive Director)	Ordinary Resolution 5
(v)	Loh Thian Sang @ Lo Thian Siang (Independent Non-Executive Director)	Ordinary Resolution 6
(vi)	Tuan Hj. Ir. Intizam Bin Ayub (Independent Non-Executive Director)	Ordinary Resolution 7
(vii)	Pang Fong Thau ⁽¹⁾	Ordinary Resolution 8
(viii)	Ng San Yin ⁽¹⁾	Ordinary Resolution 9
(ix)	Ng San Chen ⁽¹⁾	Ordinary Resolution 10
(x)	Alice Ng ⁽¹⁾	Ordinary Resolution 11
(xi)	Ng San Yang ⁽¹⁾	Ordinary Resolution 12
(xii)	Lau Joo Ting ⁽¹⁾	Ordinary Resolution 13
(xiii)	Ng Chin Heong ⁽¹⁾	Ordinary Resolution 14
(xiv)	Ng Chui Lai ⁽¹⁾	Ordinary Resolution 15
(xv)	Ng Chin Kok ⁽¹⁾	Ordinary Resolution 16
(xvi)	Ng Lai Whoon ⁽¹⁾	Ordinary Resolution 17
(xvii)	Komkrisk Mahakunkitchareon ⁽¹⁾	Ordinary Resolution 18

Note:-

(1) *The employees of the Company and persons connected to Ng Chin Heng, Ng Chin Shin and Ng Chin Keuan.*

provided always that:-

- (a) the abovementioned persons must not participate in the deliberation or discussion of their own allocation of ESOS Options and the allocation of ESOS Options to any persons connected to them;
- (b) the allocation to him/her, either singly or collectively through persons connected with him/her, holds 20% or more of the total number of issued shares of the Company (excluding treasury shares, if any), must not exceed 10% of the total number of issued shares of the Company (excluding treasury shares, if any) at any point in time throughout the duration of the Proposed ESOS as provided in the By-Laws; and

- (c) not more than 80% of the ESOS Options available under the Proposed ESOS shall be allocated, in aggregate, to the Directors and senior management of the Company who are Eligible Persons;

THAT the proposed allocation of ESOS Options to the abovementioned persons shall be subject always to such terms and conditions of the Proposed ESOS as may, from time to time, be modified, varied and/or amended in accordance with the provisions of the By-Laws governing and constituting the Proposed ESOS;

AND THAT the Board be further authorised to allot and issue and/or transfer such number of Coastal Shares pursuant to the Proposed ESOS to the abovementioned persons from time to time, subject to their exercise of such ESOS Options.”

BY ORDER OF THE BOARD
COASTAL CONTRACTS BHD.

DOROTHY LUK WEI KAM (SSM PC No. 202008001484) (MAICSA 7000414)
HO LING LING (SSM PC No. 202008000066) (MAICSA 7012567)

Company Secretaries
Kota Kinabalu, Sabah
26 November 2021

Notes:-

- (a) A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend, participate, speak and vote instead of him and that a proxy need not be a member of the Company.
- (b) For the purpose of determining member's eligibility to attend this Meeting, only member whose name appears in the Record of Depositors as at 10th December 2021 shall be entitled to attend this Meeting or appoint proxy(ies) to attend and/or vote on his behalf.
- (c) A member of the Company entitled to attend and vote at a meeting of the Company shall be entitled to appoint not more than 2 proxies to attend and vote in his stead at the Meeting. There shall be no restriction as to the qualification of the proxy. Where a member appoints two proxies, he shall specify the proportion of his shareholding to be represented by each proxy, failing which, the appointment shall be invalid.
- (d) Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account (“**omnibus account**”), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
- (e) The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney or if the appointor is a corporation under the seal, and the person so appointed may attend and vote at this meeting at which the appointor is entitled to vote.
- (f) The instrument appointing a proxy shall be lodged at the registered office of the Company at Block G, Lot 3B, Bandar Leila, 90000 Sandakan, Sabah, or received at the electronic address at ir@coastalcontracts.com, at least 48 hours before the time appointed for holding the meeting or adjourned meeting at which it is to be used, and in default shall not be treated as valid.
- (g) Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all resolutions set out in this Notice will be put to a vote by way of a poll.
- (h) The Board wishes to highlight this Extraordinary General Meeting may be re-scheduled and/or postponed and/or change the arrangement at short notice in view of the COVID-19 Outbreak and the Malaysian Government's announcements or guidelines made from time to time. Rest assured, all members/proxies including attendees shall be kept informed of any unexpected changes. You are therefore requested to check and refer the website of the Bursa Malaysia Securities Berhad or the Company at <http://www.coastalcontracts.com> for the latest updates on the status of the said Meeting.

Administrative Guide:-

The health and safety of our Members and Proxies (“**Attendees**”) who will attend the EGM are the top priority of the Company. Hence, the following precautionary measures shall be implemented during the conduct of the EGM:-

- a. With Sabah having moved into Phase 4 of the National Recovery Plan on 8th November 2021, the updated Standard Operating Procedures issued by the National Security Council (“**NSC**”) allows for physical meetings with 50% capacity of the meeting room, attended only by fully vaccinated individuals. Due to the limitations imposed, Attendees attending the EGM shall only be allowed entry to the EGM on first come, first served basis.
- b. Attendees are required to show their fully vaccinated status through their MySejahtera application and would need to go through temperature screening at the entrance of the meeting room. All Attendees are required to sanitise their hands prior to entering the meeting room and must adhere to the social distancing rules of at least one (1) metre between each Attendees. Face mask must be worn at all times.
- c. Attendees are encouraged to abide by the regulations in place and enforced by the Ministry of Health and the Government of Malaysia at the time deciding on whether to attend or not to attend the EGM.
- d. Members are encouraged to appoint the Chairman of the meeting (or any other person) to act as proxy to attend and vote at the EGM on their behalf by submitting the Form of Proxy with predetermined voting instruction.
- e. In the interest of the public health including the well-being of the Attendees, Attendees must adhere to the precautionary measures put in place by the Company should they wish to attend the EGM in person.
- f. No lunch shall be provided to the Attendees.
- g. The above guidelines shall be subject to further changes, if applicable.