

# NOTICE OF SIXTH ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN THAT** the Sixth Annual General Meeting (“6<sup>th</sup> AGM”) of Binasat Communications Berhad (the “**Company**” or “**Binasat**”) will be conducted as a fully virtual meeting through live streaming and online remote voting using Remote Participation and Voting (“**RPV**”) facilities via the online meeting platform at <https://web.vote2u.my> (Domain Registration No. with MYNIC: D6A471702) provided by Agmo Digital Solutions Sdn. Bhd. on Wednesday, 30 November 2022 at 10.00 a.m. or at any adjournment thereof, for the purpose of considering and if thought fit, passing with or without modifications, the following resolutions set out in this Notice:-

## AGENDA

### As Ordinary Business

1. To receive the Audited Financial Statements for the financial year ended 30 June 2022 together with the Reports of the Directors and Auditors thereon. (Please refer to Explanatory Note 1)
2. To approve the increase of Directors’ fees for the financial year ending 30 June 2023 and further to approve the payment of Directors’ fees to the Non-Executive Directors of the Company up to an aggregate amount of RM228,000.00 for the financial year ending 30 June 2023. **Ordinary Resolution 1**  
(Please refer to Explanatory Note 2)
3. To re-elect Dato’ Seow Thiam Fatt who retires by rotation in accordance with Clause 96 of the Company’s Constitution and who, being eligible, offers himself for re-election. **Ordinary Resolution 2**  
(Please refer to Explanatory Note 3)  
*Dato’ Tan Yee Boon who also retires by rotation in accordance with Clause 96 of the Company’s Constitution, has expressed his intention not to seek for re-election. Hence, he will retain office until the conclusion of the 6th AGM of the Company.*
4. To appoint Messrs Ecovis Malaysia PLT as Auditors of the Company in place of the retiring Auditors, Messrs Crowe Malaysia PLT and to authorise the Directors to fix their remuneration. **Ordinary Resolution 3**  
(Please refer to Explanatory Note 4)

### As Special Business

To consider and if thought fit, to pass the following resolutions, with or without modifications:

5. **Waiver of Pre-Emptive Rights under Section 85 of the Companies Act 2016** **Special Resolution**  
(Please refer to Explanatory Note 5)  
“THAT the shareholders of the Company do hereby waive their statutory pre-emptive rights to be offered new shares ranking equally to the existing issued shares of the Company under Section 85 of the Companies Act 2016 (“the Act”), read together with Clause 14 of the Constitution of the Company.  
  
THAT the Directors be and are hereby authorised to issue any new shares (including rights or options over subscription of such shares) and with such preferred, deferred, or other special rights or such restrictions, whether with regard to dividend, voting, return of capital, or otherwise, for such consideration and to any person as the Directors may determine subject to passing Ordinary Resolution 4 – Authority to Issue and Allot Shares pursuant to Sections 75 and 76 of the Act.”

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6. **Authority to issue and allot shares pursuant to Sections 75 and 76 of the Companies Act 2016**

**Ordinary Resolution 4  
(Please refer to  
Explanatory Note 6)**

"THAT contingent upon the passing of the Special Resolution on waiver of pre-emptive rights under Section 85 of the Companies Act 2016 ("**the Act**") and pursuant to Sections 75 and 76 of the Act, ACE Market Listing Requirements of Bursa Malaysia Securities Berhad ("**Bursa Securities**") and the approval of the relevant regulatory authorities, where such approval is required, the Directors of the Company be and are hereby authorised to issue and allot shares in the capital of the Company, grant rights to subscribe for shares in the Company, convert any securities into shares in the Company, or allot shares under an agreement or option or offer ("**New Shares**") from time to time, at such price, to such persons and for such purposes and upon such terms and conditions as the Directors may in their absolute discretion deem fit, provided that the aggregate number of such New Shares to be issued, to be subscribed under any rights granted, to be issued from conversion of any security, or to be issued and allotted under an agreement or option or offer, pursuant to this resolution, when aggregated with the total number of any such shares issued during the preceding 12 months does not exceed 10% of the total number of issued shares (excluding any treasury shares) of the Company for the time being ("**Proposed General Mandate**").

THAT such approval on the Proposed General Mandate shall continue to be in force until:

- a. the conclusion of the next Annual General Meeting of the Company held after the approval was given;
- b. the expiration of the period within which the next Annual General Meeting of the Company is required to be held after the approval was given; or
- c. revoked or varied by resolution passed by shareholders of the Company in a general meeting,

whichever is the earlier.

THAT the Directors of the Company be and are hereby also empowered to obtain the approval from Bursa Securities for the listing and quotation for such New Shares on the ACE Market of Bursa Securities.

THAT authority be and is hereby given to the Directors of the Company, to give effect to the Proposed General Mandate with full powers to assent to any conditions, modifications, variations and/or amendments as they may deem fit in the best interest of the Company and/or as may be imposed by the relevant authorities.

AND FURTHER THAT the Directors of the Company, be and are hereby authorised to implement, finalise, complete and take all necessary steps and to do all acts (including execute such documents as may be required), deeds and things in relation to the Proposed General Mandate."

7. **Proposed Authority for the Company to purchase its own Ordinary Shares ("Proposed Share Buy-Back Authority")**

**Ordinary Resolution 5  
(Please refer to  
Explanatory Note 7)**

"THAT subject to the provisions of the Companies Act 2016 ("**the Act**") the Constitution of the Company, the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad ("**Bursa Securities**") and all prevailing laws, rules, regulations, orders, guidelines and requirements for the time being in force, approval and authority be and are hereby given to the Directors of the Company, to the extent permitted by law, to purchase such number of ordinary shares of the Company ("**Binasat Shares**") as may be determined by the Directors from time to time through Bursa Securities upon such terms and conditions as the Directors may deem fit, necessary and expedient in the best interest of the Company, provided that:

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- (i) the maximum aggregate number of Binasat Shares, which may be purchased and/or held as treasury shares by the Company, shall not exceed 10% of the total number of issued shares of the Company at any point in time subject to compliance with the provision of the Act, the Company's Constitution, the ACE Market Listing Requirements of Bursa Securities and/or any other relevant authorities;
- (ii) the maximum amount of funds to be allocated by the Company for the Proposed Share Buy-Back Authority shall not exceed the aggregate of the retained profits of the Company; and
- (iii) the authority conferred by this resolution shall be effective immediately upon the passing of this resolution and shall continue to be in force until:
  - (a) the conclusion of the next AGM of the Company, at which time the said authority will lapse, unless by an ordinary resolution passed at the next AGM, the authority is renewed, either unconditionally or subject to conditions;
  - (b) the expiration of the period which the next AGM of the Company is required by law to be held; or
  - (c) revoked or varied by ordinary resolution passed by the shareholders at a general meeting of the Company,

whichever occurs first.

THAT upon completion of the purchase by the Company of its own ordinary shares, the Directors of the Company be authorised to deal with the Binasat Shares purchased under the Proposed Share Buy-Back Authority, at their discretion, in the following manner:

- (i) cancel the purchased Binasat Shares;
- (ii) retain the purchased Binasat Shares as treasury shares;
- (iii) retain part of the purchased Binasat Shares as treasury shares and cancel the remainder of the purchased Binasat Shares;
- (iv) distribute the purchased Binasat Shares as dividends to shareholders;
- (v) resell the purchased Binasat Shares or any of the purchased Binasat Shares in accordance with the ACE Market Listing Requirements of Bursa Securities;
- (vi) transfer the purchased Binasat Shares or any of the purchased Binasat Shares for the purpose of or under an employees' share scheme;
- (vii) transfer the purchased Binasat Shares or any of the purchased Binasat Shares as purchase consideration;
- (viii) cancel the purchased Binasat Shares or any of the purchased Binasat Shares; and/or
- (ix) sell, transfer or otherwise use the purchased Binasat Shares for such other purposes as allowed by the Act.

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**AND THAT** the Directors of the Company, be and are hereby authorised and empowered to do all acts and things and to take all such steps as necessary or expedient (including opening and maintaining a Central Depository System account) and to enter into and execute, on behalf of the Company, any instrument, agreement and/ or arrangement with any person, and with full power to assent to any condition, modification, variation and/or amendment as may be imposed by Bursa Securities or any relevant regulatory authority, and/or as may be required in the best interest of the Company and to take all such steps as they may deem fit, necessary and expedient in the best interest of the Company to implement and give full effect to the Proposed Buy-Back Authority.”

8. **Proposed Renewal of Shareholders’ Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature**

**Ordinary Resolution 6  
(Please refer to  
Explanatory Note 8)**

“THAT approval be and is hereby given to the Company and its subsidiaries (“Group”) to enter into and give effect to the recurrent related party transactions of a revenue or trading nature with the related parties as specified in Section 2.4 of the Circular to Shareholders dated 28 October 2022, provided that:

- (a) such arrangements and/or transactions are necessary for the Group’s day-to-day operations;
- (b) such arrangements and/or transactions undertaken are in the ordinary course of business, at arm’s length basis and on normal commercial terms which are not more favourable to the related parties than those generally available to third party;
- (c) such arrangements and/or transactions are not detrimental to the minority shareholders of the Company; and
- (d) the disclosure is made in the Annual Report on the aggregate value of transactions conducted pursuant to the shareholders’ mandate during the financial year in relation to:
  - (i) the related transacting parties and their respective relationship with the Company; and
  - (ii) the nature of the recurrent transactions.

THAT such authority shall commence upon the passing of this resolution and shall continue to be in force until:

- (a) the conclusion of the next AGM of the Company at which time the mandate will lapse, unless by a resolution passed at the next AGM, the mandate is renewed;
- (b) the expiration of the period within which the next AGM of the Company is required to be held pursuant to Section 340(2) of the Companies Act, 2016 (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Companies Act, 2016); or
- (c) revoked or varied by resolution passed by the shareholders of the Company in general meeting,

whichever is the earlier.

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AND THAT the Directors of the Company be 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 transactions contemplated and/authorised by this Ordinary Resolution."

9. To transact any other business that may be transacted at an annual general meeting of which due notice shall have been given in accordance with the Companies Act 2016 and the Constitution of the Company.

BY ORDER OF THE BOARD

**TAI YIT CHAN (SSM PC No. 202008001023) (MAICSA 7009143)**  
**TAN AI NING (SSM PC No. 202008000067) (MAICSA 7015852)**  
**JANICE CHAN MEI LING (SSM PC No. 202208000047) (MAICSA 7058726)**  
Company Secretaries

Selangor Darul Ehsan

Date: 28 October 2022

## NOTES:-

1. The 6<sup>th</sup> AGM of the Company will be conducted on a fully virtual basis through live streaming and online remote voting using RPV facilities provided by Agmo Solutions Sdn Bhd through its Vote2U Online website at <https://web.vote2u.my>.

**Please refer to the Administrative Guide for the 6th AGM for the procedures to register, participate and vote remotely through the RPV facilities.**

2. The conduct of the fully virtual 6th AGM is in compliance with Section 327 of the Companies Act 2016 and the provisions of the Constitution of the Company. An online meeting platform can be recognised as the meeting venue or place under Section 327(2) of the Companies Act 2016 provided that the online meeting platform is located in Malaysia and all meeting participants including Chairman of the meeting, board members, senior management and shareholders are to participate in the meeting online.
3. A member of the Company entitled to attend, participate and vote remotely at the 6<sup>th</sup> AGM is entitled to appoint a proxy or proxies to attend, participate and vote in his/her stead. A proxy may but need not be a member of the Company. There shall be no restriction as to the qualification of the proxy.
4. A member may appoint up to two (2) proxies to attend and vote at the same meeting. Where a member appoints two (2) proxies, the member shall specify the proportion of his/her shareholding to be represented by each proxy.
5. 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**") as defined under the Securities Industry (Central Depositories) Act 1991, there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each Omnibus Account it holds.
6. An instrument appointing a proxy must be in writing under the hand of the appointer or his/her attorney is duly authorised and in the case of corporation shall be either under its common seal or under the hand of an officer or attorney duly authorised.
7. In respect of deposited securities, only members whose names appear on the Record of Depositors on 17 November 2022 (General Meeting Record of Depositors) shall be eligible to attend the meeting or appoint proxy(ies) to attend and/or vote on his/her behalf.

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8. The instrument appointing a proxy may be made via hardcopy or by electronic means in the following manner and must be received by the Company not less than forty-eight (48) hours before the time for holding the 6th AGM:-

**(a) In Hardcopy Form**

The Proxy Form or the power of attorney or other authority (if any), under which it is signed or a notarially certified copy thereof, shall be deposited at the registered office of the Company, at 12<sup>th</sup> Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia.

**(b) By Electronic Means**

The Proxy Form shall be electronically submitted via email at the Poll Administrator's email address at [vote2u@agmostudio.com](mailto:vote2u@agmostudio.com).

9. Pursuant to Rule 8.31A(1) of the ACE Market Listing Requirements of Bursa Securities, the resolutions set out in the Notice of 6<sup>th</sup> AGM will be put to vote by way of poll.

## EXPLANATORY NOTES

**1. Item 1 of the Agenda - Audited Financial Statements**

Agenda item no. 1 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 Agenda item is not put forward for voting.

**2. Ordinary Resolution 1 - Directors' Fees**

Section 230(1) of the Act provides amongst others, that the Directors' fees and any benefits payable to the directors of a listed company and its subsidiaries shall be approved at a general meeting.

There are no benefits payable to Directors. In this respect, the Board of Directors has agreed that the shareholders' approval shall be sought at the 6<sup>th</sup> AGM of the Company on the Directors' remuneration in the resolution as follows:

- Ordinary Resolution 1 on the increase of Directors' fees and payment of Directors' fees to the Non-Executive Directors of the Company for the financial year ending 30 June 2023.

In October 2022, the Remuneration Committee had conducted a review of the Directors' fees payable to the Non-Executive Directors to determine the competitiveness of the Non-Executive Directors' remuneration having regard to the level of responsibility, expertise and time commitment required from the Non-Executive Directors, the Company's size, industry segment and complexity of operations. The proposed remuneration review was approved by the Board for tabling at the 6<sup>th</sup> AGM for the shareholders' approval. Accordingly, it is recommended that the existing Directors' Fees structure be revised as follows:

Position	Fee basis (RM per director per annum)	
	FYE 30 June 2022	FYE 30 June 2023 (proposed revision)
Independent Non-Executive Chairman	84,000	90,000
Senior Independent Non-Executive Director	60,000	66,000
Independent Non-Executive Director	30,000	36,000

The proposed Directors' fees of up to an aggregate amount of RM228,000.00 for the financial year ending 30 June 2023 also take into account any future increases in Non-Executive Directors.

Any Non-Executive Directors who are shareholders of the Company will abstain from voting on Ordinary Resolution 1 concerning remuneration to the Non-Executive Directors at the 6th AGM.

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## 3. Ordinary Resolution 2 - Re-election of Director

The profile of the Director who is standing for re-election as per item no. 3 of the Agenda is set out in the Profile of Directors section of the Annual Report 2022.

The Nomination Committee ("NC") has considered the performance and contribution of the retiring Director and has also assessed the independence of the Independent Non-Executive Director seeking re-election. Based on the recommendation of the NC, the Board is satisfied with the performance and contributions of the retiring director and supports his re-election based on the following justifications-

### (a) Ordinary Resolution 2: Re-election of Dato' Seow Thiam Fatt as Senior Independent Non-Executive Director

Dato' Seow Thiam Fatt fulfills the requirements of independence set out in the ACE Market Listing Requirements of Bursa Securities. He always demonstrates the values and principles associated with independence when deliberating on matters. He has shown high commitment and devoted sufficient time and effort and attended all Board and Board Committees meetings for informed and balanced decision making. He also exercised his due care and carried out his professional duties proficiently during his tenure as Senior Independent Non-Executive Director of the Company.

## 4. Ordinary Resolution 3 – Appointment of Ecovis Malaysia PLT as the Auditors of the Company

The Board of Directors is proposing to shareholders that Messrs Ecovis Malaysia PLT be appointed as the Auditors of the Company for the financial year ending 30 June 2023, in place of the retiring Auditors, Messrs Crowe Malaysia PLT, following an extensive tender and in line with the best practice.

The Board of Directors would like to thank Messrs Crowe Malaysia PLT for their diligence and dedications.

## 5. Special Resolution – Waiver of Pre-emptive Rights under Section 85 of the Companies Act 2016

This Special Resolution is pertaining to the waiver of pre-emptive rights granted to the shareholders under Section 85 of the Companies Act 2016. By voting in favour of this Special Resolution, the shareholders of the Company would be waiving their statutory pre-emptive rights.

This Special Resolution if passed, would allow the Directors to issue new shares to any person under the mandate to issue shares pursuant to Sections 75 and 76 of the Companies Act 2016, without having to offer the new shares to be issued equally to all existing shareholders of the Company prior to issuance.

## 6. Ordinary Resolution 4 – Authority to issue and allot shares pursuant to Sections 75 and 76 of the Companies Act 2016

The Company had, during its 5<sup>th</sup> AGM held on 30 November 2021, obtained its shareholders' approval for the general mandate for issuance of shares up to a maximum of 20% of the total number of issued shares of the Company ("20% General Mandate"). This 20% General Mandate will expire at the conclusion of this AGM.

The Company had on 21 December 2021 completed a private placement of new ordinary shares of up to 20% of the total number of issued shares of the Company ("20% Private Placement") and completed the issuance and allotment of a total of 64,715,900 new ordinary shares and raised total proceeds of RM19.56 million from the 20% Private Placement.

The details of the utilisation of proceeds raised from the private placement exercise as at 30 September 2022 are as follows:

Details of use of proceeds	Estimated Timeframe for Utilisation	Proposed Utilisation RM'000	Actual Utilisation RM'000	Balance unutilised as 30 September 2022 RM'000	Percentage Utilised %
Enhancing the Group's fiber optic network installation and commissioning service capability	Within 24 months	1,290	1,021	269	79%
Working capital	Within 24 months	18,082	4,849	13,233	27%
Expenses for the Private Placement	Immediate	185	185	-	100%
		19,557	6,055	13,502	31%



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*Subject to the passing of the Special Resolution on the waiver of pre-emptive rights under Section 85 of the Companies Act 2016, the proposed Ordinary Resolution 4, if passed, will empower the Directors to issue and allot up to a maximum of 10% of the total number of issued shares 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 will, unless revoked or varied by the Company in a general meeting, expire at the conclusion of the next Annual General Meeting or the expiration of the period within which the next Annual General Meeting is required by law to be held, whichever is earlier.*

*This proposed resolution is a renewal of the general mandate for the issuance of shares by the Company under Sections 75 and 76 of the Act. The mandate is to provide flexibility to the Company to issue new securities without the need to convene separate general meeting to obtain its shareholders' approval so as to avoid incurring additional costs and time.*

*The purpose of this general mandate, if passed, will enable the Directors to take swift action in case of a need to issue and allot new shares in the Company for fund raising exercise including but not limited to further placement of shares for purpose of funding current and/or future investment projects, working capital, acquisitions or such other application as the Directors may deem fit in the best interest of the Company.*

## **7. Ordinary Resolution 5 – Proposed Share Buy-Back Authority**

*The Proposed Share Buy-Back Authority, if approved, will empower the Company to purchase its own shares up to ten per centum (10%) of the total number of issued shares of the Company at any time within the time period as stated in the ACE Market Listing Requirements of Bursa Securities. This authority, unless revoked or varied by the Company at a general meeting, will expire at the next AGM or at the expiry of the period within the next AGM is required to be held after the approval was given, whichever is earlier.*

*Please refer to the Part A of the Statement/Circular to Shareholders dated 28 October 2022 for further information.*

## **8. Ordinary Resolution 6 – Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature**

*The proposed Ordinary Resolution 6 is a renewal of the Shareholders' Mandate which will enable the Group to enter into Recurrent Related Party Transactions of a Revenue or Trading Nature which are necessary for the Group's day-to-day operations, subject to the transactions being in the ordinary course of business and on normal commercial terms which are not more favorable to the related parties than those generally available to the public and are not to the detriment of the minority shareholders of the Company.*

*Please refer to the Part B of the Statement/Circular to Shareholders dated 28 October 2022 for further information.*



# STATEMENT ACCOMPANYING NOTICE OF ANNUAL GENERAL MEETING

[PURSUANT TO RULE 8.29(2) OF THE ACE MARKET LISTING REQUIREMENTS OF BURSA SECURITIES]

**1. Details of individuals who are standing for election (excluding directors standing for re-election) as Directors**

There are no individuals who are standing for election as Directors at the 6<sup>th</sup> AGM of the Company.

**2. Statement relating to general mandate for issue of securities in accordance with Rule 6.04(3) of the ACE Market Listing Requirements of Bursa Securities.**

Details of the general mandate to issue securities pursuant to Sections 75 and 76 of the Act are set out under Explanatory Note 6 of this Notice.

***Personal data privacy:***

*By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, participate and vote at the 6<sup>th</sup> AGM and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the 6<sup>th</sup> AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the 6<sup>th</sup> AGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.*