

**THIS STATEMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.**

If you are in any doubt as to the course of action to be taken, you should consult your stockbroker, bank manager, solicitor, accountant or other independent adviser immediately.

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The logo for DIALOG Group Berhad, featuring the word "DIALOG" in white, bold, uppercase letters centered within a teal rectangular box. The box is flanked by two horizontal teal bars, one above and one below.

## **DIALOG GROUP BERHAD**

*(Company Number: 178694-V)*  
(Incorporated in Malaysia)

### **PART A**

#### **INFORMATION ON ANNUAL GENERAL MEETING PROPOSED NEW CONSTITUTION OF THE COMPANY**

**AND**

### **PART B**

#### **SHARE BUY-BACK STATEMENT IN RELATION TO THE PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY**

The Notice of the 31<sup>st</sup> Annual General Meeting of DIALOG Group Berhad to be held at Ballroom 1, 1<sup>st</sup> Floor, Sime Darby Convention Centre, 1A, Jalan Bukit Kiara 1, 60000 Kuala Lumpur on Wednesday, 13 November 2019 at 10.00 a.m. together with a Proxy Form are enclosed herein and in the Annual Report of DIALOG Group Berhad for the financial year ended 30 June 2019. The Proxy Form should be lodged at the registered office of DIALOG Group Berhad at DIALOG TOWER, No 15, Jalan PJU 7/5, Mutiara Damansara, 47810 Petaling Jaya, Selangor Darul Ehsan, not less than forty-eight (48) hours before the time appointed for holding the Annual General Meeting or any adjournment thereof, for it to be valid. The lodging of the Proxy Form will not preclude you from attending and voting in person at the meeting should you subsequently wish to do so.

This Statement is dated 14 October 2019

**PART A**

**INFORMATION ON ANNUAL GENERAL MEETING**

- **NOTICE OF THE 31<sup>ST</sup> ANNUAL GENERAL MEETING  
AND DIVIDEND ENTITLEMENT**
- **PROXY FORM**
- **ANNUAL REPORT 2019 REQUEST FORM**
- **PROPOSED NEW CONSTITUTION OF THE COMPANY**

# NOTICE OF THE 31<sup>ST</sup> ANNUAL GENERAL MEETING AND DIVIDEND ENTITLEMENT

**NOTICE IS HEREBY GIVEN THAT** the Thirty-First Annual General Meeting of DIALOG Group Berhad (“DIALOG” or the “Company”) will be held at **Ballroom 1, 1<sup>st</sup> Floor, Sime Darby Convention Centre, 1A, Jalan Bukit Kiara 1, 60000 Kuala Lumpur, Malaysia on Wednesday, 13 November 2019 at 10.00 a.m.** to consider the following matters:

## AGENDA

1. To receive the Audited Financial Statements for the financial year ended 30 June 2019 together with the Reports of the Directors and Auditors thereon. (Please refer to Explanatory Note 1)
  2. To approve the payment of a Final Single Tier Cash Dividend of 2.3 sen per ordinary share in respect of the financial year ended 30 June 2019. (Ordinary Resolution 1)
  3. To re-elect Kamariyah Binti Hamdan, the director retiring pursuant to Article 96 of the Company's Constitution. (Ordinary Resolution 2)
  4. To re-elect Siti Khairon Binti Shariff, the director retiring pursuant to Article 96 of the Company's Constitution. (Ordinary Resolution 3)
  5. To approve the payment of Directors' fees and Board Committees' fees of RM735,000 in respect of the financial year ended 30 June 2019 (2018: RM632,000). (Ordinary Resolution 4)
  6. To approve Directors' benefits (other than Directors' fees and Board Committees' fees) up to an amount of RM600,000 from 14 November 2019 to the next Annual General Meeting of the Company. (Ordinary Resolution 5)
- (Please refer to Explanatory Note 2)
7. To re-appoint Messrs BDO PLT as auditors of the Company and to authorise the Directors to fix their remuneration. (Ordinary Resolution 6)
  8. **Special Business:-**  
To consider and if thought fit, to pass the following resolutions:
    - (A) **ORDINARY RESOLUTION 7**  
- **CONTINUATION IN OFFICE AS INDEPENDENT NON-EXECUTIVE DIRECTOR** (Ordinary Resolution 7)  
“THAT approval be and is hereby given for Datuk Oh Chong Peng, who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine years, to continue in office as an Independent Non-Executive Director of the Company.” (Please refer to Explanatory Note 3)
    - (B) **ORDINARY RESOLUTION 8**  
- **CONTINUATION IN OFFICE AS INDEPENDENT NON-EXECUTIVE DIRECTOR** (Ordinary Resolution 8)  
“THAT approval be and is hereby given for Kamariyah Binti Hamdan, who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine years, to continue in office as an Independent Non-Executive Director of the Company.” (Please refer to Explanatory Note 3)

**NOTICE OF THE 31<sup>ST</sup> ANNUAL GENERAL MEETING  
AND DIVIDEND ENTITLEMENT**

**(C) ORDINARY RESOLUTION 9  
– PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY**

**(Ordinary  
Resolution 9)**

**(Please refer to  
Explanatory Note 3)**

“THAT, subject to the Companies Act 2016 (“the Act”), the Constitution of the Company and the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Malaysia”) and the requirements of any other relevant authorities, the Company be and is hereby authorised to purchase such number of ordinary shares in the Company as may be determined by the Directors of the Company from time to time through Bursa Malaysia upon such terms and conditions as the Directors of the Company may deem fit in the interest of the Company provided that the aggregate number of ordinary shares purchased pursuant to this resolution does not exceed ten percent (10%) of the total number of issued ordinary shares of the Company (“Proposed Renewal of Share Buy-Back Authority”) and THAT an amount not exceeding the total audited retained profits of the Company at the time of purchase, would be allocated by the Company for the Proposed Renewal of Share Buy-Back Authority.

THAT the authority conferred by this ordinary resolution will commence immediately upon passing of this ordinary resolution until the conclusion of the next Annual General Meeting of the Company (unless earlier revoked or varied by ordinary resolution of the shareholders of the Company in a general meeting) or until the expiration of the period within which the next Annual General Meeting after that date is required by law to be held.

THAT the Directors of the Company be and are hereby authorised to take all steps necessary to implement, finalise and to give full effect to the Proposed Renewal of Share Buy-Back Authority and THAT the Directors be and are hereby authorised to deal with DIALOG Shares so purchased, at their discretion, in the following manner:

- i. cancel the DIALOG Shares so purchased; or
- ii. retain the DIALOG Shares so purchased as treasury shares which may be dealt with in accordance with Section 127(7) of the Act; or
- iii. retain part of the DIALOG Shares so purchased as treasury shares and cancel the remainder of the DIALOG Shares,

or in any other manner as may be prescribed by the Act, all applicable laws, regulations and guidelines applied from time to time by Bursa Malaysia and/or other relevant authority for the time being in force and THAT the authority to deal with the purchased DIALOG Shares shall continue to be valid until all the purchased DIALOG Shares have been dealt with by the Directors of the Company.”

**NOTICE OF THE 31<sup>ST</sup> ANNUAL GENERAL MEETING  
AND DIVIDEND ENTITLEMENT**

**(D) SPECIAL RESOLUTION  
– PROPOSED ADOPTION OF NEW CONSTITUTION OF THE COMPANY**

(Special Resolution)

“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 as set out in Appendix I 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 any relevant authorities, and to do all such acts and things and take all such steps as may be considered necessary to give full effect to the foregoing.”

(Please refer to  
Explanatory Note 3)

9. To transact any other ordinary business for which due notice shall have been given.

**NOTICE IS ALSO HEREBY GIVEN THAT** the Final Single Tier Cash Dividend of 2.3 sen per ordinary share held in DIALOG, if approved, will be paid on 18 December 2019 to shareholders whose names appear in the Record of Depositors at the close of business on 28 November 2019.

A depositor shall qualify for entitlement to the Final Single Tier Cash Dividend only in respect of:

- a. Shares transferred into the Depositor’s Securities Account before 4.00 p.m. on 28 November 2019 in respect of ordinary transfers.
- b. Shares bought on Bursa Malaysia Securities Berhad on a cum entitlement basis according to the Rules of Bursa Malaysia Securities Berhad.

By Order of the Board

**ZAINAB BINTI MOHD SALLEH**, MIA 7672  
**LIM HOOI MOOI**, MAICSA 0799764  
**CHAY SIEW KIM**, MAICSA 7012266  
Joint Company Secretaries

Petaling Jaya  
14 October 2019

## NOTICE OF THE 31<sup>ST</sup> ANNUAL GENERAL MEETING AND DIVIDEND ENTITLEMENT

### Notes:

- a. Other than an exempt authorised nominee, a member of the Company is entitled to appoint not more than two (2) proxies to attend, speak and vote in his stead. Where a member appoints more than one (1) proxy, he shall specify the proportion of his shareholdings to be represented by each proxy.
- b. A proxy need not be a member of the Company and a member may appoint any person to be his proxy.
- c. The instrument appointing a proxy shall be in writing under the hand of the appointer or his attorney duly authorised in writing or if the appointer is a corporation under its Common Seal or the hand of its duly authorised officer or attorney.
- d. An instrument appointing a proxy must be deposited at the Registered Office of the Company at DIALOG TOWER, No. 15, Jalan PJU 7/5, Mutiara Damansara, 47810 Petaling Jaya, Selangor Darul Ehsan, Malaysia not less than forty-eight (48) hours before the time appointed for holding the Annual General Meeting ("AGM") or any adjournment thereof.
- e. Members whose names appear in the Record of Depositors as at 6 November 2019 shall be regarded as members entitled to attend, speak and vote at the AGM or appoint a proxy or proxies to attend, speak and vote in his stead.
- f. Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all resolutions set out in the Notice of AGM will be put to vote by poll.

### Explanatory Notes to the Agenda:

#### 1. Item 1 of the Agenda

The audited financial statements are for discussion only as it does not require shareholders' approval under the provisions of Section 340(1)(a) of the Companies Act 2016. Hence, it will not be put for voting.

#### 2. Item 6 of the Agenda

The Directors' Benefits (other than Directors' fees and Board Committees' fees) comprise meeting attendance allowances and/or other allowances to meet expenses incurred in carrying out their duties. In determining the estimated total amount, the Board has considered various factors, among others, the estimated number of meetings for the Board and its Committees.

### 3. Special Business

#### Item 8 of the Agenda

##### Ordinary Resolution 7 and 8 – Continuation in office as Independent Non-Executive Director

The proposed Ordinary Resolution No. 7 and 8, if passed, will enable Datuk Oh Chong Peng and Puan Kamariah Binti Hamdan to continue in office as Independent Non-Executive Directors of the Company in line with the practice of the Malaysian Code of Corporate Governance 2017. Both Datuk Oh and Puan Kamariah have served as Independent Non-Executive Directors of the Company for a cumulative term of more than 9 years respectively and have met the independence guidelines as set out in Chapter 1 of Main Market Listing Requirements of Bursa Malaysia Securities Berhad. The Board has determined that Datuk Oh and Puan Kamariah are able to bring independent and objective judgements to the Board as a whole and strongly recommended them to continue to act as Independent Non-Executive Directors of the Company.

##### Ordinary Resolution 9 – Proposed Renewal of Share Buy-Back Authority

The proposed Resolution No. 9, if passed, will empower Directors of the Company to purchase and/or hold up to ten percent (10%) of the total number of issued ordinary shares of the Company. For further information on the Proposed Renewal of Share Buy-Back Authority, please refer to Part B of the Statement to Shareholders dated 14 October 2019 enclosed together with the Company's Annual Report 2019.

##### Special Resolution – Proposed Adoption of New Constitution of the Company

The proposed Special Resolution, if passed, will align the Constitution of the Company with the Companies Act 2016, Main Market Listing Requirements of Bursa Malaysia Securities Berhad and/or other applicable laws or regulations or guidelines.

The details are set out in Appendix 1 of Part A of the Statement to Shareholders dated 14 October 2019 enclosed together with the Company's Annual Report 2019.

# STATEMENT ACCOMPANYING THE NOTICE OF THE 31<sup>ST</sup> ANNUAL GENERAL MEETING OF THE COMPANY

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

#### • Details of individuals who are standing for election as Directors

No individual is seeking election as Director at the Thirty-First Annual General Meeting of the Company.

# PROXY FORM

**DIALOG****DIALOG GROUP BERHAD**  
(178694-V)

No. of Ordinary Shares Held

CDS Account No.

I/We \_\_\_\_\_ NRIC/Passport No./Company No.: \_\_\_\_\_  
(Full Name In Capital Letters)of \_\_\_\_\_ Telephone No.: \_\_\_\_\_  
(Full Address)being a member of **DIALOG GROUP BERHAD** hereby appoint: \_\_\_\_\_

NRIC/Passport No. \_\_\_\_\_ of \_\_\_\_\_

and/or \_\_\_\_\_ NRIC/Passport No. \_\_\_\_\_ of \_\_\_\_\_

or failing him/her, the Chairman of the Meeting as my/our proxy, to attend and vote for me/us on my/our behalf at the Thirty-First Annual General Meeting of the Company to be held at **Ballroom 1, 1<sup>st</sup> Floor, Sime Darby Convention Centre, 1A, Jalan Bukit Kiara 1, 60000 Kuala Lumpur, Malaysia on Wednesday, 13 November 2019 at 10.00 a.m.** and at any adjournment thereof.

No	Ordinary Resolutions	For	Against
1.	To approve the payment of a Final Single Tier Cash Dividend of 2.3 sen per ordinary share for the financial year ended 30 June 2019.		
2.	To re-elect Kamariyah Binti Hamdan, the director retiring pursuant to Article 96 of the Company's Constitution.		
3.	To re-elect Siti Khairon Binti Shariff, the director retiring pursuant to Article 96 of the Company's Constitution.		
4.	To approve the payment of Directors' fees and Board Committees' fees in respect of the financial year ended 30 June 2019.		
5.	To approve the payment of Directors' benefits (other than Directors' fees and Board Committees' fees) from 14 November 2019 to the next Annual General Meeting of the Company.		
6.	To re-appoint Messrs BDO PLT as auditors of the Company and to authorise the Directors to fix their remuneration.		
7.	Continuation in office as Independent Non-Executive Director - Datuk Oh Chong Peng		
8.	Continuation in office as Independent Non-Executive Director - Kamariyah Binti Hamdan		
9.	Proposed Renewal of Share Buy-back Authority		
	<b>Special Resolution</b>		
	Proposed Adoption of New Constitution of the Company		

Please indicate with an "X" in the appropriate space how you wish your vote to be cast. If you do not indicate how you wish your proxy to vote on any resolution, the proxy shall vote as he thinks fit, or at his discretion, abstain from voting.

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2019.

\_\_\_\_\_  
Signature/Common Seal of Shareholder(s)

Date \_\_\_\_\_

**For appointment of two proxies,  
percentage of shareholdings to be  
represented by the proxies:**

	Percentage
<b>Proxy 1</b>	%
<b>Proxy 2</b>	%
<b>Total</b>	100%



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**Notes**

- a. Other than an exempt authorised nominee, a member of the Company is entitled to appoint not more than two (2) proxies to attend, speak and vote in his stead. Where a member appoints more than one (1) proxy, he shall specify the proportion of his shareholdings to be represented by each proxy.
- b. A proxy need not be a member of the Company and a member may appoint any person to be his proxy.
- c. The instrument appointing a proxy shall be in writing under the hand of the appointer or his attorney duly authorised in writing or if the appointer is a corporation under its Common Seal or the hand of its duly authorised officer or attorney.
- d. An instrument appointing a proxy must be deposited at the Registered Office of the Company at DIALOG TOWER, No. 15, Jalan PJU 7/5, Mutiara Damansara, 47810 Petaling Jaya, Selangor Darul Ehsan, Malaysia not less than forty-eight (48) hours before the time appointed for holding the Annual General Meeting ("AGM") or any adjournment thereof.
- e. Members whose names appear in the Record of Depositors as at 6 November 2019 shall be regarded as members entitled to attend, speak and vote at the AGM or appoint a proxy or proxies to attend, speak and vote in his stead.
- f. Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all resolutions set out in the Notice of AGM will be put to vote by poll.

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AFFIX  
STAMP

The Company Secretary  
**DIALOG GROUP BERHAD**  
(Company No. 178694-V)

DIALOG TOWER,  
No. 15, Jalan PJU 7/5  
Mutiara Damansara  
47810 Petaling Jaya  
Selangor Darul Ehsan  
Malaysia

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# ANNUAL REPORT 2019 REQUEST FORM

**DIALOG**

**DIALOG GROUP BERHAD**  
(Company Number: 178694-V)  
(Incorporated in Malaysia)

To : The Company Secretary  
**DIALOG GROUP BERHAD**  
DIALOG TOWER, No. 15, Jalan PJU 7/5  
Mutiara Damansara  
47810 Petaling Jaya  
Selangor Darul Ehsan  
Malaysia

Homepage : [www.dialogasia.com](http://www.dialogasia.com)  
Contact Person : Ms Chay Siew Kim or Ms Soong Pooi Ling  
Email : [annualreport@dialogasia.com](mailto:annualreport@dialogasia.com)  
Tel. No. : 6 03 7717 1111  
Fax No. : 6 03 7725 1032

Please send to me/us a printed copy of the DIALOG Group Berhad Annual Report 2019.

## Particular of Shareholders

Name : \_\_\_\_\_

NRIC/Passport/Co. No. : \_\_\_\_\_

CDS Account No. : \_\_\_\_\_

Address : \_\_\_\_\_  
: \_\_\_\_\_  
: \_\_\_\_\_  
: \_\_\_\_\_

Tel. No. : \_\_\_\_\_

Date : \_\_\_\_\_ Signature : \_\_\_\_\_

## Note to Shareholders:

The printed copy of the Annual Report will be forwarded to you within 4 market days from the date of receipt of your verbal or written request.



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AFFIX  
STAMP

The Company Secretary  
**DIALOG GROUP BERHAD**  
(Company No. 178694-V)

DIALOG TOWER, No. 15, Jalan PJU 7/5  
Mutiara Damansara  
47810 Petaling Jaya  
Selangor Darul Ehsan  
Malaysia

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**APPENDIX 1**

**PROPOSED NEW CONSTITUTION OF THE COMPANY**

THE COMPANIES ACT 2016  
MALAYSIA

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PUBLIC COMPANY LIMITED BY SHARES

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CONSTITUTION

OF

**DIALOG GROUP BERHAD**  
(Company No. 178694-V)

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Incorporated on the 15<sup>th</sup> day of February 1989

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THE COMPANIES ACT 2016

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PUBLIC COMPANY LIMITED BY SHARES  
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CONSTITUTION

OF

DIALOG GROUP BERHAD

- I. The name of the Company is DIALOG GROUP BERHAD.
- II. The registered office of the Company is situated in Malaysia.
- III. The objects for which the Company is established are:
  - (1) To carry on or undertake the business of a holding company and for that purpose to hold, purchase, subscribe for or otherwise acquire in the name of the Company or others any property, stocks, debentures, bonds, securities which the Company is authorised to hold, purchase, subscribe for or otherwise acquire, and do all or any of the above things in any part of the world, and either as principal, agent, trustee, or otherwise, and by or through agents, trustees or otherwise and either alone or in conjunction with others.
  - (2) To carry on or undertake any business or activity including to do any act which the Company may propose to do and to enter into transactions, do all such other things as may be incidental, and to have the full capacity to exercise all the functions, rights, powers and privileges of a body corporate.
- IV. The liability of members is limited.
- V. The Company shall have the power to increase, sub-divide, consolidate or reduce the shares or share capital of the Company, and to issue any part of its capital, original or increased, with or without any preference, priority, or special privilege, or subject to any postponement or rights or to any conditions or restrictions; and so that, unless conditions of issue shall otherwise expressly declare, every, issue of shares, whether declared to be preference or otherwise, shall be subject to the power hereinbefore contained.

Company No.178694-V

1. **Interpretation.** In this constitution if not inconsistent with the subject or context, the words standing in the first column of the table next hereinafter contained shall bear the meanings set opposite to them respectively in the second column thereof.

WORDS	MEANINGS
Act	..... The Companies Act 2016 and any and every other Act or Ordinance for the time being in force concerning companies and affecting the Company.
Authorised Nominee	..... An authorised nominee as defined under the Central Depositories Act.
Central Depositories Act	..... The Securities Industry (Central Depositories) Act 1991.
Company	..... Dialog Group Berhad
Deposited Security	..... A security standing to the credit of a securities account and in a securities account that is in suspense.
Depository	..... Bursa Malaysia Depository Sdn. Bhd.
Depositor	..... A holder of securities account.
Directors	..... The Directors for the time being of the Company.
Dividend	..... Dividend and/or bonus
Exempt Authorised Nominee	..... An Authorised Nominee which is exempted from compliance with the provisions of subsection 25A(1) of the Central Depositories Act.
General Meeting	..... Any General Meeting of Shareholders, including Annual General Meeting and Extraordinary General Meeting.
In Writing	..... Written or produced by any substitute for writing, or partly one and partly another
Listing Requirements	..... Listing requirements of the Stock Exchange and includes any amendments made from time to time.
Market Day	..... A day on which there is official trading on the Stock Exchange
Member	..... Any person/persons for the time being holding shares in the Company and whose names appear in the Register of Members (except the Bursa Malaysia Depository Nominees Sdn. Bhd.) including depositors whose names appear on the Record of Depositors.
Month	..... Calendar Month
Office	..... The Registered Office of the Company.
Paid	..... Paid or credited as paid
Record of Depositors	..... A record provided by the Depository to the Company under the Rules of the Depository.
Rules	..... The Rules of the Depository
RM	..... Malaysian Ringgit or Ringgit or such similar units in Malaysian currency from time to time.
Seal	..... The Common Seal of the Company.
Shares	..... Include securities whose meaning is as given in Section 2 of the Capital Markets and Services Act 2007
Stock Exchange	..... Bursa Malaysia Securities Berhad or other Stock Exchanges on which the shares of the Company are listed.
Year	..... Calendar Year

Writing shall include printing and lithography and any other mode or modes of representing or reproducing words in a visible form.

Words importing the singular number only shall include the plural number and vice versa.

Words importing the masculine gender only shall include the feminine gender and vice versa; and

Words importing persons shall include corporations.

## Company No.178694-V

The expressions "debenture" and "debenture-holder" shall include "debenture-stock" and "debenture-stockholder" and the expression "Secretary" shall include any person appointed by the Directors to perform any of the duties of the Secretary.

The expression "member" means a person who is registered as the holder of shares in the capital of the Company.

The expression "newspaper" shall mean a leading newspaper circulating in Malaysia.

Save as aforesaid, any words or expressions defined in the Act shall, if not inconsistent with the subject or context, bear the same meaning as in this constitution.

The marginal notes are inserted for conveniences only and shall not affect the construction of this constitution.

### CAPITAL STRUCTURE

2. **Issue of shares.** Any shares in the Company may be issued with such preferred, deferred or other special rights or such restrictions whether in regard to dividend, return of capital, voting or otherwise as the Company may from time to time by Ordinary Resolution determine, and subject to the provisions of the Act, the Company may issue Preference Shares which are, or at the option of the Company are to be liable, to be redeemed on such terms and in such manner as the Company before the issue thereof may by Ordinary Resolution determine but the Company shall not issue Preference Shares ranking in priority above Preference Shares already issued, but may issue Preference Shares ranking equally therewith.
3. **Rights of Preference shareholders.** Notwithstanding the foregoing article on any issue of preference shares, preference shareholders will be deemed to have the same rights as ordinary shareholders as regards to receiving of notices, reports and audited accounts and attending General Meetings of the Company. Preference shareholders shall also have the right to vote in each of the following circumstances:-
  - (a) when the dividend or part of the dividend on the share is in arrears for more than 6 months;
  - (b) on a proposal to reduce the company's share capital;
  - (c) on a proposal for the disposal of the whole of the company's property, business and undertaking;
  - (d) on a proposal that affects rights attached to the share;
  - (e) on a proposal to wind up the company; and
  - (f) during the winding up of the company
4. **Share scheme and dividend reinvestment scheme:** Subject to the approval being obtained from the members of the Company and the Listing Requirements, the Directors may:-
  - (a) establish, maintain and give effect to any scheme for the allotment of or the grant of options to subscribe for shares of the Company to any Directors, officers or employees of the Company, and may exercise all the powers given to them by such scheme (including without limitation) any power to alter or add to the provisions of such scheme; or
  - (b) issue shares pursuant to a dividend reinvestment scheme to all its members who are entitled to dividend,  
  
in accordance with the provisions of the Act and any rules, regulations and guidelines there under or issued by the Stock Exchange and any other relevant authorities in respect thereof.

#### VARIATION OF RIGHTS

5. **Modification of rights.** Subject to the provisions of section 93 of the Act, all or any of the rights, privileges or conditions for the time being attached or belonging to any class of shares for the time being forming part of the share capital of the Company may from time to time be modified, affected, varied, extended or surrendered in any manner with the consent in writing of the holders of not less than three-fourths (3/4) of the issued shares of that class or with the sanction of a special resolution passed at a separate meeting of the members of that class. To every such separate meeting all the provisions of these Clauses as to general meetings of the Company shall with such modifications specified in section 339 of the Act mutatis mutandis apply, but so that the necessary quorum shall be two (2) members of the class holding or representing by proxy, one-third (1/3) of the share capital paid or credited as paid on the issued shares of the class excluding any shares of that class held as treasury shares, and every holder of shares of the class in question shall be entitled on a poll to one vote for every such share held by him. Where the necessary majority for such a special resolution is not obtained at the meeting, consent in writing, if obtained from the holders of three-fourths of the issued shares of that class within 2 months of the meeting, shall be valid and effectual as a special resolution carried at the meeting. To every such special resolution the provisions of section 292 of the Act shall with such adaptation as are necessary apply.
6. **Creation or issue of further shares.** The special rights attached to any class of shares having preferential rights shall not unless otherwise expressly provided by the terms of issue thereof 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 all respects pari passu therewith but in no respect in priority thereto.

#### ALTERATION OF CAPITAL

7. **Issue of new shares to members.** Section 85 of the Act shall not apply to the Company. Subject to any direction to the contrary that may be given by the company in general meeting, all new shares or other convertible securities shall, before issue, be offered to such persons as at the date of the offer are entitled to receive notices from the company of general meetings 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, will 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 directors may dispose of those shares or securities in such manner as they think most beneficial to the company. The directors may likewise also dispose of any new share or security 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 directors, be conveniently offered under this Clause.
8. **New shares subject to these provisions.** All new shares shall be subject to the provisions of this constitution with reference to allotments, payment of calls, lien, transfer, transmission, forfeiture and otherwise.
9. **Company may alter its capital in certain ways.** Section 84 of the Act shall not apply to the Company. The Company may by Ordinary Resolution:
  - (a) Consolidate and divide all or any of its shares into shares of larger number than its existing shares;
  - (b) Cancel any shares which, at the date of the passing of the resolution, have not been taken, or agreed to be taken, by any person and diminish the amount of its capital by the amount of the shares so cancelled.
10. **Reduction of capital.** The Company may by Special Resolution reduce its share capital in any manner authorised and subject to any conditions prescribed by the Act.

#### SHARES

11. **Authority to issue shares.** Save as the Company may by Ordinary Resolution otherwise direct the shares in the capital of the Company for the time being unissued shall be at the disposal of the Directors, and they may allot or otherwise dispose of them to such persons, at such times and on such terms as they think proper, but so that no shares shall be issued which shall have the effect of transferring a controlling interest without the prior approval of the members in general meeting.



12. **Commission and brokerage.** The Company may exercise the powers of paying commissions conferred by the Act. The rate per cent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by the Act, and such commission shall not exceed 10 percent of the price at which the shares in respect of which the commission is paid are issued. The Company may also on any issue of shares pay such brokerage as may be lawful.
13. **Interest.** If any shares of the Company are issued for the purpose of raising money to defray expenses of the construction of any works or buildings or the provision of any plant which cannot be made profitable for a lengthened period, the Company may, subject to the conditions and restrictions mentioned in the Act, pay interest on so much of such share capital as is for the time being paid up, and may charge the same to capital as part of the cost of construction of the works, buildings or plant.
14. **Trust not to be recognised.** Except as required by law and as provided under the Rules, no person shall be recognised by the Company as holding any share upon any trust, and the Company shall not be bound by or compelled in any way to recognise any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by this constitution or by law otherwise provided) any other right in respect of any share, except an absolute right to the entirety thereof in the registered holder.
15. **No. of persons as holder.** The Company shall not be bound to register more than one person as the holder of any share.
16. **Share buy-back.** The Company shall have the power to purchase its own shares and to thereafter deal with the shares purchased, subject to and in accordance with the provisions of the Act, the Central Depositories Act, any other applicable legislation, and rules, regulations and guidelines issued thereunder and by the Stock Exchange and any relevant authorities in respect thereof for the time being in force.

#### CERTIFICATES

17. Subject to the provisions of the Act and the Central Depositories Act and the Rules, every person whose name is registered as a member in the Register shall be entitled without payment to receive within ten (10) Market Days after allotment up to a maximum of ten (10) share certificates in reasonable denominations in respect of his holding. If any member shall require more than ten (10) certificates in respect of the shares allotted to him he shall pay such sum not exceeding Malaysian Ringgit Three (RM3.00) per certificate for every additional certificate or such other sum per certificate for every additional certificate as may from time to time be permitted by the Stock Exchange plus the stamp duty payable under any law for the time being in force. A member shall also be entitled to receive within ten (10) Market Days after lodgement of transfer one (1) certificate for all his shares of each class upon payment of such sum not exceeding Malaysian Ringgit Three (RM3.00) only, each for one (1) or more of his shares in each class as he may reasonably require. Where a member transfers part only of the shares comprised in a certificate the old certificate shall be cancelled and a new certificate for the balance of such shares issued in lieu without charge. Every certificate shall be issued under the Seal and bear the signatures or the autographic signatures at least of one Director and the Secretary or a second Director or such other person as may be authorised by the Directors, and shall specify the shares to which it relates, and the amount paid up thereon provided that the Directors may by resolution determine that such signature, or either of them, shall be affixed by such other person as may be authorised by the Directors or some method or system of mechanical signature.
18. Subject to the provisions of the Act and the Central Depositories Act and the Rules, if a certificate be defaced, lost or destroyed, it may be renewed on payment of such fee not exceeding RM3.00 or such other sum as may be permitted by the Stock Exchange in respect of shares registered on the principal register of the Company and as the Directors shall from time to time determine and on such terms (if any) as to evidence and indemnity being given by the member, transferee, person entitled, purchaser, member company of the Stock Exchange or on behalf of their clients as the Directors of the Company shall require and in the case of defacement or wearing out on delivery up of the old certificate and the payment of out-of-pocket expenses of the Company in investigating evidence as the Directors think fit.

#### CALLS ON SHARES

19. **Directors may make calls.** The Directors may from time to time make calls upon the members in respect of any moneys unpaid on their shares and not by the terms of issue thereof made payable at fixed times, and each member shall (subject to receiving at least fourteen (14) days' notice specifying the time or times and place of payment) pay to the Company at the time or times and place so specified the amount called on his shares. A call may be revoked or postponed as the Directors may determine.

20. **Call.** A call shall be deemed to have been made at the time when the resolution of the Directors authorising the call was passed, and may be made payable by instalments.
21. **Unpaid calls.** If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest on the sum from the day appointed for payment thereof to the time of actual payment at such rate, not exceeding 8 per cent per annum, as the Directors may determine, but the Directors shall be at liberty to waive payment of such interest wholly or in part.
22. **Automatic calls.** Any sum which by the terms of issue of a share becomes payable upon allotment or at any fixed date, shall for all the purposes of this constitution be deemed to be a call duly made and payable on the date on which, by the terms of issue, the same becomes payable, and in case of non-payment all the relevant provisions of this constitution as to payment of interest and expenses, forfeiture or otherwise, shall apply as if such sum had become payable by virtue of a call duly made and notified.
23. **Variation of calls payment.** The Directors may on the issue of shares differentiate between the holders as to the amount of calls to be paid, and the times of payment.
24. **Advance on calls.** The Directors may, if they think fit, receive from any member willing to advance the same all or any part of the moneys uncalled and unpaid upon the shares held by him, and such payments in advance of calls shall extinguish, so far as the same shall extend the liability upon the shares in respect of which it is made, and upon the money so received or so much thereof as from time to time exceeds the amount of the calls then made upon the shares concerned, the Company may pay interest at such rate (not exceeding 5 per cent per annum) as the member paying such sum and the Directors agree upon. No such sum paid in advance of calls shall confer a right to participate in profits on the member paying such sum.

#### **FORFEITURE AND LIEN**

25. **Notice to pay calls.** If a member fails to pay in full any call or instalment of a call on the day appointed for payment thereof, the Directors may at any time thereafter serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest and expenses which may have accrued.
26. **Form of notice.** The notice shall name a further day on or before which and the place where the payment required by the notice is to be made, and shall state that in the event of non-payment in accordance therewith the shares on which the call was made will be liable to be forfeited.
27. **Share forfeiture.** If the requirements of any such notice as aforesaid are not complied with, any share in respect of which such notice has been given may at any time thereafter, before payment of all calls and interest and expenses due in respect thereof has been made, be forfeited by a resolution of the Directors to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited shares and not actually paid before forfeiture. The Directors may accept a surrender of any share liable to be forfeited hereunder.
28. **Forfeited shares may be sold or reallocated.** A share so forfeited or surrendered shall become the property of the Company and may be sold, re-allotted or otherwise disposed of, either to the person who was before such forfeiture or surrender the holder thereof or entitled thereto, or to any other person, upon such terms and in such manner as the Directors shall think fit, and at any time before a sale, re-allotment or disposition the forfeiture or surrender may be cancelled on such terms as the Directors think fit. The Directors may, if necessary, authorise some person to transfer a forfeited or surrendered share to any such other person as aforesaid.
29. **Arrears to be paid notwithstanding forfeiture.** A member whose shares have been forfeited or surrendered shall cease to be a member in respect of the shares, but shall notwithstanding the forfeiture or surrender remain liable to pay to the company all moneys which at the date of forfeiture or surrender were presently payable by him to the company in respect of the shares, with interest thereon at 8 per cent per annum from the date of forfeiture or surrender until payment, but the Directors may waive payment of such interest either wholly or in part and the Directors may enforce payment without any allowance for the value of the shares at the time of forfeiture or surrender.
30. **Company to have a paramount lien.** The Company's lien, if any, 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 money 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.

31. **Enforcing lien by sale.** The Company may sell in such manner as the Directors think fit any share on which the Company has a lien, but no sale shall be made unless a sum in respect of which the lien exists is presently payable, nor until the expiration of fourteen days after a notice in writing, stating and demanding payment of the sum presently payable, and giving notice of intention to sell in default, shall have been paid to the holder for the time being of the share or the person entitled thereto by reason of his death or bankruptcy.
32. **Application of proceeds and evidence.** The net proceeds of sale whether of a share forfeited by the Company or of a share over which the Company had a lien, after payment of the costs of such sale shall be applied in or towards payment or satisfaction of the debt or liability in respect whereof the lien exists, so far as the same is presently payable and any residue shall be paid to the person entitled to the shares at the time of the sale or his executors, administrators or assignees or as he or they may direct. For giving effect to any such sale the Directors may authorise some person to transfer the shares sold to the purchaser.
33. **Evidence of forfeiture and validity of sale.** A statutory declaration in writing that the declarant is a Director or secretary of the Company and that a share has been duly forfeited or surrendered or sold to satisfy a lien of the Company on a date stated in the declaration shall be conclusive evidence of the facts stated therein as against all persons claiming to be entitled to the shares, and such declaration and the receipt of the Company for consideration (if any) given for the share on the sale, re-allotment or disposal thereof, together with the certificate of proprietorship of the share under seal delivered to a purchaser or allottee thereof, shall (subject to the execution of a transfer of the same be required) constitute a good title to the share, and the person to whom the share is sold, re-allotted or disposed of shall be registered as the holder of the share and shall not be bound to see to the application of the purchase money (if any), nor shall his title to the share be affected by an irregularity or invalidity in the proceedings in reference to the forfeiture, surrender, sale, re-allotment or disposal of the share.

#### TRANSFER OF SHARES

34. **Transfer in writing.** Subject as otherwise provided under the Central Depositories Act and the Rules with respect to transfer of Deposited Security, all transfers of shares may be effected by transfer in writing in the usual common form, or in such other form as the Directors may accept or such forms as may from time to time be approved by the Stock Exchange. Subject to the provisions of this constitution, there shall be no restriction on the transfer of fully paid shares except where required by law.
35. **Transfer of securities.** The transfer of any securities or class of securities of the Company which have been deposited with the Depository, shall be by way of book entry by the Depository in accordance with the Rules of the Depository and, notwithstanding sections 105, 106 or 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 such securities.
36. **Transferor's right.** Subject to the Central Depositories Act and the Rules the instrument of transfer of shares lodged with the Company shall be signed by or on behalf of the transferor and transferee, and the transferor shall be deemed to remain the holder of the share until the name of the transferee is entered in the register of members in respect thereof.
37. **Where transfer is not allowed.** No share shall in any circumstances be transferred to any infant, bankrupt or person of unsound mind.
38. **Refusal to register.** The Directors may decline to register the transfer of any shares (not being a fully paid share) and may also decline to register the transfer of any share on which the Company has a lien.
39. **Notice of refusal.** If the Directors refuse to register the transfer, the Directors shall pass a resolution to that effect within thirty days from the receipt of the instrument of transfer and the resolution shall set out in full the reasons for refusing or delaying the registration, and they shall within seven days of the resolutions being passed, send to the transferor and the transferee notice of the resolution and the precise reason therefor.
40. The Directors may decline to recognise any instrument of transfer unless:
  - (a) In respect of share registered on the Register of the Company, such fee not exceeding RM3.00 per transfer or such sum as may from time to time be permitted by the Stock Exchange and as the Directors shall from time to time require, is paid to the Company in respect thereof.

- (b) The instrument of transfer together with the certificate is deposited at the office or at such other place (if any) as the Directors may appoint accompanied by the certificates 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 and if the instrument of transfer is executed by some other person on his behalf, the authority of that person so to do.

All instrument of transfer which are registered may be retained by the Company.

- 41. **Closing of Register.** The registration of transfers may be suspended at such times and for such period as the Directors may from time to time determine, provided always that such registration shall not be suspended for more than thirty days in any year. At least ten (10) Market Days or such number of days as may be prescribed by the Stock Exchange, notice of such closure shall be given to each Stock Exchange upon which the Company is listed stating the period and the purpose or purposes of such closure. At least three (3) Market Days prior notice shall be given to the Depository to enable the 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 Depository.
- 42. There shall be paid to the Company in respect of the registration of any probate, letters of administration, certificate of marriage or death, power of attorney or other document relating to or affecting the title to any shares, such fee not exceeding RM3.00 in respect of shares registered on the principal register of the Company and such fee as the Directors may from time to time require or prescribe.
- 43. Nothing in this constitution shall preclude the Directors from recognising a renunciation of the allotment of any share by the allottee in favour of some other person.

#### TRANSMISSION OF SHARES

- 44. **Transmission.** In case of the death of a Member, the executors or administrators of the deceased shall be the only persons recognised by the Company as having any title to his interest in the shares, but nothing in this constitution shall release the estate of a deceased holder from any liability in respect of any share held by him.
- 45. **Right of transfer.** Any person becoming entitled to a share in consequence of the death or bankruptcy of a member may, subject as hereinafter provided, either be registered himself as holder of the share upon giving to the Company notice in writing of such his desire provided that where the share is a Deposited Security, the aforesaid notice must be served by him on the Depository, or transfer such share to some other person. All the limitations, restrictions and provisions of this constitution relating to the right of transfer and the registration of transfers of shares 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 executed by such member. Provided always that where the shares are Deposited Securities subject to the Rules, a transfer or withdrawal of the share may be carried out by the person becoming so entitled.
- 46. **Death or bankruptcy.** Save as otherwise provided by or in accordance with this constitution, a person becoming entitled to a share in consequence of the death or bankruptcy of a member shall be entitled as if he were the registered holder of the share except that he shall not be entitled in respect thereof to exercise any right conferred by membership in relation to meetings of the Company until he shall have been registered as a member in respect of the share 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.
- 47. **Transmission of securities.**
  - (1) 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 Securities Industry (Central Depositories) Act 1991 or section 29 of the Securities Industry (Central Depositories) (Amendment) Act 1998, as the case may be, under the Rules in respect of such securities,

such Company shall, upon 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.

### STOCK

48. **Conversion of shares into stock and reconversion.** The Company may by Ordinary Resolution convert any paid-up shares into stock, and may from time to time by like resolution re-convert any stock into paid-up shares of any denomination.
49. **Shareholders of stock may transfer their interests.** The holders of the stock may transfer the same or any part thereof in the same manner, and subject to the same regulations as and subject to which the shares from which the stock arose might previously to conversion have been transferred, or as near thereto as circumstances admit, but no stock shall be transferable except in such units as the Directors may from time to time determine.
50. **Participation in dividends and profits.** The holders of stock shall, according to the amount of the stock held by them, have the same rights, privileges and advantages as regards dividends, return of capital, voting and other matters, as if they held the shares from which the stock arose, but no such privilege or advantage (except as regards dividends and return of capital) shall be conferred by an amount of stock which would not, if existing in shares, have conferred such privilege or advantage.
51. **Provisions applicable to paid up shares apply to stock.** All such of the provisions of this constitution as are applicable to paid-up shares shall apply to stock, and the word "share" and "shareholders" therein shall include "stock" and "stockholders".

### GENERAL MEETINGS

52. An Annual General Meeting shall (subject to any provisions of the Act relating to its first Annual General Meeting) be held once in every year, at such time (within a period of not more than fifteen months after the holding of the last preceding Annual General Meeting) and place as may be determined by the Directors. All other General Meetings shall be called Extraordinary General Meetings.
53. The Directors may whenever they think fit, and shall on requisition in accordance with the Act, proceed to convene an Extraordinary General Meeting.

### NOTICE OF GENERAL MEETINGS

54. Any General Meeting at which it is proposed to pass a Special Resolution or (save as provided by the Act) a resolution of which special notice has been given to the Company shall be called by twenty-one (21) days' notice in writing at the least. An Annual General Meeting shall be called by at least twenty one (21) days' notice in writing at the least and any other General Meeting by at least fourteen (14) days' notice in writing at the least (exclusive in either case of the day on which it is served or deemed to be served and of the day for which it is given) in manner hereinafter mentioned to the Auditors and to all members other than such as under the provisions of this constitution are not entitled to receive such notices from the Company and further provided that at least fourteen (14) days' notice or twenty one (21) days' notice in the case where any Special Resolution is proposed or where it is the Annual General Meeting, of every such meeting shall also be given by advertisement in at least one (1) nationally circulated Bahasa Malaysia or English daily newspaper and in writing to each Stock Exchange upon which the shares of the Company are listed; further provided that a General Meeting other than a meeting for the passing of a Special Resolution 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 that number or majority in number of the members having a right to attend and vote thereat as is required by the Act.

Provided also that the accidental omission to give notice to, or the non-receipt of notice by any person entitled thereto shall not invalidate the proceedings at any General Meeting.

55. (a) The Company shall request the Depository in accordance with the Rules of the Depository, to issue a Record of Depositors to whom notices of General Meetings shall be given by the company.
- (b) The Company shall also request the Depository in accordance with the Rules, to issue a Record of Depositors, as at the latest date which is reasonably practicable which shall in any event be not less than 3 Market Days before the General Meeting (hereinafter referred to as “the General Meeting Record of Depositors”) for purposes of determining whether a depositor shall be regarded as a member entitled to attend, speak and vote at the General Meeting.
- (c) 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.
56. (a) Every notice calling a General Meeting shall specify the place and the day and hour of the meeting and there shall appear with reasonable prominence in every such notice a statement that a member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of him and that a proxy need not be a member of the Company.
- (b) In the case of an Annual General Meeting shall also specify the meeting as such.
- (c) 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.
57. Routine business shall mean and include only business transacted at an Annual General Meeting of the following classes, that is to say:
- (a) Declaring dividends;
- (b) Reading, considering and receiving the audited financial statements, the reports of the Directors and Auditors and other accounts and documents required to be annexed to the audited financial statements;
- (c) Appointing Auditors and fixing the remuneration of the Auditors or determining the manner in which such remuneration is to be fixed; and
- (d) Appointing Directors in place of those retiring by rotation or otherwise and fixing the remuneration of the Directors.

#### PROCEEDINGS AT GENERAL MEETINGS

58. **Quorum.** No business shall be transacted at any General Meeting unless a quorum is present. Two (2) members present in person shall be a quorum for all purposes.
59. **Quorum not present.** If within half an hour from the time appointed for the meeting a quorum is not present, the meeting, if convened on the requisition of members, shall be dissolved. In any other case it shall stand adjourned to the same day in the next week at the same time and place, or to such other day and at such other time and place as the Directors may determine, and if at such meeting a quorum is not present within fifteen minutes from the time appointed for holding the meeting, the meeting shall be dissolved.
60. **Chairman of general meeting.** The Chairman of the Directors shall preside as Chairman at every General Meeting. If there be no such Chairman, or if at any meeting he be not present within fifteen minutes after the time appointed for holding the meeting or be unwilling to act, the members present shall choose any one Director to be Chairman of the meeting, or if no Director be present or if all the Directors decline to take the Chair, one of their number present is to be Chairman.
61. **Adjournment of meeting.** The Chairman 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 an adjourned meeting except business which might lawfully have been transacted at the meeting from which the adjournment took place. When a meeting is adjourned for ten 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.



62. **Voting.** At any General Meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless (a) voting by poll is required by the Listing Requirements or other applicable laws, rules or regulations; or (b) a poll be (before or on the declaration of the result of the show of hands) demanded by either:
- (a) the Chairman; or
  - (b) not less than three (3) members present in person or by proxy and entitled to vote; or
  - (c) a member or members present in person or by proxy and representing not less than one-tenth (1/10) of the total voting rights of all the members having the right to vote at the meeting; or
  - (d) a member or members present in person or by proxy and holding shares in the Company conferring a right to vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than one-tenth (1/10) of the total paid up shares conferring that right.

A demand for a poll may be withdrawn. Unless a poll be so demanded (and the demand be not withdrawn) a declaration by the Chairman that a resolution has been carried, or carried unanimously, or by a particular majority, or lost and an entry to that effect in the minute book, shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded for or against such resolution.

63. **Error in votes count.** If any votes shall be counted which ought not to have been counted, or might have been rejected, the error shall not vitiate the result of the voting unless it be pointed out at the same meeting or at any adjournment thereof, and not in that case unless it shall in the opinion of the Chairman be of sufficient magnitude.
64. **Poll to be taken.** If a poll be duly demanded (and the demand be not withdrawn), it shall be taken in such manner (including the use of ballot or voting papers or tickets) as the Chairman may direct, and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. The Chairman may (and if so requested shall) appoint scrutineers and may adjourn the meeting to some place and time fixed by him for the purpose of declaring the result of the poll.
65. **Chairman to have casting votes.** In the case of an equality of votes, whether on show of hands or on a poll, the Chairman of the meeting at which the show of hands takes place or at which the poll is demanded shall be entitled to a casting vote.
66. **Where poll not taken.** No poll shall be demanded on the election of a Chairman or on a question of adjournment. A poll demanded on any other question shall be taken either immediately or at such subsequent time (not being more than thirty days from the date of the meeting) and place as the Chairman may direct. No notice need be given of a poll not taken immediately.
67. **Continuance of meeting.** The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded.

#### VOTES OF MEMBERS

68. **Right to vote.** Subject to Clause 71 and to any special rights or restrictions as to voting attached to any class of shares hereinafter issued on a show of hands every member who is present in person or by proxy shall have one vote. Other than an Exempt Authorised Nominee, a member may appoint not more than two proxies to attend and vote at the same meeting. Where a member appoints two proxies, he shall specify the proportion of his shareholdings to be represented by each proxy. A proxy appointed to attend and vote at a meeting of the Company shall have the same rights as the member to speak at the meeting.
69. **Appointment of Multiple Proxies.** 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. Where an Exempt Authorised Nominee appoints more than one (1) proxy in respect of each omnibus account, the appointment shall not be valid unless the Exempt Authorised Nominee specifies the proportion of the shareholding to be represented by each proxy.

70. **Members of unsound mind.** A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee, curator bonis or other person in the nature of a committee curator bonis appointed by such court (who may appoint a proxy), provided that such evidence as the Directors may require of the authority of the person claiming to vote shall have been deposited at the office not less than forty-eight hours before the time appointed for holding the meeting.
71. **No votes for unpaid shares.** Subject to Clause 55, every member shall be entitled to be present and to vote at any General Meeting either personally or by proxy and to be reckoned in a quorum in respect of shares fully paid and in respect of partly paid shares where calls are not due and unpaid.
72. **Votes to be taken as Chairman shall direct.** 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 Chairman of the meeting whose decision shall be final and conclusive.
73. **Votes may be waived.** On a poll votes may be given either personally or by proxy, and a person entitled to more than one vote need not use all his votes or cast all the votes he uses in the same way.
74. **Proxies in writing.** An instrument appointing a proxy shall be in writing and:
- (a) in the case of an individual shall be signed by the appointor or by his attorney; and
  - (b) in the case of a corporation shall be either under its common seal or signed by its attorney or by an officer on behalf of the corporation.
- The Directors may, but shall not be bound to require evidence of the authority of any such attorney or office.
75. **Proxy need not be a member.** There shall be no restriction as to the qualification of the proxy.
76. **Instrument appointing proxy to be deposited.** An instrument appointing a proxy must be left at the office or such other place (if any) as is specified for that purpose in the notice convening the meeting in accordance with section 334(3) of the Act.
77. **Form of proxy.** An instrument appointing a proxy may be in the usual common form or such other form as the Director may accept, and shall be deemed to include the right to demand or join in demanding a poll. A proxy shall be entitled to vote on a show of hands on any question at any general meeting. An instrument appointing a proxy shall, unless the contrary is stated thereon, be valid as well for an adjournment of the meeting as for the meeting to which it relates and need not be witnessed.
78. **Validity of vote under proxy.** A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or revocation of the proxy, or of the authority under which the proxy was executed, or the transfer of the share in respect of which the proxy is given, provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the Company at the office (or at such other place as may be specified for the deposit of instruments appointing proxies) before the commencement of the meeting or adjourned meeting (or in the case of a poll before the time appointed for the taking of the poll) at which the proxy is used.

#### **CORPORATIONS ACTING BY REPRESENTATIVES**

79. Any corporation which is a member of the Company may by resolution if its Directors or other governing body authorise such person as it thinks fit to act as its representatives at any meeting of the Company or of any class of members of the Company, and the person so authorised shall be entitled to exercise the same powers on behalf of such corporation could exercise if it were an individual member of the Company.



## DIRECTORS

80. **Number of directors.** Subject as hereinafter provided the Directors shall not be less than two nor more than eleven in number. The Company, may by Ordinary Resolution from time to time increase or reduce the maximum or minimum number of Directors.
81. **Director need not be member.** A Director need not be a member of the Company.
82. **Directors' remuneration.**
- (a) The remuneration of the Directors shall be subject to annual shareholder approval at a general meeting, and shall (unless such resolution otherwise provides) be divisible among the Directors as they may agree, or failing agreement, equally, except that in the latter event 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. Such remuneration shall so far as non-executive Directors are concerned be by way of a fixed sum and not by way of a commission on or percentage of profits or turnover. Salaries payable to executive Directors may not include a commission on or percentage of turnover.
  - (b) Fees and benefits payable to Directors shall not be increased except pursuant to a resolution passed at a General Meeting where notice of the proposed increase has been given in the notice convening the Meeting.
83. **Directors' participation in shares.**
- (a) No Director shall be allotted shares as part of a share scheme for employees unless he has been appointed to an executive office with the Company and unless prior to such allotment the members in General Meeting have approved of the same. All Directors, including non-executive Directors, may participate in an issue of shares pursuant to a public issue or public offer.
  - (b) The Directors may repay to any Director all such reasonable expenses as he may incur in attending and returning from meetings of the Directors, or of any committee of the Directors, or General Meeting, or otherwise in or about the business of the Company.
  - (c) Any Director, who is appointed to any executive office or who serves on any committee or who otherwise performs 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, percentage of profits or otherwise (but not a commission on or percentage of turnover) as the Directors may determine. Any extra remuneration payable to a non-executive Director may not also include a commission on or percentage of profits or turnover.
  - (d) The Directors may pay pensions or allowances (either revocable or irrevocable and either subject or not subject to any terms or conditions) to any full-time Director (as hereinafter defined) on or at any time after his retirement from his office or employment under the Company or under any associated company or on or after his death to his widow or other dependants.
  - (e) The Directors shall also have power and shall be deemed always to have had power to establish and maintain and to concur with subsidiary companies in establishing and maintaining any schemes or funds for providing pensions, sickness or compassionate allowance, life assurances or other benefits for staff (including any Director for the time being holding any executive office or any office of profit) or employees of the Company or of any such subsidiary company and for the widows or other dependants of such persons and to make contributions out of the Company's moneys for any such schemes or funds.
  - (f) In this Clause the expression "full-time Director" shall mean and include any Director who has for a continuous period of not less than five years been engaged substantially whole-time in the business of the Company or any subsidiary company in any executive office or any office of profit or partly in one or partly in another.

84. **Director may hold other office.** A Director may hold any other office or place of profit under the Company (other than the office of Auditor) and he or any firm of which he is a member may act in a professional capacity for the Company in conjunction with his office of Director, for such period and on such terms (as to remuneration and otherwise) as the Directors may determine. No Director or intending Director shall be disqualified by his office from contracting with the Company, nor shall 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 profit realised by any such contract or arrangement by reason of such Director holding that office, or of the fiduciary relation thereby established, provided that such disclosure is made as is required by Clause 101.
85. **Appointment to related company.** A Director may be or become a director or office of, or otherwise interested in, any company promoted by the Company or in which the Company may be interested as a shareholder or otherwise, and unless otherwise agreed shall not be accountable for any remuneration or otherwise benefits received by him as a director or office of, or by virtue of his interest in, such other company.

#### MANAGING DIRECTOR

86. **Appointment of Managing Director.** The Directors may from time to time appoint one or more of their body to be Managing Director or Managing Directors for such period not exceeding three years subject to re-appointment and on such terms as they think fit. A Director so appointed shall while holding that office be subject to retirement by rotation or taken into account in determining the rotation of retirement of Directors, but without prejudice to any claim he may have for damages for breach of any contract of service between him and the Company, his appointment shall be subject to determination ipso facto if he ceases from any cause to be a Director, or if the Directors resolve that his term of office be determined.
87. **Remuneration.** A Director holding any such office as aforesaid shall receive such remuneration as the Directors may determine but shall not under any circumstances be remunerated by a commission on or a percentage of turnover.
88. **Power of Managing Director.** The Directors may entrust to and confer upon a Director holding any such office as aforesaid any of the powers exercisable by them as Directors upon such terms and conditions and with such restriction as they think fit, and may from time to time revoke, withdraw, alter or vary all or any of such powers.

#### APPOINTMENT AND RETIREMENT OF DIRECTORS

89. **Office of Directors vacated in certain cases.**

The office of a Director shall be vacated in any of the following events, namely:

- (a) If he becomes prohibited by law from acting as a Director;
- (b) If (not being a Managing Director holding office as such for a fixed term) he resigns by writing under his hand left at the office;
- (c) If he has a receiving order made against him or compound with his creditors generally;
- (d) If he becomes of unsound mind during his term of office;
- (e) If he is absent from more than 50% of the total board of Directors' meetings held during a financial year;
- (f) If he is removed by the Company in General Meetings pursuant to Clause 95;
- (g) If he becomes bankrupt during his term of office.

90. **Election of Directors.** An election of directors shall take place each year.
91. **Directors' Retirement.** At each Annual General Meeting one-third of the Directors for the time being, or, if their number is not a multiple of three, the number nearest to one-third with a minimum of one, shall retire from office provided always that all Directors shall retire from office once at least in each three years, but shall be eligible for re-election. A Director retiring at a meeting shall retain office until the close of the meeting, whether adjourned or not.

92. **Determination of Director to retire.** The Directors to retire in every year shall be those who, being subject to retirement by rotation, have been longest in office since their last election or appointment, but as between persons who became or were last re-elected Directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot. A retiring Director shall be eligible for re-election.
93. **Circumstances where Director not re-elected.** The Company at the meeting at which a Director retires under any provision of this constitution may by Ordinary Resolution fill up the vacated office by electing a person thereto. In default the retiring Director shall be deemed to have been re-elected unless:
- (a) at such meeting it is expressly resolved not to fill up such vacated office, or a resolution for re-election of such Director is put to the meeting and lost; or
  - (b) such Director has given notice in writing to the Company that he is unwilling to be re-elected; or
  - (c) such Director has attained any retiring age applicable to him as Director.
94. **Notice of candidate as a Director.** No person other than a Director retiring at the meeting shall be eligible for appointment as a Director at any General Meeting unless not less than eleven clear days before the day appointed for the meeting there shall have been left at the registered office notice in writing signed by some member duly qualified to attend and vote at the meeting for which such notice is given of his intention to propose such person for election, and also notice in writing signed by the person to be proposed of his willingness to be elected. Provided that in the case of a person recommended by the Directors for election nine clear days' notice only shall be necessary and notice of each and every candidate for election shall be served on all members at least seven days prior to the meeting at which the election is to take place.
95. **Removal of Director.** The Company may by Ordinary Resolution of which special notice has been given or by Special Resolution, remove any Director before the expiration of his period of office, notwithstanding any provision of this constitution or of any agreement between the Company and such Director but without prejudice to any claim he may have for damages for breach of any such agreement. The Company may by either of the forms of resolution aforesaid appoint another person in place of a Director so removed from office and any person so appointed shall be subject to retirement by rotation at the same time as if he had become a Director on the day on which the Director in whose place he is appointed was last elected a Director. In default of such appointment the vacancy so arising may be filled by the Directors as a casual vacancy.
96. **Casual vacancy or additional appointment.** The Directors 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 additional Director, but so that the total number of Directors shall not at any time exceed the maximum number fixed by or in accordance with this constitution. Any Director so appointed shall hold office only until the next Annual General Meeting and shall then be eligible for re-election, but shall not be taken into account in determining the number of Directors who are to retire by rotation at such meeting.

#### ALTERNATE DIRECTORS

97. Any Director may at any time appoint any person, not being a Director, approved by the majority of Directors to be an alternate Director of the Company, and may at any time remove any alternate Director so appointed by him. An alternate Director so appointed shall not in respect of such appointment be entitled to receive any remuneration from the Company, but shall otherwise be subject to the provisions of this constitution with regard to Directors. Any fee paid by the Company to the alternate Director shall be deducted from that Director's remuneration. An alternate Director shall (subject to his giving to the Company an address within Malaysia at which notices may be served upon him) be entitled to receive notices of all meetings of the Directors, and to attend and vote as a Director at any such meeting at which the Director appointing him is not personally present, and generally at such meeting to perform all the functions of his appointor as a Director in the absence of such appointor. An alternate Director shall ipso facto cease to be an alternate Director if his appointor ceases to be a Director for any reason, except retirement by rotation and immediate re-election. All appointments and removal of alternate Directors shall be effected by writing under the hand of the Director making or revoking such appointment left at the office. One person may not act as an alternate Director to more than one Director.

## PROCEEDINGS OF DIRECTORS

98. **Meetings, voting and notice.** The third schedule of the Act shall not apply to the Company. The Directors may meet together for the despatch of business adjourn and otherwise regulate their meetings as they think fit. Questions arising at any meeting shall be determined by a majority of votes. In case of an equality of votes the Chairman shall not have a second or casting vote where there are two Directors (including the Chairman or where there are only two (2) Directors who are competent to vote) present at the meeting and the resolution in question shall not be carried. A Director may, and the Secretary on the requisition of a Director shall at any time summon a meeting of the Directors. It shall not be necessary to give notice of a meeting of Directors to any Director for the time being absent from Malaysia.
99. **Quorum.** The quorum necessary for the transaction of the business of the Directors may be fixed by the Directors and unless so fixed at any other number shall be two. A meeting of the Directors at which a quorum is present shall be competent to exercise all powers and discretion for the time being exercisable by the Directors.
100. **Directors' Meetings by Telephonic Communications, Videoconferencing or other forms of simultaneous communication.** The meetings of the Directors may be conducted by means of telephone or audio-visual conferencing or other methods of simultaneous communication by electronic, telegraphic or other means by which all persons participating in the meeting are able to hear and be heard at all times by all other participants without a need for a Director to be in physical presence of the other Directors and participation in the meeting in this manner shall be deemed to constitute presence in person at such meetings. The Directors participating in any such meeting shall be counted in the quorum for such meeting and subject to there being a requisite quorum at the commencement of such meeting, all resolutions passed by a majority of Directors attending or present at such meeting shall be deemed to be as effective as a resolution passed at a meeting in person of the Directors duly convened and held. A Director may disconnect or cease to participate in the meeting if he makes known to all other Directors participating that he is ceasing to participate in the meeting and such Director shall, notwithstanding such disconnections, be counted in the quorum for such part of the meeting. The minutes of such a meeting signed by the chairman shall be conclusive evidence of any resolution of any meeting conducted in the manner as aforesaid. A meeting conducted by the aforesaid means is deemed to be held at the place agreed upon by the Directors attending the meeting, provided that at least one (1) of the Directors participating in the meeting was at that place for the duration of the meeting.
101. **Declaration of interest.** A Director who is in any way, whether directly or indirectly, interested in a contract or proposed contract with the Company shall declare the nature of his interest in accordance with the provisions of the Act.
102. **Directors' interest in contracts.** A Director shall not vote in regard to any contract or proposed contract or arrangement in which he has, directly or indirectly, an interest.
103. **Number reduced below quorum.** The continuing Directors may act notwithstanding any vacancies, but if and so long as the number of Directors is reduced below the minimum fixed by or in accordance with this constitution the continuing Directors or Director may act for the purpose of filling up such vacancies or of summoning General Meetings of the Company, but not for any other purposes except in an emergency. If there be no Directors or Director able or willing to act, then any two members may summon a General Meeting for the purpose of appointing Directors.
104. **Election of a Chairman.** The Directors may elect a Chairman and a Deputy Chairman of their meetings and determine the period for which they are respectively to hold office, but if no Chairman or Deputy Chairman shall have been appointed, or if at any meeting neither the Chairman nor the Deputy Chairman be present within five minutes after the time appointed for holding the same, the Directors present may choose one of their number to be a Chairman of the meeting.
105. **Resolution in writing.** A resolution in writing signed by the majority of the Directors for the time being in Malaysia shall be as effective as a resolution passed at a meeting of the Directors duly convened and held, and may consist of several documents in the like form, each signed by one or more of the Directors. The expressions "in writing" or "signed" include approval by legible confirmed transmission by facsimile or other forms of electronic communications.

106. **Committees.** The Directors may delegate any of their powers to committees consisting of such member or members of their body or to any person or persons as they think fit. Any committee so formed and any person or persons so appointed shall in the exercise of the powers so delegated conform to any regulations that may be imposed on them by the Directors.
107. **Meetings of Committee.** The meeting and proceedings of any such committee consisting of two or more members shall be governed by the provisions of this constitution regulating the meetings and proceedings of the Directors, so far as the same are applicable and are not superseded by any regulations made by the Directors under the last preceding Clause.
108. **Validity of acts where appointment defective.** All acts done by any meeting of the Directors, or of a committee of Directors, or by any person acting as a Director, shall as regards all persons dealing in good faith with the Company, notwithstanding that there was some defect in the appointment of any such Director, or person acting as aforesaid or that they or any of them were disqualified or had vacated office, or were not entitled to vote be as valid as if every person had been duly appointed and was qualified and had continued to be a Director and had been entitled to vote.

#### **BORROWING POWERS**

109. The board of directors may exercise all the powers of the Company to borrow money and to mortgage or charge the Company or its subsidiaries' undertaking, property, 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 any related third party.

#### **GENERAL POWERS OF DIRECTORS**

110. **General powers vested in Directors.** The business of the Company shall be managed by Directors who may 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 General Meeting, subject nevertheless to this constitution, to the provisions of the Act, and to such resolutions, being not inconsistent with this constitution or the aforesaid provisions as may be passed by the Company, but no resolutions passed by the Company shall invalidate any prior act of the Directors which would have been valid if such resolution had not been passed. The general powers given by this Clause shall not be limited or restricted by any special authority or power given to the Directors by any other Clause.
111. **Established local Boards or Agencies.** The Directors may establish any local Boards or Agencies for managing any of the affairs of the Company, either in Malaysia or elsewhere, and may appoint any persons to be members of such Local Boards, or any Managers or Agents and may fix their remuneration and may delegate to any Local Boards, 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 Boards, 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 Directors may think fit, and 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.
112. **Appointment of attorney.** The Directors may from time to time and at any time by power of attorney under the seal appoint any company, firm or person or any fluctuating body of persons, whether nominated directly or indirectly by the Directors, to be the Attorney or 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 Directors may think fit, and may also authorise any such Attorney to sub-delegate all or any of the powers, authorities and discretions vested in him.
113. **Official seal for use abroad.** The Company may exercise the powers conferred by the Act with regard to having an official seal for use abroad, and such powers shall be vested in the Directors.
114. **Branch register.** The Company or the Directors on behalf of the Company, may in exercise of the powers in that behalf conferred by the Act cause to be kept, a branch register or register of members and the Directors may (subject to the provisions of the Act) make and vary such regulations as they may think fit respecting the keeping of any such register.

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

#### SECRETARY

116. The Secretary shall, and a Deputy or Assistant Secretary may be appointed by the Directors for such term, at such remuneration and upon such conditions as they think fit, and any Secretary, Deputy or Assistant Secretary so appointed may be removed by them, but without prejudice to any claim he may have for damages for breach of any contract of service between him and the Company.

#### THE SEAL

117. (a) The Directors shall provide for the safe custody of the seal, which shall only be used by the authority of the Directors, or of a committee of the Directors authorised by the Directors in that behalf and every instrument to which the seal shall be affixed shall (subject to the provisions of these Clauses as to certificates for shares) be signed by a Director and countersigned by the Secretary or by a second Director or by some other person appointed by the Directors for the purpose.
- (b) The Company may also have a Share Seal pursuant to Section 63 of the Act.

#### AUTHENTICATION OF DOCUMENTS

118. **Powers to authenticate any documents.** Any Director or the Secretary or any person appointed by the Directors for the purpose shall have power to authenticate any documents affecting the constitution of the Company and any resolutions passed by the Company or the Directors 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 of extracts; and where any books, records, documents or accounts are kept elsewhere than at the office the local manager or other officer of the Company having the custody thereof shall be deemed to be a person appointed by the Directors as aforesaid.
119. **Extract of resolutions and minutes.** A document purporting to be a copy of a resolution of the Directors or an extract from the minutes of a meeting of the Directors which is certified as such in accordance with the provisions of the last preceding Clause 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 Directors.

#### DIVIDENDS AND RESERVES

120. **Declaration of Dividends.** The Company may by Ordinary Resolution declare dividends but (without prejudice to the powers of the Company to pay interest on share capital as hereinbefore provided) no dividend shall be payable except out of the profits of the Company, or in excess of the amount recommended by the Directors.
121. **Interim Dividend.** The Directors may from time to time pay to Members such interim dividends as appear to the Directors to be justified by the profits of the Company.
122. **Dividend paid equally.** Subject to the rights of holders of shares with special rights as to dividend (if any), all dividends shall be declared and paid according to the amounts paid on the shares in respect whereof the dividend is paid, but (for the purposes of this Clause only) no amount paid on a share in advance of calls shall be treated as paid on the share. All dividends shall be apportioned and paid pro rata according to the amounts 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 such share shall rank for dividend accordingly.
123. **Fixed preferential dividends and interim dividends.** If and so far as in the opinion of the Directors the profits of the Company justify such payments, the Directors may pay the fixed preferential dividends on any class of shares carrying a fixed preferential dividend expressed to be payable on fixed date on the half yearly or other dates (if any) prescribed for the payment thereof by the terms of issue of the shares, and subject thereto may also from time to time pay to the holders of any other class of shares interim dividends thereon of such amounts and on such dates as they think fit.



124. **Profits from purchase of asset, business or property.** Subject to the provisions of the Act where any asset, business or property is bought by the Company as from a past date upon the terms that the Company shall as from that date take the profits and bear the losses thereof, such profits or losses, as the case may be, shall, at the discretion of the Directors, be credited or debited wholly or in part to revenue account, and in that case the amount so credited or debited shall, for the purpose of ascertaining the fund available for dividend, be treated as a profit or loss arising from the business of the Company and available for dividend accordingly. Subject as aforesaid, if any shares or securities are purchased cum dividend or interest such dividend or interest when paid may at the discretion of the Directors be treated as revenue, and it shall not be obligatory to capitalise the same or any part thereof.
125. **No interest against Company.** No dividend or other moneys payable on or in respect of a share shall bear interest against the Company.
126. **Deductions from dividends.** The Directors may deduct from any dividend or other moneys payable to any member on or in respect of a share all sums of money (if any) presently payable by him to the Company on account of calls or in connection therewith.
127. **Retention of dividend.** The Directors may retain any dividend or other moneys payable on or in respect of a share on which the Company has a lien, and may apply the same in or towards satisfaction of the debts, liabilities or engagements in respect of which the lien exists.
128. **Retention until after transmission of shares.** The Directors may retain the dividends payable on shares in respect of which any person is under the provisions as to the transmission of shares hereinbefore contained to become a member, or which any person under those provisions is entitled to transfer, until such persons shall become a member in respect of such shares or shall duly transfer the same.
129. **Unclaimed dividend.** The payment by the Directors of any unclaimed dividend or other moneys payable on or in respect of a share into a separate account shall not constitute the Company a trustee in respect thereof and any dividend unclaimed after a period of six years from the date of declaration of such dividend may be forfeited and if so shall revert to the Company.
130. **Dividend in specie.** The Company may, upon the recommendation of the Directors, by Ordinary Resolution direct payment of a dividend in whole or in part by the distribution of specific assets and in particular of paid-up shares or debentures of any other company or in any one or more of such ways; and the Directors shall give effect to such resolution, and where any difficulty arises in regard to such distribution, the Directors may settle the same as they think expedient and in particular may issue fractional certificates 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 Directors.
131. **Payment by post and discharge.** Any dividend or other moneys payable in cash on or in respect of shares or securities may be paid by cheque or warrant sent through the post to the registered address of the member or person entitled thereto, or are entitled thereto in consequence of the death or bankruptcy of the holder, to any one of such persons or to such person and such address as such persons may by writing direct. Every such cheque or warrant shall be made payable to the order of the person to person or persons entitled to the shares or securities in consequence of the death or bankruptcy of the holder may direct and payment of the cheque if purporting to be endorsed shall be a good discharge to the Company. Every such cheque or warrant shall be sent at the risk of the person entitled to the money represented thereby.
132. **Payment by electronic means.** Subject to the provisions of the Act, the Central Depositories Act and the Rules, the Stock Exchange Listing Requirements and/or regulatory authorities, payment of dividend or other moneys payable in respect of shares or securities may be made by direct transfer or such other mode of electronic means to the bank account of the member or person entitled thereto, or are entitled thereto in consequence of the death or bankruptcy of the holder, to any one of such persons or to such person as such persons may by writing direct. The payment of any dividend or other moneys payable in respect of shares or securities by such electronic means shall constitute a good and full discharge to the Company of such payment to which it relates regardless of any discrepancy given by the member in the details of bank account(s).

## RESERVES

133. The Directors may from time to time set aside out of the profits of the Company and carry to reserve such sums as they think proper which, at the discretion of the Directors, shall be applicable for meeting contingencies or for the gradual liquidation of any debt or liability of the Company or for repairing or maintaining the works, plant and machinery of the Company or for special dividends or bonuses or for equalising dividends or for any other purpose to which the profits of the company may properly be applied and pending such application may either be employed in the business of the Company or be invested. The Directors may divide the reserve into such special funds as they think fit, and may consolidate into one fund any special funds or any parts of any special funds into which the reserve may have been divided. The Directors may also without placing the same to reserve carry forward any profits which they may think fit it not prudent to divide.

## CAPITALISATION OF PROFITS AND RESERVES

134. **Power to capitalise.** The Company may, upon the recommendation of the Directors, by Ordinary Resolution resolve that it is desirable to capitalise any sum standing to the credit of any of the Company's reserve accounts or any sum standing to the credit of profit and loss account or otherwise available for distribution, provided that such sum be not required for paying the dividends on any shares carrying a fixed cumulative preferential dividend, and accordingly that the Directors be authorised and directed to appropriate the sum resolved to be capitalised to the member holding Ordinary Shares in the proportions in which such sum would have been divisible amongst them had the same been applied or been applicable in paying dividends and to apply such sum on their behalf, either in or towards paying up the amounts (if any) for the time being unpaid on any shares held by such members respectively, or in paying up in full unissued shares or debentures of the Company of a nominal amount equal to such sum, such shares or debentures to be allotted and distributed credited as fully paid up to and amongst such members in the proportion aforesaid or partly in one way and partly in the other.
135. **Effect of resolution to capitalise.** Whenever such a resolution as aforesaid shall have been passed, the Directors shall make all appropriation and applications of the sum resolved to be capitalised thereby, and all allotments and issues of fully paid shares or debentures (if any) and generally shall do all acts and things required to give effect thereto, with full power to the Directors to make such provision by the issue of fractional certificates or by payment in cash or otherwise as they think 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 interested into an agreement with the Company providing for the allotment to them respectively credited as fully paid up of any further share to which they may be entitled upon such capitalisation, and any agreement made under such authority shall be effective and binding on all such members.

## MINUTES AND BOOKS

136. **Maintenance of Minutes Books.**
- The Directors shall cause minutes to be made in books to be provided for the purpose:
- (a) of the names of the Directors present at each meeting of Directors and of any committee of Directors; and
  - (b) of all resolutions and proceedings at all meetings of the Company and of any class of members of the Company and of the Directors and of Committees of Directors.
137. **Maintenance of Register.** The Directors shall duly comply with the provision of the Act and in particular the provisions in regard to registration of charges created by or affecting property of the Company, in regard to keeping a register of Directors and Secretaries, a register of members, a register of mortgages and charges, and a register of Directors' shares and debenture holdings and in regard to the production and furnishing of copies of such registers and of any register of holders of debentures of the Company.
138. **Form of books and registers.** Any register, index, minute book, book of account or other books required by this constitution or by the Act to be kept by or on behalf of the company may be kept either by making entries in bound books or by recording them in any other manner. In any case in which bound books are not used, the Directors shall take adequate precautions for guarding against falsification and for facilitating its discovery.
139. **Accounts to be kept.** The Directors shall cause to be kept such books of account as are necessary to comply with the provisions of the Act.



140. **Where accounts to be kept.** The books of account shall be kept at the Office, or at such other place within Malaysia as the Directors think fit, and shall always be open to the inspection of the Directors. No member (other than a Director) shall have any right of inspecting any account or book or document of the Company except as conferred by the Act or authorised by the Directors or by Ordinary Resolution of the Company.
141. **When to present accounts.** The Directors shall from time to time in accordance with the provisions of the Act and the Listing Requirements cause to be prepared and to be laid before a General Meeting of the Company such annual audited financial statements and reports as may be necessary, not later than six months after closing its financial year.
142. **To whom copies of financial statements, directors' and auditors' reports, etc may be sent.** A copy of annual audited financial statements, directors' and auditors' reports, etc which is to be laid before a General Meeting of the Company (including every document required by law to be annexed thereto together with a copy of every report of the Auditors relating thereto and other Directors' report), in printed form or in CD-ROM form or other electronic form shall be issued and be sent to the Stock Exchanges on which the shares of the Company are listed (with such number of copies that are required) and to every member of, and every holder of debentures of the Company and to every other person who is entitled to receive notices from the Company under the provisions of the Act or of this constitution; provided that this Clause 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. In the event that these documents are sent in CD-ROM form or other electronic form and a Member requires a printed form of such documents, the Company shall send such documents to the Member.
143. **Directors not bound to disclose investments.** Save as may be necessary for complying with the provisions of the Act or as the Company may by Extraordinary Resolution otherwise resolve, the Directors shall not be bound to publish any list or particulars of the securities or investments held by the Company or to give any information with reference to the same to any member.

#### AUDITORS

144. **Appointment of Auditors.** Auditors shall be appointed and their duties regulated in accordance with the provisions of the Act.
145. **Validity of acts where appointment defective.** Subject to the provisions of the Act all acts done by any person acting as an Auditor shall, as regards all persons dealing in good faith with the Company, be valid, notwithstanding that there was some defect in his appointment or that he was at the time of his appointment not qualified for appointment.
146. **Where auditors entitled to attend General Meeting.** The auditors shall be entitled to attend any General Meeting and to receive all notices of and other communication relating to any General Meeting which any member is entitled to receive, and to be heard at any General Meeting on any part of the business of the meeting which concerns him as Auditor.

#### NOTICES

147. **How notices are served.**
- (a) All notices to be given or issued under this constitution shall be in writing.
  - (b) Any notice or document to be given or issued under this constitution may be served by the Company on any member either by:
    - (i) delivering or leaving it or by sending it through that post in a pre-paid letter, envelope or wrapper addressed to such member at his registered address as appearing in the Register or the Record of Depositors.
    - (ii) (in the case of a notice) an advertisement in the newspaper; or
    - (iii) (in the case of a notice and if the member concerned has registered with the Company a cable address, or a telex or fax number) a cable sent to his cable address or a telex sent to his telex address or a facsimile transmission to his fax number; or

- (iv) e-mail to such member at the e-mail address supplied by him to the Company, or to the Stock Exchange, the Central Depository or the relevant authorised depository agent, for the purposes of giving of notice to him. The contact details of a member as provided to the Central Depository shall be deemed as the last known address provided by the member to the Company for the purposes of giving of notices to him.

148. **Where notices deemed served.**

- (a) Any member described in the Register or the Record of Depositors by an address not within Hong Kong, Malaysia or Singapore who shall from time to time give the Company an address within Hong Kong, Malaysia or Singapore at which notices may be served upon him, it shall be deemed to have served upon him at such address any notice or document to which he is entitled under this constitution.
- (b) A person entitled to a share in consequence of the death or bankruptcy of a member, upon supplying to the Company such evidence as the Directors may reasonably require to show his title to the share, and upon supplying also an address within Hong Kong, Malaysia and Singapore for the service of notices, shall be entitled to have served upon him at such address any notice or document to which the member but for his death or bankruptcy would be entitled, and such service shall for all purposes be deemed a sufficient service of such notice or document on all persons interested (whether jointly with or as claiming through or under him) in the share. Save as aforesaid any notice or document delivered or sent by post to or left at the registered address of any member in pursuance of this constitution shall (notwithstanding that such member be then dead or bankrupt and whether or not the Company have notice of his death or bankruptcy) be deemed to have been duly served in respect of any share registered in the name of such member as sole.
- (c) Any notice or other document, if served or sent by post, telex or telegram, shall be deemed to have been served or delivered at the time when the letter, telex or telegram containing the same would in the ordinary course be delivered and if sent by facsimile transmission, shall be deemed to have been served at the time of transmission, and in proving such service or sending it shall be sufficient to prove that the letter, telex or telegram containing the notice or document was properly addressed and put into the Post Office as a prepaid letter or that the telegram or telex was properly addressed and despatched by the relevant establishment or that the facsimile transmission was properly transmitted to the fax number of the member appearing in the Register and the Record of Depositors and such transmission had been received by the facsimile machine bearing the fax number of the member concerned. Where a notice or document is sent by email, the notice or document shall be deemed to have been served when sent. In the case of email, no acknowledgement is required and the email is deemed to have been delivered even if rejected, filtered, quarantined, or not actually delivered unless written notification of delivery failure is received. In the event of receipt of such written notification, notice or document will be given by the Company to the member either personally or sending by post or by courier to him at his registered address as appearing in the Record of Depositors.
- (d) Where a notice or document is published on the website of the Company, the notice or document shall be deemed to have been served when the member is notified of such publication.
- (e) The accidental omission to give any notice of any meeting to or the non-receipt of any such notice by any of the members shall not invalidate the proceedings at any general meeting or any resolution passed thereat. For the purposes of this constitution, a notice includes any document.

149. **Notice effective.**

- (a) Any notice on behalf of the Company or of the Board of Directors shall be deemed effectual if it purports to bear the signature of the Secretary or other duly authorised officer of the Company.
- (b) Reasonable time shall be given to members of the Company not residing in Hong Kong, Malaysia or Singapore in exercising their rights or to comply with the terms of any notice served by the Company. Notice by the members to the Company shall be sufficiently given if sent to the registered office of the Company or the share registrar of the Company in Hong Kong, Malaysia or Singapore respectively.

## WINDING UP

150. **Distribution of assets in specie.** If the Company shall be wound up (whether the liquidation is voluntary, under supervision, or by the court) the Liquidator may, with the authority of a Special Resolution, divide among the members in specie or kind the whole or any part of the assets of the Company and whether or not the assets shall consist of property of one kind or shall consist of properties of different kinds, and may for such purpose set such value as he deems fair upon any one or more class or classes as between the members or different classes of members. The Liquidator may, with the like authority, vest any part of the assets in trustees upon such trusts for the benefit of members as the Liquidator with the like authority shall think fit, and the liquidation of the Company may be closed and the Company dissolved, but so that no contributory shall be compelled to accept any shares in respect of which there is a liability.
151. **Voluntary liquidation.** On a voluntary winding up of the Company no commission or fee shall be paid to a liquidator without the prior approval of the members in general meeting the amount of such commission or fee to be notified to all members not less than seven days before the meeting at which it is to be considered.

## INDEMNITY

152. **Indemnity.**
- (a) The Company shall indemnify an officer or auditor of the Company for any costs incurred by him or the Company in respect of any proceedings that relates to the liability for any act or omission in his capacity as an officer or auditor and in which judgment is given in favour of the officer or auditor or in which the officer or auditor is acquitted or in which the auditor or officer is granted relief under the Act or proceedings are discontinued or not pursued.
- (b) Subject to the Act, the Company shall indemnify an officer or auditor of the Company in respect of (i) any liability to any person, other than the Company, for any act or omission in his capacity as an officer or auditor; and (ii) costs incurred by that director or officer or auditor in defending or settling any claim or proceedings relating to any such liability or (iii) in connection with an application for relief under the Act.

## COMPLIANCE

153. **Effect of the Listing Requirements.**
- (1) Notwithstanding anything contained in this constitution, if the Listing Requirements prohibit an act being done, the act shall not be done.
- (2) Nothing contained in this constitution prevents an act being done that the Listing Requirements require to be done.
- (3) 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).
- (4) 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.
- (5) 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.
- (6) 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.
154. **Compliance with Statute, Regulations and Rules.** The Company shall comply with provisions of the relevant governing statutes, regulations and Rules as may be amended, modified or varied from time to time or any other directive or requirement imposed by the Stock Exchange, the Depository and other appropriate authorities, to the extent required by law, notwithstanding any provision in this constitution to the contrary.

**PART B:**

**SHARE BUY-BACK STATEMENT  
IN RELATION TO THE  
PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY**

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## DEFINITIONS

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The following definitions shall apply throughout Part B of this document unless the context requires otherwise:-

Act	:	The Companies Act 2016, as amended from time to time and any re-enactment thereof
AGM	:	Annual General Meeting
Board	:	The Board of Directors of DIALOG
Bursa Malaysia	:	Bursa Malaysia Securities Berhad ( <i>Company No. 635998-W</i> )
Code	:	The Malaysian Code on Take-Overs and Mergers 2016 as amended from time to time and any re-enactment thereof
DIALOG Share(s)/Share(s)	:	Ordinary share(s) in DIALOG
DIALOG/the Company	:	DIALOG Group Berhad ( <i>Company No. 178694-V</i> )
DIALOG Group/the Group	:	DIALOG and its subsidiaries, collectively
Listing Requirements	:	Main Market Listing Requirements of Bursa Malaysia as amended from time to time and any re-enactment thereof
LPD	:	15 September 2019, being the latest practical date before the printing of this Share Buy-Back Statement
Market Day	:	Means a day on which Bursa Malaysia is open for trading in securities
Minister	:	Minister charged with the responsibilities for companies
NA	:	Net Assets
Prevailing Laws	:	Any prevailing laws, rules, regulations, orders, guidelines and requirements issued by the relevant authorities at the time of the purchase
Proposed Renewal of Share Buy-Back Authority	:	Proposed renewal of authority granted to the Company to purchase up to ten percent (10%) of its total number of issued ordinary shares
RM and sen	:	Ringgit Malaysia and sen respectively
Share Buy-Back Statement	:	Share Buy-Back Statement in relation to the Proposed Renewal of Share Buy-Back Authority
VWAP	:	Volume weighted average market price

All reference to “**you**” in this Statement are to our shareholders.

Words importing the singular shall, where applicable, include the plural and vice versa and words importing the masculine gender shall, where applicable, include the feminine and neuter genders and vice versa. Reference to persons shall include corporations, unless otherwise specified.

Any reference in this document to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any reference to a time of day in this document shall be a reference to Malaysian time, unless otherwise stated.



**DIALOG**

## **DIALOG GROUP BERHAD**

*(Company Number: 178694-V)*  
(Incorporated in Malaysia)

### **PART B: SHARE BUY-BACK STATEMENT IN RELATION TO THE PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY**

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#### **1. INTRODUCTION**

The shareholders of DIALOG had, at the 30<sup>th</sup> AGM of the Company held on 14 November 2018, approved the renewal of the authority to enable the Company to purchase up to ten percent (10%) of its prevailing total number of issued ordinary shares. The said renewal became effective immediately upon its approval by shareholders at the last AGM of the Company and shall expire at the conclusion of the forthcoming 31<sup>st</sup> AGM of the Company, unless renewed by shareholders.

On 15 August 2019, the Company announced that it proposes to seek its shareholders' approval for the Proposed Renewal of Share Buy-Back Authority at the 31<sup>st</sup> AGM to be convened on 13 November 2019.

The purpose of this Share Buy-Back Statement is to provide you with the relevant information on the Proposed Renewal of Share Buy-Back Authority and to seek your approval for the ordinary resolution pertaining to the Proposed Renewal of Share Buy-Back Authority to be tabled as a Special Business at the forthcoming AGM of the Company to be convened on 13 November 2019.

**SHAREHOLDERS ARE ADVISED TO READ THE CONTENTS OF THIS SHARE BUY-BACK STATEMENT CAREFULLY BEFORE VOTING ON THE RESOLUTION PERTAINING TO THE PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY.**

#### **2. DETAILS OF THE PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY**

- 2.1** The Company proposes to seek from its shareholders a renewal of the authority to purchase up to ten percent (10%) of its total number of issued ordinary shares on Bursa Malaysia at any point in time during the authorised period, subject to compliance with the provision of the Act, the Listing Requirements and/or any other relevant authorities.

The authority from shareholders for the Proposed Renewal of Share Buy-Back Authority will be effective immediately upon the passing of the ordinary resolution pertaining to the Proposed Renewal of Share Buy-Back Authority at the forthcoming AGM until the conclusion of the next AGM of the Company or the expiry of the period within which the next AGM is required by law to be held, unless earlier revoked or varied by ordinary resolution of the shareholders of the Company in a general meeting.

- 2.2** Paragraph 12.10(1) of the Listing Requirements stipulates that purchases of own shares must be made wholly out of retained profits of the listed corporation. The Board proposes to allocate an amount of up to the retained profits of the Company for the purchase of its own ordinary shares, subject to compliance with Section 127 of the Act and any Prevailing Laws, including compliance with the twenty-five percent (25%) public shareholding spread as required by the Listing Requirements. The retained profits of the Company was RM674,422,000 based on the latest audited financial statements as at 30 June 2019.

**2.3** In accordance with Section 127 of the Act, the Board may resolve, at its discretion, to deal with the purchased DIALOG Shares in the following manner:

- (i) cancel the DIALOG Shares so purchased; or
- (ii) retain the DIALOG Shares so purchased as treasury shares which may be:
  - (a) distributed as share dividends to DIALOG's shareholders;
  - (b) resold in accordance with the relevant rules of Bursa Malaysia;
  - (c) transferred as purchase consideration;
  - (d) cancelled subsequently; and / or
  - (e) sold, transferred or otherwise used for such other purposes as the relevant Minister may by order prescribe; or
- (iii) retain part of the DIALOG Shares so purchased as treasury shares and cancel the remainder of the DIALOG Shares,

or in any other manner as may be prescribed by the Act, all applicable laws, regulations and guidelines applied from time to time by Bursa Malaysia and/or any other relevant authority for the time being in force and that the authority to deal with the purchased DIALOG Shares shall continue to be valid until all the purchased DIALOG Shares have been dealt with by the Directors of the Company.

In the event that the Company ceases to hold all or part of the purchased Shares as a result of the above, the Company may further purchase such additional number of Shares provided that the total purchased Shares (including Shares held as treasury shares then) does not exceed 10% of its total number of issued ordinary shares at the time of such purchase.

While the purchased Shares are held as treasury shares, the rights attached to them as to voting, dividends and participation in any other distributions or otherwise are suspended and the treasury shares shall not be taken into account in calculating the number of percentage of shares or of a class of shares in the Company for any purposes including substantial shareholding, take-overs, notices, the requisitioning of meetings, the quorum for a meeting and the result of a vote on a resolution at a meeting.

**2.4** Pursuant to the provisions of Paragraph 12.17 of the Listing Requirements, the Company may only purchase its own Shares at a price which is not more than fifteen percent (15%) above the VWAP of Shares for the past five (5) Market Days immediately preceding the date of the purchase.

Pursuant to the provisions of Paragraph 12.18 of the Listing Requirements, the Company may only resell the purchased Shares held as treasury shares at a price which is:-

- a) not less than the VWAP of Shares for the past five (5) Market Days immediately preceding the date of resale; or
- b) not more than five percent (5%) discount to the VWAP of Shares for the past five (5) Market Days immediately prior to the resale provided that:-
  - (i) the resale takes place not earlier than 30 days from the date of purchase; and
  - (ii) the resale price is not less than the cost of purchase of the Shares being sold.

**2.5** The Proposed Renewal of Share Buy-Back Authority will allow the Board to exercise the power of the Company to purchase its own Shares at any time within the above-mentioned time period using the internal funds of the Company and/or external borrowings. The amount of internally generated funds and/or external borrowings to be utilised will only be determined later depending on the availability of funds, actual number of Shares to be purchased and other cost factors. The actual number of Shares to be purchased depends upon the market conditions and



sentiments on Bursa Malaysia as well as the retained profits and financial resources available to the Company.

The treatment of the purchased Shares held as treasury shares, either distributed as share dividends or resold by the Company on Bursa Malaysia, or both, will in turn depend on the availability of, amongst others, retained profits of the Company.

In the event the Company purchases its own Shares using external borrowings, the Board will ensure that the Company has sufficient funds to repay the external borrowings and that the repayment would not have any material effect on the cash flow of DIALOG Group.

### **3. RATIONALE FOR THE PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY**

The Proposed Renewal of Share Buy-Back Authority, if implemented, is expected to benefit the Company and its shareholders as follows:-

- (i) The Group is able to utilise its surplus financial resources which is not immediately required for other uses to purchase its own Shares from the market. This may stabilise the supply and demand of DIALOG Shares traded on Bursa Malaysia and thereby support the fundamental value of DIALOG Shares;
- (ii) Irrespective of whether DIALOG Shares purchased are retained as treasury shares or are subsequently cancelled, the earnings per share of DIALOG may be strengthened, and if so, shareholders of DIALOG may enjoy an increase in the value of their investment in the Company; and
- (iii) The DIALOG Shares purchased can be kept as treasury shares and resold on Bursa Malaysia at a higher price with the intention of realising potential capital gains without affecting the total issued ordinary shares. Should any treasury shares be distributed as share dividends, this would serve to reward the shareholders of the Company.

The Company has implemented a share buy-back scheme since 2005. Under the share buy-back scheme, the Company has distributed treasury shares to shareholders as share dividends for the financial years ended 30 June 2006, 30 June 2009 and 30 June 2014. The Company intends to continue to distribute share dividends to its shareholders in the future.

### **4. POTENTIAL ADVANTAGES AND DISADVANTAGES OF THE PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY**

The financial resources of the Company may increase if the purchased Shares held as treasury shares are resold at prices higher than their purchase price. Other potential advantages of the Proposed Renewal of Share Buy-Back Authority are as outlined in Section 3 above.

The potential disadvantages of the Proposed Renewal of Share Buy-Back Authority, if implemented, are as follows:-

- (i) The Proposed Renewal of Share Buy-Back Authority may reduce the financial resources of the Company, and thereby may result in the Company foregoing future investment opportunities, or deprive the Company of interest income that can be derived from funds utilised for the Proposed Renewal of Share Buy-Back Authority; and
- (ii) The Proposed Renewal of Share Buy-Back Authority may reduce the amount of resources available for distribution to the shareholders of the Company in the form of cash dividends as funds are utilised to purchase its own Shares.

Notwithstanding the above, the Board does not expect the Proposed Renewal of Share Buy-Back Authority to have any material disadvantage to the Group and its shareholders since it will be implemented only after due consideration of the financial resources of the Group and the resultant

effects on the Group and its shareholders. The Board will be mindful of the interest of the Company and its shareholders in undertaking the Proposed Renewal of Share Buy-Back Authority.

## 5. EFFECTS OF THE PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY

The effects of the Proposed Renewal of Share Buy Back Authority are based on the following assumptions: -

### (i) Scenario 1

Assuming that all of the 7,408,160 Employees' Share Option Scheme ("ESOS") options of the Company, which are exercisable before the next AGM in year 2020, are exercised into new Shares, prior to the Company purchasing its own shares representing approximately ten percent (10%) of its total number of issued ordinary shares and such Shares purchased are cancelled or alternatively be retained as treasury shares or both.

### (ii) Scenario 2

Assuming that none of the ESOS options of the Company, which are exercisable before the next AGM in year 2020, are exercised into new Shares, prior to the Company purchasing its own shares representing approximately ten percent (10%) of its total issued ordinary shares and such Shares purchased are cancelled or alternatively be retained as treasury shares or both.

### 5.1 Share Capital

In the event that all the Shares purchased are cancelled, the full implementation of the Proposed Renewal of Share Buy-Back Authority will result in the issued ordinary shares of the Company being reduced as follows:-

	<b>Scenario 1 No. of Shares</b>	<b>Scenario 2 No. of Shares</b>
Total issued ordinary shares as at the LPD	5,641,642,303	5,641,642,303
To be issued assuming full exercise of exercisable ESOS options	7,408,160	-
Total enlarged issued ordinary shares	5,649,050,463	5,641,642,303
<b>Maximum number of DIALOG Shares that may be purchased pursuant to the Proposed Renewal of Share Buy-Back Authority<sup>^</sup></b>	<b>564,905,046</b>	<b>564,164,230</b>
Total issued ordinary shares after cancellation of Shares bought back	5,084,145,417	5,077,478,073

However, if the Shares so purchased are retained as treasury shares and subsequently re-sold and/or distributed to DIALOG shareholders, the implementation of the Proposed Renewal of Share Buy-Back Authority will not have any effect on the issued ordinary shares of the Company.

<sup>^</sup> Including a total of 3,335,032 treasury shares held by the Company as at the LPD.

## 5.2 Directors' and Substantial Shareholders' Shareholdings

The effects of the full implementation of the Proposed Renewal of Share Buy-Back Authority on the directors' and substantial shareholders' shareholdings based on the Registers of Directors' Shareholdings and Substantial Shareholders' Shareholdings, respectively as at the LPD are as follows:-

### Scenario 1

#### Directors' Shareholdings

Directors' Shareholdings	Existing shareholdings as at LPD				(I) Assuming full exercise of the exercisable ESOS options				(II) After (I) and the Proposed Renewal Share Buy-Back Authority			
	Direct		Indirect		Direct		Indirect		Direct		Indirect	
	No. of Shares	% <sup>(e)</sup>	No. of Shares	% <sup>(e)</sup>	No. of Shares	% <sup>(f)</sup>	No. of Shares	% <sup>(f)</sup>	No. of Shares	% <sup>(g)</sup>	No. of Shares	% <sup>(g)</sup>
Tan Sri Dr Ngau Boon Keat	45,904,103 <sup>(a)</sup>	0.8	1,083,445,842 <sup>(b)</sup>	19.2	45,951,303	0.8	1,083,507,842	19.2	45,951,303	0.9	1,083,507,842	21.3
Chan Yew Kai	32,384,767 <sup>(a)</sup>	0.6	3,000,000 <sup>(c)</sup>	0.1	32,427,767	0.6	3,000,000	0.1	32,427,767	0.6	3,000,000	0.1
Datuk Oh Chong Peng	-	-	-	-	-	-	-	-	-	-	-	-
Kamariyah Binti Hamdan	1,938,614 <sup>(a)</sup>	Neg	268,158 <sup>(c)</sup>	Neg	1,938,614	Neg	268,158	Neg	1,938,614	Neg	268,158	Neg
Siti Khairon Binti Shariff	-	-	-	-	-	-	-	-	-	-	-	-
Dato' Ismail Bin Karim	-	-	63,472 <sup>(c)</sup>	Neg	-	-	63,472	Neg	-	-	63,472	Neg
Tunku Alizakri Bin Raja Muhammad Alias	-	-	-	-	-	-	-	-	-	-	-	-
Chew Eng Kar	11,611,760 <sup>(a)</sup>	0.2	10,038,607 <sup>(d)</sup>	0.2	11,647,560	0.2	10,038,607	0.2	11,647,560	0.2	10,038,607	0.2
Zainab Binti Mohd Salleh	7,391,879 <sup>(a)</sup>	0.1	-	-	7,424,479	0.1	-	-	7,424,479	0.1	-	-
Mohamad Hafiz Bin Kassim	-	-	-	-	-	-	-	-	-	-	-	-
(Alternate Director to Tunku Alizakri Bin Raja Muhammad Alias)	-	-	-	-	-	-	-	-	-	-	-	-

**Scenario 1**  
**Substantial Shareholders' Shareholdings**

Substantial Shareholders' Shareholdings	Existing shareholdings as at LPD				(I) Assuming full exercise of the exercisable ESOS options				(II) After (I) and the Proposed Renewal Share Buy-Back Authority			
	Direct		Indirect		Direct		Indirect		Direct		Indirect	
	No. of Shares	% <sup>(e)</sup>	No. of Shares	% <sup>(e)</sup>	No. of Shares	% <sup>(f)</sup>	No. of Shares	% <sup>(f)</sup>	No. of Shares	% <sup>(g)</sup>	No. of Shares	% <sup>(g)</sup>
Employees Provident Fund Board ("EPF")	493,792,516 <sup>(a)</sup>	8.8	-	-	493,792,516	8.7	-	-	493,792,516	9.7	-	-
Azam Utama Sdn Bhd	467,563,330 <sup>(a)</sup>	8.3	-	-	467,563,330	8.3	-	-	467,563,330	9.2	-	-
Wide Synergy Sdn Bhd	441,970,688 <sup>(a)</sup>	7.8	-	-	441,970,688	7.8	-	-	441,970,688	8.7	-	-
Tan Sri Dr Ngau Boon Keat	45,904,103 <sup>(a)</sup>	0.8	1,083,445,842 <sup>(b)</sup>	19.2	45,951,303	0.8	1,083,507,842	19.2	45,951,303	0.9	1,083,507,842	21.3

**Notes:-**

*Neg - Negligible.*

<sup>(a)</sup> - Shares are held in own name and/or nominee account(s).

<sup>(b)</sup> - Deemed interested by virtue of his interests in Azam Utama Sdn Bhd, Wide Synergy Sdn Bhd, GMC Sdn Bhd, WRN Sdn Bhd and interests held by his spouse and children.

<sup>(c)</sup> - Deemed interested by virtue of her/his spouse or children's interest.

<sup>(d)</sup> - Deemed interested by virtue of his interest in CEKinyst Sdn Bhd and his family trust.

<sup>(e)</sup> - Based on the issued ordinary shares (less treasury shares of 3,335,032) of 5,638,307,271 Shares as at LPD.

<sup>(f)</sup> - Based on the enlarged issued ordinary shares (less treasury shares of 3,335,032) of 5,645,715,431 Shares, under Scenario 1.

<sup>(g)</sup> - Based on the enlarged issued ordinary shares (less treasury shares of 564,905,046) of 5,084,145,417 Shares, under Scenario 1.

**Scenario 2**  
**Directors' Shareholdings**

Directors' Shareholdings	Existing shareholdings as at LPD				After the Proposed Renewal Share Buy-Back Authority			
	Direct		Indirect		Direct		Indirect	
	No. of Shares	%(c)	No. of Shares	%(c)	No. of Shares	%(f)	No. of Shares	%(f)
Tan Sri Dr Ngau Boon Keat	45,904,103 <sup>(a)</sup>	0.8	1,083,445,842 <sup>(b)</sup>	19.2	45,904,103	0.9	1,083,445,842	21.3
Chan Yew Kai	32,384,767 <sup>(a)</sup>	0.6	3,000,000 <sup>(c)</sup>	0.1	32,384,767	0.6	3,000,000	0.1
Datuk Oh Chong Peng	-	-	-	-	-	-	-	-
Kamariyah Binti Hamdan	1,938,614 <sup>(a)</sup>	Neg	268,158 <sup>(c)</sup>	Neg	1,938,614	Neg	268,158	Neg
Siti Khairon Binti Shariff	-	-	-	-	-	-	-	-
Dato' Ismail Bin Karim	-	-	63,472 <sup>(c)</sup>	Neg	-	-	63,472	Neg
Tunku Alizakri Bin Raja Muhammad Alias	-	-	-	-	-	-	-	-
Chew Eng Kar	11,611,760 <sup>(a)</sup>	0.2	10,038,607 <sup>(d)</sup>	0.2	11,611,760	0.2	10,038,607	0.2
Zainab Binti Mohd Salleh	7,391,879 <sup>(a)</sup>	0.1	-	-	7,391,879	0.1	-	-
Mohamad Hafiz Bin Kassim (Alternate Director to Tunku Alizakri Bin Raja Muhammad Alias)	-	-	-	-	-	-	-	-

**Scenario 2**  
**Substantial Shareholders' Shareholdings**

Substantial Shareholders' Shareholdings	Existing shareholdings as at LPD		After the Proposed Renewal Share Buy-Back Authority					
	Direct		Indirect		Direct		Indirect	
	No. of Shares	% <sup>(e)</sup>	No. of Shares	% <sup>(e)</sup>	No. of Shares	% <sup>(f)</sup>	No. of Shares	% <sup>(f)</sup>
Employees Provident Fund Board ("EPF")	493,792,516 <sup>(a)</sup>	8.8	-	-	493,792,516	9.7	-	-
Azam Utama Sdn Bhd	467,563,330 <sup>(a)</sup>	8.3	-	-	467,563,330	9.2	-	-
Wide Synergy Sdn Bhd	441,970,688 <sup>(a)</sup>	7.8	-	-	441,970,688	8.7	-	-
Tan Sri Dr Ngau Boon Keat	45,904,103 <sup>(a)</sup>	0.8	1,083,445,842 <sup>(b)</sup>	19.2	45,904,103	0.9	1,083,445,842	21.3

Notes:-

Neg - Negligible.

<sup>(a)</sup> - Shares are held in own name and/or nominee account(s).

<sup>(b)</sup> - Deemed interested by virtue of his interests in Azam Utama Sdn Bhd, Wide Synergy Sdn Bhd, GMC Sdn Bhd, WRN Sdn Bhd and interests held by his spouse and children.

<sup>(c)</sup> - Deemed interested by virtue of her/his spouse or children's interest.

<sup>(d)</sup> - Deemed interested by virtue of his interest in CEKinyst Sdn Bhd and his family trust.

<sup>(e)</sup> - Based on the issued ordinary shares (less treasury shares of 3,335,032) of 5,638,307,271 Shares as at LPD.

<sup>(f)</sup> - Based on the enlarged issued ordinary shares (less treasury shares of 564,164,230) of 5,077,478,073 Shares, under Scenario 2

### 5.3 Net Assets

If the Shares purchased are retained as treasury shares, the NA of DIALOG Group would decrease by the purchase cost of the treasury shares because the treasury shares are required to be carried at cost and be deducted from equity. If the treasury shares are subsequently cancelled or distributed as share dividends, there will be no additional effect on the NA of DIALOG Group.

The purchase of DIALOG Shares that are retained as treasury shares and/or cancelled and/or distributed as share dividends will reduce the NA per share of DIALOG Group if the purchase price of such shares exceeds the NA per share of DIALOG Group, and vice versa.

If the treasury shares are resold on Bursa Malaysia, it will increase the NA per share of DIALOG Group if DIALOG realises a capital gain from such resale, and vice versa.

### 5.4 Working Capital

The implementation of the Proposed Renewal of Share Buy-Back Authority will reduce the working capital of DIALOG Group, the quantum of which depends on, amongst others, the number of Shares eventually purchased and the purchase price of those Shares.

For Shares so purchased which are retained as treasury shares, the working capital of the Company will increase upon its resale. In this respect, the quantum of the increase in working capital depends on the actual selling price of the treasury shares and the number of treasury shares sold.

### 5.5 Earnings

The effects of the Proposed Renewal of Share Buy-Back Authority on the earnings per share of the DIALOG Group will depend on the purchase price of Shares and the effective funding cost or loss in interest income to the Group, whilst the purchase of Shares will result in a lower number of shares being taken into account for purposes of earnings per share computation.

### 5.6 Public Shareholding Spread

The existing public shareholding spread of the Company as at the LPD and the resulting public shareholding spread of the Company, assuming the Company purchases ten percent (10%) of its total number of issued ordinary shares, are as follows:-

	As at the LPD	After the Proposed Renewal of Share Buy- Back Authority	
		Scenario 1	Scenario 2
Public Shareholding Spread	77.0%	74.3%	74.4%

The Board is mindful of the requirement to maintain the public shareholding spread of at least twenty-five percent (25%) and will continue to be mindful of the requirement when making purchases of any Shares pursuant to the Proposed Renewal of Share Buy-Back Authority.

### 5.7 Dividends

Assuming the Proposed Renewal of Share Buy-Back Authority is implemented in full and the dividend quantum is maintained at historical levels, the Proposed Renewal of Share Buy-Back Authority will have the effect of increasing the dividend rate of the Company as a result of the suspension of the rights of treasury shares to dividend entitlement or the reduction in the number of issued ordinary shares of the Company in the event of the treasury shares being cancelled.

For the financial year ended 30 June 2019, the Company declared the following dividends:-

- Interim cash dividend of 1.50 sen per Share amounting to RM84,574,611 was paid on 27 June 2019; and
- Proposed final cash dividend of 2.30 sen per Share amounting to approximately RM130,000,000 as recommended by the Directors for the shareholders' approval at the forthcoming 31<sup>st</sup> AGM of the Company.

## 6. HISTORICAL SHARE PRICE

The monthly highest and lowest market prices of DIALOG Shares for the twelve (12) months preceding the date of this Statement from October 2018 to September 2019 (being the last full trading month period to the LPD) are as follows:

	<b>High RM</b>	<b>Low RM</b>
<b>2018</b>		
October	3.57	3.14
November	3.44	3.12
December	3.25	2.72
<b>2019</b>		
January	3.12	2.73
February	3.34	2.96
March	3.31	3.13
April	3.32	3.07
May	3.42	2.95
June	3.35	3.22
July	3.57	3.27
August	3.55	3.32
September (up to the LPD of 15 September 2019)	3.55	3.40
Last transacted market price of DIALOG Shares as at the LPD		3.49

*(Source: Bloomberg)*

## 7. IMPLICATION OF THE CODE

The Proposed Renewal of Share Buy-Back Authority is not expected to trigger any obligation to undertake a mandatory general offer under the Code as a result of its full implementation.

## 8. APPROVALS REQUIRED

The Proposed Renewal of Share Buy-Back Authority is conditional upon the approval from the shareholders of DIALOG at the forthcoming 31<sup>st</sup> AGM.

## 9. PURCHASE, RESALE, TRANSFER AND CANCELLATION OF SHARES IN THE PAST TWELVE (12) MONTHS

In the past twelve (12) months preceding the LPD, the Company has not purchased or cancelled its own shares or resold and/or transferred any of its treasury shares. As at 30 June 2019, DIALOG held a total of 3,335,032 treasury shares.



Further information on the purchase of Shares by the Company is set out in Note 18 -Share Capital of the Company's Audited Financial Statements for the financial year ended 30 June 2019.

As at LPD, DIALOG held a total of 3,335,032 treasury shares at an average cost of RM1.087 per Share.

**10. INTERESTS OF THE DIRECTORS, MAJOR SHAREHOLDERS AND/OR PERSONS CONNECTED TO THEM**

Save for the inadvertent increase in percentage of shareholding and/or voting rights of shareholders of the Company as a result of the Proposed Renewal of Share Buy-Back Authority, none of the Directors, major shareholders of DIALOG and/or persons connected to them have any interest, direct or indirect, in the Proposed Renewal of Share Buy-Back Authority.

**11. DIRECTORS' STATEMENT AND RECOMMENDATION**

After careful consideration, the Board is of the opinion that the Proposed Renewal of Share Buy-Back Authority is in the best interest of the Company. Accordingly, the Board recommends that you vote in favour of the ordinary resolution on the Proposed Renewal of Share Buy-Back Authority to be tabled at the forthcoming 31<sup>st</sup> AGM.

**12. ANNUAL GENERAL MEETING**

The Notice of 31<sup>st</sup> AGM to consider and if thought fit, pass the ordinary resolution pertaining to the Proposed Renewal of Share Buy-Back Authority as set out herein is also enclosed in the Annual Report 2019. The 31<sup>st</sup> AGM will be held on Wednesday, 13 November 2019 at 10.00 a.m. at Ballroom 1, 1st Floor, Sime Darby Convention Centre, 1A, Jalan Bukit Kiara 1, 60000 Kuala Lumpur.

If you are unable to attend and vote in person at the 31<sup>st</sup> AGM and wish to appoint a proxy to attend and vote in your stead, you are requested to complete, sign and return the Proxy Form in accordance with the instructions contained therein as soon as possible and in any event so as to arrive at the Company's Registered Office at DIALOG TOWER, No. 15, Jalan PJU 7/5, Mutiara Damansara, 47810 Petaling Jaya, Selangor Darul Ehsan not less than 48 hours before the time for the 31<sup>st</sup> AGM.

The lodging of the Proxy Form will not preclude you from attending and voting in person at the 31<sup>st</sup> AGM should you subsequently wish to do so.

**FURTHER INFORMATION**

**1. DIRECTOR RESPONSIBILITY STATEMENT**

This Statement has been seen and approved by the Board and that they collectively and individually accept full responsibility for the accuracy of the information given in this Statement and confirm that, after making all reasonable enquiries, to the best of their knowledge and belief, there are no other facts, the omission of which would make any statement herein misleading.

**2. DOCUMENTS AVAILABLE FOR INSPECTION**

Copies of the following documents will be made available for inspection at the registered office of the Company at DIALOG Tower, No 15, Jalan PJU 7/5, Mutiara Damansara, 47810 Petaling Jaya, Selangor Darul Ehsan during normal business hours on Monday to Fridays (except public holidays) from the date of this Statement up to and including the date of the AGM:-

- (i) the Constitution of DIALOG; and
- (ii) the audited financial statements of DIALOG for the past two (2) financial year ended 30 June 2018 and 30 June 2019.