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LAFARGE MALAYSIA BERHAD

(Company No. 1877-T)
(Incorporated in Malaysia)

PART A

**CIRCULAR TO SHAREHOLDERS IN RELATION TO
THE PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE AS WELL AS PROPOSED NEW
MANDATE FOR THE LMB GROUP TO ENTER INTO RECURRENT RELATED PARTY
TRANSACTIONS OF A REVENUE OR TRADING NATURE WHICH ARE NECESSARY FOR THE
DAY TO DAY OPERATIONS OF THE LMB GROUP**

PART B

**SHARE BUYBACK STATEMENT IN RELATION TO
THE PROPOSED RENEWAL OF AUTHORITY FOR PURCHASE
BY THE COMPANY OF ITS OWN SHARES ("SHARE BUYBACK")**

PART C

**PROPOSED ADOPTION OF THE NEW CONSTITUTION OF THE COMPANY
("PROPOSED ADOPTION")**

The Notice of the 69th Annual General Meeting of the Company to be held at Ballroom 1, First Floor, Sime Darby Convention Centre, 1A, Jalan Bukit Kiara 1, 60000 Kuala Lumpur, Malaysia on Thursday, 30 May 2019 at 2.00 p.m., together with the Form of Proxy are enclosed in the Annual Report of the Company for the financial year ended 31 December 2018. The Form of Proxy, to be valid, must reach the Registered Office of the Company at Level 1, Wisma Lafarge, No. 2, Jalan Kilang 51/206, 46050 Petaling Jaya, Selangor Darul Ehsan no later than twenty-four (24) hours before the time appointed for holding the meeting or any adjournment thereof.

This Document is dated 30 April 2019

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DEFINITIONS

Except where the context otherwise requires, the following definitions shall apply throughout this Circular:-

“the Act”	Companies Act, 2016 including any amendments thereto that may be made from time to time.
“AGM”	Annual General Meeting.
“AIC”	Associated International Cement Limited.
“Board”	Board of Directors of the Company.
“Bursa Securities” / “the Exchange”	Bursa Malaysia Securities Berhad (635998-W).
“BMLR”	Bursa Malaysia Listing Requirements.
“CMSA”	Capital Markets and Services Act 2007 including any amendments thereto that may be made from time to time.
“corporation”	Shall have the meaning given in Section 2(1) of the CMSA.
“Director”	Shall have the meaning given in Section 2(1) of the CMSA and includes any person who is or was within the preceding 6 months of the date on which the terms of the transaction were agreed upon, a director or chief executive officer of the Company or its subsidiary or holding company.
“LafargeHolcim”	LafargeHolcim Ltd.
“LafargeHolcim Group”	LafargeHolcim Ltd and its subsidiaries.
“Listing Requirements”	Main Market Listing Requirements of Bursa Securities including any amendments thereto that may be made from time to time.
“LMB” or “the Company”	Lafarge Malaysia Berhad (1877-T).
“LMB Group” or “the Group”	LMB and its subsidiaries.
“Major Shareholder”	A person who has an interest or interests in one or more voting shares in a corporation and the nominal amount of that share or the aggregate of the nominal amounts of those shares, is (a) 10% or more of the aggregate of the nominal amounts of all the voting shares in the Company; or (b) 5% or more of the aggregate of the nominal amounts of all the voting shares in the Company where such person is the largest shareholder of the Company and includes any person who is or was within the preceding 6 months of the date on which the terms of the transaction were agreed upon, a Major Shareholder of LMB or any other corporation which is its subsidiary or holding company. For the purpose of this definition, “interest in shares” shall have the meaning given in Section 6A of the Act.
“Percentage Ratios”	Shall have the meaning given in paragraph 10.02(g) of the Listing Requirements.
“Proposed Recurrent RPT Mandate”	Proposed renewal of shareholders' mandate as well as proposed new mandate for the LMB Group to enter into recurrent related party transactions of a revenue or trading nature which are necessary for the day to day operations of the LMB Group.
“Proposed Adoption”	Proposed Adoption of the new Constitution of the Company.
“Recurrent RPT Mandate”	Shareholders' mandate for the LMB Group to enter into recurrent related party transactions of a revenue or trading nature which are necessary for the day to day operations of the LMB Group.
“Related Party(ies)”	Director(s), Major Shareholder(s) or person(s) connected with such Director(s) or Major Shareholder(s).
“RM” and “sen”	Ringgit Malaysia and sen respectively.
“RRPT(s)”	Recurrent Related Party transaction(s) of a revenue or trading nature which are necessary for the day to day operations of the LMB Group.
“Share(s)”	Ordinary share(s) in LMB.
“Share Buyback”	Share Buyback Statement in relation to the Proposed Renewal of Authority for Purchase by the Company of Its Own Shares

PART A

**CIRCULAR TO SHAREHOLDERS IN RELATION TO
THE PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE AS WELL
AS PROPOSED NEW MANDATE FOR THE LMB GROUP TO ENTER
INTO RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR
TRADING NATURE WHICH ARE NECESSARY FOR THE DAY TO DAY
OPERATIONS OF THE LMB GROUP**



LAFARGE MALAYSIA BERHAD

(Company No. 1877-T)
(Incorporated in Malaysia)

Registered Office:
Level 1, Wisma Lafarge
No. 2, Jalan Kilang 51/206
46050 Petaling Jaya
Selangor Darul Ehsan

30 April 2019

DIRECTORS:

Y.A.M. Tunku Tan Sri Imran ibni Almarhum Tuanku Ja'afar (Chairman)
Mr Martin Kriegner (Vice Chairman)
Mr Yeoh Khoon Cheng (Chief Executive Officer)
Y.M. Tunku Afwida Binti Tunku A.Malek
Datuk Muhamad Noor Bin Hamid
Ar. Datuk Tan Pei Ing
Mr John Stull

To: The Shareholders of Lafarge Malaysia Berhad

Dear Sir/Madam,

PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE AS WELL AS PROPOSED NEW MANDATE FOR THE LMB GROUP TO ENTER INTO RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE WHICH ARE NECESSARY FOR THE DAY TO DAY OPERATIONS OF THE LMB GROUP

1. INTRODUCTION

At its 68th AGM held on 23 May 2018, the Company renewed the Recurrent RPT Mandate from its shareholders for the Company and its subsidiaries to enter into RRPTs with Related Parties in the ordinary course of business based on commercial terms and terms which are not more favourable to the Related Parties than those that could be arranged with unrelated parties, where comparable services, sales or purchases are so obtainable from such unrelated parties and are not to the detriment of the minority shareholders. The said Recurrent RPT Mandate shall, in accordance with the Listing Requirements, lapse at the conclusion of the forthcoming AGM unless authority for its renewal is obtained from the shareholders of the Company at the said AGM.

On 27 February 2019, the Board of Directors of the Company announced that the Company proposes to seek the approval of its shareholders' for the Proposed Recurrent RPT Mandate to be renewed in respect of the RRPTs set out in **Section 2.4** below.

The purpose of this Circular is to provide the shareholders with the relevant information regarding the Proposed Recurrent RPT Mandate and to seek your approval for the ordinary resolution to be tabled at the forthcoming AGM of the Company to be held at Ballroom 1, Sime Darby Convention Centre, 1A, Jalan Bukit Kiara 1, 60000 Kuala Lumpur, Malaysia on Thursday, 30 May 2019 at 2.00 p.m. The Notice convening the AGM together with the Form of Proxy are enclosed together with the Annual Report of the Company for the financial year ended 31 December 2018.

2. DETAILS OF THE PROPOSED RECURRENT RELATED PARTY TRANSACTIONS MANDATE

2.1 PROVISIONS UNDER LISTING REQUIREMENTS

Under paragraph 10.09(2) of the Listing Requirements, a listed issuer may seek shareholders' mandate in respect of RRPTs which are necessary for its day to day operations, subject to, inter alia, the following:-

- (i) 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;
- (ii) the shareholders' mandate is subject to annual renewal and disclosure must be made in the annual report of the aggregate value of transactions conducted pursuant to the shareholders' mandate during the financial year where the aggregate value of the consideration, value of the assets, capital outlay or costs:-
 - is equal to or more than RM1.0 million; or
 - any one of the Percentage Ratios (as defined in the Listing Requirements) of such aggregated transactions is equal to or more than 1%whichever is the higher;
- (iii) the listed issuer's circular to shareholders for the shareholder mandate includes the information as may be prescribed by the Exchange. The Company has been selected by the Exchange as one of the Qualified Issuers under the Green Lane Policy. As such the Company can issue such circulars to its shareholders as soon as it is ready without having to seek clearance from Bursa Securities. Checklist showing compliance must be submitted to the Exchange within a reasonable time after issuance of such circular to its shareholders.
- (iv) in a meeting to obtain the shareholders' mandate, the interested director, interested major shareholder or interested person connected with a director or major shareholder, and where it involves the interest of an interested person connected with a director or a major shareholder, such director or major shareholder, must not vote on the resolution to approve the transactions. An interested director or interested major shareholder must ensure that persons connected with him abstain from voting on the resolution to approve the transactions; and
- (v) the listed issuer must immediately announce to the Exchange when the actual value of a RRPT entered into by the listed issuer exceeds the estimated value of the RRPT disclosed in the circular to shareholders by 10% or more.

The Company has disclosed the aggregate value of the RRPTs conducted during the financial year ended 31 December 2018 in its Annual Report for the financial year ended 31 December 2018.

In accordance with paragraph 10.09 of the Listing Requirements, the Company now proposes to seek the approval of its shareholders for the Proposed Recurrent RPT Mandate which will apply to the RRPTs as set out in **Section 2.4** below.

The authority conferred by the Proposed Recurrent RPT Mandate shall take effect from the passing of the ordinary resolution to be proposed at the forthcoming AGM and will continue to be in force until:-

- a) the conclusion of the next AGM of the Company following the forthcoming AGM at which the Proposed Recurrent RPT Mandate was passed, at which time it will lapse, unless, by a resolution passed at that meeting, the authority is renewed;
- b) the expiration of the period within which the next AGM of LMB is required to be held pursuant to Section 340(2) of the Act (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Act);
- c) revoked or varied by resolution passed by the shareholders in general meeting,

whichever is earlier.

Thereafter, approval from the shareholders for subsequent renewals will be sought at each subsequent AGM of the Company.

2.2 DETAILS OF THE LMB GROUP

The principal activity of the Company is investment holding while the principal activities of its subsidiaries comprise the manufacturing and sale of cement, clinker, ready-mixed concrete, drymix products, aggregates and related products, trading in cement and other building materials and shipping of cement, business in the area of industrial ecology, ship charterers and management of a jetty. Details of the operating subsidiaries are as follows:-

Name of Company	Date and Place of Incorporation	Effective Equity Interest (%)	Principal Activities	Issued and Paid-up Share Capital
Associated Pan Malaysia Cement Sdn Bhd	30.03.1967; Malaysia	100.00	Manufacture and sale of clinker and cement	RM189,250,000
CMCM Perniagaan Sdn Bhd	23.06.1966; Malaysia	100.00	Trading of cement and other building materials	RM8,600,000
Geocycle Environmental Services Sdn Bhd	24.01.1981; Malaysia	100.00	Carrying on business in the area of industrial ecology	RM8,227,029
Geocycle Malaysia Sdn Bhd	27.03.2008; Malaysia	100.00	Trading of any type of cementitious materials usable in the production of cement or concrete for use in the construction industry	RM2,000,000
Holcim (Malaysia) Sdn Bhd	15.03.1990; Malaysia	100.00	Manufacture and sale of cement	RM10,450,003
Holcim Marketing (Malaysia) Sdn Bhd	8.01.1988; Malaysia	100.00	Marketing, trading and manufacture of cement and related products	RM500,000
Jumewah Shipping Sdn. Bhd. ("JSSB")	02.11.1983; Malaysia	100.00	Shipping of bulk cement and chartering of vessels	RM40,000,000
Kedah Cement Jetty Sdn. Bhd ("KCJ")	28.05.1996; Malaysia	100.00	Management and operation of a jetty	RM14,000,000
Lafarge Aggregates Sdn Bhd	18.10.2001; Malaysia	100.00	Investment holding, trading and quarrying of aggregates and related products	RM40,000,000
Lafarge Aggregates (Kota Tinggi) Sdn Bhd	24.1.1991; Malaysia	100.00	Quarrying and trading of granite and quarry products	RM8,300,000
Lafarge Aggregates (Pantai Remis) Sdn Bhd	03.07.2001; Malaysia	100.00	Producer and supplier of aggregates and related products	RM1,000,000
Lafarge Cement Sdn Bhd ("LCSB")	31.03.1980; Malaysia	100.00	Manufacture and sale of clinker and cement	RM696,000,002
Lafarge Concrete (Malaysia) Sdn Bhd	08.01.1983; Malaysia	93.26	Manufacture and sale of ready-mixed concrete	RM6,956,000
Lafarge Concrete Industries Sdn Bhd	11.08.1982; Malaysia	93.26	Manufacture and sale of ready-mixed concrete	RM10,000,000
Lafarge Cement Singapore Pte Ltd ("LCS")	09.08.1963; Singapore	100.00	Bulk import and sale of cement and trading of other building materials	S\$20,000,000
Lafarge Drymix Sdn Bhd ("LDSB")	16.02.1984; Malaysia	100.00	Manufacture and sale of cement and drymix products	RM2,000,003
Lafarge Shared Services Sdn Bhd	20.12.2012; Malaysia	100.00	Accounting shared services and management consulting services	RM8,000,002
LCS Shipping Pte Ltd. ("LCSS")	31.07.1975; Singapore	100.00	Shipping of bulk cement and chartering of vessels	S\$2,000,000

The immediate holding company of LMB is AIC, a company incorporated in the United Kingdom. AIC's direct shareholding in the Company is 433,344,693 shares, representing a 51.0% interest in the issued and paid-up share capital of the Company. AIC is in turn a wholly-owned indirect subsidiary of LafargeHolcim. Accordingly, LafargeHolcim is deemed to hold 51.0% of the issued and paid-up share capital of the Company. The Directors regard LafargeHolcim as LMB's ultimate holding company.

2.3 CLASS OF RELATED PARTIES

The Related Parties with whom the RRPTs are carried out or may from time to time be entered into are the Major Shareholders of LMB, which comprise AIC (the immediate holding company of LMB), Lafarge S.A. (the penultimate holding company of LMB), LafargeHolcim (the ultimate holding company of LMB) and persons connected with the Major Shareholders (i.e. AIC, Lafarge S.A., LafargeHolcim), which are the subsidiaries of LafargeHolcim referred to in **Section 2.4** below.

The principal activities and place of incorporation of the Major Shareholders are as follows:-

	Company	Place of Incorporation	Principal Activities	Relation to LMB Group
(1)	AIC	United Kingdom	Investment Holding	51.0% direct interest in LMB
(2)	Lafarge S.A.	France	Investment Holding	Penultimate holding company of LMB with 51% indirect interest
(3)	LafargeHolcim	Switzerland	Investment Holding	Ultimate holding company of LMB with 51% indirect interest

2.4 NATURE OF RECURRENT RELATED PARTY TRANSACTIONS CONTEMPLATED UNDER THE PROPOSED RECURRENT RELATED PARTY TRANSACTIONS MANDATE

The nature of the RRPTs between the LMB Group and the Related Parties are as set out hereinbelow. The Proposed Recurrent RPT Mandate will enable the Company to undertake these transactions with the respective Related Parties. The estimated value for the respective RRPTs during the validity period of the Proposed Recurrent RPT Mandate are arrived at based on historical trends for the relevant transactions or transactions of similar nature.

PROPOSED RECURRENT RPT MANDATE				EXISTING RECURRENT RPT MANDATE	
Related Parties & Nature of interest	Nature of Transactions	Companies Dealing with the Related Party	Estimated Aggregate Value (@) of Proposed Recurrent RPT Mandate (RM'000) #Note 1	Estimated Aggregate Value (^) of existing Recurrent RPT Mandate (RM'000)	Actual Value Transacted (*) up to 31 March 2019 (RM'000) #Note 2
LafargeHolcim Trading Pte Ltd ("LHTPL") Subsidiary of LafargeHolcim	Sale(s) and/or purchase(s) of cement, clinker and oil-well cement clinker between Lafarge Cement Sdn Bhd ("LCSB") and/or Lafarge Cement Singapore Pte Ltd ("LCS") through LHTPL	LCSB and LCS	280,000	280,000	77,363
Holcim East Asia Business Service Center B.V. ("HEABS")	Payment to HEABS for provision of shared services center and consultancy services	LMB (for all the operating subsidiaries)	13,000	13,000	7,402
HEABS and/or Holcim Services (South Asia) Limited ("HSSA")	Payment to HEABS for provision of regional IT Services and Project Management Services	LMB (for all the operating subsidiaries)	19,200	19,200	9,324

PROPOSED RECURRENT RPT MANDATE				EXISTING RECURRENT RPT MANDATE	
Related Parties & Nature of interest	Nature of Transactions	Companies Dealing with the Related Party	Estimated Aggregate Value (@) of Proposed Recurrent RPT Mandate (RM'000) #Note 1	Estimated Aggregate Value (^) of existing Recurrent RPT Mandate (RM'000)	Actual Value Transacted (*) up to 31 March 2019 (RM'000) #Note 2
Lafarge S.A. and/or Holcim Technology Ltd ("HTL") LafargeHolcim Building Materials (China) Co. Ltd. ("LMBC") Subsidiaries of LafargeHolcim	Specific Project technical assistance fees	LMB (for all the operating subsidiaries)	- Note 4	5,000	-
Lafarge S.A. Subsidiaries of LafargeHolcim	Provision of Technical Trademark Assistance and General Services	LMB (for all the operating subsidiaries)	31,000	38,000	17,434
LH Shipping Pte Ltd ("LHS") Subsidiaries of LafargeHolcim	Chartering of vessel by LCS Shipping Pte Ltd ("LCSS") or by Jumewah Shipping Sdn Bhd ("JSSB") to or from LHS	LCSS JSSB	15,000	25,000	2,354
Lafarge Asia & Cementia Asia Sdn Bhd ("CASB") (In Members' Voluntary Liquidation) Subsidiaries of LafargeHolcim	Service fees payable by Lafarge Asia & CASB to Lafarge Shared Services Sdn Bhd ("LSSB") and LCSB	LSSB LCSB	300	300	120
LafargeHolcim Energy Solutions SAS ("LHES") Subsidiary of LafargeHolcim	Purchase of solid fuels (coal and petcoke) and freight services	LMB (for all the operating subsidiaries)	290,000	290,000	146,786
LafargeHolcim Trading Pte Ltd ("LHTPL") Subsidiary of LafargeHolcim	Purchase of gypsum and anhydrite and freight services	LMB (for all the operating subsidiaries)	38,000	38,000	19,234
Lafarge (Beijing) Building Materials Technical Services Co., Ltd. ("LBMS") Subsidiary of LafargeHolcim	Service fees payable to LBMS for sourcing of equipment for cement, concrete and aggregates businesses.	LMB (for all the operating subsidiaries)	500	830	-

PROPOSED RECURRENT RPT MANDATE				EXISTING RECURRENT RPT MANDATE	
Related Parties & Nature of interest	Nature of Transactions	Companies Dealing with the Related Party	Estimated Aggregate Value (@) of Proposed Recurrent RPT Mandate (RM'000) #Note 1	Estimated Aggregate Value (^) of existing Recurrent RPT Mandate (RM'000)	Actual Value Transacted (*) up to 31 March 2019 (RM'000) #Note 2
LafargeHolcim Trading Pte Ltd ("LHTPL") Subsidiary of LafargeHolcim	Purchase of raw copper slag from LHTPL as an alternative raw material in the cement business.	LMB (for all the operating subsidiaries)	1,000	980	771
Holcim Singapore Ltd ("HSL") Subsidiary of LafargeHolcim	Payment of cost of manpower, management and administrative services, by Lafarge Cement Singapore Pte Ltd ("LCS") to HSL for cement terminal operations	LCS	5,000	9,000	481
LafargeHolcim Trading Pte Ltd ("LHTPL") Subsidiary of LafargeHolcim	Purchase of cement and slag through LHTPL	LCS	130,000	100,000	91,909
HSL Subsidiary of LafargeHolcim	Sale and/or purchase of portland blast furnace cement (PBFC), cement, slag and drymix.	LCS	15,000	21,000	5,469
HSL Subsidiary of LafargeHolcim	Sale and/or purchase of drymix	LDSB	5,000 Note 3	-	-
TOTAL			843,000	840,310	378,647

@ The estimated value of the RRPT from 30 May 2019 to the date of the next AGM. The values are merely indicative estimates which are based on historical trends and may be subject to changes.

^ The estimated value of the RRPT as disclosed in the preceding year's Circular to Shareholders dated 24 April 2018 for the period from 23 May 2018 to 30 May 2019.

* The actual value of the RRPT transacted from the date of the AGM held on 23 May 2018 to 31 March 2019, being the latest practicable date prior to the printing of this Circular.

#Note1: The estimated transaction values are based on information available to the respective operating companies at the point of estimation. Due to the nature of the transactions, the actual value of the transactions may vary from the estimated value disclosed above. Disclosures will be made in the Annual Report 2019 of the Company of the actual aggregate value of transactions conducted pursuant to the Proposed Recurrent RPT Mandate during the financial year, with a breakdown of the aggregate value of the RRPTs based on the type, the names of the related parties involved and their relationship with the Company.

#Note2: None of the other RRPTs exceeded their respective estimated value disclosed in the previous year's circular to shareholders by 10% or more.

#Note 3: Proposed new mandates for RRPT.

#Note 4: No further mandate required for this RRPT.

2.5 RATIONALE AND BENEFITS TO THE COMPANY

The RRPTs entered or to be entered into from time to time by LMB and its subsidiaries with the Related Parties are all in the ordinary course of business. They are on-going and/or are likely to occur with some degree of frequency and/or arise at any time and from time to time. These transactions may be constrained by the time sensitive nature and confidentiality of such transactions, and it may be impractical to seek shareholders' approval on a case by case basis before entering into such RRPTs. As such, the Board is seeking shareholders' approval for the Proposed Recurrent RPT Mandate pursuant to Paragraph 10.09 of Listing Requirements for the RRPTs described in **Section 2.4** above to allow the Company to enter into or continue to transact and conduct such RRPTs.

The RRPTs undertaken or to be undertaken are or will be on normal commercial term basis and on terms not more favourable to the Related Parties than those that could be arranged with unrelated parties, where comparable services, sales or purchases are obtainable from unrelated parties and are not to the detriment of the minority shareholders.

The Proposed Recurrent RPT Mandate is crucial to ensure continuous day-to-day operations of the Company. By obtaining the Proposed Recurrent RPT Mandate and the renewal of the same on an annual basis, the necessity to convene separate general meetings from time to time to seek shareholders' approval as and when such RRPTs occur or need to be entered into would not arise. This would reduce substantial administrative time, inconvenience and expenses associated with the convening of such meetings, without compromising the corporate objectives of the Company or adversely affecting the business opportunities available to the Company.

The sale and purchase of goods and the provision of services between LMB Group and the Related Parties have the advantage of reliability in terms of quality of goods, standard of service and support, product information and knowledge. Such RRPTs also allows the utilization of resources and technical know-how of the LafargeHolcim Group as the same will be called upon to heighten the support and technical services to customers. In addition, LMB Group would have the confidence and familiarity in dealing with the Related Parties as the financial condition and management structure of these Related Parties are known to LMB Group.

With regard to the agreement for the provision of technical, trademark assistance and general services, LafargeHolcim has the specialised expertise, technical competencies and/or facilities and infrastructure required for the provision of such services. The centralisation of these services within the LafargeHolcim Group helps to develop specific expertise for use by relevant Members of the LafargeHolcim Group and this will lead to economies of scale for the participating companies.

All RRPTs where goods are sold or services rendered by LMB Group to the Related Parties are subject to normal credit terms of between 30 to 60 days. As of the date of this Circular, none of these RRPTs where sums are due and owing by the Related Parties to LMB Group, exceeds the permissible credit terms. Accordingly, no late payment charges have been imposed nor have actions been taken to necessitate recovery of any outstanding amounts due.

2.6 METHOD / PROCEDURES FOR MONITORING RECURRENT RELATED PARTY TRANSACTIONS

To ensure that the RRPTs are conducted at arm's length, on normal commercial terms and on terms and price which are reasonable and are not more favourable to the Related Party than those that could be arranged with unrelated parties, where comparable services, sales or purchases are obtainable from unrelated parties, and that they will not be detrimental to the minority shareholders, the management will continue to review and/or monitor these transactions to ensure that they are negotiated and entered into on arm's length, willing buyer willing seller basis and consistent with LMB Group's business practices and policies of maximising profits and minimising costs, by taking into account the following factors :-

- (a) the competitiveness in pricing;
- (b) level of service and technical support;
- (c) standard and quality of the product and/or services;
- (d) experience, track record and competence;
- (e) the availability of stock, resources and personnel; and
- (f) prevailing market conditions.

In assessing the competitiveness in pricing, the management will rely on and make comparison with known or existing market rates or prices for similar or comparable goods or services available in domestic or regional markets based on quotations, feedback, surveys or studies carried out and/or other exchanges of information. Where possible, at least two contemporaneous transactions with unrelated third parties for similar products or services and/or quantities will be used for comparison to determine whether the price and terms offered to/by the related parties are fair and reasonable and comparable to those offered to/by other unrelated third parties for the same or substantially similar type of products/services and/or quantities.

Where it is not possible to obtain quotation or comparative pricing from unrelated third parties or comparable goods and/or services are not available from unrelated third parties, the transaction price is or will be determined in accordance with and/or based on the following considerations of advantage and/or added value to LMB Group:-

- (a) reliability in terms of quality of goods, standard of service and support, product information and knowledge; utilization of resources and the technical know-how of the Related Party that can be called upon to heighten the support and technical services to customers; and/or
- (b) confidence and familiarity in dealing with the Related Parties due to the financial condition and management structure of the Related Parties which are known to LMB Group; and/or
- (c) the prospects of developing specific expertise for the centralised provision of goods and services within the LafargeHolcim Group that will benefit all participating companies of the LafargeHolcim Group;
- (d) that the RRPT is not detrimental to the Company or the LMB Group.

In addition, the internal auditors will review the terms of all RRPTs from time to time, to ensure consistency and compliance with the Proposed Recurrent RPT Mandate.

2.7 REVIEW BY THE AUDIT AND RISK MANAGEMENT COMMITTEE OF THE PROCEDURES FOR RECURRENT RELATED PARTY TRANSACTIONS

The overall responsibility of reviewing and determining whether the monitoring procedures for all RRPTs are appropriate rests with the Audit and Risk Management Committee. The Audit and Risk Management Committee shall have the authority to delegate this responsibility to such individuals within the Company or the LMB Group as it shall deem fit. Where there is such delegation, the Audit and Risk Management Committee shall establish a system to review the procedures from time to time. Whether such authority is delegated or otherwise, the responsibility still remains with the Audit and Risk Management Committee.

The review procedures for RRPTs are as follows:-

- (a) All RRPTs are tabled at the Audit and Risk Management Committee meetings for approval. The Audit and Risk Management Committee shall have the right of access to information on the Related Parties and is entitled to the services of an independent adviser, if required, in the discharge of their duties.
- (b) The Audit and Risk Management Committee shall also review and ascertain whether the guidelines and procedures established to monitor RRPTs have been complied with and/or are adequate to ensure the transactions are conducted at arm's length basis and on normal commercial terms consistent with the Company's usual business practices and policies and are not more favourable to the Related Parties than those that could be arranged with unrelated parties, where comparable services, sales or purchases are obtainable from unrelated parties, and are not detrimental to the minority shareholders.
- (c) The Audit and Risk Management Committee shall also have the discretion to request for limits to be imposed or for additional procedures to be followed if it should consider such request to be appropriate.

2.8 DISCLOSURE OF RECURRENT RELATED PARTY TRANSACTIONS

Disclosure will be made in the annual reports for subsequent financial years of the Company on the aggregate value of RRPTs conducted pursuant to the Proposed Recurrent RPT Mandate during the financial year with a breakdown of the aggregate value of the RRPTs based on the type, the names of the related parties involved and their relationship with the Company. Disclosure will also be made in the annual reports for subsequent financial years during the period the Proposed Recurrent RPT Mandate remains in force.

2.9 STATEMENT FROM THE AUDIT AND RISK MANAGEMENT COMMITTEE

The Audit and Risk Management Committee, having reviewed the terms of the Proposed Recurrent RPT Mandate, is satisfied that the review procedures are sufficient to ensure that the Recurrent RPTs will be made in accordance with the Company's business practices and policies and on terms which are not more favourable to the Related Parties than those that could be arranged with unrelated parties, where comparable services, sales or purchases are obtainable from unrelated parties, and will not be to the detriment of the minority shareholders, and hence, will not be prejudicial to the shareholders or disadvantageous to the Company.

In addition, the Audit and Risk Management Committee is satisfied that the LMB Group have in place adequate procedures and processes to monitor, track and identify RRPTs in a timely and orderly manner, and that these procedures and processes are reviewed by the management team on a yearly basis.

2.10 CONDITION FOR THE PROPOSED RECURRENT RELATED PARTY TRANSACTIONS MANDATE

The Proposed Recurrent RPT Mandate is subject to the approval of shareholders of the Company at the forthcoming AGM, to be convened by the Company.

3. DIRECTORS' AND MAJOR SHAREHOLDERS' INTEREST

Save as disclosed herein, none of the other Directors, Major Shareholders and persons connected with the Directors and/or Major Shareholders as defined in the Listing Requirements has any interest, direct or indirect in the Proposed Recurrent RPT Mandate.

Mr Martin Kriegner, Mr Yeoh Khoon Cheng, Ar. Datuk Tan Pei Ing and Mr John Stull, being directors of the Company representing LafargeHolcim are deemed to be interested parties and hence have and will abstain from all deliberations and voting on the resolutions of the Board pertaining to the Proposed Recurrent Related RPT Mandate. Neither Mr Martin Kriegner, Mr Yeoh Khoon Cheng, Ar. Datuk Tan Pei Ing and Mr John Stull have any direct or deemed interest in the shares of LMB.

The Major Shareholders, namely, AIC, Lafarge S.A. and LafargeHolcim, will abstain from voting in respect of their direct and indirect shareholdings on the Proposed Recurrent RPT Mandate at the forthcoming AGM. AIC, Lafarge S.A. and LafargeHolcim and the four (4) directors who are deemed interested parties, namely, Mr Martin Kriegner, Mr Yeoh Khoon Cheng, Ar. Datuk Tan Pei Ing and Mr John Stull have undertaken to ensure that persons connected with them, if any, will abstain from voting on the resolution, deliberating or approving the Proposed Recurrent RPT Mandate at the forthcoming AGM.

Direct and Indirect Interest of Major Shareholders in LMB as at 27 March 2019

Name	Direct		Indirect	
	No. of Ordinary Shares	% of Share Capital	No. of Ordinary Shares	% of Share Capital
LafargeHolcim Ltd ("LH")	-	-	⁽¹⁾ 433,344,693	51.00
Associated International Cement Limited ("AIC")	433,344,693	51.00	-	-
Blue Circle International Holdings BV ("BCIH")	-	-	⁽²⁾ 433,344,693	51.00
Lafarge International Holdings Limited ("LIHL")	-	-	⁽³⁾ 433,344,693	51.00
Lafarge Finance Ltd ("LFL")	-	-	⁽⁴⁾ 433,344,693	51.00
Lafarge Building Materials Limited ("LBML")	-	-	⁽⁵⁾ 433,344,693	51.00
Financiere Lafarge SA ("FLSA")	-	-	⁽⁶⁾ 433,344,693	51.00
SOFIMO *	-	-	⁽⁷⁾ 433,344,693	51.00
Lafarge SA ("Lafarge")	-	-	⁽⁸⁾ 433,344,693	51.00
Employees Provident Fund Board ("EPF")	48,940,575	5.76	⁽⁹⁾ 4,561,200	0.54
AmanahRaya Trustees Berhad – Amanah Saham Bumiputera ("AmanahRaya")	70,028,100	8.24	-	-
FIL Limited ("FIL")	-	-	⁽¹⁰⁾ 60,753,400	7.15

Notes:

- (1) LH : Deemed interest via its indirect interest in the shares of AIC, through its indirect interest in BCIH, LIHL, LFL, LBML, FLSA and SOFIMO, and direct interest in Lafarge S.A. following the successful completion of a public exchange offer by Holcim Ltd for Lafarge S.A. shares and completion of merger between Lafarge S.A. and Holcim Ltd.
- (2) BCIH : Deemed interest by virtue of its 100% shareholding in AIC.
- (3) LIHL : Deemed interest by virtue of its 100% shareholding in BCIH.
- (4) LFL : Deemed interest by virtue of its shareholding in LIHL.
- (5) LBML : Deemed interest by virtue of its shareholding in LIHL and LFL.
- (6) FLSA : Deemed interest by virtue of its 100% shareholding in LBML.
- (7) SOFIMO : Deemed interest by virtue of its 100% shareholding in FLSA.
- (8) Lafarge : Deemed interest by virtue of its 100% shareholding in SOFIMO.
- (9) EPF : Held through Aberdeen Asset Management and PHEIM
- (10) FIL : Held through Brown Bros Harriman (Boston), Brown Bros Harriman Ltd Lux (C), Bros Harriman and Co, Clearstream Banking Sa Lux (c)

4. DIRECTORS' RECOMMENDATION

Having considered the rationale and all relevant factors for the Proposed Recurrent RPT Mandate, the Board, with the exception of the Directors deemed to be interested, namely, Mr Martin Kriegner, Mr Yeoh Khoo Cheng, Ar. Datuk Tan Pei Ing and Mr John Stull are of the opinion that the Proposed Recurrent RPT Mandate is in the best interest of the Company.

The Board, with the exception of Mr Martin Kriegner, Mr Yeoh Khoo Cheng, Ar. Datuk Tan Pei Ing and Mr John Stull who have abstained from making a recommendation on the Proposed Recurrent RPT Mandate, recommends that you vote in favour of the ordinary resolution pertaining to the Proposed Recurrent RPT Mandate to be tabled at the forthcoming AGM.

5. ANNUAL GENERAL MEETING

For the purpose of considering and if thought fit, passing the ordinary resolution pertaining to the Proposed Recurrent RPT Mandate, an AGM, the notice of which is enclosed with the Annual Report of the Company for the financial year ended 31 December 2018, will be held at Ballroom 1, First Floor, Sime Darby Convention Centre, 1A, Jalan Bukit Kiara 1, 60000 Kuala Lumpur, Malaysia on Thursday, 30 May 2019 at 2.00 p.m.

If you are unable to attend and vote in person at the AGM, you are requested to complete, sign and return the enclosed Form of Proxy in accordance with the instructions printed thereon as soon as possible so as to ensure the same arrives at the registered office of the Company located at Level 1, Wisma Lafarge, No. 2, Jalan Kilang 51/206, 46050 Petaling Jaya, Selangor Darul Ehsan no later than twenty-four (24) hours before the time set for holding the AGM or any adjournment thereof. The lodging of the Form of Proxy will not preclude you from attending and voting in person at the forthcoming AGM should you subsequently wish to do so.

6. FURTHER INFORMATION

Shareholders are requested to refer to the attached appendices for further information.

Yours faithfully
For and on behalf of the Board of Directors of
LAFARGE MALAYSIA BERHAD

Y.A.M. Tunku Tan Sri Imran ibni Almarhum Tuanku Ja'afar
Chairman

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FURTHER INFORMATION**1. DIRECTORS' RESPONSIBILITY STATEMENT**

This Circular has been seen and approved by the Directors of LMB who collectively and individually accept full responsibility for the accuracy of the information given and confirm that after having made all reasonable enquiries and to the best of their knowledge and belief, there are no other facts, the omission of which would make any information, data or statement herein misleading.

2. MATERIAL LITIGATION

LMB and its subsidiaries are not engaged in any material litigation, claims or arbitration either as plaintiff or defendant, and the Directors of LMB have no knowledge of any proceedings pending or threatened against LMB or its subsidiaries or of any other facts which will likely give rise to any proceedings which may materially affect the position and business of LMB and its subsidiaries save and except as follows:

CLAIM BY SINGAPOREAN COMPTROLLER OF INCOME TAX ("COMPTROLLER") AGAINST LMCB HOLDING PTE LTD ("LMCBH") AND LAFARGE MALAYSIA BERHAD ("LMB") IN THE HIGH COURT OF SINGAPORE

LMB and LMCBH were served with a Writ of Summons in respect of a claim in the High Court of Singapore by the Comptroller of Income Tax ("Writ") for repayment of the sum of SGD9,589,816.84.

The particulars of the claim under the Writ were as follows:

- (i) Repayment of the sum of SGD9,589,816.84;
- (ii) Further or in the alternative, damages to be assessed;
- (iii) Further or in the alternative, tracing;
- (iv) Interest pursuant to section 12 of the Singaporean Civil Law Act (the amount claimed is not stated in the Writ);
- (v) Costs; and
- (vi) Such further and/or other relief as the Court deems fit.

The Writ was filed in High Court of the Republic of Singapore on 2 May 2014 and served on LMB on 17 June 2014 and on LMCBH on 20 June 2014. The details of the circumstances leading to the filing of the Writ were as follows:

- (i) LMCBH received from Inland Revenue Authority of Singapore (IRAS) in January 2005, September 2005 and November 2006, tax refunds for Years of Assessment ("YA") 2004 to 2006 amounting to the sum claimed under the Writ.
- (ii) Expected refunds for YA 2007 and 2008 amounting to SGD7,525,000 were recognised as a tax receivable in the financial statements for the relevant financial periods.
- (iii) In 2008, LMCBH received Notices of Additional Assessment from the Comptroller for YA 2004 to 2006 by which the Comptroller sought a return of the refunds made for those years, and a Notice of Original Assessment for YA 2007 giving rise to a tax payable instead of a tax receivable in that YA.
- (iv) In October 2008, LMCBH appealed to the Income Tax Board of Review ("Board") against all the Notices of Additional Assessment received for YA 2004 to 2006 and the Notice of Original Assessment for YA 2007. The Board upheld the decision of the Comptroller.
- (v) In April 2011, LMCBH filed an appeal to the High Court against the decision at the Board.
- (vi) In December 2012, the High Court allowed LMCBH's appeal against the Notices of Additional Assessment in connection with the tax refunds received by LMCBH for YA 2004 to 2006. The High Court also discharged the Notice of Original Assessment for YA 2007.
- (vii) In January 2013, LMCBH and the Comptroller filed appeals to the Court of Appeal against the aspects of the High Court decision that were unfavourable to them.
- (viii) On 26 February 2014, the Court of Appeal issued its written grounds of decision. The Court of Appeal disallowed the Comptroller's appeal in respect of the Notices of Additional Assessment for YA 2004 to 2006 and allowed the Comptroller's appeal in respect of the Notice of Original Assessment for YA 2007. The Court of Appeal also disallowed LMCBH's appeal against certain other aspects of the High Court decision which were unfavourable to LMCBH. As a result of the Court of Appeal's decision, the sum refunded to LMCBH for YA 2004 to 2006 was unaffected, and the amount of SGD3,971,977.60 for YA 2007 will not be refunded to LMCBH and accordingly, the tax refund was written off by the Group in the year ended 31 December 2013.

If the claim for the repayment of the sum of SGD9,589,816.84 is successful, there will be a return of the amounts of tax refunded to LMCBH previously. LMB and LMCBH consider that there is no basis for the legal action and have appointed lawyers. The parties have recently reached an in-principle settlement of the matters in and arising from the Writ, and upon finalisation and execution of the settlement agreement, the parties will take steps towards the discontinuance of the Writ.

3. MATERIAL CONTRACTS

Neither LMB nor any of its subsidiaries have entered into any material contracts (not being contracts entered into in the ordinary course of business) during the 2 years immediately preceding the date of this Circular.

4. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at the Registered Office of LMB located at Level 1, Wisma Lafarge, No. 2, Jalan Kilang 51/206, 46050 Petaling Jaya, Selangor Darul Ehsan during normal office hours from Mondays to Fridays (except public holidays) from the date of this Circular up to and including the date of the AGM: -

- (i) Constitution of LMB;
- (ii) Audited accounts of LMB Group for the two (2) financial years ended 31 December 2017 and 31 December 2018; and
- (iii) The relevant cause papers in respect of the material litigation referred to in Section 2 of this Appendix I.

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LAFARGE MALAYSIA BERHAD

(Company No. 1877-T)
(Incorporated in Malaysia)

EXTRACT OF ORDINARY RESOLUTION FOR RENEWAL OF MANDATE AS WELL AS PROPOSED NEW MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS

As Special Business

Item 7: Ordinary Resolution No. 7

To consider and, if thought fit, to pass the following as an Ordinary Resolution:

Proposed renewal of shareholders' mandate as well as proposed new mandate for Lafarge Malaysia Berhad ("LMB") and its subsidiaries ("LMB Group") to enter into Recurrent Related Party Transactions ("RRPTs") of a revenue or trading nature which are necessary for the day to day operations of LMB Group ("Proposed Recurrent RPT Mandate").

"That, subject always to the Listing Requirements of the Bursa Malaysia Securities Berhad ("Bursa Securities"), the Company and its subsidiaries ("LMB Group") be hereby authorised to enter into or transact all recurrent related party transactions of a revenue or trading nature with the Related Parties as set out in **Section 2.4** of the Circular to Shareholders dated 30 April 2019 provided further to the following:-

- (i) the transactions are necessary for the day to day operations of the Company, carried out in the ordinary course of business, on normal commercial terms and on terms which are not more favourable to the Proposed Related Party than those that could be arranged with unrelated parties, where comparable services, sales or purchases are so obtainable from such unrelated parties and are not to the detriment of the minority shareholders;
- (ii) disclosure be made in the annual report of the aggregate value of the transactions conducted pursuant to the Proposed Recurrent RPT Mandate during the financial year with a breakdown of the aggregate value of the RRPTs based on the type, the names of the Related Parties involved and their relationship with the Company and otherwise in accordance with the provisions of the Listing Requirements of the Bursa Securities; and
- (iii) that the authority conferred by the Proposed Recurrent RPT Mandate shall continue to be in force until:-
 - (a) the conclusion of the next Annual General Meeting ("AGM") of the Company, at which time it will lapse, unless by a resolution passed at the AGM, the authority is renewed;
 - (b) the expiration of the period within which the next AGM of LMB is required to be held pursuant to section 340(2) of the Companies Act, 2016 ("Act") (but shall not extend to such extension as may be allowed pursuant to section 340(4) of the Act); or
 - (c) revoked or varied by resolution passed by the shareholders in an AGM or EGM,whichever is earlier.

THAT the Directors and/or any one of them be hereby authorised to complete and do all such acts and things that they/he may consider expedient or necessary (including the amendment and/or execution of such documents as may be required) to give effect to the Proposed Recurrent RPT Mandate."

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PART B

**SHARE BUYBACK STATEMENT IN RELATION TO
THE PROPOSED RENEWAL OF AUTHORITY FOR PURCHASE
BY THE COMPANY OF ITS OWN SHARES ("SHARE BUYBACK")**



LAFARGE MALAYSIA BERHAD

(Company No. 1877-T)
(Incorporated in Malaysia)

Registered Office:
Level 1, Wisma Lafarge
No. 2, Jalan Kilang 51/206
46050 Petaling Jaya
Selangor Darul Ehsan

30 April 2019

DIRECTORS:

Y.A.M. Tunku Tan Sri Imran ibni Almarhum Tuanku Ja'afar (Chairman)
Mr Martin Kriegner (Vice Chairman)
Mr Yeoh Khoon Cheng (Chief Executive Officer)
Y.M. Tunku Afwida Binti Tunku A.Malek
Datuk Muhammad Noor Bin Hamid
Ar. Datuk Tan Pei Ing
Mr John Stull

To: The Shareholders of Lafarge Malaysia Berhad

Dear Sir/Madam,

SHARE BUYBACK STATEMENT IN RELATION TO THE PROPOSED RENEWAL OF AUTHORITY FOR THE PURCHASE BY THE COMPANY OF ITS OWN SHARES

1. INTRODUCTION

At the 68th Annual General Meeting ("AGM") of Lafarge Malaysia Berhad ("LMB" or "the Company") held on 23 May 2018, the Directors obtained the approval of its shareholders for the Company to purchase and/or hold up to 84,969,547 of its own shares representing 10% of the issued and paid-up ordinary share capital of LMB through Bursa Malaysia Securities Berhad ("Bursa Securities").

In accordance with the Listing Requirements of the Bursa Securities, the authority from the shareholders, which took effect upon the passing of the ordinary resolution for the Share Buyback, will expire at the conclusion of the next AGM unless the authority is renewed.

The purpose of this Statement is to provide the shareholders with the details of and to seek your approval for the proposed renewal of the authority for Share Buyback at the forthcoming 69th AGM to be held at Ballroom 1, First Floor, Sime Darby Convention Centre, 1A, Jalan Bukit Kiara 1, 60000 Kuala Lumpur, Malaysia on Thursday, 30 May 2019 at 2.00 p.m. The Notice convening the AGM together with the Form of Proxy are enclosed together with the Annual Report of the Company for the financial year ended 31 December 2018.

2. PURCHASES OR RESALE OF TREASURY SHARES MADE PURSUANT TO THE EXISTING AUTHORITY

Under the currently existing authority, the Company had not carried out any Share Buyback during the period from May 2018 until 30 April 2019, being the date of this Statement. Hence there are no treasury shares up to the date of this Statement.

3. PROPOSED RENEWAL OF AUTHORITY FOR SHARE BUY BACK

The Directors now propose to seek the shareholders' approval for a renewal of the authority for the Share Buyback at the forthcoming 69th AGM to be held on 30 May 2019.

As at 27 March 2019, the total issued and paid-up ordinary share capital of the Company is RM849,695,476 comprising 849,695,476 ordinary shares. Under the renewed authority for the Share Buyback, the maximum number of shares which may be purchased by the Company will be ten per cent (10%) of the issued and paid-up ordinary share capital of the Company or 84,969,547 shares, subject always to the maximum amount of funds which will be backed by an equivalent amount of retained profits.

On 27 February 2019, the Company announced to the Bursa Securities its decision to seek its shareholders' approval for the proposed renewal of the authority for the Share Buyback at the forthcoming AGM.

The renewed authority for the Proposed Share Buyback will be effective immediately upon passing of the ordinary resolution and will continue to be in force until the conclusion of the next AGM (at which time it shall lapse unless by an ordinary resolution passed at that meeting, the authority is renewed, either unconditionally or subject to conditions) or upon the expiration of the period within which the next AGM is required by law to be held or unless earlier revoked or varied by ordinary resolution of the shareholders of the Company in general meeting, whichever occurs first.

The Directors may retain the shares so purchased as treasury shares or cancel them or both. An appropriate announcement will be made to the Bursa Securities in respect of the intention of the Directors together with the rationale, whether to retain the shares so purchased as treasury shares or to cancel them or both, if the Share Buyback is executed. An immediate announcement shall be made upon each purchase or resale of the shares.

4. SOLVENCY STATEMENT UNDER THE NEW COMPANIES ACT 2016

Following the coming into force of the Companies Act 2016, the Directors wish to highlight that notwithstanding the approval by the shareholders of this authority for Share Buyback, prior to exercising the Proposed Share Buyback, the Directors shall be required to issue a solvency statement which is in compliance with the provisions of Sections 112 and 113 of the Companies Act 2016.

5. REASON AND RATIONALE FOR THE SHARE BUY BACK

The Share Buyback will enable the Company to utilise its financial resources to purchase its own shares and to enhance the return on equity. This may result in an increase in the Company's earnings per share ("EPS") in the event of the cancellation of the shares bought back by the Company and is expected to have a positive impact on the market price of the Company's shares.

The actual number of shares to be purchased, the total amount of funds involved for each purchase, and the timing of the purchase will depend on the market conditions and sentiments of the stock market as well as the financial resources available to the Company.

6. SOURCE OF FUNDS FOR THE SHARE BUY BACK

The Directors wish to highlight that as share premium account is no longer relevant under the Companies Act 2016, the Directors shall ensure that the Proposed Share Buyback shall be made wholly out of retained profits only. As of 31 December 2018, the audited retained profits of the Company were RM440 million. As such the maximum fund to be allocated by the Company for the Share Buyback and which will be backed by an equivalent amount of retained profits is RM440 million. Although the cash flow of the Company and LMB Group will be reduced to the extent of the number of shares bought and the amount of the purchase consideration, the Company does not foresee any difficulty and the Share Buyback is not expected to have a negative impact on the financial strength of LMB Group.

7. POTENTIAL ADVANTAGES AND DISADVANTAGES OF THE SHARE BUY BACK

The Share Buyback will allow the Company to utilise its financial resources with no immediate use to purchase its own shares on the Bursa Securities and as a result of which may help enhance the EPS of the Company. The maintenance of the share price is important as it will reduce the effects of the volatile fluctuation of the prices of LMB's shares in the stock market as well as to protect investors' confidence in LMB. Both are important in facilitating the Company's future fund raising exercises through the equity market.

The Share Buyback will, however, reduce the financial resources of LMB and may result in LMB having to forego any good investment opportunities which may emerge in future. It may also result in a lower amount of cash dividends that can be declared to shareholders as funds are being diverted to purchase its own shares.

LMB may stand to realise a potential gain if the shares so purchased and kept as treasury shares are subsequently resold at prices higher than the purchase prices.

Nevertheless, the Directors will be mindful of the interests of LMB and its shareholders in carrying out the Share Buyback.

8. EFFECTS OF THE SHARE BUYBACK

On the assumption that the Share Buyback is carried out in full, the effects on the share capital, Net Tangible Assets, working capital, cash flow and earnings of LMB are as set out below:-

Share Capital

The Share Buyback will result in the issued and paid-up ordinary share capital of LMB as at 27 March 2019 to be reduced by 84,969,547 ordinary shares from RM849,695,476 comprising 849,695,476 ordinary shares, to RM764,725,929 comprising 764,725,929 ordinary shares if the shares so purchased are fully cancelled.

	No. of shares	RM
Existing issued and paid-up ordinary share capital as at 27 March 2019	849,695,476	849,695,476
No. of shares to be cancelled pursuant to the Share Buyback	84,969,547	84,969,547
Upon completion of the Share Buyback	<u>764,725,929</u> =====	<u>764,725,929</u> =====

9. NET TANGIBLE ASSETS ("NTA"), WORKING CAPITAL AND CASH FLOW

The Share Buyback is likely to reduce the NTA per share of the Company and LMB Group if the purchase price exceeds the NTA per share of LMB Group at the time of purchase and will reduce the working capital of LMB Group, the quantum of which depends on, amongst others, the number of shares eventually purchased and the purchase prices of the shares.

For shares so purchased which are kept as treasury shares, upon its resale, the NTA of LMB Group and the working capital of the Company will increase assuming that a gain has been realised. Again, the quantum of the increase in NTA will depend on the actual selling price of the treasury shares and the number of treasury shares resold. The cash flow of the Company and LMB Group will be reduced and the extent of the cash flow reduction will depend on the number of shares purchased and the purchase prices of the shares.

10. EARNINGS

All things being equal, the Share Buyback, whether the shares to be purchased are maintained as treasury shares or cancelled, will result in a lower number of LMB's shares being used for the purpose of computing the EPS of the Company. The extent of the effects of the Share Buyback on the EPS of LMB Group will depend on the relevant purchase prices of the shares purchased and the effective funding cost to LMB Group to finance the purchase of the shares or any loss of interest income to the Company.

In the event that the treasury shares are resold on the open market, the EPS of LMB Group may also increase if the Company realises a gain from the resale, and vice versa. Assuming that the shares purchased are being retained as treasury shares and subsequently resold, the effects on the earnings of LMB Group will depend on the actual selling price, the number of treasury shares resold and the effective gain or loss arising from the resale.

11. DIVIDENDS

Assuming the Share Buyback is implemented in full and LMB's dividend quantum is maintained at historical level, the Share Buyback will have the effect of increasing the dividend rate of LMB as a result of the reduction in the issued and paid-up share capital of LMB as described herein above.

In respect of the financial year ended 31 December 2016, two interim single-tier dividends have been declared and paid as shown below:

- First interim single-tier dividend of 3.0 sen per ordinary share of RM1.00 each paid on 27 July 2016; and
- Second interim single-tier dividend of 2.0 sen per ordinary share of RM1.00 each paid on 27 October 2016.

In respect of the financial years ended 31 December 2017 and 31 December 2018, there was no dividend declared and paid.

12. IMPLICATIONS OF THE CODE

Based on the Company's Register of Substantial Shareholders as at 27 March 2019, it is unlikely that the provisions on mandatory takeovers under the Code on Take-Overs and Mergers 2010 (as may be amended from time to time and any re-enactment thereof) will be triggered by any shareholder of LMB solely by reason of the Share Buyback being carried out in full.

13. PUBLIC SHAREHOLDING SPREAD

As at 27 March 2019, the public shareholding spread of the Company was 48.999%. The public shareholding spread is expected to be reduced to 43.331% assuming the Share Buyback is implemented in full with the purchase from the market and all the shares so purchased are cancelled. The Directors will ensure that the Company complies with the public shareholding spread requirement and will not buy back shares if the purchase would result in the public shareholding spread requirement not being met.

14. SUBSTANTIAL SHAREHOLDERS' AND DIRECTORS' INTERESTS

Save for the inadvertent increase in the percentage shareholding and/or voting rights of the shareholders as a consequence of the Share Buyback, none of the Directors and Major Shareholders of the Company or persons connected to them has any interest, direct or indirect, in the Share Buyback.

15. DIRECTORS' STATEMENT AND RECOMMENDATION

Having considered the rationale for the Share Buyback, the Directors wish to advise that the proposed renewal of the authority for Share Buyback is in the best interest of the Company and accordingly, recommend that you vote in favour of the ordinary resolution for renewal of the authority for the Share Buyback to be tabled at the forthcoming AGM of the Company.

16. DIRECTORS' RESPONSIBILITY STATEMENT

This Statement has been seen and approved by the Directors of the Company, who collectively and individually accept full responsibility for the accuracy of the information given and confirm that after having made all reasonable enquiries and to the best of their knowledge and belief, there are no other facts, the omission of which would make any information, data or statement herein misleading.

Yours faithfully
For and on behalf of the Board of Directors of
LAFARGE MALAYSIA BERHAD

Y.A.M. Tunku Tan Sri Imran ibni Almarhum Tuanku Ja'afar
Chairman

LAFARGE MALAYSIA BERHAD
(Company No. 1877-T)
(Incorporated in Malaysia)

EXTRACT OF ORDINARY RESOLUTION FOR PROPOSED RENEWAL OF SHARE BUYBACK AUTHORITY

As Special Business

Item 8: Ordinary Resolution No. 8

To consider and, if thought fit, to pass the following as an Ordinary Resolution:

Proposed Renewal of Authority for Purchase of own shares by the Company ("Share Buyback").

"THAT subject to the provisions of the Companies Act, 2016 ("the Act"), the Company's Constitution and the requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") and the approvals of all relevant government and/or regulatory authorities, the Company is hereby authorised to purchase such number of ordinary shares of the Company ("Share Buyback") as may be determined by the Directors of the Company from time to time through the Bursa Securities upon such terms and conditions as the Directors may deem fit provided that the aggregate number of shares to be purchased pursuant to this resolution does not exceed 84,969,547 ordinary shares representing ten per cent (10%) of the issued and paid-up ordinary share capital (inclusive of treasury shares) of the Company and an amount not exceeding the retained profits of the Company be allocated by the Company for the Share Buyback;

AND THAT at the discretion of the Directors, upon such purchase by the Company of its own shares, the purchased shares be cancelled and/or retained as treasury shares and subsequently be cancelled, distributed as dividends or resold on the Bursa Securities;

AND THAT the Directors of the Company be hereby authorised to take all such steps as are necessary or expedient and to enter into any agreements, arrangements and guarantees with any party or parties to implement or to effect the purchase(s) of the Company's shares with full powers to assent to any conditions, notifications, revaluations, variations (if any) as may be required by the relevant authorities and to do all such acts and things that they/he may consider expedient or necessary (including the amendment and/or execution of such documents as may be required) to give effect to the Share Buyback;

AND THAT the authority hereby given shall commence immediately upon the passing of this resolution and shall continue to be in force until (i) the conclusion of the next Annual General Meeting ("AGM") of the Company at which time it shall lapse unless by ordinary resolution passed at the AGM, the authority is renewed either unconditionally or subject to conditions; or (ii) the expiration of the period within which the next AGM is required by law to be held or (iii) unless earlier revoked or varied by ordinary resolution of the shareholders of the Company in general meeting, whichever occurs first, but not so as to prejudice the completion of the purchase of its own shares by the Company entered into before the aforesaid expiry date and, in any event, in accordance with the Listing Requirements of the Bursa Securities or any other relevant authorities."

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PART C

**PROPOSED ADOPTION OF THE NEW CONSTITUTION
OF THE COMPANY ("PROPOSED ADOPTION")**



LAFARGE MALAYSIA BERHAD
(Company No. 1877-T)
(Incorporated in Malaysia)

Registered Office:
Level 1, Wisma Lafarge
No. 2, Jalan Kilang 51/206
46050 Petaling Jaya
Selangor Darul Ehsan

30 April 2019

DIRECTORS:

Y.A.M. Tunku Tan Sri Imran ibni Almarhum Tuanku Ja'afar (Chairman)
Mr Martin Kriegner (Vice Chairman)
Mr Yeoh Khoon Cheng (Chief Executive Officer)
Y.M. Tunku Afwida Binti Tunku A.Malek
Datuk Muhamad Noor Bin Hamid
Ar. Datuk Tan Pei Ing
Mr John Stull

To: The Shareholders of Lafarge Malaysia Berhad

Dear Sir/Madam,

PROPOSED ADOPTION OF THE NEW CONSTITUTION OF THE COMPANY

1. INTRODUCTION

The Board of Directors of the Company had on 27 February 2019, announced that the Company proposes to seek the approval of its shareholders' for the Proposed Adoption of the New Constitution of the Company ("Proposed Adoption") in accordance with Paragraph 9.19(16) of the Bursa Malaysia Listing Requirements ("BMLR").

The purpose of this Circular is to provide the shareholders with the relevant information regarding the Proposed Adoption and to seek your approval for the Special Resolution to be tabled at the forthcoming AGM of the Company to be held at Ballroom 1, First Floor, Sime Darby Convention Centre, 1A, Jalan Bukit Kiara 1, 60000 Kuala Lumpur, Malaysia on Thursday, 30 May 2019 at 2.00 p.m. The Notice convening the AGM together with the Form of Proxy are enclosed together with the Annual Report of the Company for the financial year ended 31 December 2018.

YOU ARE ADVISED TO READ AND CONSIDER CAREFULLY THE CONTENTS OF THIS CIRCULAR BEFORE VOTING ON THE SPECIAL RESOLUTION PERTAINING TO THE PROPOSED ADOPTION AT THE FORTHCOMING AGM OF THE COMPANY

2. DETAILS OF THE PROPOSED ADOPTION

The Board proposes that the Company revoke its existing Constitution in its entirety with immediate effect and in place thereof, adopt a new Constitution, taking into account the Companies Act 2016 ("CA 2016"), the Malaysian Code of Corporate Governance 2017 ("MCCG 2017") and in line with the BMLR.

A copy of the new Constitution proposed to be adopted is set forth in Appendix II of this Circular.

3. RATIONALE FOR THE PROPOSED ADOPTION

The Proposed Adoption is primarily for the purposes of streamlining and aligning the Company's existing Constitution with the amendments made to the BMLR and the prevailing statutory and regulatory requirements applicable to the Company.

The Proposed Adoption is also undertaken to render greater clarity and consistency throughout as well as to enhance administrative efficiency.

The Board proposes the adoption of a new Constitution as the amendments required to be made are numerous and would entail substantial amendments to the existing Constitution of the Company.

4. EFFECTS OF THE PROPOSED ADOPTION

The Proposed Adoption will not have any effect on the share capital of the Company, the substantial shareholders' shareholdings, Net Tangible Assets per share, gearing, earnings and consolidated earnings of the Company.

5. INTEREST OF DIRECTORS, MAJOR SHAREHOLDERS AND/OR PERSONS CONNECTED WITH THEM

None of the Directors and/or major shareholders and/or persons connected with them have any interest, direct or indirect, in the Proposed Adoption.

6. APPROVAL REQUIRED

The Proposed Adoption is subject to the approval of the shareholders of the Company at the forthcoming AGM of the Company by way of a special resolution.

7. DIRECTORS' RECOMMENDATION

Having considered the rationale for the Proposed Adoption, the Directors are of the opinion that the Proposed Adoption is in the best interest of the Company and accordingly, recommend that you vote in favour of the special resolution pertaining to the Proposed Adoption to be tabled at the forthcoming AGM of the Company.

8. ANNUAL GENERAL MEETING

For the purpose of considering and if thought fit, passing the special resolution pertaining to the Proposed Adoption, the notice of which is enclosed with the Annual Report of the Company for the financial year ended 31 December 2018, will be held at Ballroom 1, First Floor, Sime Darby Convention Centre, 1A, Jalan Bukit Kiara 1, 60000 Kuala Lumpur, Malaysia on Thursday, 30 May 2019 at 2.00 p.m.

If you are unable to attend and vote in person at the AGM, you are requested to complete, sign and return the enclosed Form of Proxy in accordance with the instructions printed thereon as soon as possible so as to arrive at the registered office of the Company located at Level 1, Wisma Lafarge, No. 2, Jalan Kilang 51/206, 46050 Petaling Jaya, Selangor Darul Ehsan no later than twenty-four (24) hours before the time set for holding the AGM or any adjournment thereof. The lodging of the Form of Proxy will not preclude you from attending and voting in person at the forthcoming AGM should you subsequently wish to do so.

9. FURTHER INFORMATION

Shareholders are requested to refer to the attached appendix for further information.

Yours faithfully
For and on behalf of the Board of Directors of
LAFARGE MALAYSIA BERHAD

Y.A.M. Tunku Tan Sri Imran ibni Almarhum Tuanku Ja'afar
Chairman

LAFARGE MALAYSIA BERHAD
(Company No. 1877-T)
(Incorporated in Malaysia)

EXTRACT OF SPECIAL RESOLUTION FOR PROPOSED ADOPTION OF THE NEW CONSTITUTION OF THE COMPANY

As Special Business

Item 9: Special Resolution No. 9

To consider and, if thought fit, to pass the following as an Ordinary Resolution:

Proposed Adoption of the New Constitution of the Company

“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, be and is hereby adopted as the Constitution of the Company, AND THAT the Directors of the Company be and are hereby authorised to assent to any modifications, variations and/or amendments as may be required by the relevant authorities and to do all acts and things and take all such steps as may be considered necessary to give full effect to the foregoing.”

APPENDIX II

PROPOSED NEW CONSTITUTION OF LAFARGE MALAYSIA BERHAD

Company No.:

1877-T

THE COMPANIES ACT, 2016

PUBLIC COMPANY LIMITED BY SHARES

CONSTITUTION

OF

LAFARGE MALAYSIA BERHAD

Incorporated on the 5th day of June, 1950

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THE COMPANIES ACT 2016
PUBLIC COMPANY LIMITED BY SHARES

**THE CONSTITUTION
OF
LAFARGE MALAYSIA BERHAD**

1. INTRODUCTION

1.1. Company incorporation

The present name of the Company is "LAFARGE MALAYSIA BERHAD".
[Note: It was incorporated on 5th June, 1950, under the then Companies Ordinances, 1940 - 1946, as Malayan Cement Berhad].

1.2 The registered office of the Company will be situated in Malaysia.

2. DEFINITION AND INTERPRETATION

2.1 Definitions

(a) In this Constitution, unless the context otherwise requires, the following words shall have the corresponding meanings assigned to it:-

Words	Meanings
"Applicable Laws"	All laws, bye-laws, regulations, rules, orders and/or official directions for the time being in force affecting the Company and its subsidiaries, including but not limited to the Act, the Securities Laws, the Listing Requirements and every other law for the time being in force concerning companies and affecting the Company and any other directives or requirements imposed on the Company by the Securities Commission and/or other relevant regulatory bodies and/or authorities.
"Authorised Nominees"	A person who is authorized and act as nominee as specified under the Rules.
"Central Depositories Act"	Securities Industries (Central Depositories) Act 1991 and any statutory modifications, amendments or re-enactment thereof for the time being in force.
"Central Depository"	Bursa Malaysia Depository Sdn. Bhd.
"Constitution"	This constitution as originally framed or as altered, amended or substituted from time to time.
"Deposited Security"	A security in the Company standing to the credit of a Securities Account of the Depositor subject to the provisions of the Central Depositories Act and the Rules.
"Electronic Form"	The issuing, sending or receiving of documents and/or information (including for the purposes of complying with the Act of the Listing Requirements) via electronic means which includes but shall not be limited to publishing on the Company's website or by any other electronic mode of communication developed from time to time.
"Exchange"	Bursa Malaysia Securities Berhad.
"Exempt Authorised Nominee"	Authorised nominee defined under the Securities Industry (Central Depository) Act 1991 ("SICDA") which is exempted from compliance with the provisions of subsection 25A(1) of SICDA.
"Independent Director"	Has the meaning assigned to it in the Listing Requirements.
"Listing Requirements"	The Listing Requirements of the Exchange including any amendments thereto that may be made from time to time.
"Member"	Any person/persons for the time being holding shares in the Company and whose name appears in the Register of Members and depositors whose names appear on the Record of Depositors.
"Month"	Calendar Month.
"Market Days"	Any day on which the stock market of the Exchange is open for trading in securities.
"Non-Deposited Security"	A security of the Company which is not a Deposited Security.
"Ordinary Resolution"	A resolution which has been passed by simple majority of more than half such Members who are entitled to vote and do vote in person, or where proxies are allowed, by proxy.

“Record of Depositors”	The record of depositors provided by the Central Depository to the Company under Chapter 24.0 of the Register of the Depository or its equivalent.
“Registrar of Companies”	The Registrar of Companies designated under Section 20A(1) of the Companies Commission of Malaysia Act 2001.
“Register of Members”	The Register of Members to be kept pursuant to the Act.
“Rules”	Rules of the Central Depository and any modifications or amendments thereof for the time being in force.
“Securities Account”	An account established by the Central Depository for a Depositor for the recording of deposit of securities and for dealing by the Depositor, as defined in the Central Depositories Act and/or the Rules.
“Special Resolution”	A resolution of which a notice of not less than twenty-one (21) days has been given and which has been passed by a majority of not less than seventy-five per centum (75%) of such Members who are entitled to vote and do vote in person, or where proxies are allowed, by proxy.
“The Act”	The Companies Act, 2016 and any statutory modification, amendment or re-enactment thereof and any other legislation for the time being in force made thereunder and any written law for the time being in force concerning companies and affecting the Company.
“These Article”	Any provisions in this Constitution as originally framed or as altered from time to time by Special Resolution in accordance with the Applicable Laws.
“The Company”	Lafarge Malaysia Berhad (Company No. 1877-T), the abovenamed Company or by whatever name it is called from time to time.
“The Auditors”	The Auditors for the time being of the Company.
“The Chairman”	The Chairman for the time being of the Company.
“The Directors”	The Directors for the time being of the Company.
“The Office”	The Registered Office for the time being of the Company.
“The Secretary”	The Secretary shall include any person appointed to perform the duties of Secretary temporarily.
“The Seal”	The Common Seal of the Company.

- (b) Unless otherwise defined herein, words and expressions defined in the Act shall when used herein bear the same meanings.
- (c) A reference to a statute or a statutory provision herein shall be deemed to include any modification, re-enactment or consolidation thereof and any regulations, rules, orders or other statutory instruments made pursuant thereto.
- (d) Expressions referring to “**writing**” shall include, unless the contrary intention appears, references to printing, lithography, photography and any other modes of representing or reproducing words, letters, figures or marks in a visible form or in any other form or manner, whether in hard copy or in electronic form sent by way of an electronic communication or otherwise in a form that allows the document and/or information to be easily accessible and reproduced into written, electronic or visible form.
- (e) Expressions referring to “**electronic communications**” shall include, but shall not be limited to, unless the contrary intention appears, references to delivery of documents or information in electronic form by electronic means to the electronic mail address or any other address or number of the addressee, as permitted by the Applicable Laws.

2.2. Interpretation

- (a) Unless these be something in the subject or context inconsistent therewith:-
 - (i) words denoting the singular number only shall include the plural and vice versa;
 - (ii) words denoting the masculine gender only shall include the feminine and neuter gender and vice versa;
 - (iii) words denoting persons shall include firms, partnership, companies and corporations;
 - (iv) the abbreviation “RM” or “Ringgit Malaysia” means the lawful currency of Malaysia.

3. OBJECTS AND POWERS

3.1 Objects

The objects for which the Company is established are:-

- (1) To adopt and carry into effect with or without modification an agreement with the Associated Portland Cement Manufacturers Limited, Malayan Colliteries Limited and J.A. Russell and Company Limited in the terms of a draft which has for the purpose of identification been signed by Erroll David Shearn of 66 Ampang Road, Kuala Lumpur in the State of Selangor an advocate and solicitor of the Supreme Court of Malaysia.
- (2) To construct works for the production of cement and its ancillary products together with all buildings and erections necessary thereof or which may be considered to be of advantage of such production, acquire quarries and deposits of limestone shale and clay situate in the State of Selangor and elsewhere in Malaysia or in any part of the world and to carry on business as quarrymasters and as manufacturers of and dealers and workers in cement, cement asbestos sheets, lime, mortar, plasters, whitening, clay, bauxite, soap stone, ochers, concrete, artificial stone, gravel, sand, bricks, tiles, pipes, paints, fixing materials, pottery manufacturers', builders' and dyers' requisites and conveniences and materials generally for constructional work of all kinds and to carry on the trades or businesses of iron masters, steel converters, colliery proprietors, coke manufacturers, manufacturing chemists, miners, smelters, engineers in all branches, tin plate makers, and iron founders, lime burners, paviors and builders, owners and charterers of ships and vessels, barge owners, dock owners, lightermen, proprietors of transport, warehousemen, wharfingers, managing and other agents and to carry on business as general merchants, general traders, manufacturers and contractors in all their respective branches.
- (3) To search for, get, work, raise, make, merchantable, buy, sell and deal in limestone, lime, brick, earth, sand, clay, fire clay, bricks, natural gas, iron, coal, coke, ironstone, metals, minerals and substances of all kinds and to manufacture, buy, sell and deal in apparatus, machinery, materials and articles of all kinds.
- (4) To generate, accumulate, distribute, supply sell and deal in electricity.
- (5) To construct, purchase, lease or otherwise acquire any light or other railway or tramway or any wire rope way and any lines of telephone or telegraph and to equip, maintain and work by electricity, steam or other mechanical or other power all railways and tramways and wire rope ways and lines of telephone or telegraph belonging to the Company or in which the Company may be interested and to carry on the business of tramways proprietors, railway or wire rope way proprietors, lines of telephone and telegraph proprietors and carriers of passengers and goods by road, rail, wire ropeway, air or water and of manufacturers and dealers in tramway, railways, wire rope ways, telephone and telegraph apparatus, carriages, trucks, locomotives, and all kinds of rolling stock and of accumulators, dynamos and other chattels and effects and conveniences required for making, maintaining, equipping and working railways, wire rope ways, tramways and lines of telephone or telegraph.
- (6) To carry on any other business other than life or fire insurance (whether manufacturing or otherwise) which may seem to the Company capable of being conveniently carried on in connection with the above or calculated directly or indirectly to enhance the value of or render profitable any of the Company's property or rights.
- (7) To purchase, take on lease or in exchange, or acquire by mining set or license, concession, grant or otherwise, any lands, mines, minerals rights, buildings, easements, rights and privileges, machinery, plant, and other effects whatsoever in Malaysia or elsewhere in any part of the world, which the Company may from time to time think proper to be acquired for any of its purposes.
- (8) To prospect for, explore, develop and work all kinds of mines and mining properties.
- (9) To search for ores and minerals, mine, and grant licenses for mining in or over any lands which may be acquired by the Company and to lease any such lands for building or agricultural use, and to sell or otherwise dispose of the lands, mines or other property of the Company.
- (10) To carry on the business of a mining, smelting, and refining company, and, as auxiliary thereto, to purchase or hire vessels, to purchase or erect buildings and works, and to construct or contribute to the construction of piers, wharves, docks, railways and tramways.
- (11) To carry on at any place or places in Malaysia or elsewhere in any part of the world which to the Company may seem suitable the business of planters, cultivators, growers, importers and exporters, refiners, manufacturers, producers, wholesale and retail dealers and merchants of and in rubber, coconuts, fibre, copra and all other products of the coconut, palm oil, tea, coffee, gutta percha and gums of every description, latex, bearing trees, tobacco, sugar, cocoa, spices, cardamoms, rice, fruit, pepper, cinchona, silk, cotton, flax, guano and bone and other artificial manure and agricultural and natural products of any kind and to manufacture, dispose of, buy, sell and deal in produce of the same.
- (12) To plant, grow, produce, cultivate, cure, treat, submit to any process, manufacture, prepare for market (whether on account of the Company or not) buy, sell and deal in rubber, coconuts, fibre, copra and all other products of the coconut, oil palm, tea, coffee, tobacco, cardamom, sugar, spices, cinchona, rice, cereals, cotton, flax, grain, fruit, silk, pepper, guano, and bone or other artificial manure and agricultural and other products of all sorts and seed and food or other requisites for labourers and others employed by the company and any goods, produce, wares, merchandise, articles and things of any kind whatsoever and generally to carry on the business of planters and growers of and dealers in produce of every kind.

- (13) To apply for, purchase or otherwise acquire (whether subject to any encumbrance or existing or contingent liability or not), sell, improve, lease, exchange, part with, transfer, deliver, charge, mortgage, run to account or otherwise howsoever dispose of or deal with any lands, buildings, estates, mines, plantations, forest, timber and trading rights, shares, securities, manufactures, mills, works, stock, tools, goods, engine, plant and machinery, merchandise and movable or immovable property of any kind and whatsoever situate including concessions, easements or rights of any kind, leases, claims, licenses, options or authorities of and over mines, lands, buildings, minerals, properties, mining forest, water and other rights and metalliferous land in any part of the world and either absolutely, optionally, or conditionally and either solely or jointly with others and as regards lands, to develop the resources thereof by clearing, draining, road-making, farming, grazing, planting, building, or improving, mining, setting and constructing public works and conveniences.
- (14)
 - (a) To receive money on deposit at interest or otherwise and to make, draw, accept, endorse, issue, discount, and otherwise deal with promissory notes, bills of exchange, letters of credit, circular notes, and other negotiable, transferable or mercantile instruments.
 - (b) To undertake and transact any of the business of merchants, capitalists, financiers, brokers, underwriters, and commission agents which may seem conducive to any of the objects of the Company.
 - (c) To undertake the office of trustee, receiver, executor, administrator, committee, manager, attorney, delegate, substitute, treasurer, and any other offices or situations of trust or confidence and to perform and discharge the duties and functions incidental thereto and generally to transact all kinds of trust business either gratuitously or otherwise.
- (15) To apply for, purchase or otherwise acquire, sell let or grant letters patent, brevets d'invention, concessions, licenses, inventions, rights and privileges subject to royalty, or otherwise and whether exclusive or non-exclusive or limited or any part or interest in such letters patent, brevets d'invention, concessions, licences, inventions, rights and privileges whether in Malaysia or elsewhere in any part of the world.
- (16) To promote or assist in the promotion of or establish companies and associations for the prosecution or execution of undertakings, work, projects, or enterprises of any description, whether of a private or public character in Malaysia or elsewhere, and to acquire and dispose of shares and interest in such companies or associations, or in any other companies or associations or in the undertakings thereof.
- (17)
 - (a) To receive on deposits title deeds and other securities.
 - (b) To negotiate loans of every description and to lend money on land securities and other property.
 - (c) To invest on the security of any, make advances on all descriptions of freehold, leasehold, or other properties, and all descriptions of produce or merchandise, and stocks, shares, bonds, mortgages, debentures or obligations and generally to lend and advance money to such persons and upon such terms and subject to such conditions as may seem expedient.
 - (d) To purchase or otherwise acquire issue, re-issue, sell, place and deal in shares, stocks, bonds debentures and securities of all kinds, and to give any guarantee or security for the payment of dividends or interest thereon or otherwise in relation thereto.
 - (e) To procure the capital for any company in any country formed for the purpose of carrying into effect and having objects connected with land, such as companies formed for the purposes of agriculture, land credit, and other interest in real estate, and to procure the issue of the capital of such companies, and to guarantee the issue thereof and to subscribe for, purchase, dispose of, and otherwise deal in the shares, bonds and securities of such companies and any other securities on real estate.
- (18) To purchase or acquire all or any part of the business property and liabilities of any company, society, partnership or person, formed for or carrying on all or any of the purposes within the objects of this Company, and to conduct and carry on or liquidate and wind up any such business.
- (19) To enter into working arrangements of all kinds with other companies, corporations, firms, or persons, and also to make and carry into effect arrangements with respect to sharing of profits, union of interests, amalgamation, or otherwise either in whole or in part or any other arrangements with any other companies, corporations, firms or persons.
- (20) To enter into any arrangements or contracts with any Governments or authorities supreme, municipal, council, local or otherwise that may seem conducive to the Company's objects or any of them, and to obtain from any such Government or authority any rights, privileges and concessions which the Company may think it desirable to obtain and to work, develop, carry out, exercise, comply with and turn to account any such arrangements, rights, privileges and concessions.
- (21) To carry on and transact any other businesses and operations, manufacturing, trading, mercantile, commercial or otherwise, which the Company may think directly or indirectly conducive to any of its objects or capable of being conveniently carried on in connection therewith.
- (22) To establish and support or aid in the establishment and support of associations or objects for the benefit solely or otherwise and directly or indirectly of persons employed by the Company or the dependents or connections of such persons, to pension or otherwise assist employees of the Company in their old age or infirmity or the widows, children or dependents of employees of the Company and to subscribe money for charitable or benevolent objects.

- (23) To appoint from time to time either with full or restricted powers of subdelegation and either with or without remuneration, agents, attorneys, local or managing directors or other persons or corporations under power of attorney or otherwise within or outside Malaysia for the purpose of carrying out or completing all or any of the objects of the Company as mentioned in this Constitution and of arranging, conducting or managing the business or businesses of the Company or any matter or concern whatsoever in which the Company is now or may from time to time be or become or be about to become interested or concerned with the same or more limited powers than the Directors of the Company have, to delegate such powers of appointment to any person or persons, company or corporation, and from time to time to revoke and cancel all or any such appointments or delegations and to remove any person or persons, company or corporation appointed thereunder.
- (24) To borrow or raise or secure the payment of money in such manner as the Company shall think fit, and in particular by the mortgage or charge of all or any part of the property of the Company or by the issue of debentures or debentures stock, perpetual or otherwise, charged upon all or any of the Company's property (both present and future) including its uncalled capital and to pay off, purchase, or redeem any such mortgage, charge or securities.
- (25) To do all or any of the matters hereby authorized either alone or in conjunction with, or as factors, trustees or agents for any other companies, or persons or by or through any factors, trustees or agents.
- (26) To accept stock or shares in, or the debentures, mortgage debentures or other securities of any other company in payment for any services rendered or for any sale made to or debts owing from any such company and to pay for any property acquired by the Company in shares of the Company.
- (27) Upon any issue of shares, debentures or securities of the Company to employ brokers, commission agents and under-writers, and to provide for the remuneration of such persons for their services by payment in cash or by the issue of shares, debentures or other securities of the Company, or by the granting of options to take the same, or in any other manner allowed by law.
- (28) To distribute in specie or otherwise as may be resolved any assets of the Company among its members and particularly the shares, debentures or other securities of any other company formed to take over the whole or any part of the assets or liabilities of this Company.
- (29) To let on lease or on hire the whole or any part of the immovable or movable property of the Company on such terms as the Company shall determine.
- (30) To sell, dispose of or transfer the business, property and undertaking of the Company or any part thereof for any consideration which the Company may see fit to accept and in particular for shares, debentures or securities of any other company having objects altogether or in part similar to those of this Company.
- (31) To pay the cost, charges and expenses, preliminary and incidental to the formation, establishment and registration of the Company, and to remunerate by commission, brokerage, granting of options of taking up shares of the Company or otherwise any person or company for services rendered or to be rendered in relation to the formation and establishment of the Company or the conduct of its business or placing or assisting to place or guaranteeing the placing of any shares in or debentures or other securities of the Company.
- (32) To obtain all powers and authorities necessary to carry out or extend any of the above objects.
- (33) To procure for the Company incorporation or constitution of a like nature in any foreign country or in any dominion, colony or dependency of the United Kingdom.
- (34) Generally to do all such other things as are incidental to or connected with any of the above objects or conducive to the attainment thereof or otherwise likely in any respect to be advantageous to the Company.
- (35) And it is hereby declared that the intention is that the objects in each paragraph of this clause shall, except where otherwise expressed in such paragraph, be independent main objects and shall in no way be limited or restricted by reference to or inference, from the terms of any other paragraph or the name of the Company.
- (36) And it is hereby declared that the word "company" in this clause when not applied to this Company shall be deemed to include any partnership or other body of persons political, mercantile or otherwise, whether incorporated or not incorporated and whether domiciled in Malaysia or elsewhere and whether existing or hereafter to be formed.

3.2 Powers of the Company

Subject to the Applicable Laws, the Company shall be capable of exercising all the functions of a body corporate and have full rights, powers and privileges to attain or pursue the aforesaid objects.

4. LIABILITY OF MEMBERS

The liability of the Members of the Company is limited.

5. SHARES

5.1 Share Capital

The share capital of the Company is its issued share capital. The said shares shall carry the respective rights as set out in this Constitution.

5.2. Class of shares

The shares in the original or any increased capital may be divided into several classes and there may be attached thereto respectively any preferential, deferred or other special rights, privileges, conditions or restrictions as to dividends, capital, voting or otherwise.

5.3 Share certificates

- (a) Subject to the provisions of the Act, the Central Depositories Act and the Rules, every person whose name is entered as a member in the Register of Members shall be entitled without payment to receive not later than ten (10) Market days after allotment or within fifteen (15) Market days of lodgment of transfer (or within such other period as the conditions of issue shall provide) one certificate in respect of each class of shares held by him for all his shares in that class or several certificates each for one or more of his shares in any one class upon payment of RM3/ plus the amount of the proper duty with each such certificates is chargeable under any law for the time being in force relative to stamps (or such lesser sum as the Directors shall from time to time determine) for every certificate after the first provided by the Company will upon allotment issue up to ten (10) certificates without charge. Every certificate shall be under the Seal of the Company (which shall be embossed or engraved seal in such form as the Director may from time to time prescribe for such purpose) and shall specify the shares to which it relates, and the amount paid upon thereon. All such certificates shall be signed by at least one Director and the Secretary. It shall be sufficient evidence that the common seal has been duly affixed to any such certificate and signed as aforesaid if facsimiles of the signatures of a Director and of the Secretary appear thereon. Provided that in respect of a share or shares held jointly by several persons, the Company shall not be bound to issue more than one certificate and delivery of a certificate for a share to one of several joint-holders shall be sufficient delivery to all such holders.
- (b) Subject to the provisions of the Act, the Central Depositories Act and the Rules, if any share certificate shall be defaced, worn out, destroyed, lost or stolen, it may be renewed on such evidence being produced and a letter of indemnity (if required) being given by the shareholder, transferee, person entitled, purchaser, member firm or member company of the Exchange upon which the Company is listed or on behalf of its/their client(s) as the Directors of the Company shall require, and (in case of defacement or wearing out) on delivery up of the old certificate, and in any case on payment of such sum not exceeding RM3/- per certificate plus stamp duty (if any) levied by the Government concerned as the Directors may from time to time require. In the case of destruction, loss or theft a shareholder or person entitled to whom such renewed certificate is given shall indemnify the Company against any loss or damage arising out of any claim made against the Company, and pay to the Company all expenses incidental to the investigation by the Company of the evidence of such destruction or loss.
- (c) The Company may issue jumbo certificates in respect of shares or securities in favour of Bursa Depository as may be directed by the Securities Commission or Bursa Depository pending the crediting of shares or securities into the securities account of the person entitled to such shares or securities or as may be prescribed by the Securities Industry (Central Depository) Act, 1991 (SICDA) and the Rules of Bursa Depository PROVIDED ALWAYS that every certificate shall be issued under the Seal in such form as the Board shall from time to time prescribe and shall bear the facsimile signature of at least one Director and the Secretary or some other person appointed by the Board, and shall specify the number and class of shares or securities to which it relates and the issue price of the shares or securities.

5.4 Joint-holders

When two or more persons are registered as the holders of any share they shall be deemed to hold the same as joint tenants with benefit of survivorship subject to the provision of the following:-

- (a) The Company shall be bound to register more than three (3) persons as the holders of any share but this provision shall not apply in the case of executors or trustees of a deceased shareholders.
- (b) The joint-holders of a Non Deposited Security shall be liable severally as well as jointly in respect of all payments which are due and payable in respect of such Non Deposited Security.
- (c) For the purposes of quorum, joint-holders of any share shall be treated as one Member.
- (d) Only the person whose name stands first in the Register of Members as one of the joint-holders of any share shall be entitled to delivery of the certificate relating to such share or to receive notices from the Company.
- (e) The joint-holders of any share shall be liable severally as well as jointly in respect of all payments which ought to be made in respect of such share.
- (f) Any one of the joint-holders of any share may give effectual receipts for any dividend, bonus or other sum of money payable to such joint-holders in respect of such share.
- (g) On the death of any one of the joint-holders of any share, the survivor or survivors shall be the only person or persons recognized by the Company as having such title to such share but the Directors may require such evidence of death as they think necessary to call for.

6. VARIATION OF RIGHTS

6.1 Modification of class rights

If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, whether or not the Company is being wound up, be varied or abrogated with the consent in writing of the holders of seventy-five per centum (75%) of the issued shares of that class or with the sanction of a Special Resolution passed at a separate meeting of the holders of the shares of that class. To every such separate meeting the provisions of this Constitution relating to meetings of Members shall mutatis mutandis apply so that the necessary quorum shall be two (2) persons at least holding or representing by proxy at least of one-third (1/3) of the issued shares of the class and that any holder of shares of the class present in person or by proxy may demand a poll. To every such Special Resolution the provisions of Section 292 of the Act shall apply with such adaptations as are necessary.

6.2 Alteration of rights by issuance of new shares

The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall, unless otherwise expressly provided by the terms of issue of the shares of that class be deemed to be varied by the creation or issue of further shares ranking as regards participation in the profits or assets of the Company in some or in all respects *pari passu* therewith.

6.3 Power of paying commission and brokerage

The Company (or the Directors on behalf of the Company) may exercise the powers of paying commissions conferred by Section 80 of the Act or its equivalent, provided that the commission paid or agreed to be paid shall not exceed ten per cent (10%) of the price at which the shares in respect of which the commission is paid are issued and shall be disclosed in the manner required by that Section. The Company (or the Directors on behalf of the Company) may on any issue of shares pay such brokerage as may be lawful. This clause shall also apply to any debenture or debenture stock issued by the Company.

6.4 Shares issued for purposes of raising money for the construction of works or buildings

Where any shares are issued for the purpose of raising money to defray the expenses of the construction works or buildings, or the provision of any plant which cannot be made profitable for a lengthened period, the Company may pay interest on so much of share capital as is for the time being paid up for the period and subject to the conditions and restrictions mentioned in Section 130 of the Act and may charge the same to capital as part of the cost of the construction of the works, buildings or plants.

6.5 Trusts not to be recognized

Except as authorised by law, no person shall be recognised by the Company as holding any share upon any trust, and the Company shall not be bound by or recognised by any equitable, contingent, future or partial interest in any share or (except only as by this Constitution otherwise provides) any interest in any fractional part of a share or any other right in respect of any share, except an absolute right to the entirety thereof in the registered holder.

7. LIEN ON SHARES

7.1 Company to have a paramount lien

The company's lien on shares and dividends from time to time declared in respect of such shares, shall be restricted to unpaid calls and instalments upon the specific shares in respect of which such moneys are due and unpaid, and to such amounts as the company may be called upon by law to pay and has paid in respect of the shares of the member or deceased member.

7.2 Lien may be enforced by sale of shares

The Company may sell, in such manner as the Board thinks fit, any shares on which the Company has a lien, but no sale shall be made until such time as a sum in respect of which the lien exists is presently payable and until there is default in payment of the same at the expiration of fourteen (14) days from a notice in writing, stating and demanding payment of such part of the amount in respect of which the lien exists as presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or bankruptcy.

7.3 Transfer of forfeited shares

To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof. The purchaser shall be registered as the holder of the shares comprised in any such transfer and the Board shall not be bound to see to the application of the purchase money, nor shall the purchaser's title to the shares be affected by any irregularity or invalidity in the proceedings relating to the sale and the remedy of the former holder of such shares or of any person claiming under or through him in respect of any alleged irregularity or invalidity shall be against the Company in damages only.

7.4 Application of proceeds of sale

The proceeds of the sale after payment of the amount of all costs of such sale and of any attempted sale shall be received by the Company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable and the residue, if any, shall (subject to a similar lien for sums not presently payable which exists over the shares before the sale) be paid to the person entitled to the shares at the date of the sale or his executors, administrators or assignees or as he directs.

8. CALLS ON SHARES

8.1 Calls when payable

The Directors may, subject to the provisions of these Article, from time to time to make such calls upon the members in respect of all moneys unpaid on their shares as they think fit, provided that fourteen (14) days' notice at least is given of each call, and each member shall be liable to pay the amount of every call so made upon him to the persons by the instalments (if any) and at the times and places appointed by the Directors. A call shall be deemed to have been made at the time when the resolution of the Directors authorizing such call was passed.

8.2 Sums payable on allotment deemed a call

Any sum which by the terms of allotment of a share is made payable upon allotment or at any fixed date, whether on account of the amount of the share or by way of premium, shall, for all purposes of these presents, be deemed to be a call duly made and payable on the date fixed for payment, and in case of non-payment the provisions of these presents as to payment of interest and expenses, forfeiture and the like, and all other relevant provisions of the presents shall apply as if such sum were a call duly made and notified as hereby provided.

8.3 Interest on calls paid in advance

The Board may, accept from any member the whole or a part of the amount remaining unpaid on any share held by him although no call has been made and no instalments has become payable. Upon any moneys so paid in advance and until the same would but for such advance become presently payable the Directors may pay or allow such interest as may be agreed between them and such member in addition to the dividend payable upon such part of the share in respect of which such advance has been made as is actually called up.

8.4 Difference in arrangements as to calls

The Directors may from time to time make arrangements on the issue of shares for a difference between the holders of such shares in the amount of calls or instalments to be paid and in the time of payment of such calls or instalments.

8.5 Calls to be fully-paid before receiving dividend and exercise of privileges

No member shall be entitled to receive any dividend or to exercise any privilege as a member until he shall have paid all calls for the time being due and payable on every share held by him whether alone or jointly with any other persons together with interest and expenses (if any).

8.6 Calls by joint-holders

The joint-holders of a share shall be jointly and severally liable to the payment of all calls and instalments in respect thereof.

8.7 Interest on calls

If before or on the day appointed for payment thereof of a call or instalments payable in respect of a share is not paid, the holder or allottee of the share shall pay interest on the amount of a call at such rate as determined by the directors from time to time, shall be effective from the day appointed for payment thereof to the time of actual payment, but the Directors may waive payment of such interest wholly or in part.

8.8 Non-payment calls

Any sum which by the terms of allotment of a share is made payable upon allotment or at any fixed date whether on account of the amount of the share or by way of premium shall, for all purposes of these Articles be deemed to be a call duly made and payable on the date fixed for payment, and in case of non-payment of the provisions of these Articles as to payment of interest and expenses, forfeiture and the like, and all other relevant provisions of these Articles shall apply as if such sum were a call duly made and notified as hereby provided.

8.9 Arrangement and time for payment of calls

The Directors may from time to time make arrangements on the issue of shares for the difference between the holders of such shares in the amount of the calls to be paid and in the time of payment of such calls.

8.10 Advance of calls

The Directors may if they think fit, receive from any member willing to advance the same all or in any part of the moneys due upon his shares beyond the sums actually called up thereon, and upon the moneys so paid in advance or so much thereof as exceeds the amount for the time being called up on the shares in respect of which such advance has been made the Directors may pay or allow such interest as may be agreed between them and such member in addition to the dividend payable upon such part of the share in respect of which such advance has been made as is actually called up. Capital paid in advance of calls shall not whilst carrying interest confer a right to participate in profits.

9. TRANSFER OF SHARES

9.1 Form of Transfers

- (a) Subject to the restrictions of the Act, and the Central Depository Act and the Rules as may be applicable, any member may transfer all or any of his shares by instrument in writing in any usual or common form or any other form which may be approved by the Exchange upon which the Company is listed. Such instrument of transfer must be left at the Office accompanied by the certificate of the securities to be transferred and such other evidence (if any) as the Directors may reasonably require to show the rights of the transferor to make the transfer. No security shall however be transferred where such transfer is not permitted by law.
- (b) The instrument of transfer of any share shall be signed by or on behalf of both the transferor and transferee, and transferor shall be deemed to remain the holder of such share until the name of the transferee is entered in the Register in respect thereof PROVIDED that the Directors may dispense with the signature on the instrument of transfer by or on behalf of the transferee in any case in which they think fit.

9.2 Director may refuse to register transfer

The Directors may in their discretion, and without assigning any reason, refuse to register a transfer of any share (not being a fully paid share) on which the Company has a lien.

9.3 Class of refusal

The Directors may also decline to recognize any instrument of transfer unless:-

- (a) such fee of transfer as the Director may from time to time require, is paid to the Company in respect thereof;
- (b) the instrument of transfer is deposited at the office of the Company, or such other place as the Director may appoint, accompanied by the certificate of the shares to which it relates and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer;
- (c) the instrument of transfer is in respect of only class of share.

If in the exercise of its rights a company refuses to register a transfer of a security it shall give to the lodging broker and the transferee written notice of refusal and the precise reasons thereof within ten (10) days after the date on which the transfer was lodged with the Company.

9.4 Registration fee

In respect of the registration of any probate, letters of administration, certificate of marriage or death, power of attorney or other documents, relating to or affecting the title to any shares, such fee as the Directors may from time to time require, plus any stamp duty payable under any law for the time being in force, may be charged for the registration of each transfer, split or consolidation and for each registration or transmission under the transmission clause and shall, if required by the Directors, be paid before registration.

9.5 Register of transfers

All instruments of transfer which are registered shall be retained and maintained by the Company, but any instrument of transfer which the Directors may decline to register shall, upon demand, be returned to the person depositing the same. The register of transfers shall, for the purposes of this Constitution, the Act or any law for the time being in force, be treated as the Register and any entry made to the register of transfers shall be deemed to be an entry to the Register.

9.6 Transfer books and Register may be closed

The registration of transfers of securities may be suspended and the Register may be closed at such times, for such reasons and for such periods as the Directors may from time to time determine not exceeding in the whole thirty (30) days in any year. At least eighteen (18) Market Days' notice of such suspension shall be given or any other period of notice of such closure as shall from time to time be fixed by the Exchange or the Act. The said notice shall state the period and the purpose or purposes for which the Register is being closed. The Company shall give at least three (3) Market Days' written notice of such closure to the Central Depository in accordance with the Rules, the Central Depositories Act, the Listing Requirements and the Rules of the Exchange, to enable the Central Depository to prepare the appropriate Record of Depositors, provided that where the Record of depositors is required in respect of corporate actions, at least seven (7) Market Days' prior notice shall be given to the Central Depository.

9.7 Transfer of listed securities of Company is by way of book entry

The transfer of any listed security or class of any listed security of the Company, shall be by way of book entry by Bursa Depository in accordance with the Rules of Bursa Depository and, notwithstanding Sections 105, 106 and 110 of the Act, but subject to Section 148(2) of the Act and any exemption that may be made from compliance with Section 148(1) of the Act, the Company shall be precluded from registering and effecting any transfer of the listed securities which have been deposited with Bursa Depository by the Company.

9.8 Prohibited transfer

No shares shall in any circumstances be transferred to any infant, bankrupt or person of unsound mind.

10. TRANSMISSION OF SHARES

10.1 Death of member

In the case of the death of a member the survivor or survivors where the deceased was a joint-holder, and the legal representatives of the deceased where he was a sole holder, shall be the only person recognised by the Company as having any title to his interest in the shares but nothing herein contained shall release the estate of the deceased joint-holder or the member from any liability in respect of the shares which had been held jointly by him with other persons as well as the sole deceased member.

10.2 Death or bankruptcy of a member

Any person becoming entitled to a share in consequence of the death or bankruptcy of a Member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect either to be registered himself as holder of the share or to have a person nominated by him registered as the transferee thereof, but the Board shall, in either case, have the same right to decline or suspend registration as they would have had in the case of a transfer of the share by that Member before his death or bankruptcy as the case may be. Provided always that where the share is a Deposited Security, subject to the Rules, a transfer or withdrawal of the share may be carried out by the person becoming so entitled.

10.3 Notice of election

If the person so becoming entitled elects to be registered himself, he shall deliver or send to the Company, a notice in writing signed by him stating that he so elects. If he elects to have another person registered, he shall testify his election by executing to that person a transfer of the shares. All the limitations, restrictions and provisions of this Constitution relating to the rights to transfer shall be applicable to any such notice or transfer as aforesaid as if the death or bankruptcy of the Member had not occurred and the notice or transfer were a transfer signed by the Member.

10.4 Person entitled or may receive dividend, etc.

Where the registered holder of any share dies or becomes bankrupt, his personal representative or the assignee of his estate, as the case may be, shall upon the production of such evidence as may from time to time be properly required by the Board and upon registration as a Member be entitled to the same dividends and other advantages and to the same rights (whether in relation to meetings of Members or to voting or otherwise) as the registered holder would have been entitled to if he had not died or become bankrupt.

10.5 Transmission of securities between registers

Where:-

- (a) the securities of the Company are listed on another stock exchange; and
- (b) the Company is exempted from compliance with Section 14 of the Central Depositories Act or Section 29 of the Securities Industry (Central Depositories Act 1998, as the case may be, under the Rules of Bursa Depository in respect of such securities;

the Company shall upon the request of a securities holder, permit a transmission of securities held by such securities holder from the register of holders maintained by the registrar of the Company in the jurisdiction of the other stock exchange to the register of holders maintained by the registrar of the Company in Malaysia and vice versa provided that there shall be no change in the ownership of such securities.

11. FORFEITURE OF SHARES

11.1 Notice to pay calls

If any Members fails to pay the whole or any part of any call or instalment of a call on or before the day appointed for the payment thereof the Directors may at any time thereafter, during such time as the call or instalment or any part thereof remains unpaid, serve a notice on him or on the person entitled to the share by transmission requiring him to pay such call instalment, of such part thereof as shall then be unpaid together with interest thereon, as determined by the Directors and any expenses that may have accrued by reason of such non-payment.

11.2 Particulars in notice

The notice shall name a further day (not earlier than the expiration of fourteen (14) days from the date of service of the notice) on or before which the payment required by the notice is to be made and shall state that in the event of non-payment at or before the time and place appointed the shares in respect of which the call was made will be liable to be forfeited.

11.3 Forfeiture

If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may at any time thereafter before the payment required by the notice has been made be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited shares and not actually paid before the forfeiture.

11.4 Sale of forfeited shares

A share so forfeited shall become the property of the Company and may be re-allotted, sold or otherwise disposed of on such terms and in such manner as the Board thinks fit and at any time before a sale or disposition, the forfeiture may be cancelled on such terms as the Board thinks fit. If any share is forfeited and sold, any residue after the satisfaction of the unpaid calls and accrued interest and expenses, shall be paid to the person whose shares have been forfeited, or his executors, administrators or assignees or as he directs.

11.5 Liability of member in respect of forfeited shares

A person whose shares have been forfeited shall cease to be a Member in respect of the forfeited shares, but shall, notwithstanding, remain liable to pay to the Company all moneys which, at the date of forfeiture, was payable by him to the Company in respect of the shares (together with interest or compensation at the rate of eight per cent (8%) per annum or such other rate as may be allowed under the Applicable Laws and determined by the Board to be calculated from the date of forfeiture on the money for the time being unpaid if the Board thinks fit to enforce payment of such interest), but his liability shall cease if and when the Company receives payment in full of all such money in respect of the shares.

11.6 Annulment of forfeiture

Notwithstanding any such forfeiture as aforesaid the Directors may at any time before the forfeited share has been otherwise disposed of, annul the forfeiture upon the terms of payment of all calls and interest due upon and expenses incurred in respect of the share and upon such further terms (if any) as they shall see fit.

11.7 Termination of interest

The forfeiture of a share shall at the time of forfeiture result in the termination of all interests in and all claims and demands against the Company in respect of the share and all other rights and liabilities incidental to the share as between the shareholder whose share is forfeited and the Company, except only such of those rights, liabilities as are by this Constitution expressly saved or as are by the Act given or imposed in the case of past Members.

11.8 Evidence of forfeiture

A statutory declaration in writing that the declarant is a Director or the Secretary of the Company and that a share in the Company has been duly forfeited on a date stated in the declaration shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share.

11.9 Procedure for sale of forfeited shares

The Company may receive the consideration, if any, given for a forfeited share on any sale, re-allotment or disposition thereof and may execute the transfer of the share in favour of the person to whom the share is sold or disposed of and he shall be registered as the shareholder and shall not have his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share. Subject to any lien for sums not presently payable, if any, any residue of the proceeds of sale of shares which are forfeited and sold or disposed of, after the satisfaction of the unpaid calls or instalments payable at fixed times and accrued interest and expenses, shall be paid to the person entitled to the shares immediately before the forfeiture thereof or his executors, administrators or assignees or as he directs.

11.10 Notice of forfeiture

Where any share has been forfeited in accordance with this Constitution, notice of the forfeiture shall forthwith be given to the holder of the share or the person entitled to the share by reason of the death or bankruptcy, as the case may be.

12. CONVERSION OF SHARES INTO STOCK

12.1 Conversion to be at meeting of Members

The Company may by Ordinary Resolution passed at a meeting of Members convert any paid-up shares into stock or re-convert any stock into paid-up shares of any denomination.

12.2 Transfer of stock

The holders of stock may transfer the same or any part thereof in the same manner and subject to the same in this Constitution and subject to which the shares from which the stock arose might, before the conversion, have been transferred or as near thereto as circumstances admit, but the Board may from time to time fix the minimum amount of stock transferable and restrict or forbid the transfer of fractions of that minimum.

12.3 Participation of stockholders

The stockholders shall according to the amount of the stock held by them, have the same rights, privileges and advantages with regards to dividends, voting at meetings of Members and other matters as if they held the shares from which the stock arose, but no such rights, privileges or advantages (except participation in the dividends and profits of the Company and in the assets on winding up) shall be conferred by any amount of the stock which would not, if existing in shares, have conferred that rights, privileges or advantages.

12.4 Definition

Such of these Articles as are applicable to paid up shares shall apply to stock and the words "share" and "shareholder" therein shall include "stock" and "stockholder" respectively.

13. INCREASE OF CAPITAL

13.1 Power to increase capital

The Company may from time to time, whether all the shares for the time being issued shall have been fully called up or not, by Ordinary Resolution increase its share capital by the creation and issue of new shares, such new capital to be of such amount and to be divided into shares of such respective amounts and to carry such rights or to be subject to such conditions or restrictions in regard to dividend, return of capital or otherwise as the Company by the resolution authorising such increase may direct.

13.2 Issuance of Shares and Securities

Without prejudice to any special rights previously conferred on the holders of any existing shares or class of shares and subject to the provisions of this Constitution, Applicable Laws, any other requirements of the Securities Commission, and to the provisions of any resolution of the Company, the Board may issue, allot or otherwise dispose of such shares or securities to such persons at such price, on such terms and conditions, with such preferred, deferred or other special rights and subject to such restrictions and at such times as the Board may determine but the Board in making any issue of shares shall comply with the following conditions:-

- (a) in the case of shares other than ordinary shares, no special rights shall be attached until the same have been expressed in this Constitution and in the resolution creating the same;
- (b) no Director or Chief Executive Officer shall participate in a scheme that involves a new issuance of shares or securities to employees unless the Members in a general meeting have approved the specific allotment to be made to such Director, major shareholder or Chief Executive Officer.

Subject to the Act, the Central Depositories Act, the Listing Requirements, the Rules of the Exchange and the Rules, the Company shall ensure that any new issue of securities for which listing is sought, is made by way of crediting the Securities Account of the allottee with such securities, save and except for Non Deposited Securities. The Company shall notify the Central Depository of the name of the allottee or entitled person and all such particulars required by the Central Depository to make the appropriate entries in the Securities Account of such allottee or entitled person and deliver to the Central Depository the appropriate script or jumbo certificate registered in the name of the Central Depository or its nominee.

13.3 Offer of new shares

Subject to any direction to the contrary that may be given by the Company in General Meeting, all new shares or other convertible securities of whatever kind, before they are issued, be offered to such persons as at the date of the offer are entitled to receive notices from the Company of meetings of Members in proportion, as nearly as the circumstances admit, to the amount of the existing shares or securities to which they are entitled. The offer shall be made by notice specifying the number of shares or securities offered and limiting a time within which the offer, if not accepted shall be deemed to be declined and after the expiration of that time, or on the receipt of an intimation from the person to whom the offer is made that he declines to accept the shares or securities offered, the Board may dispose of those shares or securities in such manner as they think most beneficial to the Company. The Board may also dispose of any new shares or securities which (by reason of the ratio which the new shares or securities bear to shares or securities held by persons entitled to an offer of new shares or securities) cannot, in the opinion of the Board, be conveniently offered under this Constitution.

13.4 Rights and liabilities attached to new shares

Except so far as otherwise provided by the conditions of issue in this Constitution, any share capital raised by the creation of new shares shall be considered as part of the original share capital of the Company and shall be subject to the same provisions with reference to the payment of calls, lien, transfer, transmission, forfeiture and otherwise as the original share capital.

13.5 Application to the Exchange for waiver

Notwithstanding to the Article 13.3 above, the Company may apply to the Exchange upon which the Company is listed for waiver of convening Extraordinary General Meetings to obtain shareholders' approval for further issue of shares (other than bonus or rights issues) where the aggregate issues of which in any one financial year do not exceed 10% of the issued capital.

14. ALTERATION OF CAPITAL

14.1 Power to alter capital

The Company may by Ordinary Resolution:-

- (a) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
- (b) cancel shares which at the date of the passing of the resolution in that behalf have not been taken or agreed to be taken by any person or which have been forfeited and diminish the amount of its share capital by the amount of the shares so cancelled;

- (c) subdivide its share capital or any part thereof into shares of smaller amount than is fixed by this Constitution by subdivision of its existing shares or any of them, subject nevertheless to the provisions of the Act and so that as between the resulting shares, one (1) or more of such shares may, by the resolution by which such subdivision is effected, be given any preference or advantage as regards dividend, return of capital, voting or otherwise over the others or any other of such shares; and
- (d) subject to the provisions of this Constitution and the Act, convert and/or re classify any class of shares into any other class of shares.

14.2 Power to reduce capital

The Company may by Special Resolution, reduce its share capital, any capital redemption reserve fund or any share premium account in any manner permitted or authorised under and in compliance with the Applicable Laws.

14.3 Share Buy Back

The Company shall have the power, subject to and in accordance with the provisions of the Act and any rules, regulations and guidelines in respect thereof for the time being in force, to purchase its own shares and thereafter to deal with the shares purchased in accordance with the provisions of the Act and any rules, regulations and guidelines thereunder or issued by the Exchange and any other relevant authorities in respect thereof.

15. MEETING OF MEMBERS

15.1 Annual general meeting

The Company shall in each year hold an annual general meeting in addition to any other meetings in that year, within six (6) months of the Company's financial year end and not more than fifteen (15) months after the last preceding annual general meeting.

15.2 Meeting of Members

The main venue of all meetings of Members and annual general meetings shall be within Malaysia at such time and place as the Board shall determine. The chairperson shall be present at that main venue of the meeting. The Board may whenever it so decides by resolution convene a meeting of Members other than annual general meeting.

15.3 Extraordinary General Meeting

In addition, a meeting of Members other than an "Annual General Meeting" shall be called "Extraordinary General Meeting". The Directors may, whenever they think fit, convene an Extraordinary General Meeting and Extraordinary General Meeting shall also be convened on such requisition as is referred to in Section 311 of the Act, or, in default, may be convened by such requisitionists, as provided by Section 313 of the Act.

15.4 Meetings of Members at two or more venues

The meeting of Members may be held at more than (1) one venue using any technology or method that enables the Members to participate and to exercise the Members' rights to speak and vote at the meeting.

15.5 Requirement in notice calling meeting

In every notice calling a meeting of Members there shall appear with reasonable prominence a statement that a Member entitled to attend and vote, is entitled to appoint proxy(ies) in accordance with Article 19 hereof, to attend, participate, speak and vote instead of him.

15.6 Record of Depositors

The Company shall request Bursa Depository in accordance with the Rules of Bursa Depository, to issue a Record of Depositors to whom notices of meetings of Members shall be given by the Company. The Company shall also request Bursa Depository in accordance with the Rules of Bursa Depository, to issue a Record of Depositors, as at the latest date which is reasonably practicable which shall in any event be not less than three (3) market days before the general meeting (hereinafter referred to as the "General Meeting Record of Depositors").

Subject to the Securities Industry (Central Depositories) (Foreign Ownership) Regulations 1996 (where applicable), a depositor shall not be regarded as a Member entitled to attend any general meeting and to speak and vote thereat unless his name appears in the General Meeting Record of Depositors.

16. NOTICE OF MEETING

16.1 Notice and communication

Subject to the provisions of the Act as to special notice and the Listing Requirements, at least 14 days before the meeting or at least 21 days before the meeting where any special resolution is to be proposed or where it is an annual general meeting. Any notice of a meeting called to consider special business shall be accompanied by a statement regarding the effect of any proposed resolution in respect of such special business. At least 14 days' notice or 21 days' notice in the case where any special resolution is proposed or where it is the annual general meeting, of every such meeting must be given by advertisement in at least 1 nationally circulated Bahasa Malaysia or English daily newspaper and in writing to each the Exchange upon which the company is listed.

Provided that a general meeting notwithstanding that it has been called by a shorter notice than that specified above, shall be deemed to have been duly called if it is so agreed:-

- (a) in the case of an Annual General Meeting, by all the Members entitled to attend and vote thereat; and
- (b) in the case of an Extraordinary General Meeting, by a majority in number of the Members having a right to attend and vote thereat being a majority which together holds not less than 95% in nominal value of shares giving a right to attend and vote.

16.2 Notice of meeting of Members and/or documents

Unless otherwise provided under the Act, or the Listing Requirements, notices of meetings of Members and of meetings of the Board and any other communication between the Company and the Members and/or its directors, including matters relating to resolutions, supply of information or documents or otherwise whether for the purposes of complying with the Act, or required to be sent under the Listing Requirements or otherwise, may be:

- (a) in hardcopy;
- (b) in Electronic Form; or
- (c) partly in hardcopy and partly in Electronic Form; or
- (d) by publishing on the Company's website.

16.3 Communication in hardcopy

A communication in hardcopy shall be valid if:

- (a) sent by the Company or the Secretary through post from the registered office of the Company;
- (b) served on the member personally, or, by sending it through post at the last known address of that member as provided to the Central Depository and appearing in the Record of Depositors;
- (c) served on the director personally, or, by sending it through post at the last known address of that director;
- (d) sent to the Company or Secretary or Member or Director by facsimile; or
- (e) advertised in the daily press.

16.4 Communication in Electronic Form

A communication in Electronic Form shall be valid if:

- (a) sent to the Company at an Electronic Address provided for that purpose;
- (b) sent to the director at the last known Electronic Address provided by that director;
- (c) sent to the member at the last known Electronic Address of that member;
- (d) sent to a member by means of publishing/posting on the Company's website provided that the Company must separately and immediately notify the member in writing (via hardcopy and/or electronic means) of the publication of the document and/or information on the Company's website and the designated website link or address where a copy of the document and/or information may be downloaded; or
- (e) sent to a member using any other electronic platform maintained by the Company or third parties that can host the information in a secure manner for access by Members provided that the Company must separately and immediately notify the Member in writing of the publication of the document and/or information on such electronic platform and how such document and/or information may be downloaded.

16.5 Communication on the Company's website

Where notice of a meeting of Members is given by the Company by publishing on a website, the Company must notify the Member of the publication of the notice on the website and such notification shall be in writing and be given in hard copy or electronic form stating –

- (a) that it concerns a meeting of Members;
- (b) the place, date and time of the meeting; and
- (c) whether the meeting is an Annual General Meeting. The notice shall be made available on the website from the date that notice is given under this Article until the conclusion of the meeting.

16.6 Right to request for hardcopy

Notwithstanding the modes of communication under Articles 16.4 to 16.5, a Member has the right to request, by written notice to the Company, for a hardcopy of any document and/or information that is required to be sent to the Members under the Listing Requirements. Upon receipt of such request, the Company must forward a hardcopy of the document and/or information to the Member as soon as reasonably practicable, free of charge.

Notwithstanding anything contained in this Constitution, where any document and/or information is required to be sent under the Listing Requirements to Members and such document and/or information is required to be completed by Members for a rights issue or offer for sale, the Company must send these documents and/or information through electronic mail, in hardcopy or in any other manner as the Stock Exchange may prescribe from time to time.

16.7 Last known address

The address and contact details (including Electronic Address):

- (a) of a member as provided to the Central Depository and appearing in the Record of Depositors;
- (b) of a Director appearing in the Register of Directors (or as otherwise provided by the director for the purposes of communications with him); or
- (c) provided by the Member or the Director to the Company for purposes of communication with him,

shall be deemed as the last known address of the Member or Director for purposes of communication including but not limited to service of notices, documents and/or information to the Member or Director respectively.

16.8 Communication by hardcopy deemed served

Any document or material being communicated by hardcopy shall be deemed to have been served by the Company on a Member on the day the prepaid letter, envelope or wrapper containing such document or material is posted.

In proving service by post it shall be sufficient to prove that the letter containing the notice or document or material was properly addressed and stamped and put into a government post box or delivered to the postal authority for delivery.

In proving service by facsimile it shall be deemed to be effective on production of a transmission report from the machine from which the facsimile was sent which indicates that the facsimile was sent in its entirety to the facsimile number of the recipient.

Any notice given by newspaper advertisement shall be deemed to have been given on the day on which the newspaper advertisement shall first appear.

Notice of general meetings given by the Company shall be deemed served on the Members whose names appear in the Record of Depositors where it first appears in a newspaper advertisement.

16.9 Communication in Electronic Form deemed Served

A communication in Electronic Form sent to a Director or Member shall be deemed to be served upon transmission of the same to the Electronic Address of the addressee provided that the Company has record of the communication being delivered and does not receive an automated delivery failure notice after the communication has been transmitted.

In the event of a delivery failure in respect of communication to Members in relation to any document required to be sent under the Listing Requirements, the Company shall immediately after receipt of the automated delivery failure notice, communicate to the affected Members through hardcopy as set out under Article 16.8.

16.10 Communication by publication on website deemed served

A communication by means of publication on a website shall be deemed to be served when the material was first made available on the website.

16.11 Communication via electronic Platform maintained by the Company or third parties

A communication via electronic platform maintained by the Company or third parties shall be deemed to be served on the date the item or material being communicated was first made available to the recipient thereto.

Subject to the Listing Requirements, a Member or Director who has no registered address within Malaysia and has not supplied to the Company an address within Malaysia for purposes of communication with him shall not be entitled to receive any notice or documents or communication in hardcopy through post from the Company UNLESS the Member or Director notifies the Company of an address within Malaysia in which such notice, documents or communication could be sent immediately before such notice, documents or communication are purported to be sent.

16.12 Notice in case of death or bankruptcy

Any notice or document required to be sent to Members delivered or sent by post to or left at the last known address of any Member or advertised in accordance with Article 16.1 shall, notwithstanding such Member be then deceased, and whether or not the Company have notice of his death, be deemed to have been duly served in respect of any shares, and such service shall, for all purposes of these presents, be deemed a sufficient service of such notice or document on his heirs, executors or administrators.

Every person who, by operation of law, transfer, transmission or other means whatsoever, shall become entitled to any share, shall be bound by every notice in respect of such share, which, prior to his name and/or address being entered in the Register of Members or the Record of Depositors as the registered holder of such share, shall have been duly given to the person from whom he derives the title to such share.

16.13 Who may receive notice

Notice of every meeting of Members shall be given in any manner hereinbefore specified to:

- (a) every Member;
- (b) every person entitled to a share in consequence of the death or bankruptcy or in case of a corporation, upon liquidation, of a Member who, but for his death or bankruptcy or liquidation, would be entitled to receive notice of the meeting;
- (c) the auditors;
- (d) every director; and
- (e) the Exchange.

Any notice on behalf of the Company or of the Board shall be deemed effectual if it purports to bear the signature of the Secretary or other duly authorised officer of the Company.

Subject to the Act and the Listing Requirements, any notice, document and/or information required by a court of law or otherwise required or allowed to be given by the Company to the Members or any of them, and not expressly provided for by this Constitution or which cannot for any reason be served in the manner referred to in this Constitution shall be sufficiently given if given by advertisement, and any notice, document and/or information required to be or which may be given by advertisement, shall be deemed to be duly served once advertised in a daily newspaper in Malaysia in the national language and English language.

Provided also that the accidental omission to give notice to or the non-receipt by any person entitled shall not invalidate the proceedings at any general meeting.

17. PROCEEDING AT GENERAL MEETINGS

17.1 Routine business at annual general meeting

Routine business shall mean and include only business transacted at an annual general meeting of the following classes, that is to say:

- (a) Laying before the meeting the audited financial statements and the reports of the Directors and the auditors;
- (b) Electing or appointing Directors in place of those retiring by rotation or otherwise and fixing the fees and benefits of the Directors;
- (c) Appointing auditors and fixing the remuneration of auditors or determining the manner in which such remuneration is to be fixed; and
- (d) Any resolution or other business of which due notice is given in accordance with the Act or this Constitution.

17.2 Special business

All business shall be deemed special that is transacted at a general meeting, and all business that is transacted at an annual general meeting shall also be deemed special with the exception of routine business transacted at annual general meeting. Any notice of a meeting to consider special business shall be accompanied by a statement regarding the effect of any proposed resolution in respect of such special business.

17.3 Quorum

No business shall be transacted at any meeting of Members unless a quorum of Members is present at the time when the meeting proceeds to business. Save as herein otherwise provided, two (2) Members present in person or by proxy shall be a quorum. For the purposes of this Constitution, "Member" includes a person attending as a proxy or representing a corporation which is a Member.

17.4 Adjournment

If within half (1/2) an hour from the time appointed for the meeting a quorum is not present, the meeting, if convened upon the requisition of Members shall be dissolved; in any other case it shall stand adjourned to the same day in the next week (or if that day be a public holiday, then to the next business day following that public holiday) at the same time and place or to such other day and at such other time and place as the Directors may determine, but if a quorum is not present at an adjourned meeting within half (1/2) hour from the time appointed for holding the adjourned meeting, the Members present shall be a quorum.

17.5 Chairperson of meeting of Members

The Chairman (if any) of the Board of Directors shall preside as the chairperson at every general meeting of the Company. If there is no such Chairman or if the Chairman is not present within fifteen (15) minutes after the time appointed for holding the meeting, the Directors present shall choose one (1) of the Directors to act as the chairperson of the meeting, or if one (1) Director only is present he shall preside as the chairperson if he is willing to act. If no Director is chosen who shall be willing to act, the Member(s) or proxy(ies) present and entitled to vote shall elect one (1) among themselves to be the chairperson of the meeting. However, a proxy shall not be eligible for election as chairperson of the meeting.

17.6 Adjournment with consent of meeting

The chairperson may with the consent of any meeting at which a quorum is present (and shall if so directed by the meeting) adjourn the meeting from time to time and from place to place but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. When a meeting is adjourned for thirty (30) days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. Save as aforesaid, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting. No business shall be transacted at any adjourned meeting other than the business which might have been transacted at the meeting from which the adjournment took place.

17.7 Method of voting

A resolution put to vote at any meeting of Members shall be determined by poll in accordance with the requirements of the Listing Requirements. A poll shall be taken in such manner and either forthwith or after an interval or adjournment or otherwise as the chairperson directs and the result of the poll shall be the resolution of the meeting at which the poll was taken, but a poll demanded on the election of chairperson or on a question of adjournment shall be taken immediately. The Chairperson may, in addition to the power of adjourning meetings contained in Article 17.4 hereof adjourn the meeting to some place and time fixed for the purpose of declaring the result of the poll.

The poll may be conducted manually using voting slips or electronically using various forms of electronic voting devices. Such votes shall be counted by the poll administrator, and verified by the scrutineer(s), as may be appointed by the Company for the purpose of determining the outcome of the resolution(s) to be decided on poll.

17.8 Evidence of passing of resolutions

The chairperson of the meeting declares whether or not the resolutions put to vote at a meeting of Members are carried, based on the poll results, which show the total number of votes cast on the poll (together with the percentage) in favour of and against the resolution, as announced by the scrutineer.

17.9 Members' power to require circulation of resolutions and statements

Any member may require the Company to give a notice of a resolution which may be properly moved at any meeting of Members, or circulate any statement pertaining to such resolution or such other business to be dealt with at the meeting, to the Members entitled to receive notice of a meeting of Members. The Company shall not be bound to give notice of such resolution or circulate any statement unless the member shall have served at the Office a copy of the requisition signed by the member subject to compliance with Section 323 of the Act:-

- (a) in the case of a requisition requiring notice of a resolution, at least twenty-eight (28) days before the meeting; and
- (b) in the case of any other requisition, at least seven (7) days before the meeting.

The above requisition shall contain:

- (i) the proposed resolution;
- (ii) a statement of its intention to submit the proposed resolution at that meeting of Members; and
- (ii) statements of not more than one thousand (1000) words with respect to the matter referred to in any proposed resolution or the business to be dealt with at that meeting.

18. VOTES OF MEMBERS

Subject to the provisions in Article 15.6, a member of the Company shall be entitled to be present and to vote at any general meeting in respect of any share or shares upon which all calls due to the Company have been paid.

18.1 Voting rights on poll

Subject to this Constitution and to any rights or restrictions for the time being attached to any shares or classes of shares, at meetings of Members or classes of Members, each member entitled to vote may vote in person or by proxy or by attorney. On a resolution to be decided by a poll, every member voting in person or by proxy or by attorney shall have one (1) vote for each share he holds.

18.2 Voting rights on a show of hands

Subject to this Constitution and to any rights or restrictions for the time being attached to any shares or classes of shares, on a resolution to be decided by on a show of hands, a holder of any shares or classes of shares who is personally present and entitled to vote shall be entitled to one (1) vote.

18.2 Vote of Member of unsound mind

A member who is of unsound mind or whose person or estate is liable to be dealt with in any way under the law relating to mental disorder may vote, by his committee or by such other person who properly has the management of his estate and any such committee or other person may vote by proxy or attorney.

18.3 Member barred from voting while call unpaid

Subject to the provisions in Article 16.13 hereof, no member shall be entitled to be present or to vote on any question either personally or otherwise, as a proxy or attorney at any meeting of Members (including annual general meetings) or upon a poll or be reckoned in the quorum in respect of any shares

(a) upon which calls are due and unpaid; and/or

(b) where the instrument of proxy, the power of attorney or other authority, if any, naming another person/party (other than the said member) as proxy, attorney, or person/party authorised to so act has not been deposited with the Company in accordance with Article 19.7 hereof.

18.4 Objection to qualification of voter

No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered and every vote not disallowed at such meeting shall be valid for all purposes. Any such objection made in due time shall be referred to the chairperson of the meeting whose decision shall be final and conclusive.

18.5 Corporate Representative

Subject to the provisions of Section 333 of the Act, any corporation which is a member, may by resolution of its directors or other governing body, authorise such person(s) as it thinks fit to act as its representative(s) at all meetings of Members and a person so authorised shall in accordance with his authority and until his authority is revoked by the corporation be entitled to exercise the same powers on behalf of the corporation as the corporation could exercise if it were an individual.

19. PROXY

19.1 Voting rights of proxy

A proxy shall be entitled to vote on a show of hands on any question at any general meeting.

19.2 Appointment of proxy

The instrument appointing a proxy shall be in writing under the hand of the member or of his attorney duly authorised in writing or if the member is a corporation, shall either be executed under its common seal or under the hand of two (2) authorised officers, one of whom shall be a director, or of its attorney duly authorised in writing. The instrument appointing a proxy authorises the proxy(ies) to demand or join in demanding a poll.

19.3 Appointment of multiple proxies

(a) A Member may appoint more than one (1) proxy in relation to a general meeting, provided that the Member specifies the proportion of his shareholdings to be represented by each proxy, otherwise the appointment shall be invalid.

(b) Where a Member of the Company is an Exempt Authorised Nominee which holds ordinary shares in the Company for multiple beneficial owners in one (1) 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.

(c) The appointment of two (2) or more proxies in respect of any particular Omnibus Account shall be invalid unless the Exempt Authorised Nominee specifies the proportion of its shareholding to be represented by each proxy.

19.4 Proxy need not be member

A proxy may, but need not, be a member of the Company. A member may appoint any person to be his proxy.

19.5 Invalid appointment

If a Member has appointed a proxy to attend a general meeting and subsequently he attends such general meeting in person, the appointment of such proxy shall be null and void, and his proxy shall not be entitled to attend the said general meeting.

19.6 Form of proxy

The instrument appointing a proxy shall be in such form as the Board may from time to time prescribe or approve. An instrument appointing a proxy shall, unless the contrary is stated thereon, be valid as well as for any adjournment or adjournments of the meeting to which it relates and need not be witnessed.

19.7 Delivery of instrument appointing proxies

The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority shall be deposited at the Office or at such other place within Malaysia or in such other manner as is specified for that purpose in the notice convening the meeting, not less than forty-eight (48) hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote or in the case of a poll, not less than twenty-four (24) hours before the time appointed for the taking of the poll and in default the instrument of proxy shall not be treated as valid or in such other period(s) as may be provided or permitted under the Applicable Laws and stipulated in the form of proxy or in the notice of meetings.

19.8 Validity of vote given under proxy

A vote given in accordance with the terms of an instrument of proxy or attorney shall be valid, notwithstanding the previous death or unsoundness of mind of the principal or the transfer of the share in respect of which the instrument is given, if no intimation in writing of such death, unsoundness of mind or transfer as aforesaid has been received by the Company at its Office before the commencement of the meeting or adjourned meeting at which the instrument is used.

19.9 Termination of proxy

The termination of proxy shall be in accordance with the Applicable Laws.

20. SCRUTINEER

Subject always to the Listing Requirements and the Rules of the Exchange, the Company must appoint at least one (1) scrutineer to validate the votes cast by poll at any meeting of Members of the Company and such scrutineer must not be an officer of the Company or its related corporation, and must be independent of the person undertaking the polling process. If such scrutineer is interested in a resolution to be passed at the meeting of Members, the scrutineer must refrain from acting as the scrutineer for that resolution.

21. DIRECTORS

21.1 Appointment and number of Directors

Unless otherwise determined by the Company in general meeting, the number of Directors shall not be less than two (2) and there shall be no maximum number. All Directors of the Company shall be natural persons who are at least eighteen (18) years of age. Subject to the Listing Requirements and any vacancy arising, at least two (2) Directors or one third (1/3) of the Board of Directors, whichever is higher, shall be Independent Directors.

21.2 Qualification shares for Directors

The shareholding qualification for Directors may be fixed by the Company in a meeting of Members and until so fixed, no shareholding qualification for Directors shall be required.

21.3 Alternate Directors

- (a) Each Director shall have the power to appoint any person approved by majority of the other members of the Board to act as alternate Director in his place during his absence and may at his discretion remove such alternate Director.
- (b) A person so appointed shall (except as regards power to appoint an alternate and remuneration) be subject in all respects to the terms and conditions existing with reference to the other Director of the Company, and each alternate Director, while so acting, shall exercise and discharge all the functions, powers and duties as Director, of his appointor in such appointor's absence and shall be entitled to receive all notices of meetings of the Directors.
- (c) Any person may act as an Alternate Director provided that such person is not a Director of the Company and he does not act as an alternate director for more than one (1) Director of the Company.
- (d) Any remuneration paid by the Company to an alternate Director shall be deducted from the remuneration payable to the Director nominating him.
- (e) An Alternate Director shall not be taken into account in reckoning the minimum or maximum number of Directors allowed for the time being but he shall be counted for the purpose of reckoning a quorum is present at any meeting of the Directors attended by him at which he is entitled to vote.

- (f) An Alternate Director shall ipso facto cease to be an alternate Director if his appointor ceases for any reason to be a Director, provided that if any Director retires by rotation or otherwise but is re-elected at the same meeting any appointment made by him pursuant to this Article which was in force immediately before his retirement shall remain in force as though he had not retired. All appointments and removals of the alternate Directors made by any Director in pursuance of the provisions of this Article shall be in writing under the hand of the Director making the same and left at the Office. The nomination of an alternate Director shall be valid if made by electronic form, provided that such nomination shall be confirmed within three (3) months from the abovementioned requirements, and any act done by the alternate director nominated in such electronic form between the date thereof and the date of the receipt within the prescribed period by the Company of the written nomination shall be as valid and effectual as if such alternate Director had been duly appointed in the first instance whether such written nomination shall be received by the Company within the prescribed period or not.

21.4 Office of Director vacated in certain cases

Subject as herein otherwise provided or to the terms of any subsisting agreement the office of a Director shall be vacated:-

- (a) If he is disqualified from being a Director under Section 198 or 199 of the Act;
- (b) If he ceases to be or is prohibited from being a Director by virtue of the Act or the Securities Laws or the Listing Requirements;
- (c) If a receiving order is made against him or he makes any arrangement or composition with his creditors;
- (d) If he becomes of unsound mind or a person whose person or estate is liable to be dealt with in any way under the Mental Health Act 2001;
- (e) If he absents himself from the meeting of Directors for a period of six months without special leave of absence from the other Directors, and they pass a resolution that he has by reason of such absence vacated his office;
- (f) If he is removed in accordance with the Act or the provisions herein;
- (g) If by notice in writing given to the Company he resigns his office;
- (h) If he dies; or
- (i) If he retires in accordance with the Act or under this Constitution and is not re-elected.

21.5 Continuing Directors may act to fill vacancies or summon meeting

The continuing Directors or Director may act notwithstanding any vacancy in their body, but if and so long as their number is reduced below the minimum number fixed by or pursuant to this Constitution as the necessary quorum of a Directors' meeting, the continuing Directors or Director except in an emergency, may act only for the purpose of increasing the number of Directors to that minimum number or to summon a meeting of Members.

21.6 Directors' remuneration

The ordinary remuneration of the Directors shall be by a fixed sum (not being a commission on or percentage of profits or turnover) which shall be subject to annual shareholders' approval at a general meeting and shall (unless such resolution otherwise provided) be divisible among as they may agree, or failing agreement, equally, except that any Director who shall hold office for part only of the period in respect of which such remuneration is payable shall be entitled only to rank in such division for a proportion of remuneration related to the period during which he has held office. The remuneration of the Directors shall not be increased except at a general meeting convened by notice specifying the intention to propose such increase.

21.7 Independent Directors

The Board shall have such number of Independent Directors as may be required under the Applicable Laws.

22. CHIEF EXECUTIVE OFFICER

22.1 Appointment of Chief Executive

The Directors may from time to time appoint any one (1) or more of their body to be the Chief Executive for such period not exceeding a fixed term of five years and upon such terms as they think fit and may vest in such Chief Executive as may be appointed by them any of the powers hereby vested in the Directors generally as they may think fit and such powers may be made exercisable for such period or periods, and upon such conditions, and subject to such restrictions, generally upon such terms as to remuneration and otherwise as they may determine from time to time revoke, withdraw, alter or vary all or any of such powers.

22.2 Remuneration of Chief Executive

Remuneration of a Chief Executive shall from time to time be fixed by the Directors and may be by way of salary or commission or participation in profits or otherwise or by any or all of these modes, but shall not be by a commission on or percentage of turnover.

22.3 Resignation and removal of Chief Executive

A Chief Executive shall be subject to retirement by rotation, and be reckoned as a Director for the purpose of determining the rotation or retirement of Directors or in fixing the number of Directors to retire, and he shall, subject to the provisions of the contract, if any, between him and the Company, be subject to the same provisions as to resignation and removal as the other Directors and if he ceases to hold the office of Director from any cause shall ipso facto and immediately cease to be a Chief Executive.

22.4 Chief Executive subject to control of Board

A Chief Executive, or a person performing the functions of a Chief Executive, by whatever name called, shall be subject to the control of the Board.

23. POWERS OF DIRECTORS

23.1 General Power of Directors to manage Company's business

The business and affairs of the Company shall be managed by, or under the direction of the Board. The Board shall have all powers necessary for managing, directing and supervising the management of the business and affairs of the Company subject to any modification, exception or limitation contained in the Act, the Applicable Laws and the Company's Constitution, and may pay all expenses incurred in promoting and registering the Company and exercise all such powers of the Company as are not, by the Act or by this Constitution required to be exercised by the Company in a meeting of Members, subject, nevertheless, to the Applicable Laws, to any provisions of this Constitution, to the provisions of the Act and to such regulations, being not inconsistent with the Applicable Laws, this Constitution or the provisions of the Act as may be prescribed by the Company in a meeting of Members but no regulation made by the Company in a meeting of Members shall invalidate any prior act of the Directors which would have been valid if that regulation had not been made.

23.2 Power to establish local board or agencies

The Directors may establish any local boards or agencies for managing any of the affairs of the Company in any part of the world, and may appoint any persons to be members of such local boards, and any managers or agents, and may fix their remuneration, and may delegate to any local board, manager or agent any of the powers, authorities and discretions vested in the Directors with power to sub-delegate, and may authorise the members of any local board, or any of them to fill any vacancies therein, and to act notwithstanding vacancies. Any such appointment or delegation may be made upon such terms and subject to such conditions as the Directors may think fit. The Directors may remove any person so appointed, and may annul or vary any such delegation, but no person dealing in good faith and without notice of any such annulment or variation shall be affected thereby.

23.3 The Board's borrowing powers

The Board may exercise all the powers of the Company to borrow money and to mortgage or charge its undertaking, property and uncalled capital, or any part thereof and to issue debentures and other securities whether outright or as security for any debt, liability or obligation of the Company or its subsidiaries.

23.4 Power to maintain funds

The Board may establish or arrange any contributory or non-contributory pension or superannuation scheme for the benefit of or pay a gratuity, pension or emolument to any person who is or has been employed by or in the service of the Company or any subsidiary of the Company or to any person who is or has been a Director or other officer of and holds or has held salaried employment in the Company or any subsidiary of the Company and the widow, family or dependents of any such person. The Board may also subscribe to any association or fund which they consider to be for the benefit of the Company or any subsidiary of the Company or any such persons as aforesaid and make payments for or towards any hospital or scholastic expenses of any such persons provided that any Director holding such salaried employment shall be entitled to retain any benefit received by him hereunder subject only, where the Act requires, to proper disclosure to the Members and the approval of the Company in a meeting of Members.

23.5 Pension for Directors

The Directors shall have power to pay and agree to pay pensions or other retirement, superannuation, death or disability benefits to or to any person in respect of any Director or ex-Director who may hold or have held any executive office or any office of profit under the Company or any subsidiary company and for the purpose of providing any such pensions or other benefits to contribute to any scheme or fund or to pay premiums.

23.6 Power to add Directors

The Board shall have power at any time and from time to time to appoint any person to be a Director either to fill a casual vacancy or as an addition to the existing Board. Any Director so appointed shall hold office only until the next following annual general meeting and shall then be eligible for re-election but shall not be taken into account in determining the Directors who are to retire by rotation at that meeting.

23.7 Power to appoint Attorneys

The Board may from time to time by power of attorney under the Seal appoint any corporation, firm or person or body of persons, whether nominated directly or indirectly by the Board to be the attorney/attorneys of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Directors under this Constitution) and for such period and subject to such conditions as they may think fit and any such power of attorney may contain such provisions for the protection and convenience of persons dealing with any such attorney as the Board may think fit and may also authorise any such attorney to delegate all or any of the powers, authorities and discretion vested in him.

23.8 Signature of cheques etc

All cheques, promissory notes, drafts, bills of exchange and other negotiable instruments and all receipts for money paid to the Company shall be signed, drawn, accepted, endorsed or otherwise executed, as the case may be, in such manner as the Directors from time to time determine by resolution.

23.9 Directors to act in good faith and use reasonable care, skill and diligence

A Director shall at all times exercise his powers for a proper purpose, in good faith and in the best interest of the Company and shall act honestly and use reasonable care, skill and diligence in the discharge of the duties of his office and shall not make use of any information acquired by virtue of his position to gain directly or indirectly an improper advantage for himself or for any other person or to cause detriment to the Company.

23.10 General duty to make disclosure

Every Director shall give notice to the Company of such events and matters relating to him as may be necessary or expedient to enable the Company and its officers to comply with the requirements of the Act.

23.11 Director may act by himself or by his firm in professional capacity

Any Director may act by himself or his firm in a professional capacity for the Company, and he or his firm shall be entitled to remuneration for professional services as if he were not a Director, provided that nothing herein contained shall authorise a Director or his firm to act as auditor of the Company.

23.12 Director may hold other office under the Company

A Director may hold any other office or place of profit under the Company (other than the office of auditor) in conjunction with his office of Director for such period and on such terms (as to remuneration and otherwise) as the Directors may determine and no Director or intending Director shall be disqualified by his office from contracting with the Company either with regard to his tenure of any such other office or place of profits or as vendor, purchaser or otherwise, nor shall any such contract, or any contract or arrangement entered into by or on behalf of the Company in which any Director is in any way interested, be liable to be avoided, nor shall any Director so contracting or being so interested be liable to account to the Company for any profits realized by any such contract or arrangement by reason of such Director holding that office or of the fiduciary relation thereby established.

23.13 Director's interest in corporation promoted by the Company

A Director of the Company may be or become a director or other officer of or otherwise be interested in any corporation promoted by the Company or in which the Company may be interested as shareholder or otherwise or any corporation, which is directly or indirectly interested in the Company as shareholder or otherwise and no such Director shall be accountable to the Company for any remuneration or other benefit received by him as a director or officer of, or from his interest in, such corporation unless the Company otherwise directs at the time of his appointment. The Directors may exercise the voting power conferred by the shares or other interest in any such other corporation held or owned by the Company, or exercisable by them as directors of such other corporation in such manner and in all aspects as they think fit (including the exercise thereof in favour of any resolution appointing themselves or any of the directors or other officers of such corporation) and any Director may vote in favour of the exercise of such voting rights in the manner aforesaid, notwithstanding that he may be, or is about to be appointed, a director or other officer of such corporation and as such is or may become interested in the exercise of such voting rights in the manner aforesaid PROVIDED ALWAYS that he has complied with Section 221 and all other relevant provisions of the Act and of this Constitution.

24. **ROTATION AND RETIREMENT OF DIRECTORS**

24.1 Retirement by rotation

At the first Annual General Meeting all the Directors shall retire from office and at the Annual General Meeting in every subsequent year, one-third of the Directors for the time being or if the number is not three or a multiple of three then the number nearest one third shall retire from office.

24.2 Which Directors to retire

The Directors to retire in every year shall subject nevertheless as hereinafter provided, be the Directors who have been longest in office since their last election but as between persons who became Directors on the same day, the Directors to retire shall (unless they otherwise agree amongst themselves) be determined by lot.

24.3 Retiring Directors eligible for re-election

All Directors (including without limitation the Chief Executive) shall retire from office once at least in each three (3) years but a retiring Director shall be eligible for re-election.

24.4 Notice of proposal to appoint Directors

No person, not being a Director retiring shall be eligible for election to the office of Director at any general meeting unless some member intending to propose him has, at least eleven (11) clear days before the meeting, left at the Registered Office a notice in writing duly signed by the nominee, giving his consent to the nomination and signifying his candidature for the office, or the intention of such number to propose him for election, provided that in the case of a person recommended by the Directors for election, nine (9) clear days' notice only shall be served on the registered holders of shares at least seven (7) days before the meeting at which the election is to take place.

24.5 When retiring Director deemed re-elected

Subject as herein provided, if at any meeting at which an election of Directors ought to take place the places of the retiring Directors, or some of them, are not filled up the retiring Directors, or such of them as have not had their places filled up shall, if willing to act, be deemed to have been re-elected.

24.6 Number may be increased or decreased

The Company may from time to time by ordinary resolution in general meeting increase or reduce the number of Directors and determine in what rotation such increased or reduced number shall go out of office.

24.7 Filling of vacancy

The Company at the meeting at which a Director retires in the manner aforesaid may fill the vacated office by electing a person thereto and in default the retiring Director shall, if he offers himself for re-election, be deemed to have been re-elected unless at such meeting it is expressly resolved not to fill such vacated office or unless a resolution for the re-election of such Director shall have been put to the meeting and lost.

24.8 Removal of Directors

The Company may by ordinary resolution of which special notice has been given in accordance with Section 322 of the Act, remove any Director before the expiration of his period of office, and may, if thought fit, by ordinary resolution appoint any other person as a Director in his place. The Director so appointed shall hold office as if he had become a Director on the day on which the person in whose place he is appointed was last appointed a Director.

25. PROCEEDINGS OF THE BOARD

25.1 Meeting of Directors

The provisions set out in the Third Schedule of the Act shall not apply to the Company, except so far as the same are repeated or contained in this Constitution governing the proceedings of the Directors. The Directors may meet together for the despatch of business, adjourn and otherwise regulate their meetings as they think fit. A Director may at any time and the Secretary shall on his requisition summon a meeting of the Directors. Directors may participate in a meeting of the Directors by means of a conference telephone or similar electronic telecommunication device by means of which all persons participating in the meeting can hear each other and participate throughout the duration of the communication between the Directors and participation in a meeting pursuant to this Article shall constitute presence in person at such meeting. It shall not be necessary to give notice of a meeting of Directors to any Director or alternate Director for the time being absent from Malaysia or the Republic of Singapore.

25.2 Notice of Directors' meeting

Unless otherwise determined by the Board from time to time, at least seven (7) days' notice of all Directors' meetings shall be given by hand, post, facsimile, electronic form or other form of electronic communications to all Directors and their alternate Directors who have a registered address in Malaysia, except in the case of an emergency, where reasonable notice of every Directors' meeting shall be given in writing. It shall not be necessary to give any Director or alternate Director, who does not have an address in Malaysia, registered with the Company, notice of a meeting of the Directors by hand or by post. Any Director may waive notice of any meeting either prospectively or retrospectively. The notice of each Directors' meeting shall be deemed to be served on a Director upon delivery if delivered by hand, or immediately if sent by facsimile, electronic form or other form of electronic communications or if sent by post, on the day on which a properly stamped letter containing the notice is posted.

25.3 Quorum of meeting of Directors

The quorum necessary for the transaction of the business of the Board shall be fixed by the Board from time to time and unless so fixed, the quorum shall comprise of three (3) Directors for the time being of the Company and a meeting of the Directors for the time being at which a quorum is present shall be competent to exercise all or any of the powers, authorities and discretions by or under this Constitution vested in or exercisable by the Board generally.

25.4 Director appointed at a meeting to hold other office to be counted in the quorum

A Director notwithstanding his interest may be counted in the quorum present at any meeting whereat he or any other Director is appointed to hold any office or place of profit under the Company or whereat the Directors resolve to exercise any of the rights of the Company, (whether by the exercise of voting rights or otherwise) to appoint or concur in the appointment of a Director to hold any office or place of profit under any other company as hereinbefore mentioned are considered, and he may vote on such matter other than in respect of the appointment of or arrangements with himself or the fixing of the terms thereof.

25.5 Chairman of Directors' meeting

The Directors may from time to time elect a Chairman who shall preside at meetings of Directors and determine the period for which he is to hold office, but if no such Chairman be elected, or if at any meeting the Chairman be not present within fifteen (15) minutes after the time appointed for holding the meeting, the Directors present may choose one (1) among themselves to be chairperson of the meeting.

25.6 Chairman to have a casting vote

Subject to this Constitution, any question arising at any meeting of Directors shall be decided by a majority of votes and a determination by a majority of Directors shall for all purposes be deemed a decision of the Board and PROVIDED ALWAYS that in the case of an equality of votes, the chairperson of the meeting shall have a second or casting vote. However, in the case of an equality of votes and where two (2) Directors form a quorum, the chairperson of a meeting at which only such a quorum is present or at which only two (2) Directors are competent to vote on the question at issue, shall not have a casting vote.

25.7 Disclosure of interest and restriction on discussion and voting

Every Director shall declare his interest in the Company and his interest in any contract or proposed contract with the Company as may be required by law. Subject to Section 222 of the Act, a Director shall not participate in any discussion or vote in respect of any contract or proposed contract or arrangement in which he has directly or indirectly an interest and if he shall do so his vote shall not be counted. A Director shall, notwithstanding his interest, be counted in the quorum for any meeting where a decision is to be taken upon any contract or proposed contract or arrangement in which he is in any way interested.

25.8 Power to vote

Subject to Article 25.7 hereof, a Director may vote in respect of:-

- (a) any arrangement for giving the Director himself or any other Director any security or indemnity in respect of money lent by him to or obligations undertaken by him for the benefit of the Company; or
- (b) any arrangement for the giving by the Company of any security to a third party in respect of a debt or obligation of the Company for which the Director himself or any other Director has assumed responsibility in whole or in part under a guarantee or indemnity or by the deposit of security.

26. COMMITTEES ESTABLISHED AND PERSONS APPOINTED BY THE BOARD

26.1 Committees of the Board

The Board may establish any committees, local boards or agencies comprising one (1) or more persons for managing any of the affairs of the Company, either in Malaysia or elsewhere, and may lay down, vary or annul such rules and regulations as it may think fit for the conduct of the business thereof and may appoint any person or persons to be the member or members of any such committee or local board or agency and may fix their remuneration and may delegate to any such committee or local board or agency any of the powers, authorities and discretions vested in the Board, with power to sub-delegate and may authorise the member or members of any such committee or local board or agency or any of them, to fill any vacancies therein and to act notwithstanding vacancies and any such appointment or delegation may be made upon such terms and subject to such conditions as the Board may think fit and the Board may remove any person or persons so appointed and may annul or vary any such delegation, but no person or persons dealing in good faith and without notice of any such annulment or variation shall be affected thereby.

26.2 Extra remuneration

Any Director who is appointed to any executive office including the office of Chairman or who serves on any committee or who otherwise perform services which in the opinion of the Directors are outside the scope of the ordinary duties of a Director, may be paid such extra remuneration by way of salary or percentage of profits or otherwise as the Directors may determine but not commission on or percentage of turnover.

26.3 Power of the Board to appoint

The Board may also appoint any person(s) for managing any of the affairs of the Company, either in Malaysia or elsewhere, and may lay down, vary or annul such rules and regulations as it may think fit for the conduct of the business thereof and may fix his or their remuneration and may delegate to any such person(s) any of the powers, authorities and discretions vested in the Board, with power to sub-delegate and any such appointment or delegation may be made upon such terms and subject to such conditions as the Board may think fit and the Board may remove any person or persons so appointed and may annul or vary any such delegation, but no person or persons dealing in good faith and without notice of any such annulment or variation shall be affected thereby.

26.4 Chairman of committees

A committee may elect a chairman of its meetings and if no such chairman is elected or if at any meeting the chairman is not present within fifteen (15) minutes after the time appointed for holding the meeting, the members present may choose one (1) among themselves to be the chairman of the meeting.

26.5 Meeting of committees

Subject to any rules and regulations made pursuant to Article 26.1 hereof, a committee may meet and adjourn as it thinks proper and questions arising at any meeting shall be determined by a majority of votes of the members present, and in the case of an equality of votes, the chairman of the said committee shall have a second or casting vote except where two (2) persons form a quorum, the chairman of a meeting of any such committee or local board or agency at which only such a quorum is present, or at which only two (2) persons are competent to vote in the question at issue, shall not have a second or casting vote.

27. VALIDATION OF ACTS

Directors' act to be valid

All bona fide acts done by any meeting of the Directors or a committee established by the Board or by any person(s) appointed by the Board pursuant to Articles 26.1 and 26.3 hereof or by any person acting as a Director shall notwithstanding that it is afterwards discovered that there are some defects in the appointment of any such Director or person acting as aforesaid or that they or any of them were disqualified, be as valid as if every such person had been duly appointed and was qualified to be a Director.

28. DIRECTORS' CIRCULAR RESOLUTIONS

Resolution in writing

A resolution in writing signed by all Directors shall be as effective for all purposes as a resolution passed at a meeting of the Directors duly convened, held and constituted. In case any Director is absent from Malaysia and the Republic of Singapore, a resolution signed by all the other Directors, (not being less than two), shall be valid and effectual. All such resolutions shall be described as "Resolution in Writing of the Board of Directors" and shall be forwarded or otherwise delivered to the Secretary without delay and shall be recorded by him in the Company's minute book. Any such resolution may consist of several documents in like form, each signed by one (1) or more Directors. The expressions "in writing" or "signed" include approval by legible confirmed transmission by facsimile or other forms of electronic communications.

29. AUTHENTICATION OF DOCUMENTS

29.1 Authentication of documents

Any Director or the Secretary or any other person approved by the Board shall have the power to authenticate any documents effecting the Constitution of the Company and any resolution passed by the Company or the Board and any books, records, documents and accounts relating to the business of the Company and to certify copies thereof or extracts therefrom as true copies or extracts.

29.2 Conclusive evidence of resolutions and extract of minutes of meetings

A document purporting to be a copy of a resolution of the Board or an extract from the minutes of a meeting of the Directors which is certified as such in accordance with the provisions of Article 29.1 hereof shall be conclusive evidence in favour of all persons dealing with the Company upon the faith thereof that such resolution has been duly passed or, as the case may be, that such extract is a true and accurate record of a duly constituted meeting of the Board.

30. MINUTES AND REGISTER

30.1 Minutes of meetings and resolutions

The Board shall cause minutes to be duly entered in books provided for the purpose:-

- (a) of all appointments of officers to be engaged in the management of the Company's affairs;
- (b) of the names of all the Directors present at each meeting of the Directors and of any committees of the Board and of the Company in a meeting of Members;
- (c) of all resolutions and proceedings of meetings of Members and of meetings of the Directors and committees of the Board; and
- (d) of all orders made by the Board and any committee of the Board.

Such minutes shall be signed by the chairman of the meeting at which the proceedings were held or by the chairman of the next succeeding meeting and if so signed, shall be conclusive evidence without any further proof of the facts therein stated.

30.2 Directors to comply with the Act

The Company shall in accordance with the provisions of the Act keep at the Office a register containing such particulars with respect to the Directors and managers of the Company as are required by the Act and shall from time to time notify the Registrar of Companies of any change in such register and of the date of change in the manner prescribed by the Act.

30.3 Minutes kept at office

The books containing the minutes of proceedings of any meeting of Members shall be kept by the Company at the Office and shall be open to the inspection of any Member without charge.

30.4 Registers to be kept

The Company shall also keep at the Office, registers which shall be open to the inspection of any Member without charge and to any other person on payment of not exceeding RM10.00 for each inspection, of all such matters required to be so registered under the Act, and in particular:-

- (a) a register of substantial shareholders and of information received pursuant to the requirements under Section 144 of the Act; and
- (b) a register of the particulars of each of the Directors' shareholdings and interests as required under Section 59 of the Act.

31. SECRETARY

Appointment or removal of a Secretary

The Secretary shall be appointed by the Board in accordance with the Act for such term, at such remuneration and upon such conditions as the Board thinks fit and the Secretary so appointed may be removed by the Board.

- (a) The Board may if it deems fit appoint:-
 - (i) two (2) or more persons as joint secretaries; and/or
 - (ii) an assistant or deputy secretary, for such term, at such remuneration, and upon such conditions as shall be determined by the Board; and such secretaries so appointed may be removed by the Board.
- (b) The Board may from time to time by resolution appoint a temporary substitute for any Secretary or Secretaries who shall be deemed to be the Secretary during the term of his appointment.

32. SEAL

32.1 Authority for use of Seal

The Board shall provide for the safe custody of the Seal which shall only be used pursuant to a resolution of the Directors or a committee of the Board authorised to use the Seal. Every instrument to which the Seal is affixed shall be autographically signed by a Director and either by a second Director or by the Secretary or by another person appointed by the Board for the purpose, save and except that, in the case of a certificate or other document of title in respect of any share, stock, loan stock or debenture as defined in the Act or any other obligations, warrants, call warrants or securities and instruments of any kind whatsoever relating to all the aforesaid created or issued or dealt with or marketed or sold by the Company, such certificate or document of title may be created or issued under the Seal or the Share Seal (for affixing onto share certificates only pursuant to Article 32.3 hereof), as the case may be, of the Company and the Board may by resolution determine that such signatures may be affixed by some mechanical electronic facsimile or autographical means or by such other means to be specified by the Board from time to time in such resolution.

32.2 Official Seal for use abroad

The Company may exercise the powers conferred by Section 62 of the Act with regard to having an official Seal for use abroad and such powers shall be vested in the Board.

32.3 Official seal for share certificates, etc.

The Company may also have a Share Seal pursuant to Section 63 of the Act. The Share Seal is an exact copy of the Seal of the Company with the addition on its face of the word "Securities" which is specifically used for affixing onto certificates that may be issued by the Company for any share, stock, loan stock, debentures or other marketable security relating to all aforesaid created or issued or dealt with or marketed or sold by the Company and the affixing of the Share Seal shall be authenticated in the manner set out in Article 32.1 hereof.

33. DIVIDENDS AND RESERVES

33.1 Distribution of dividends out of profit

The Company may make a distribution of dividends to the Members out of profits of the Company available if the Company is solvent, but no dividend shall exceed the amount as authorised by the Board.

33.2 Distribution only if Company is solvent

The Board may authorise a distribution at such time and in such amount as the Board considers appropriate, if the Board is satisfied that the Company will be solvent immediately after the distribution is made. The Company is regarded as solvent if the Company is able to pay its debts as and when the debts become due within twelve (12) months immediately after the distribution is made.

33.3 Setting aside profits

The Board may, before recommending and authorising any distribution of dividend, set aside out of the profits of the Company such sums as it thinks proper as reserve fund which shall be applied by the Board in its absolute discretion as it thinks conducive to the interest of the Company or shall with Ordinary Resolution in general meeting be, as to the whole or in part, applicable for equalizing dividends or for distributions by way of bonus among the members of the Company for the time being on such terms and in such manner as the Company in general meeting shall from time to time determine, and pending such application the Directors may employ the sum from time to time so set apart as aforesaid in the business of the Company or invest the same in such securities (other than the shares of the Company) as they may select. The Directors may also from time to time carry forward such sum as may be deemed expedient in the interest of the Company.

33.4 Payment of dividends

Subject to the rights of persons, if any, entitled to shares with special rights as to dividend, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but no amount paid or credited as paid on a share in advance of call shall be treated for the purposes of this Article as paid on the share. All dividends shall be apportioned and paid proportionately to the amount is paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid, but if any share is issued on terms providing that it shall rank for dividend as from a particular date that share shall rank for dividend accordingly.

33.5 Deduction of dividends

The Board may deduct from any dividend payable to any Member all sums of money, if any, presently payable by him to the Company on account of calls or otherwise in relation to the shares of the Company.

33.6 Dividends due may be retained until registration

The Board may retain the dividends payable upon shares in respect of which any person is under the provision as to the transmission of shares herein before contained entitled to become a Member or which any person is under those provisions entitled to transfer, until such person shall become a Member in respect of such shares or shall transfer the same.

33.7 Unclaimed dividends

All dividends unclaimed for one (1) year, after having been declared may be dealt with in accordance with the provisions of the Unclaimed Moneys Act 1965.

33.8 Distribution of specific assets

The Board in authorising a distribution of dividends may direct payment of such dividends wholly or partly by the distribution of specific assets and in particular of paid up shares, debentures or debenture stock of any other company or in any one or more of such ways and where any difficulty arises in regard to payment of such distribution, the Board may settle the same as it thinks expedient and fix the value for distribution of such specific assets or any part thereof and may determine that cash payments shall be made to any Members upon the footing of the value so fixed in order to adjust the rights of all parties and may vest any such specific assets in trustees as may seem expedient to the Board.

33.9 Payment by cheque or telegraphic transfer or electronic transfer

Any dividend, interest or other money payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder who is named on the Register of Members or to such person and to such address as the holder may in writing direct or by way of telegraphic transfer or electronic transfer or remittance to such account as designated by such holder or the person entitled to such payment. Every such cheque or warrant or telegraphic transfer or electronic transfer or remittance shall be made payable to the order of the person to whom it is sent and the payment of any such cheque or warrant or telegraphic transfer or electronic transfer or remittance shall operate as a good and full discharge to the Company in respect of the payment represented thereby, notwithstanding that in the case of payment by cheque or warrant, it may subsequently appear that the same has been stolen or that the endorsement thereon has been forged. Every such cheque or warrant or telegraphic transfer or electronic transfer or remittance shall be sent at the risk of the person entitled to the money thereby represented.

34. CAPITALISATION OF PROFITS

34.1 Bonus issue

The Company in a meeting of Members may upon the recommendation of the Board resolve that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the Company's reserve accounts or to the credit of the profit and loss account or otherwise available for distribution and accordingly that such sum be set free for distribution amongst the Members who would have been entitled thereto if distributed by way of dividend and in the same proportions on condition that the same be not paid in cash but be applied either in or towards paying up any amounts for the time being unpaid on any shares held by such Members respectively or paying up in full unissued shares or debentures of the Company to be allotted and distributed, credited as fully paid up to and amongst such Members in the proportion aforesaid or partly in the one way and partly in the other and the Board shall give effect to such resolution.

34.2 Power of applications of undivided profits

Whenever such a resolution as aforesaid in Article 34.1 hereof shall have been passed, the Board shall make all appropriations and applications of the undivided profits resolved to be capitalised thereby and all allotments and issues of fully paid up shares or debentures, if any, and generally shall do all acts and things required to give effect thereto, with full power to the Board to make such provision by the issue of fractional certificates or by payment in cash in discharging debentures of the Company or otherwise as it thinks fit for the case of shares or debentures becoming distributable in fractions and also to authorise any person to enter on behalf of all the Members entitled thereto into an agreement with the Company providing for the allotment to them respectively, credited as fully paid up, of any further shares or debentures to which they may be entitled upon such capitalisation or (as the case may require) for payment by the Company on their behalf, by the application thereto of their respective proportions of the profits of the amounts remaining unpaid on their existing shares and any agreement made under such authority shall be effective and binding on all such Members.

35. ACCOUNTS TO BE KEPT AND FINANCIAL STATEMENTS

35.1 Accounts open to inspection by Directors

The Board and managers of the Company shall cause to be kept the accounting and other records to sufficiently explain the transaction and financial position of the Company including its subsidiaries and enable a true and fair profit and loss accounts and balance sheet and any documents required to be attached thereto to be prepared in accordance with the Applicable Laws and shall distribute copies of balance sheets and other documents as required under the Applicable Laws.

The Board shall from time to time determine whether or not and to what extent and at what times and place and under what conditions or regulations the books of accounting and other records of the Company or any of them shall be open to the inspection of Members not being Directors, and no Member (not being a Director) shall have any right of inspecting any account or book or paper of the Company except as conferred by statute or authorised by the Board or by the Company in a meeting of Members. Subject always to Sections 245(5) and (6) of the Act, the books of accounting and records of operations as aforesaid shall be kept at the Office or at such other place as the Board thinks fit and shall always be open to inspection by the Directors.

35.2 Preparation and issuance of audited financial statements and directors' report

The Board shall cause to be prepared, sent to every Member and laid before the Company in its annual general meeting the audited financial statements and directors' report in accordance with the Act. The interval between the close of a financial year of the Company and the issue of the audited financial statements, the Directors' and Auditors' reports shall not exceed four (4) months.

35.3 Circulating copies of audited financial statements and directors' report

A copy of each of the audited financial statements, the Directors' and Auditors' reports in printed form or in CD-ROM or other electronic form permitted under the Listing Requirements or any combination thereof shall, not less than twenty-one (21) days before the date of the annual general meeting be sent to every Member of and to every holder of debentures of the Company and to every other person who is entitled to receive notice of general meetings from the Company under the provisions of the Act or of this Constitution, provided that this Article shall not require a copy of these documents to be sent to any person of whose address the Company is not aware but any Member to whom a copy of these documents has not been sent shall be entitled to receive a copy free of charge on application at the Office.

36. AUDITOR

36.1 Appointment of Auditors

The Auditors shall be appointed for each financial year by Ordinary Resolution at the annual general meeting of the Company in accordance with Section 271 of the Act.

36.2 Attendance of Auditors at general meetings where financial statements are laid

The Auditors shall attend every annual general meeting where the financial statements of the Company are to be laid, so as to respond according to his knowledge and ability to any question relevant to the audit of the financial statements in accordance with Section 285 of the Act.

37. WINDING UP

37.1 Distribution of assets in specie

If the Company is wound up (whether the liquidation is voluntary, under supervision, or by the court), the liquidator may after the payment or satisfaction of all liabilities of the Company including preferred payments under the Act, with the sanction of a Special Resolution of the Company divide amongst the Members in kind the whole or any part of the assets of the Company (whether they consist of property of the same kind or not) and may for that purpose set such value as he deems fair upon any property to be divided as aforesaid and may determine how the division shall be carried out as between the Members or different classes of Members. The liquidator may, with the like sanction, vest the whole or any part of any such assets in trustees upon such trusts for the benefit of the contributories as the liquidator, with the like sanction, think fit, but so that no Member shall be compelled to accept any shares or other securities whereon there is any liability.

37.2 Distribution of assets

Save that this Article shall be without prejudice to the rights of holders of shares issued upon special terms and conditions the following provisions shall apply:-

- (a) If the Company shall be wound up and the assets available for distribution among the Members as such shall be insufficient to repay the whole of the paid up capital such assets shall be distributed so that as nearly as may be the losses shall be borne by the Members in proportion to the capital paid up or which ought to have been paid up at the commencement of the winding up, on the shares held by them respectively; and
- (b) If in the winding up the assets available for distribution among the Members shall be more than sufficient to repay the whole of the capital paid up at the commencement of the winding up, the excess shall be distributed among the Members in proportion to the capital paid up, at the commencement of the winding up, on the shares held by them respectively.

37.3 Voluntary liquidation

On the voluntary liquidation of the Company, no commission or fee shall be paid to the liquidator unless it shall have been approved by Members. The amount of such payment shall be notified to all Members at least seven (7) days prior to the meeting at which it is to be considered.

38. SECRECY CLAUSE

Discovery of Company's confidential information

Save as may be provided by the Act, no Member shall be entitled to enter into or upon or inspect any premises or property of the Company nor to require discovery of any information respecting any detail of the Company's trading, manufacturing or any matter which is or may be in the nature of a trade secret or secret process which may relate to the conduct of the business of the Company and which in the opinion of the Board, it would be inexpedient in the interest of the Members if communicated to the public.

39. INDEMNITY AND INSURANCE

Indemnity and insurance for Company's officer and auditor

Subject to the Applicable Laws, every Director, Auditors, Secretary and other officers (as defined in the Act) for the time being of the Company shall be indemnified out of the assets of the Company against any liability incurred or sustained by him in or about the execution of his duties of his office or otherwise in relation thereto, and the Company may effect insurance for such persons against such liability.

40. RECONSTRUCTION

Power of the Board and liquidators to accept shares, as consideration for sale

On the sale of the undertaking of the Company, the Board or the liquidators on a winding up may, if authorised by a Special Resolution, accept fully paid or partly paid-up shares, debentures or securities of any other company, either incorporated in Malaysia or not, either then existing or to be formed for the purchase in whole or in part of the property of the Company, and the Board (if the profits of the Company permit), or the liquidators (on a winding up), may distribute such shares or securities, or any property of the Company amongst the members without realisation, or vest the same in trust for them and any Special Resolution may provide for the distribution or appropriation of the cash, shares or other securities, benefits or property, otherwise than in accordance with the strict legal rights of the Members or contributories of the Company, and for valuation of any such securities or property at such price and in such manner as the meeting may approve, and all holders of shares shall be bound to accept and shall be bound by any valuation or distribution so authorised, and waive all rights in relation thereto, save only in the case of the Company which is proposed to be or is in the course of being wound up, such statutory rights (if any) under Section 457 of the Act as are incapable of being varied or excluded by this Constitution. In case any of the shares to be divided as foresaid involves a liability to calls or otherwise any person entitled to such division to any of the said shares may, within ten (10) days after the passing of the Special Resolution, by notice in writing, direct the Board or the liquidator to sell his proportion and pay him the net proceeds and the Board or the liquidator shall, if practicable, act accordingly.

41. COMPLIANCE WITH STATUTES, REGULATIONS AND RULES

41.1 Compliance with statutes, regulations and rules

The Company shall comply with the provisions of all Applicable Laws, notwithstanding any provisions in this Constitution to the contrary.

41.2 General mandate

Subject to the Applicable Laws and the provisions of this Constitution, the Company may seek its shareholders' mandate which is renewable on an annual basis to enter into, deal with, act in or handle all related party transactions involving recurrent transactions of a revenue or trading nature which are necessary for the day to day operations of the Company.

42. EMPLOYEES

Employees and operations

The Board shall employ and dismiss employees of the Company as it may deem necessary and determine the amount of their salaries, pay the expenses of the Company, and generally do all those things necessary for the smooth running of the Company.

43. APPOINTMENT OF ADVISERS AND CONSULTANTS

43.1 Advisers and consultants

The Board may appoint:-

- (a) an advocate and solicitor or a firm of advocates and solicitors as legal adviser or advisers of the Company; or
- (b) a firm of accountants, a merchant bank or any other person as an adviser or a consultant of the Company, upon such terms and conditions as it considers appropriate and in such cases, the Board may pay such remuneration for work and services rendered by such person as it deems fit.

44. ALTERATIONS OF CONSTITUTION

Company may alter or amend constitution

Subject to this Constitution, no amendment whether by way of rescission, alteration or addition shall be made to this Constitution unless the same has been passed by a Special Resolution.

45. EFFECT OF THE LISTING REQUIREMENTS

- (a) Notwithstanding anything contained in this Constitution, if the Listing Requirements prohibit an act being done, the act shall not be done.
- (b) Nothing contained in this Constitution prevents an act being done that the Listing Requirements require to be done.
- (c) If the Listing Requirements require an act to be done or not to be done, authority is given for that act to be done or not to be done (as the case may be).
- (d) If the Listing Requirements require this Constitution to contain a provision and it does not contain such a provision, this Constitution is deemed to contain that provision.
- (e) If the Listing Requirements require this Constitution not to contain a provision and it contains such a provision, this Constitution is deemed not to contain that provision.
- (f) If any provision of this Constitution is or becomes inconsistent with the Listing Requirements, this Constitution is deemed not to contain that provision to the extent of the inconsistency.
- (g) Notwithstanding the above, nothing herein shall prevent the Company from applying to the Exchange for any waiver of any of the Listing Requirements and in the event the compliance or observance of any of the Listing Requirements is waived by the Exchange, the Company shall be exempted from such compliance.