



# CAHYA MATA SARAWAK BERHAD

(Company No. 21076-T)  
(Incorporated in Malaysia)

## NOTICE OF 44<sup>TH</sup> ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 44<sup>th</sup> Annual General Meeting ("AGM") of Cahya Mata Sarawak Berhad ("CMS" or "the Company") will be held at Meeting Room 14, Borneo Convention Centre Kuching, The Isthmus, Sejingkat, 93050 Kuching, Sarawak on Tuesday, 30 April 2019 at 10:00 a.m. for the following purposes:

### AS ORDINARY BUSINESS

- To receive the Audited Financial Statements for the year ended 31 December 2018 and the Reports of the Directors and Auditors thereon.
- To declare a first and final tax exempt (single-tier) dividend of 7.40 sen per ordinary share in respect of the financial year ended 31 December 2018.
- To re-elect the following Directors who retire pursuant to Article 111 of the Company's Constitution:
  - Y Bhg Datuk Syed Ahmad Alwee Alsree
  - Y Bhg Datu Hubert Thian Chong Hui
  - Mr Chin Mui Khiong
- To re-elect Y Bhg Tan Sri Abdul Rashid bin Abdul Manaf who retires pursuant to Article 113 of the Company's Constitution.
- To approve the payment of Directors' fees amounting to RM150,000 per annum for the Non-Executive Chairman, RM150,000 per annum for the Non-Executive Deputy Chairman and RM100,000 per annum for each of the Non-Executive Directors for the financial year ended 31 December 2018.
- To approve the payment of Directors' remuneration (excluding Directors' fees) to the Non-Executive Directors up to an amount of RM2,650,000 from the date of the forthcoming AGM to the next AGM of the Company.
- To re-appoint Messrs Ernst & Young as Auditors of the Company for the financial year ending 31 December 2019 and to authorise the Directors to fix their remuneration.

#### Ordinary Resolution 1

#### Ordinary Resolution 2

#### Ordinary Resolution 3

#### Ordinary Resolution 4

#### Ordinary Resolution 5

#### Ordinary Resolution 6

#### Ordinary Resolution 7

#### Ordinary Resolution 8

### AS SPECIAL BUSINESS

To consider and if thought fit, pass the following Ordinary Resolutions:

#### 8. Authority to Allot and Issue Shares Pursuant to Section 76 of the Companies Act 2016

"THAT subject always to the Companies Act 2016, the Constitution of the Company and the approvals of the relevant authorities, the Directors be and are hereby authorised pursuant to Section 76 of the Companies Act 2016, to allot and issue shares in the Company at any time and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion, deem fit provided that the aggregate number of shares issued does not exceed 10% of the total number of issued shares of the Company for the time being and that the Directors be and are also empowered to obtain the approval for the listing of and quotation for the additional shares so issued on Bursa Malaysia Securities Berhad and that such authority shall continue in force until the conclusion of the next Annual General Meeting of the Company."

#### 9. Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature and New Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature ("Proposed Shareholders' Mandate for RRPT")

"THAT subject always to the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, approval be and is hereby given to the Company and/or its subsidiaries to enter into recurrent related party transactions of a revenue or trading nature with those related parties as set out in the Circular to Shareholders dated 1 April 2019 ("Circular") which are necessary for the CMS Group's day-to-day operations subject to the following:

- the transactions are in the ordinary course of business and are on terms not more favourable to the related parties than those generally available to the public and not to the detriment of minority shareholders; and
- disclosure of the aggregate value of recurrent transactions conducted pursuant to the Proposed Shareholders' Mandate for RRPT will be disclosed in the Annual Report for the said financial year AND that such approval shall continue to be in force until:
  - the conclusion of the next Annual General Meeting of the Company, at which time it will lapse, unless by a resolution passed at a general meeting, the authority is renewed;
  - the expiration of the period within which the next Annual General Meeting of the Company subsequent to the date it is required to be held pursuant to Section 340(2) of the Companies Act 2016 ("the Act") (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or
  - revoked or varied by resolution passed by the shareholders in a general meeting,whichever is the earlier.

AND THAT the Directors of the Company be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) as they may consider expedient or necessary to give effect to the Proposed Shareholders' Mandate for RRPT.

AND THAT the estimated value given on the recurrent related party transactions specified in Sections 2.4 and 2.5 of the Circular being provisional in nature, the Directors of the Company be hereby authorised to agree to the actual amount of amounts thereof provided always that such amount or amounts comply with the review procedures set out in Section 2.8 of the Circular."

#### Ordinary Resolution 10

#### 10. Proposed Renewal of Shareholders' Mandate in respect of the Authority for Purchase by the Company of its Own Shares ("Proposed Shareholders' Mandate for Share Buy-Back")

"THAT subject to Section 127 of the Companies Act 2016, provisions of the Constitution of the Company, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") and any other relevant authorities, the Company be and is hereby authorised to renew the approval granted by the shareholders of the Company at the Forty-Third Annual General Meeting of the Company held on 25 April 2018, authorising the Directors of the Company to exercise the power of the Company to purchase such amount of ordinary shares in the Company from time to time through Bursa Securities subject further to the following:

- the aggregate number of shares purchased does not exceed 10% of the total number of issued shares of the Company ("Purchased Shares") at the point of purchase;
- the maximum funds to be allocated by the Company for the purpose of purchasing the Purchased Shares shall not exceed the Company's audited retained profits as at 31 December 2018 amounted to RM88,304,000; and
- the authority conferred by this resolution will commence immediately upon passing of this resolution and will continue to be in force until:
  - the conclusion of the next Annual General Meeting of the Company;
  - the expiration of the period within the next Annual General Meeting of the Company subsequent to the date it is required to be held pursuant to Section 340(2) of the Companies Act 2016 ("the Act") but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Act; or
  - revoked or varied by a resolution passed by the shareholders in a general meeting,whichever occurs first.
- Upon the completion of the purchase(s) of the Purchased Shares, the Directors of the Company be and are hereby authorised to deal with the Purchased Shares in the following manner:
  - to cancel the Purchased Shares so purchased; or
  - to retain the Purchased Shares so purchased as treasury shares for distribution as dividend to the shareholders, resell in accordance with the relevant rules of Bursa Securities, transfer for the purposes of or under an employees' share scheme, transfer as purchase consideration, cancel the shares and/or sell, transfer or otherwise use the shares for such other purposes as the Minister may by order prescribe; or
  - to retain part of the Purchased Shares so purchased as treasury shares and cancel the remainder; or
  - to deal in such other manner as Bursa Securities and such other relevant authorities may allow from time to time.

AND THAT the Directors of the Company be and are hereby authorised to take all such steps as are necessary to implement, finalise and give full effect to the Proposed Shareholders' Mandate for Share Buy-Back with full power to assent to any conditions, modifications, variations and/or amendments (if any) as may be imposed by the relevant authorities and with fullest power to do all such acts and things thereafter as the Directors may deem fit and expedient in the best interest of the Company."

#### Ordinary Resolution 11

FURTHER NOTICE IS HEREBY GIVEN THAT for the purpose of determining a Member who shall be entitled to attend, speak and vote at the 44<sup>th</sup> AGM, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd in accordance with Article 77(2) of the Company's Constitution to issue a General Meeting Record of Depositors ("ROD") as at 23 April 2019. Only a Depositor whose name appears in the Register of Members/ROD as at 23 April 2019 shall be entitled to attend the said meeting or appoint proxy/proxies to attend, speak and vote on his/her behalf.

### NOTICE OF DIVIDEND ENTITLEMENT AND PAYMENT

NOTICE IS ALSO HEREBY GIVEN THAT subject to the approval of the shareholders at the 44<sup>th</sup> AGM of the Company to be held on 30 April 2019 for the payment of the first and final dividend under single-tier system in respect of the financial year ended 31 December 2018 ("Dividend") under Ordinary Resolution 1, the Dividend will be paid on 24 May 2019 to Depositors whose names appear in the ROD on 15 May 2019.

Depositors shall be only entitled to the Dividend in respect of:

- securities transferred into the Depositor's Securities Account before 4:00 p.m. on 15 May 2019 for ordinary transfers; and
- securities bought on Bursa Malaysia Securities Berhad on a cum entitlement basis according to the Rules of Bursa Malaysia Securities Berhad.

### BY ORDER OF THE BOARD

#### DENISE KOO SWEE PHENG

Group Company Secretary

Kuching, Sarawak  
1 April 2019

#### Notes:

##### 1. Audited Financial Statements for financial year ended 31 December 2018

Agenda 1 is for discussion at the meeting and no voting is required.

##### 2. First and final tax exempt (single-tier) dividend

Pursuant to Section 131 of the Companies Act 2016 ("Act"), a company may only make a distribution to the shareholders out of profits of the company available if the company is solvent. On 26 February 2019, the Board had considered the amount of dividend and recommended the same for the shareholders' approval.

The Directors of the Company are satisfied that the Company will be solvent as it will be able to pay its debts as and when the debts become due within twelve (12) months immediately after the distribution is made on 24 May 2019 in accordance with the requirements under Section 132(2) and (3) of the Act.

##### 3. Re-election of Directors who retire by rotation in accordance with Article 111

Article 111 of the Company's Constitution provides that one third (1/3) of the Directors of the Company for the time being shall retire by rotation at the AGM of the Company. Pursuant to Paragraph 7.26(2) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Main Market Listing Requirements"), all the Directors shall retire from office at least once in every three (3) years but shall be eligible for re-election. Y Bhg Datuk Syed Ahmad Alwee Alsree, Y Bhg Datu Hubert Thian Chong Hui and Mr Chin Mui Khiong are standing for re-election as Directors of the Company and being eligible have offered themselves for re-election. Details of the assessment of the directors standing for re-election are on pages 119 to 120 of the Corporate Governance Overview Statement in this Integrated Annual Report 2018.

##### 4. Re-election of Director who retires in accordance with Article 113

Article 113 of the Company's Constitution provides that the Directors shall have power at any time and from time to time to appoint any other person to be a Director of the Company either to fill a vacancy or as an addition to the existing Directors but so that the total number of Directors shall not at any time exceed the maximum number fixed by the Company's Constitution. Any Director so appointed shall hold office until the next AGM of the Company and when he shall retire, he shall be eligible for re-election. Y Bhg Tan Sri Abdul Rashid bin Abdul Manaf who was appointed as a Director of the Company on 1 October 2018 is standing for re-election as a Director of the Company in accordance with Article 113 of the Company's Constitution and being eligible has offered himself for re-election. Details of the assessment of the director standing for re-election are on page 120 of the Corporate Governance Overview Statement in this Integrated Annual Report 2018.

##### 5. Directors' Remuneration

Section 230(1) of the Act provides amongst others, that "the fees" of the directors and "any benefits" payable to the directors of a listed company and its subsidiaries shall be approved at a general meeting. In this regard, the Board has proposed to seek shareholders' approval for Directors' remuneration in two (2) separate resolutions as follows:

- Ordinary Resolution 6 on payment of Directors' fees for the year ended 31 December 2018
- Ordinary Resolution 7 on payment of Directors' remuneration (excluding Directors' fees) from the date of the forthcoming AGM to the next AGM of the Company

The Directors' remuneration (excluding Directors' fees) comprises the allowances and other emoluments payable to the Non-Executive Chairman, Deputy Chairman, members of the Board, Board Committees and subsidiaries of CMS. The current Non-Executive Director ("NED")s' remuneration policy is as set out below:

#### CAHYA MATA SARAWAK BERHAD ("CMS")

Description	Chairman	Deputy Chairman	NED who is Chairman of subsidiary company
Monthly Fixed Allowance	RM50,000	RM40,000	Nil
Other Benefits	Driver, motor vehicle, petrol	Driver, motor vehicle, petrol	Driver, motor vehicle, petrol

Board Committee Fees	Chairman	NED/Member
Group Audit Committee	RM24,000	RM16,000
Nomination and Remuneration Committee	RM16,000	RM12,000
Group Risk Committee	RM16,000	RM12,000

Type of Meeting Allowance (per meeting)	Chairman	NED/Member
Board of CMS	RM2,000	RM2,000
General meeting of CMS	RM2,000	RM2,000
Board Committee	RM2,000	RM2,000
Board of Subsidiary	RM3,000	RM2,000

Directors' fees are paid in arrears on a monthly basis to directors of subsidiary companies of CMS.

The Executive Director is not entitled to Directors' fees or meetings allowances for Board and Board Committee meetings that he attends and is a member of. The Executive Director who is appointed as nominated representative on the Boards of subsidiary companies is also not entitled to Directors' fees and/or meetings allowances paid to the Boards of subsidiary companies. However, he is entitled to Directors' fees and/or meetings allowances paid to the Boards of listed and/or selected unlisted associate companies of the Group in view of his duties, responsibilities and time commitment on them.

The current Directors' fee policy for subsidiary companies in the Group is set out in the table below:

Subsidiary Company Directors' fee (per annum)	Chairman	NED/Member
Subsidiary company which achieves an annual turnover of RM90 million and over	RM18,000	RM12,000

The estimated total amount of remuneration (excluding Directors' fees) for the NEDs is based on number of meetings of the Board, Board Committees, subsidiary Boards as well as the number of NEDs involved in these meetings and also includes gratuity to the former Group Chairman, Y A M Tan Sri Dato' Seri Syed Zainol Anwar Ibtisam Syed Putra Jamalullail who stepped down from the Board on 9 May 2018. The estimated amount is derived for the period from the forthcoming AGM up to April 2020 where the next AGM is provisionally scheduled. Payment of the said remuneration (excluding Directors' fees) is made by CMS or its subsidiaries on a monthly basis and/or as and when incurred subject to Ordinary Resolution 7 being passed by shareholders at the 44<sup>th</sup> AGM. The Board's view is that it is equitable for the NEDs to be paid Directors' remuneration (excluding Directors' fees) after they have rendered their services to the Company and/or its subsidiaries and discharged their duties and responsibilities.

##### 6. Re-appointment of Auditors

The Board at its meeting held on 13 March 2019 approved the recommendation by the Group Audit Committee on the re-appointment of Messrs Ernst & Young ("EY") as Auditors of the Company. The Board and Group Audit Committee had considered and collectively agreed that EY has met the relevant criteria prescribed by Paragraph 15.21 of the Main Market Listing Requirements.

##### 7. Abstention from Voting

All the NEDs who are shareholders of the Company will abstain from voting on Ordinary Resolution 6 and Ordinary Resolution 7 concerning Directors' fees and Directors' remuneration (excluding Directors' fees) at the 44<sup>th</sup> AGM. Any Director referred to in Ordinary Resolutions 2, 3, 4 and 5 who is a shareholder of the Company will abstain from voting on the resolution in respect of his re-election as a Director at the 44<sup>th</sup> AGM.

##### 8. Renewal of Authority to Allot and Issue Shares Pursuant to Section 76 of the Companies Act 2016

The Proposed Ordinary Resolution 9, if passed, will give a renewed mandate to the Directors of the Company, pursuant to Section 76 of the Companies Act 2016 ("Renewed Mandate") for such purposes as the Directors may deem fit and in the interest of the Company. The Renewed Mandate, unless revoked or varied by the Company in a general meeting will expire at the conclusion of next AGM of the Company.

As at the date of this Notice, no new shares were issued pursuant to the mandate granted to the Directors at the 43<sup>rd</sup> AGM held on 25 April 2018 and the said mandate will lapse at the conclusion of the forthcoming 44<sup>th</sup> AGM.

The Company is seeking the approval from the shareholders on the Renewed Mandate for the purpose of a possible fund raising exercise including but not limited to placement of shares for the purpose of funding future investment project(s), working capital and/or acquisitions and to avoid any delay and cost in convening general meetings to specifically approve such an issue of shares.

##### 9. Proposed Shareholders' Mandate for RRPT

The proposed Ordinary Resolution 10, if passed, will allow the CMS Group to enter into recurrent related party transactions of a revenue or trading nature pursuant to the provisions of the Main Market Listing Requirements. The authority under this resolution will expire at the conclusion of the next AGM or the expiry of the period within which the next AGM is required by law to be held, or the same is revoked or varied by ordinary resolution of the shareholders of the Company in a general meeting, whichever occurs first. Further information on the Proposed Shareholders' Mandate for RRPT is set out in the Circular to Shareholders dated 1 April 2019 which is dispatched together with the Company's Integrated Annual Report 2018.

##### 10. Proposed Shareholders' Mandate for Share Buy-Back

The proposed Ordinary Resolution 11, if passed, will empower the Directors of the Company to purchase the Company's shares of an aggregate amount of up to 10% of the total number of issued shares of the Company for the time being. The authority under this resolution will expire at the conclusion of the next AGM or the expiry of the period within which the next AGM is required by law to be held, or the same is revoked or varied by ordinary resolution of the shareholders of the Company in a general meeting, whichever occurs first. The Proposed Shareholders' Mandate for Share Buy-Back is set out in the Statement Accompanying Notice of AGM which is dispatched together with the Company's Integrated Annual Report 2018.

##### 11. Proxy and Entitlement of Attendance

- A member entitled to attend and vote at the meeting is entitled to appoint a proxy (or in the case of a corporation, a duly authorised representative) to vote in his stead. If the proxy is not a member, he shall be any person and there shall be no restriction as to the qualification of the proxy. The instrument appointing a proxy shall be deemed to confer authority to demand or join in demanding a poll.
- Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories) Act, 1991, it may appoint a proxy in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.
- Where a member of the Company is an exempt authorised nominee as defined under the Securities Industry (Central Depositories) Act, 1991 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.
- The instrument appointing a proxy shall be in writing under the hand of the appointer or his attorney duly authorised in writing or, if the appointer is a corporation, either under its common seal or under the hand of an officer or attorney duly authorised.
- The instrument appointing a proxy must be deposited at the Registered Office of the Company at Level 6, Wisma Mahmud, Jalan Sungai Sarawak, 93100 Kuching, Sarawak not less than forty-eight (48) hours before the time set for holding the meeting or at any adjournment thereof. The instrument appointing a proxy via facsimile transmission or email is not acceptable.
- Only members whose names appear in the Record of Depositors as at 23 April 2019 shall be entitled to attend and vote at the meeting.

##### 12. Poll Voting

Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements, all the Resolutions set out in this Notice will be put to vote by poll.

##### 13. Publication of AGM Notice on the Company's Website

Pursuant to Section 320 of the Companies Act 2016, the Notice of the Company's 44<sup>th</sup> AGM is also available on the Company's website www.cmsb.com.my throughout the period beginning from the date of notice until the conclusion of the 44<sup>th</sup> AGM.