

# NOTICE OF FORTY-FIRST ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN THAT** the Forty-First Annual General Meeting (“41<sup>st</sup> AGM”) of the Company will be held at Ballroom 1, InterContinental Kuala Lumpur at 165, Jalan Ampang, 50450 Kuala Lumpur on Thursday, 31 October 2019 at 9.30 a.m. for the following purposes:

### AGENDA AS ORDINARY BUSINESS

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| 1. To receive the Audited Financial Statements for the financial year end 30 June 2019 together with the Directors’ and Auditors’ Reports thereon.  | <i>Please refer<br/>Explanatory Note 1</i>             |
| 2. To declare final single-tier dividend of 8 sen per ordinary share for the financial year end 30 June 2019.   | <i>Ordinary Resolution 1</i>                           |
| 3. To approve the payment of Directors’ fees of RM237,950 for the financial year end 30 June 2019.  | <i>Ordinary Resolution 2</i>                           |
| 4. To approve the Directors’ benefits up to an amount of RM163,000 for the period from 1 November 2019 until the next Annual General Meeting of the Company to be held in 2020.                                   | <i>Ordinary Resolution 3</i>                           |
| 5. To re-elect the following Directors, who retire by rotation in accordance with Article 92 of the Company’s Constitution:<br>(i) Encik Nor Hishammuddin Bin Dato’ Mohd Nordin<br>(ii) Mr. Kasinathan a/l Tulasi | <i>Ordinary Resolution 4<br/>Ordinary Resolution 5</i> |
| 6. To re-elect Datuk Seri Johari Bin Abdul Ghani, who was appointed during the year and retires in accordance with Article 98 of the Company’s Constitution.  | <i>Ordinary Resolution 6</i>                           |
| 7. To re-appoint Messrs BDO PLT as auditors of the Company and to authorise the Directors to fix their remuneration for the ensuing year.   | <i>Ordinary Resolution 7</i>                           |

### AS SPECIAL BUSINESS

To consider and, if thought fit, to pass the following ordinary resolutions:

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| 8. <b>Authority for Directors to issue and allot shares in the Company pursuant to Sections 75 and 76 of the Companies Act, 2016</b><br>“THAT subject always to the Companies Act, 2016, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the Constitution of the Company and the approvals of the relevant government and/or regulatory authorities, the Directors be and are hereby empowered pursuant to Sections 75 and 76 of the Companies Act, 2016 to issue and allot new shares in the Company at any time at such price, upon such terms and conditions, for such purposes and to such person(s) whomsoever as the Directors may in their absolute discretion deem fit and expedient in the interest of the Company, provided that the aggregate number of shares issued pursuant to this resolution does not exceed 10% of the total issued share capital of the Company for the time being.<br>AND THAT the Directors be and are also empowered to obtain the approval from Bursa Malaysia Securities Berhad for the listing of and quotation for the additional shares so issued and that such authority shall continue to be in force until the conclusion of the next Annual General Meeting of the Company.” | <i>Ordinary Resolution 8</i>                            |
| 9. <b>Continuing in Office as Independent Non-Executive Directors</b><br>9.1 “THAT approval be and is hereby given to Encik Nor Hishammuddin Bin Dato’ Mohd Nordin who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine years, to continue to act as an Independent Non-Executive Director of the Company.”<br>9.2 “THAT approval be and is hereby given to Ms. Teh Bee Tein who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine years, to continue to act as an Independent Non-Executive Director of the Company.”  | <i>Ordinary Resolution 9<br/>Ordinary Resolution 10</i> |
| 10. <b>Proposed Adoption of A New Constitution of the Company</b><br>“THAT approval be and is hereby given to revoke the existing Constitution of the Company with immediate effect and in place thereof, the proposed new Constitution of the Company as set out in the Circular to Shareholders dated 9 October 2019 be and is hereby adopted as the Constitution of the Company.”   | <i>Special Resolution</i>                               |

### ANY OTHER BUSINESS

11. To transact any other business for which due notice shall have been given in accordance with the Company’s Constitution and the Companies Act, 2016.

### NOTICE OF BOOK CLOSURE

**NOTICE IS ALSO HEREBY GIVEN** that a final single-tier dividend of 8 sen per ordinary share for the financial year ended 30 June 2019 will be payable on 14 November 2019 to depositors whose names appear in the Record of Depositors at the close of business on 31 October 2019 if approved by the members at the 41<sup>st</sup> AGM.

A Depositor shall qualify for entitlement only in respect of:

- (a) Shares transferred to the Depositor’s Securities Account before 4:00 p.m. on 31 October 2019 in respect of ordinary transfer; and
- (b) Shares bought on the Bursa Malaysia Securities Berhad on a cum entitlement basis according to the Rules of the Bursa Malaysia Securities Berhad.

### BY ORDER OF THE BOARD C.I. HOLDINGS BERHAD

**ON POOI FONG (MAICSA 7018189)  
TAN LAI HONG (MAICSA 7057707)**  
Company Secretaries

Kuala Lumpur  
Date: 9 October 2019

### NOTES:

- For the purpose of determining a member who shall be entitled to attend the Meeting, the Company will be requesting Bursa Malaysia Depository Sdn. Bhd. in accordance with Article 57(2) of the Company’s Constitution to issue a General Meeting Record of Depositors as at 25 October 2019. Only a member whose name appears in the Record of Depositors as at 25 October 2019 shall be entitled to attend the Meeting and to speak and vote thereat.
- A member of the Company who is entitled to attend and vote at the Meeting is entitled to appoint a proxy or proxies to attend and vote in his/her stead. A proxy need not be a member of the Company. A proxy appointed to attend and vote at the Meeting shall have the same rights as the member to speak at the Meeting.
- A member of the Company may appoint a proxy or proxies to attend the Meeting. Where a member appoints two or more proxies, he/she shall specify the proportion of his/her shareholdings to be represented by each proxy.
- The instrument appointing a proxy shall be in writing under the hands of the appointor or of his/her attorney duly authorised in writing or if the appointor is a corporation either under its common seal or under the hand of its officer or its duly authorised attorney.
- Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, it may appoint at least one 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 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 appointment of multiple proxies shall not be valid unless the proportion of its shareholdings represented by each proxy is specified.
- To be valid, the Form of Proxy must be completed, signed and deposited at the Company’s registered office at Suite A-11-1, Level 11, Hampshire Place Office, 157 Hampshire, No. 1, Jalan Mayang Sari, 50450 Kuala Lumpur not less than forty-eight (48) hours before the time set for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote and in the case of a poll, not less than twenty-four (24) hours before the time appointed in taking of the poll, and in default the instrument of proxy shall be treated as valid.
- Pursuant to Paragraph 8.29A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all resolutions set out in the Notice will be put to vote on a poll. Independent Scrutineers will be appointed to observe the polling process and to verify the results of the poll respectively.

### EXPLANATORY NOTES TO THE AGENDA:

#### Item 1 of the Agenda

This item of the Agenda is meant for discussion only as the provision of Section 340(1)(a) of the Companies Act, 2016 does not require a formal approval of the shareholders for the Audited Financial Statements. Hence, this item of the Agenda is not put forward for voting.

#### Item 2 of the Agenda

With reference to Section 131 of the Companies Act, 2016, a company may only make a distribution to the shareholders out of profits of the Company available if the Company is solvent. On 29 August 2019, the Board has considered the amount of dividend and decided to recommend 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 14 November 2019 in accordance with the requirements under Section 132(2) and (3) of the Companies Act, 2016.

#### Item 3 of the Agenda

Section 230(1) of the Companies Act, 2016 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 respect, the Company is seeking shareholders’ approval for the payment of Directors’ fees of RM237,950 for the financial year ended 30 June 2019.

Details of the above are set out on page 25 of the Annual Report 2019.

#### Item 4 of the Agenda

The Company is also seeking shareholders’ approval for the payment of benefits up to an amount of RM163,000 for the period from 1 November 2019 until the next Annual General Meeting of the Company to be held in 2020.

The estimated amount payable is based on the assumption that the Company maintain its existing Board composition. In the event the proposed amount is insufficient (e.g. due to more meetings or enlarged Board size), approval will be sought at the next Annual General Meeting for additional benefits to meet the shortfall.

The proposed payment of benefits comprises meeting and training allowances payable to the Chairman and members of the Board and Board Committees.

#### Item 5 of the Agenda

Article 92 of the Constitution provides that one-third (1/3) of the Directors of the Company for the time being shall retire by rotation at an Annual General Meeting of the Company provided always that each director shall retire at least once in every three (3) years but shall be eligible for re-election.

With the current Board size of nine (9) directors, two (2) Directors namely Encik Nor Hishammuddin Bin Dato’ Mohd Nordin and Mr. Kasinathan a/l Tulasi, being the longest in office since their last election are to retire in accordance with Article 92 of the Constitution.

#### Item 6 of the Agenda

Datuk Seri Johari Bin Abdul Ghani, the Non-Independent Non-Executive Chairman who was appointed during the year shall retire in accordance to Article 98 of the Company’s Constitution.

#### Item 8 of the Agenda

The proposed Ordinary Resolution 9 is to empower the Directors of the Company to issue and allot shares up to an aggregate amount not exceeding 10% of the issued share capital of the Company for the time being for such purposes as the Directors consider would be in the best interest of the Company. This authority unless revoked or varied by the Company at a general meeting will expire at the next Annual General Meeting.

#### Item 9.1 of the Agenda

The Nomination Committee has assessed the independence of Encik Nor Hishammuddin Bin Dato’ Mohd Nordin who served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine (9) years, and the Board, upon the Nomination Committee’s recommendation, had recommend for shareholders’ approval for him to continue to act as an Independent Non-Executive Director of the Company based on the following justifications:

- (a) He fulfilled the criteria under the definition of Independent Director as stated in the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and therefore would be able to function as a check and balance and bring an element of objectivity to the Board of Directors.
- (b) He has vast experience in the legal field and was able to provide constructive and independent judgment from the legal perspective of the business.
- (c) He consistently challenged management in an effective and constructive manner.
- (d) He actively participated in board discussion and provided an independent voice on the board.

#### Item 9.2 of the Agenda

The Nomination Committee has assessed the independence of Ms. Teh Bee Tein who served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine (9) years, and the Board, upon the Nomination Committee’s recommendation, had recommend for shareholders’ approval for her to continue to act as an Independent Non-Executive Director of the Company based on the following justifications:

- (a) She fulfilled the criteria under the definition of Independent Director as stated in the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and therefore would be able to function as a check and balance and bring an element of objectivity to the Board of Directors.
- (b) She has vast experience in the accounting and audit industry, which enabled her to provide constructive advice, expertise and independent judgment.
- (c) She consistently challenged management in an effective and constructive manner.
- (d) She actively participated in board discussion and provided an independent voice on the board.

Pursuant to Practice 4.2 of the Malaysian Code on Corporate Governance published in April 2017, the tenure of an independent director should not exceed a cumulative term limit of nine (9) years. Upon completion of the nine (9) years, an independent director may continue to serve on the Board but will be redesignated as a non-independent director. If the Board intends to retain an independent director beyond nine (9) years, the Board should justify and seek annual shareholders’ approval.

However, in order for an independent director to continue to serve on the Board as an independent director after twelve (12) years, shareholders’ approval must be sought through a two-tier voting process and the Board must provide justifications for the retention.

Encik Nor Hishammuddin Bin Dato’ Mohd Nordin was appointed to the Board as an Independent Director of the Company on 30 May 2001 and have served as Independent Director for a cumulative term of more than twelve (12) years. In connection thereto, the retention of Encik Nor Hishammuddin Bin Dato’ Mohd Nordin as Independent Director of the Company is subject to the approval by the shareholders via a two-tier voting process.

Under the two-tier voting process, shareholders’ votes will be cast in the following manner at the same shareholders meeting:

- Tier 1: Only the **Large Shareholder(s)** of the Company votes; and
- Tier 2: Shareholders **other than Large Shareholders** votes.

**\*Large Shareholder** means a person who –

- is entitled to exercise, or control the exercise of, not less than 33% of the voting shares in the company;
- is the largest shareholder of voting shares in the company;
- has the power to appoint or cause to be appointed a majority of the directors of the company; or
- has the power to make or cause to be made, decisions in respect of the business or administration of the company, and to give effect to such decisions or cause them to be given effect to.

The decision for the resolution is determined based on the vote of Tier 1 and a simple majority of Tier 2. If there is more than one Large Shareholder, a simple majority of votes determine the outcome of Tier 1 vote. The resolution is deemed successful if both Tier 1 and Tier 2 votes support the resolution. However, the resolution is deemed to be defeated where the vote between the two tiers differs or where Tier 1 voter(s) abstained from voting.

#### Item 10 of the Agenda

##### Proposed Adoption of A New Constitution of the Company

The proposed Special Resolution, if passed, will bring the Company’s Constitution in line with the Companies Act, 2016 and the amended Main Market Listing Requirements of Bursa Malaysia Securities Berhad which was issued on 29 November 2017 and will enhance administrative efficiency.

The proposed new Constitution is set out in the Circular to Shareholders dated 9 October 2019 accompanying the Company’s Annual Report for the financial year ended 30 June 2019.

### STATEMENT ACCOMPANYING NOTICE OF ANNUAL GENERAL MEETING

#### Pursuant to Paragraph 8.27(2) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad

No notice in writing has been received by the Company nominating any candidate for election as Directors at the 41<sup>st</sup> AGM of the Company. The Directors who are due for retirement and seeking for re-election pursuant to the Company’s Constitution are as set out in the Notice of 41<sup>st</sup> AGM and their profile are set out in the Directors’ Profile in the Annual Report 2019.

#### Authority for Directors to issue and allot shares in the Company pursuant to Sections 75 and 76 of the Companies Act, 2016

This is a renewal of the mandate obtained from the shareholders of the Company at the Annual General Meeting of 31 October 2018 and if passed, will empower the Directors of the Company to issue and allot shares up to an aggregate amount not exceeding 10% of the issued share capital of the Company for the time being for such purposes as the Directors consider would be in the best interest of the Company.

This authority unless revoked or varied by the Company at a general meeting will expire at the next Annual General Meeting.

The renewal of this mandate would provide flexibility to the Company for any possible fund raising exercise, including but not limited for further placing of shares, for purpose of funding future investment projects, working capital and/ or acquisitions. This authority is to avoid any delay and cost involved in convening a general meeting to approve such issuance of shares.

As at the date of this Notice, no new shares in the Company were issued pursuant to the mandate granted to the Directors at the Fortieth Annual General Meeting held on 31 October 2018 and which will lapse at the conclusion of the 41<sup>st</sup> AGM to be held on 31 October 2019.