



**CAHYA MATA SARAWAK**  
**CAHYA MATA SARAWAK BERHAD**  
Registration No. 197401003655 (21076-T)  
(Incorporated in Malaysia)

**NOTICE OF 46<sup>TH</sup> ANNUAL GENERAL MEETING**

**NOTICE IS HEREBY GIVEN** that the 46<sup>th</sup> Annual General Meeting (“AGM”) of Cahya Mata Sarawak Berhad (“CMS” or “the Company”) will be held at the **Meeting Room TR12-R02, 12<sup>th</sup> Floor, Menara Symphony, No 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan** on **Monday, 31 May 2021** at **11:00 a.m.** via remote participation and voting (“RPV”) facilities for the following purposes:

**AS ORDINARY BUSINESS**

1. To receive the Audited Financial Statements for the year ended 31 December 2020 and the Reports of the Directors and Auditors thereon.
2. To declare a first and final tax exempt (single-tier) dividend of 2.0 sen per ordinary share in respect of the financial year ended 31 December 2020. **Ordinary Resolution 1**
3. To re-elect Madam Umang Nangku Jabu who retires pursuant to Article 111 of the Company’s Constitution and who being eligible offers herself for re-election. **Ordinary Resolution 2**
4. To re-elect the following Directors who retire pursuant to Article 113 of the Company’s Constitution and who being eligible offer themselves for re-election:
  - a) Dr. Khor Jaw Huei **Ordinary Resolution 3**
  - b) Y Bhg Tan Sri Datuk Amar (Dr.) Haji Abdul Aziz bin Dato Haji Husain **Ordinary Resolution 4**
  - c) Mr. Ho Heng Chuan **Ordinary Resolution 5**
5. 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 RM120,000 per annum for each of the Non-Executive Directors for the financial year ended 31 December 2020. **Ordinary Resolution 6**
6. To approve the payment of Directors’ remuneration and benefits payable to Non-Executive Chairman, Non-Executive Deputy Chairman and Non-Executive Directors up to an amount of RM2,200,000 from 1 June 2021 until the next AGM of the Company. **Ordinary Resolution 7**

7. To re-appoint Messrs Ernst & Young PLT as Auditors of the Company for the financial year ending 31 December 2021 and to authorise the Board of Directors to determine their remuneration.

**Ordinary  
Resolution 8**

## **AS SPECIAL BUSINESS**

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

8. **Authority to Directors to Issue Shares**

“THAT subject always to the Companies Act 2016, the Constitution of the Company, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”) 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 Securities and that such authority shall continue in force until the conclusion of the next Annual General Meeting of the Company.”

**Ordinary  
Resolution 9**

9. **Proposed Renewal of Share Buy-Back Authority**

“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-Fifth Annual General Meeting of the Company held on 18 June 2020, 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:

- (a) 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;
- (b) 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 2020 amounted to RM79,509,598; and
- (c) the authority conferred by this resolution will commence immediately upon passing of this resolution and will continue to be in force until:
  - (i) the conclusion of the next Annual General Meeting of the Company;

- (ii) 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
- (iii) revoked or varied by a resolution passed by the shareholders in general meeting,

whichever occurs first.

(d) 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:

- (i) to cancel the Purchased Shares so purchased; or
- (ii) 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
- (iii) to retain part of the Purchased Shares so purchased as treasury shares and cancel the remainder; or
- (iv) 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 Renewal of Share Buy-Back Authority 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 10**

**FURTHER NOTICE IS HEREBY GIVEN THAT** for the purpose of determining a Member who shall be entitled to participate, speak and vote at the 46<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 24 May 2021. Only a Depositor whose name appears in the Register of Members/ROD as at 24 May 2021 shall be entitled to participate at the said meeting or appoint a proxy to participate, 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 46<sup>th</sup> AGM of the Company to be held on 31 May 2021 for the payment of the first and final dividend under single-tier system in respect of the financial year ended 31 December 2020 (“Dividend”) under Ordinary Resolution 1, the Dividend will be paid on 30 June 2021 to Depositors whose names appear in the ROD on 10 June 2021.

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

- (a) securities transferred into the Depositor’s Securities Account before 4:30 p.m. on 10 June 2021 for ordinary transfers; and
- (b) 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**

SSM PC No.: PC202008001018 (MAICSA 0960470)

Group Company Secretary

Kuching, Sarawak

30 April 2021

## **Notes:**

### **1. Audited Financial Statements for financial year ended 31 December 2020**

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

### **2. Ordinary Resolution 1 – 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 25 February 2021, 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 30 June 2021 in accordance with the requirements under Section 132(2) and (3) of the Act.

### **3. Ordinary Resolution 2 – 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 thereto, two (2) Directors of the Company, namely Mr. Chin Mui Khiong and Madam Umang Nangku Jabu shall retire in accordance with Article 111 of the Company’s Constitution. Mr. Chin Mui Khiong has informed the Board of Directors of the Company that he does not wish to seek re-election in accordance with Article 111 of the Company’s Constitution. Hence, he will retain office until the conclusion of the 46<sup>th</sup> AGM. Madam Umang Nangku Jabu is standing for re-election as a Director of the Company and being eligible has offered herself for re-election. Details of the assessment of the director standing for re-election are on page 111 of the Corporate Governance Framework in the Integrated Annual Report 2020.

### **4. Ordinary Resolutions 3 to 5 – Re-election of Directors who retire 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 casual 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. Pursuant thereto, Dr. Khor Jaw Huei who was appointed as a Director of the Company on 15 July 2020 and Y Bhg Tan Sri Datuk Amar (Dr.) Haji Abdul Aziz bin Dato Haji Husain and Mr. Ho Heng Chuan who were appointed as Directors of the Company on 1 November 2020 are standing for re-election as Directors of the Company in accordance with Article 113 of the Company’s Constitution and, being eligible have offered themselves for re-election. Details of the assessment of the directors standing for re-election are on page 111 of the Corporate Governance Framework in the Integrated Annual Report 2020.

## 5. Directors' Remuneration - fees and benefits payable to the Non-Executive Director ("NED")s

5.1 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 respect, the Board agreed that the shareholders' approval shall be sought at the 46<sup>th</sup> AGM on the Directors' remuneration in two (2) separate resolutions as below:

- (a) Ordinary Resolution 6 on payment of Directors' fees in respect of the preceding year 2020; and
- (b) Ordinary Resolution 7 on payment of Directors' remuneration and benefits from 1 June 2021 to the next AGM in 2022.

5.2 In January 2021, an independent Board Remuneration Review ("BRR") and benchmarking exercise was conducted by an external consultant, KPMG Management & Risk Consulting Sdn Bhd ("KPMG MRC"), to benchmark against comparable public listed/industrial products companies and dominant provider companies in Malaysia. Pursuant thereto, the Board approved the revision of the Board Remuneration policy for the NEDs based on the outcome and recommendations under the BRR as set out in the table below:

### Ordinary Resolution 6: Directors' fees to the NEDs

Directors' fee	Approved at 45 <sup>th</sup> AGM for Financial Year ("FY") 2019	Approval sought for FY2020
Non-Executive Chairman	RM150,000	RM150,000
Non-Executive Deputy Chairman	RM150,000	RM150,000
Non-Executive Director	RM100,000	RM120,000

The payment of the fees to the Non-Executive Chairman, Non-Executive Deputy Chairman and NEDs in respect of the financial year ended 31 December 2020 will only be paid if the proposed Ordinary Resolution 6 is passed at the 46<sup>th</sup> AGM.

### Ordinary Resolution 7: Remuneration and benefits payable to the NEDs

The remuneration and benefits payable to the NEDs comprise the allowances and other emoluments payable to the Chairman and members of the Board, Board of subsidiaries, Board Committees and such other committees as may be established by the Board.

Board Committee Fees Approved at 45 <sup>th</sup> AGM	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
Digital Transformation Committee	RM16,000	RM12,000

<b>Board Committee Fees Approval sought at 46<sup>th</sup> AGM</b>	<b>Chairman</b>	<b>NED/Member</b>
Group Audit Committee	RM24,000	RM16,000
Nomination and Remuneration Committee	RM16,000	RM12,000
Group Risk Committee	RM16,000	RM12,000
Digital Transformation Committee	RM16,000	RM12,000
Employees' Share Option Scheme Committee	RM16,000	RM12,000

<b>Type of Meeting Attendance Allowance (per meeting) Approved at 45<sup>th</sup> AGM</b>	<b>Chairman</b>	<b>NED/Member</b>
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
<b>Type of Meeting Attendance Allowance (per meeting) Approval sought at 46<sup>th</sup> AGM</b>	<b>Chairman</b>	<b>NED/Member</b>
Board of CMS	RM2,200	RM2,000
General meeting of CMS	RM2,200	RM2,000
Group Audit Committee	RM2,000	RM1,800
Nomination and Remuneration Committee	RM1,800	RM1,600
Group Risk Committee	RM1,800	RM1,600
Digital Transformation Committee	RM1,800	RM1,600
Employees' Share Option Scheme Committee	RM1,800	RM1,600

The NEDs' other remuneration and benefits are set out in the table below:

<b>Description</b>	<b>Chairman</b>	<b>Deputy Chairman</b>	<b>NED</b>
Monthly Fixed Allowance	RM50,000	RM40,000	-
Other Benefits	Driver, motor vehicle, petrol, medical coverage		Medical coverage

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

	<b>Chairman</b>	<b>NED</b>
Directors' fee for subsidiary company which achieves an annual turnover of RM90.0 million and/or a net assets size of RM100.0 million and over (per annum)	RM22,500	RM15,000
Subsidiary Company Directors' meeting attendance allowance (per meeting)	RM2,000	RM2,000

Payment of the remuneration and benefits to the NEDs will be made by the Company and its subsidiaries on a monthly basis and/or as and when incurred, if the proposed Ordinary Resolution 7 has been passed by shareholders at the 46<sup>th</sup> AGM. The Board's view is that it is equitable for the NEDs to be paid Directors' remuneration and benefits (excluding Directors'

fees) after they have rendered their services to the Company and/or its subsidiaries and discharged their duties and responsibilities.

## **6. Ordinary Resolution 8 – Re-appointment of Auditors**

6.1 The Audit Committee (“AC”) at its meeting held on 6 April 2021 undertook an annual assessment of the objectivity, independence and quality of service delivery of the external auditors, Messrs Ernst & Young PLT (“EY”). In its assessment, the AC considered several factors which include the following:

- (a) Quality of EY’s performance and their communications with the AC and CMS group, based on feedback obtained via assessment questionnaires from personnel who had substantial contact with the external audit team and EY throughout the year;
- (b) Adequacy of experience and resources provided to the Group by EY, in terms of the firm and the competency of the professional staff assigned to the audit; and
- (c) Independence and objectivity of EY and the level of non-audit services rendered by EY to the Company for the FY2020.

6.2 The AC was satisfied with the suitability of EY based on the quality of audit, performance, competency and sufficiency of resources the external audit team provided to the Group. The AC was also satisfied in its review that the provisions of non-audit services by EY to the Company for the FY2020 did not in any way impair their objectivity and independence as external auditors of the Company.

6.3 The Board at its meeting held on 7 April 2021 approved the AC’s recommendation for the shareholders’ approval to be sought at the 46<sup>th</sup> AGM on the appointment of EY as external auditors of the Company for the FY2021, under Ordinary Resolution 8 in accordance with Section 340(1)(c) and Section 274(1)(a) of the Act.

## **7. Ordinary Resolution 9 – Authority to Directors to Issue Shares**

The proposed Ordinary Resolution 9, if passed, will give a renewed mandate to the Directors of the Company, pursuant to Section 76 of the Act (“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.

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.

The general mandate obtained from the shareholders of the Company at the 45<sup>th</sup> AGM held on 18 June 2020 had not been utilised and hence, no proceed was raised therefrom.

## **8. Ordinary Resolution 10 – Proposed Renewal of Share Buy-Back Authority**

The proposed Ordinary Resolution 10, 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 shareholders’ mandate for the Proposed Renewal of Share Buy-Back Authority is subject to renewal on an annual basis.



Further information on the Proposed Renewal of Share Buy-Back Authority is set out in the Share Buy-Back Statement dated 30 April 2021 which is despatched together with the Notice of 46<sup>th</sup> AGM.

## **9. Abstention from Voting**

All the NEDs who are shareholders of the Company will abstain from voting on Ordinary Resolutions 6 and 7 concerning Directors' fees and Directors' remuneration and benefits (excluding Directors' fees) at the 46<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/her re-election as a Director at the 46<sup>th</sup> AGM.

## **10. Proxy and Entitlement of Participation**

- 10.1 A member entitled to participate 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.
- 10.2 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.
- 10.3 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.
- 10.4 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.
- 10.5 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 or at Boardroom Share Registrars Sdn Bhd, 11<sup>th</sup> Floor, Menara Symphony, No 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan not less than forty-eight (48) hours before the time set for holding the meeting or at any adjournment thereof. Alternatively, the Form of Proxy can be lodged electronically via "Boardroom Smart Investor Portal" at <https://www.boardroomlimited.my>.
- 10.6 Only members whose names appear in the Record of Depositors as at 24 May 2021 shall be entitled to participate at the meeting.

## **11. 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. Please refer to the details in the Administrative Guide.

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

Pursuant to Section 320 of the Act, the Notice of the Company's 46<sup>th</sup> AGM is also available on the Company's website [www.cmsb.my](http://www.cmsb.my) throughout the period beginning from the date of notice until the conclusion of the 46<sup>th</sup> AGM.

## **13. Moderator**

Cahaya Mata Sarawak Berhad strives to accord shareholders with a refined Virtual AGM experience. Consequently, to allay concerns by shareholders that companies may selectively avail and respond to questions in a virtual general meeting environment, the Company has appointed KPMG MRC as an external party to imbue objectivity, transparency and fairness by streaming the questions raised by shareholders. As an independent external party, KPMG MRC will act with an absence of bias and prejudice, to objectively stream the questions raised by shareholders during the Virtual AGM as well as any pre-submitted questions via the registration website (i.e. Lumi Platform). In doing so, KPMG MRC will be committed in remaining neutral by being impartial to queries raised by all shareholders of the Company.