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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 professional adviser immediately.

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**BRITISH AMERICAN  
TOBACCO  
MALAYSIA**

**British American Tobacco (Malaysia) Berhad**

(Company No. 4372-M)  
(Incorporated in Malaysia)

**CIRCULAR TO SHAREHOLDERS**

**IN RELATION TO:**

**PART A**

**PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR BRITISH AMERICAN TOBACCO (MALAYSIA) BERHAD AND ITS SUBSIDIARIES TO ENTER INTO RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE WITH RELATED PARTIES**

**PART B**

**PROPOSED ADOPTION OF THE NEW CONSTITUTION OF THE COMPANY**

The above proposals will be tabled as Special Business at the Company’s Fifty-Eighth (58th) Annual General Meeting (“AGM”). Notice of the 58th AGM to be held at the Connexion Conference & Event Centre, Nexus 2 & 3 at Level 3A, Nexus, Bangsar South City, No. 7, Jalan Kerinchi, 59200 Kuala Lumpur on Thursday, 18 April 2019 at 10.30 a.m. together with a Proxy Form are enclosed together with the abridged version of the Annual Report of the Company for the financial year ended 31 December 2018.

The original Proxy Form should be completed and returned in accordance with the instructions therein as soon as possible and should reach the Share Registrar of the Company at Tricor Investor & Issuing House Services Sdn Bhd, Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur not less than twenty-four (24) hours before the time appointed for the taking of poll or no later than 17 April 2019 at 12.00 p.m. 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.

Last date and time for lodging the Proxy Form : Wednesday, 17 April 2019 at 12.00 p.m..  
Date and time of Annual General Meeting : Thursday, 18 April 2019 at 10.30 a.m..

## DEFINITIONS

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

“£” and “p”	:	Great Britain pound and pence respectively
“AGM”	:	Annual General Meeting
“Annual Report”	:	Annual Report of British American Tobacco (Malaysia) Berhad for the financial year ended 31 December 2018
“Board”	:	Board of Directors of the Company
“British American Tobacco Group”	:	British American Tobacco p.l.c and companies connected to it
“British American Tobacco Malaysia” or “the Company”	:	British American Tobacco (Malaysia) Berhad
“British American Tobacco Malaysia Group”	:	British American Tobacco Malaysia and its subsidiaries
“British American Tobacco p.l.c”	:	British American Tobacco p.l.c, a public listed company incorporated in the United Kingdom
“Bursa Securities”	:	Bursa Malaysia Securities Berhad
“CA”	:	Companies Act 2016, as may be amended, modified or re-enacted from time to time
“CMD”	:	Commercial Marketers and Distributors Sdn Bhd
“CMSA”	:	Capital Markets and Services Act 2007, as may be amended, modified or re-enacted from time to time
“Director(s)”	:	Has the meaning given in Section 2(1) of the CMSA and includes any person who is or was within the preceding 6 months of the date on which the terms of the transaction were agreed upon: (a) a director of the Company, its subsidiary or holding company; or (b) a chief executive of the Company, its subsidiary or holding company.
“Listing Requirements”	:	Main Market Listing Requirements of Bursa Securities
“LPD”	:	27 February 2019, being the latest practicable date prior to the printing of this Circular
“Major Shareholder(s)”	:	Any person who is or was within the preceding 6 months of the date on which the terms of the transaction were agreed upon, has an interest or interests in one or more voting shares in the Company and the number or aggregate number of those shares, is: (a) 10% or more of the total number of the voting shares in the Company; or (b) 5% or more of the total number of the voting shares in the Company where such person is the largest shareholder of the Company. For the purpose of this definition, “interest” shall have the meaning of "interest in shares" given in Section 8 of the CA

## DEFINITIONS (Cont'd)

- “Person(s) Connected” : In relation to a Director or Major Shareholder, means such person who falls under any one of the following categories:
- (a) a family member of the Director or Major Shareholder;
  - (b) a trustee of a trust (other than a trustee for a share scheme for employees or pension scheme) under which the Director or Major Shareholder, or a family member of the Director or Major Shareholder, is the sole beneficiary;
  - (c) a partner of the Director or Major Shareholder;
  - (d) a person, or where the person is a body corporate, the body corporate or its directors, who is/are accustomed or under an obligation, whether formal or informal, to act in accordance with the directions, instructions or wishes of the Director or Major Shareholder;
  - (e) a person, or where the person is a body corporate, the body corporate or its directors, in accordance with whose directions, instructions or wishes the Director or Major Shareholder is accustomed or is under an obligation, whether formal or informal, to act;
  - (f) a body corporate in which the Director or Major Shareholder, or persons connected with the Director or Major Shareholder are entitled to exercise, or control the exercise of, not less than 20% of the votes attached to voting shares in the body corporate; or
  - (g) a body corporate which is a related corporation of the Director or Major Shareholder
- “Proposed Adoption” : The proposed adoption of the new Constitution of the Company
- “Proposed Renewal of the Recurrent RPT Mandate” : The proposed annual renewal of the Recurrent RPT Mandate for the British American Tobacco Malaysia Group to enter into Recurrent RPTs in the ordinary course of business which are necessary for the British American Tobacco Malaysia Group’s day-to-day operations
- “Recurrent RPT Mandate” : The shareholders’ mandate granted on 28 November 2001 for the British American Tobacco Malaysia Group to enter into Recurrent RPTs in the ordinary course of business which are necessary for the British American Tobacco Malaysia Group’s day-to-day operations including all renewals thereof and further mandates obtained at subsequent general meetings of the Company up to the immediately preceding forthcoming AGM of the Company
- “Recurrent RPT(s)” : A transaction entered into by the Company or its subsidiaries which involves the interest, direct or indirect, of a Related Party, which is recurrent, of a revenue or trading nature and which is necessary for the business and day-to-day operations of the Company or its subsidiaries
- “Related Party(ies)” : Director(s), Major Shareholder(s) and/or Person(s) Connected with such Director(s) and/or Major Shareholder(s)
- “RM” and “sen” : Ringgit Malaysia and sen respectively
- “TIM” : Tobacco Importers and Manufacturers Sdn Bhd

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**PART A**

**PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR  
BRITISH AMERICAN TOBACCO (MALAYSIA) BERHAD AND ITS SUBSIDIARIES  
TO ENTER INTO RECURRENT RELATED PARTY TRANSACTIONS  
OF A REVENUE OR TRADING NATURE WITH RELATED PARTIES**



**BRITISH AMERICAN  
TOBACCO**  
MALAYSIA

**British American Tobacco (Malaysia) Berhad**

(Company No. 4372-M)  
(Incorporated in Malaysia)

**Registered Office:**

Level 19, Guoco Tower  
Damansara City  
No. 6, Jalan Damanlela  
Bukit Damansara  
50490 Kuala Lumpur

20 March 2019

**Board of Directors:**

Tan Sri Dato' Seri (Dr.) Aseh Bin Haji Che Mat (Independent Non-Executive Chairman)  
Hendrik Stoel (Non-Independent Executive Director and Managing Director)  
Datuk Oh Chong Peng (Senior Independent Non-Executive Director)  
Dato' Chan Choon Ngai (Independent Non-Executive Director)  
Datuk Zainun Aishah Binti Ahmad (Independent Non-Executive Director)  
Eric Ooi Lip Aun (Independent Non-Executive Director) (appointed with effect from 1 March 2019)  
Datuk Lee Oi Kuan (Non-Independent Non-Executive Director)  
Ricardo Martin Guardo (Non-Independent Executive Director)

**TO: THE SHAREHOLDERS OF BRITISH AMERICAN TOBACCO MALAYSIA**

Dear Sir/Madam,

**PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR BRITISH AMERICAN TOBACCO (MALAYSIA) BERHAD AND ITS SUBSIDIARIES TO ENTER INTO RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE WITH RELATED PARTIES**

**1. INTRODUCTION**

At an Extraordinary General Meeting ("EGM") held on 28 November 2001, the Company obtained a general mandate from its shareholders for the Company and/or its subsidiaries to enter into Recurrent RPTs in the ordinary course of business based on commercial terms which are not more favourable to the Related Parties than those generally available to the public which are necessary for the British American Tobacco Malaysia Group's day-to-day operations.

At the last AGM of the Company held on 19 April 2018, the Company obtained from its shareholders the Recurrent RPT Mandate (which includes the renewal and a further mandate for Recurrent RPTs) for the British American Tobacco Malaysia Group to enter into Recurrent RPTs in the ordinary course of business which are necessary for the British American Tobacco Malaysia Group's day-to-day operations. The Recurrent RPT Mandate shall, in accordance with the Listing Requirements, lapse at the conclusion of the forthcoming AGM unless authority for its renewal is obtained from the shareholders of the Company at the AGM.

On 21 February 2019, the Board of the Company announced that the Company proposes to seek a renewal of the Recurrent RPT Mandate.

The purpose of Part A of this Circular is to provide you with information on the Proposed Renewal of the Recurrent RPT Mandate and to seek your approval for the ordinary resolution relating to the Proposed Renewal of the Recurrent RPT Mandate under the agenda of Special Business as set out in the notice of the AGM to be tabled at the forthcoming AGM. The notice of the AGM is enclosed together with the abridged version of the Annual Report of the Company for the financial year ended 31 December 2018.

## 2. DETAILS OF THE PROPOSED RENEWAL OF THE RECURRENT RPT MANDATE

### 2.1 The Listing Requirements

Paragraph 10.08 of the Listing Requirements stipulates the obligations which a listed issuer must comply with in relation to a transaction entered into by the listed issuer or its subsidiaries which involves the interest, direct or indirect, of a related party.

Paragraph 10.08(1) provides that where any one of the percentage ratios of a related party transaction is 0.25% or more, a listed issuer must announce the related party transaction to Bursa Securities as soon as possible after terms of the transaction have been agreed, unless:

- (a) the value of the consideration of the transaction is less than RM500,000; or
- (b) it is a recurrent related party transaction (i.e. a related party transaction which is recurrent, of a revenue or trading nature and which is necessary for the day-to-day operations of a listed issuer or its subsidiaries).

In addition to paragraph 10.08(1) of the Listing Requirements, paragraph 10.08(2) of the Listing Requirements provides that subject to paragraphs 10.08(9) and 10.08(10), where any one of the percentage ratios of a related party transaction is 5% or more, a listed issuer must, *inter alia*:

- (a) send a circular to the shareholders;
- (b) obtain its shareholders' approval of the transaction in general meeting; and
- (c) appoint an independent adviser who is a corporate finance adviser (i.e. a person who is permitted to carry on the regulated activity of advising on corporate finance under the CMSA), before the terms of the transaction are agreed upon.

However, pursuant to paragraph 10.09(2) of the Listing Requirements, a listed issuer may seek a mandate from its shareholders for recurrent related party transactions subject to, *inter alia*, the following:

- (a) the transactions are in the ordinary course of business and are on terms not more favourable to the related party than those generally available to the public;
- (b) the shareholder mandate is subject to annual renewal and disclosure is made in the annual report of the aggregate value of transactions conducted pursuant to the shareholder mandate during the financial year where the aggregate value is equal to or more than the threshold prescribed under paragraph 10.09(1) of the Listing Requirements;
- (c) in a meeting to obtain shareholder mandate, the relevant related party must comply with the requirements set forth below:
  - (i) a related party with any interest, direct or indirect ("**interested related party**"), must not vote on the resolution in respect of the related party transaction;

- (ii) an interested related party who is a director or major shareholder must ensure that persons connected with it abstain from voting on the resolution in respect of the related party transaction; and
  - (iii) where the interested related party is a person connected with a director or major shareholder, such director or major shareholder, as the case may be, must not vote on the resolution in respect of the related party transaction;
- (d) the listed issuer immediately announces to Bursa Securities when the actual value of a recurrent related party transaction entered into by the listed issuer, exceeds the estimated value of the recurrent related party transaction disclosed in the circular by 10% or more.

The Company first obtained the mandate from its shareholders to enter into Recurrent RPTs at the EGM of the Company held on 28 November 2001. At the previous seventeen (17) AGMs of the Company, the Company has obtained annual renewals of its shareholders' mandate (including further mandates from time to time to enter into new Recurrent RPTs) pursuant to paragraph 10.09 of the Listing Requirements.

The Recurrent RPT Mandate obtained at the last AGM on 19 April 2018 (which includes the renewal and a further mandate for Recurrent RPTs) took effect from the passing of the ordinary resolution at the last AGM, and this Recurrent RPT Mandate will continue to be in force (unless revoked or varied by the Company in general meeting) until the conclusion of the forthcoming AGM of the Company.

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

At present, the Company proposes to seek the approval of its shareholders for the Proposed Renewal of the Recurrent RPT Mandate as set out in Section 2.2 below to comply with paragraph 10.09 of the Listing Requirements.

The Proposed Renewal of the Recurrent RPT Mandate will take effect from the passing of the ordinary resolution proposed at the forthcoming AGM and will continue to be in force (unless revoked or varied by the Company in general meeting) until the conclusion of the next AGM of the Company. Thereafter, approval from the shareholders for subsequent renewals will be sought at each subsequent AGM of the Company.

## **2.2 Details of the Recurrent RPTs**

### **(a) Classes of Related Parties**

The Recurrent RPTs for which the Proposed Renewal of the Recurrent RPT Mandate is sought are in respect of transactions entered and/or to be entered into by the British American Tobacco Malaysia Group with the British American Tobacco Group.

All the Related Parties and their relationships are detailed in the tables attached as Appendix II below. In addition to the Related Parties detailed in Appendix II below, the British American Tobacco Malaysia Group may also need to enter into the type of transactions detailed in Appendix II below with other Related Parties of the British American Tobacco Group which are necessary for its day-to-day operations.

### **(b) Types of Recurrent RPTs**

The principal activities of the British American Tobacco Malaysia Group are the distribution and sale of cigarettes, tobacco products and products, devices and materials which are necessary for the use or operation of the same. The British American Tobacco Group is an international tobacco group involved in businesses related to the manufacture, sale and distribution of a wide range of well-known brands of cigarettes, tobacco products and products, devices and materials which



are necessary for the use or operation of the same throughout the world under various trademarks, most of which are owned by companies within the British American Tobacco Group.

The Company is a member of the British American Tobacco Group, being fifty percent (50%) directly held by British American Tobacco Holdings (Malaysia) B.V., a corporation incorporated in the Netherlands which is indirectly a subsidiary of British American Tobacco p.l.c. Accordingly, British American Tobacco p.l.c is the ultimate Major Shareholder of the Company.

As part of an international group of companies where similar businesses are conducted, transactions whether in respect of products, equipment, devices, materials and/or services are likely to occur to take advantage of quality assured products, equipment, devices, materials and/or services, lower operating costs and improved efficiency such as through economies of scale, better utilisation of resources and standardisation of processes and technology.

The Recurrent RPTs under the Proposed Renewal of the Recurrent RPT Mandate can be broadly categorised as follows:

**(i) Trademarks and market rights**

As a member of the British American Tobacco Group, the British American Tobacco Malaysia Group is provided access and the right to use trademarks and market rights belonging to relevant trademark owners in the British American Tobacco Group. These rights are vital to the operation and existence of the British American Tobacco Malaysia Group as they enable the latter to carry on its primary business in the distribution and sale of cigarettes, tobacco products and products, devices and materials which are necessary for the use or operation of the same. In consideration for the grant by the relevant trademark owners for the use of their trademarks and market rights, the British American Tobacco Malaysia Group pays to the said trademark owners royalties. The period of use of the trademarks ranges from five (5) years to nine (9) years and is subject to renewal.

**(ii) Procurement and provision of services**

The British American Tobacco Malaysia Group obtains, in the normal course of its business, various services from the relevant members of the British American Tobacco Group. These services include areas of leaf procurement and blending, production methods and processes, product maintenance, marketing, brand related activities, market research and trade marketing, agency services, management training and system development, strategy and planning, financial and treasury management, human resources, legal, communication and regulatory affairs, global procurement, information technology services, engineering and technical support, product testing and research and development.

Apart from the British American Tobacco Malaysia Group, the service providers also render similar services to the other member companies in the British American Tobacco Group. The respective service providers have the specialised expertise, technical competence and/or facilities and infrastructure required for the provision of such services. It would not be practicable nor cost efficient for the British American Tobacco Malaysia Group to perform such services itself. Outsourcing such services would also not be cost effective, if at all possible, in view of the unique nature of the industry, which is at the same time highly competitive. Furthermore, the centralisation of these services within the British American Tobacco Group helps to develop specialised expertise for use by relevant members of the British American Tobacco Group and generate savings from the economies of scale for all recipient companies. It further ensures

consistency and quality in their operations, services, and production standards. The service providers will generally charge a fee based on the actual costs of such services.

The British American Tobacco Malaysia Group also provides various services for relevant members of the British American Tobacco Group which includes services in the areas of marketing, management training and system development, strategy and planning, financial and treasury management, human resources, legal, communication and regulatory affairs, information technology services, engineering and technical support, research and development. The British American Tobacco Malaysia Group has the specialised expertise, technical competence and/or facilities and infrastructure required for the provision of such services.

**(iii) Purchase of cigarettes, tobacco products and other related products**

The British American Tobacco Malaysia Group is in the business of distribution and sale of a wide range of cigarettes, tobacco products and products, devices and materials which are necessary for the use or operation of the same. These unique products if manufactured by the British American Tobacco Malaysia Group would require investments in the products which would not be cost effective. These products would when distributed be generally priced at levels which allow the British American Tobacco Malaysia Group to enjoy a margin comparable to that of a third party distributor purchasing from the Related Parties on an arm's length basis.

**(iv) Purchase of leaf and packaging and wrapping materials**

The British American Tobacco Malaysia Group purchases from member companies in the British American Tobacco Group leaf and packaging and wrapping materials for cigarettes, tobacco products and products, devices and materials for the use or operation of the same. The purchase of leaf and such packaging and wrapping materials will generally be on terms not more favourable to the Related Parties as the case may be than those generally available to any third party.

**(v) Purchase and sale of equipment**

Due to the uniqueness of the tobacco industry the British American Tobacco Malaysia Group purchases equipment from and sells equipment to Related Parties. Equipment purchased are those needed for its operations and equipment sold are those that are either no longer required for its operations or which a Related Parties may need for their operations. The purchase and sale of such equipment will generally be on terms not more favourable to the Related Parties as the case may be than those generally available to any third party. Further, purchase of equipment from Related Parties will give the British American Tobacco Malaysia Group access to specialised technical advice and expertise from the Related Parties which operate similar businesses.

The Recurrent RPTs which are intended to be entered into by the British American Tobacco Malaysia Group pursuant to the Proposed Renewal of the Recurrent RPT Mandate are detailed in the tables attached as Appendix II below.

**(c) Values of the Recurrent RPTs**

The estimated values of the Recurrent RPTs set out in Appendix II below are for the period from the conclusion of the forthcoming AGM of the Company until the conclusion of the next AGM of the Company based on the British American Tobacco Malaysia Group's budget for financial year ending 31 December 2019 and

may be subjected to changes. The aggregate or actual values of these transactions may exceed the estimated amounts over the said period.

**(d) Sums due and owing by the Related Parties pursuant to a Recurrent RPT which exceeded the credit term as at the financial year ended 31 December 2018**

The sums due and owing by the Related Parties pursuant to a Recurrent RPT which exceeded the credit term as at the financial year ended 31 December 2018 are detailed in the tables attached as Appendix III below.

**2.3 Review Procedures for the Recurrent RPTs**

There are procedures established by the British American Tobacco Malaysia Group to ensure that Recurrent RPTs are undertaken on an arms' length basis and on the British American Tobacco Malaysia Group's normal commercial terms, consistent with the British American Tobacco Malaysia Group's usual business practices and policies, which are generally no more favourable to the Related Parties than those generally available to the public and are not detrimental to the minority shareholders.

The procedures are as follows:

- (a) A list of Related Parties of the British American Tobacco Malaysia Group will be circulated to the Board and management of the Company and its subsidiaries to notify that all Recurrent RPTs are required to be undertaken on an arm's length basis and on normal commercial terms and on terms not more favourable to the Related Parties than those generally available to the public and are not detrimental to the minority shareholders;
- (b) All Recurrent RPTs will be reviewed by the Audit Committee of the Company. Any member of the Audit Committee of the Company may as he deems fit, request for additional information pertaining to the transaction including from independent sources or advisers;
- (c) All Recurrent RPTs which are entered into pursuant to the shareholders' mandate for Recurrent RPTs will be recorded by the Company in a register or records maintained by the Company;
- (d) Upon the direction from the Audit Committee of the Company, the annual internal audit plan shall incorporate a review of all Recurrent RPTs entered into pursuant to the shareholders' mandate to ensure that the relevant approvals have been obtained and the review procedures in respect of such transactions are adhered to; and
- (e) The management of the Company will update the Board and the Audit Committee of the Company on a quarterly basis on the status of all Recurrent RPTs to ensure that the review procedures established to monitor Recurrent RPTs have been complied with.

The Board and the Audit Committee of the Company have reviewed the above procedures and will continue to review the procedures on a quarterly basis or as and when required, with the authority to sub-delegate such function to individuals or committees within the Company as they deem appropriate. If a member of the Board or the Audit Committee of the Company has an interest in the transaction to be reviewed by the Board or the Audit Committee of the Company as the case may be, he or she will not participate in the deliberation of such transaction and will abstain from any decision making by the Board or the Audit Committee of the Company in respect of that transaction.

At least 2 other contemporaneous transactions with unrelated third parties for similar products/services and/or quantities will be used as comparison, wherever possible, to determine whether the price and terms offered to/by related third parties are fair and

reasonable and comparable to those offered to/by other unrelated third parties for the same or substantially similar type of products/services and/or quantities.

In the event that quotation or comparative pricing from unrelated third parties cannot be obtained, the transaction prices will be reviewed to ensure that the Recurrent RPTs are not detrimental to the British American Tobacco Malaysia Group. Separate transfer pricing analysis and benchmarking studies are done and kept to ensure that such Recurrent RPTs are made at arm's length. There are no thresholds for approval of Recurrent RPTs as all the transactions will be reviewed by the Audit Committee of the Company and approved by the Board of the Company.

#### **2.4 Statement by Audit Committee**

The Audit Committee of the Company has seen and reviewed the procedures mentioned in Section 2.3 above and is of the view that the procedures are sufficient to ensure that the Recurrent RPTs are not more favourable to the Related Parties than those generally available to the public and are not detrimental to the minority shareholders.

The British American Tobacco Malaysia Group has in place adequate procedures and processes to monitor, track and identify Recurrent RPTs in a timely and orderly manner, and such procedures and processes are reviewed on a quarterly basis or whenever the need arises.

#### **2.5 Validity period**

The authority to be conferred pursuant to the Proposed Renewal of the Recurrent RPT Mandate, if approved at the forthcoming AGM, will continue to be in force until:

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

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

### **3. RATIONALE FOR THE PROPOSED RENEWAL OF THE RECURRENT RPT MANDATE**

The rationale for the Proposed Renewal of the Recurrent RPT Mandate and the benefits to the British American Tobacco Malaysia Group are as follows:

- (a) to facilitate transactions of a revenue or trading nature with Related Parties which are in the ordinary course of business of the British American Tobacco Malaysia Group undertaken at arms' length, normal commercial terms and on terms which are not more favourable to the Related Parties than those generally available to the public and are not detrimental to the interests of minority shareholders;
- (b) to enable the British American Tobacco Malaysia Group to transact with the Related Parties in an expeditious manner to meet business needs for the supply and/or provision of goods and services which are necessary for its day-to-day operations particularly business needs which are time sensitive in nature;

- (c) for transactions where it is vital that confidentiality be maintained, it will not be viable for prior shareholders' mandate to be obtained as this will entail the release of details of the transactions and may adversely affect the interests of the British American Tobacco Malaysia Group and place the British American Tobacco Malaysia Group at a disadvantage to its competitors who may not require shareholders' mandate to be obtained; and
- (d) will eliminate the need to announce and convene separate general meetings to seek shareholders' mandate for each transaction and as such, substantially reduce expenses, time and other resources associated with the making of announcements and convening of general meetings on an ad hoc basis, improve administrative efficiency considerably and allow financial and manpower resources to be channelled to attain more productive objectives.

#### **4. APPROVALS REQUIRED**

The Proposed Renewal of the Recurrent RPT Mandate is subject to approval being obtained from the shareholders of the Company at the forthcoming AGM.

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## 5. DIRECTORS' AND MAJOR SHAREHOLDERS' INTERESTS

Directors' and Major Shareholders' interests as at LPD are as follows:

### 5.1 Directors' interests

Hendrik Stoel and Ricardo Martin Guardo are Non-Independent Executive Directors of the Company. Datuk Lee Oi Kuan is Non-Independent Non-Executive Director of the Company.

The respective shareholdings of Hendrik Stoel, Ricardo Martin Guardo and Datuk Lee Oi Kuan in the Company and/or British American Tobacco p.l.c. are disclosed in the table below.

	Number of ordinary shares in the Company (as at LPD)	% of the total number of issued shares in the Company (as at LPD)	Number of ordinary shares of 25p each in British American Tobacco p.l.c (as at LPD)	% of the issued and paid-up share capital in British American Tobacco p.l.c (as at LPD)	Number of ordinary shares of 25p each in British American Tobacco p.l.c		Number of options in ordinary shares of 25p each in British American Tobacco p.l.c		
					Deferred Shares Bonus Scheme*	International Share Reward Scheme <sup>^</sup>	Share Option Scheme	Long Term Incentive Plan	Sharesave Scheme <sup>#</sup>
<b>Hendrik Stoel</b>	-	-	13,176	-	5,128	225	-	17,216	-
<b>Ricardo Martin Guardo</b>	-	-	2,586	-	3,283	-	-	9,763	-
<b>Datuk Lee Oi Kuan</b>	100	-	22,975	-	0	-	-	7,701	-

Notes:

\* The Deferred Shares Bonus Scheme is an incentive scheme that provides a conditional award of free shares, deferred for three years.

<sup>^</sup> The International Share Reward Scheme is a scheme which enables British American Tobacco p.l.c to reward its employees on international assignment by conditionally allocating free shares to such individuals, subject to certain performance conditions being met and a three years holding period.

<sup>#</sup> The Sharesave Scheme is an employee savings-related share options scheme under which options are granted to the eligible employees to subscribe for ordinary shares in British American Tobacco p.l.c, which are exercisable in conjunction with either a three-year or five-year savings contract.

Except as disclosed above, there is no other relationship between Hendrik Stoel, Ricardo Martin Guardo and Datuk Lee Oi Kuan, with British American Tobacco p.l.c.

Therefore, Hendrik Stoel, Ricardo Martin Guardo and Datuk Lee Oi Kuan are deemed interested in the Proposed Renewal of the Recurrent RPT Mandate.

As such, Hendrik Stoel, Ricardo Martin Guardo and Datuk Lee Oi Kuan (the interested Directors) have abstained and will abstain from all Board deliberations and voting on the Proposed Renewal of the Recurrent RPT Mandate. Hendrik Stoel, Ricardo Martin Guardo, and Datuk Lee Oi Kuan (the interested Directors) will also abstain from voting in respect of their direct and indirect shareholdings (if any) in the Company, and ensure that Persons Connected to them will likewise abstain from voting on the ordinary resolution pertaining to the Proposed Renewal of the Recurrent RPT Mandate at the forthcoming AGM.

## 5.2 Major Shareholders' interests

	Number of ordinary shares in the Company (as at LPD)	% of the total number of issued shares in the Company (as at LPD)
<b>British American Tobacco Holdings (Malaysia) B.V.<sup>1</sup></b>	142,765,000	50.00

### Notes:

<sup>1</sup> A wholly-owned subsidiary of British American Tobacco p.l.c.

British American Tobacco p.l.c indirectly through British American Tobacco Holdings (Malaysia) B.V. owns 50% equity interest in the Company. It is also directly or indirectly a Major Shareholder of the equity interest of certain Related Parties as set out in Appendix II below. Being an interested party, British American Tobacco p.l.c will, and also ensure that Persons Connected to it will, abstain from voting in respect of their direct and indirect shareholdings in the Company on the ordinary resolution relating to the Proposed Renewal of the Recurrent RPT Mandate at the forthcoming AGM.

Except as disclosed above, none of the other Directors or Major Shareholders of the Company or Persons Connected to them has any interest, direct or indirect, in the Proposed Renewal of the Recurrent RPT Mandate.

## 6. AGM

The Fifty-Eighth (58<sup>th</sup>) AGM of the Company, notice of which is enclosed in the abridged version of the Annual Report of the Company for the financial year ended 31 December 2018 accompanying this Circular, will be held at the Connexion Conference & Event Centre, Nexus 2 & 3 at Level 3A, Nexus, Bangsar South City, No. 7, Jalan Kerinchi, 59200 Kuala Lumpur on Thursday, 18 April 2019 at 10.30 a.m. for the purpose of considering and if thought fit, passing, *inter alia*, the ordinary resolution on the Proposed Renewal of the Recurrent RPT Mandate under the agenda of Special Business as set out in the notice of the AGM to be tabled at the forthcoming AGM.

If you are unable to attend and vote in person at the AGM, you are requested to complete and return the enclosed original Proxy Form enclosed in the abridged version of the Annual Report of the Company for the financial year ended 31 December 2018 in accordance with the instructions printed thereon as soon as possible and in any event so as to arrive at the Share Registrar of the Company at Tricor Investor & Issuing House Services Sdn Bhd, Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur not less than twenty-four (24) hours before the time appointed for the taking of poll or no later than 17 April 2019 at 12.00 p.m.. The lodging of the original Proxy Form does not preclude you from attending and voting in person should you subsequently decide to do so.

**7. DIRECTORS' RECOMMENDATION**

The Board of the Company (save and except for Hendrik Stoel, Ricardo Martin Guardo and Datuk Lee Oi Kuan who have abstained and will abstain from all Board's deliberations and voting on the Proposed Renewal of the Recurrent RPT Mandate) having considered all aspects of the Proposed Renewal of the Recurrent RPT Mandate, is of the opinion that the Proposed Renewal of the Recurrent RPT Mandate is in the best interest of the British American Tobacco Malaysia Group. Accordingly, the Board of the Company (save and except for Hendrik Stoel, Ricardo Martin Guardo and Datuk Lee Oi Kuan who are deemed to be interested in the Proposed Renewal of the Recurrent RPT Mandate and has abstained from making any recommendations in respect of the Proposed Renewal of the Recurrent RPT Mandate) recommends that you vote in favour of the ordinary resolution relating to the Proposed Renewal of the Recurrent RPT Mandate under the agenda of Special Business as set out in the notice of the AGM to be tabled at the forthcoming AGM.

**8. FURTHER INFORMATION**

Shareholders are requested to refer to the attached Appendix I for additional information.

Yours faithfully,

On behalf of the Board of Directors

**BRITISH AMERICAN TOBACCO (MALAYSIA) BERHAD**

**TAN SRI DATO' SERI (DR.) ASEH BIN HAJI CHE MAT**

Independent Non-Executive Chairman



**PART B**

**PROPOSED ADOPTION OF THE NEW CONSTITUTION OF THE COMPANY**



**BRITISH AMERICAN  
TOBACCO  
MALAYSIA**

**British American Tobacco (Malaysia) Berhad**

(Company No. 4372-M)  
(Incorporated in Malaysia)

**Registered Office:**

Level 19, Guoco Tower  
Damansara City  
No. 6, Jalan Damanlela  
Bukit Damansara  
50490 Kuala Lumpur

20 March 2019

**Board of Directors:**

Tan Sri Dato' Seri (Dr.) Aseh Bin Haji Che Mat (Independent Non-Executive Chairman)  
Hendrik Stoel (Non-Independent Executive Director and Managing Director)  
Datuk Oh Chong Peng (Senior Independent Non-Executive Director)  
Dato' Chan Choon Ngai (Independent Non-Executive Director)  
Datuk Zainun Aishah Binti Ahmad (Independent Non-Executive Director)  
Eric Ooi Lip Aun (Independent Non-Executive Director) (appointed with effect from 1 March 2019)  
Datuk Lee Oi Kuan (Non-Independent Non-Executive Director)  
Ricardo Martin Guardo (Non-Independent Executive Director)

**TO: THE SHAREHOLDERS OF BRITISH AMERICAN TOBACCO MALAYSIA**

Dear Sir/Madam,

**PROPOSED ADOPTION OF THE NEW CONSTITUTION OF THE COMPANY**

**1. INTRODUCTION**

On 21 February 2019, the Board of the Company announced that the Company proposes to seek its shareholders' approval for the Proposed Adoption.

The purpose of Part B of this Circular is to provide you with information on the Proposed Adoption and to seek your approval for the special resolution pertaining to the Proposed Adoption under the agenda of Special Business as set out in the notice of AGM to be tabled at the forthcoming AGM. The notice of the AGM is enclosed together with the abridged version of the Annual Report of the Company for the financial year ended 31 December 2018.

**2. DETAILS OF THE PROPOSED ADOPTION**

The Board of the Company proposes to revoke its existing Constitution in its entirety and in place thereof, adopt a new Constitution.

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

### **3. RATIONALE FOR THE PROPOSED ADOPTION**

The Proposed Adoption is primarily for the purposes of streamlining the Company's existing Constitution to be in line with the following:

- (i) the CA which came into force on 31 January 2017; and
- (ii) the amendments made to the Listing Requirements.

In addition, the Proposed Adoption is also undertaken to provide greater clarity to certain provisions in the Constitution, ensure consistency throughout the Constitution, as well as to enhance administrative efficiency.

### **4. EFFECTS OF THE PROPOSED ADOPTION**

The Proposed Adoption will not have any effect on:

- (i) the share capital and substantial shareholders' shareholdings of British American Tobacco Malaysia; and
- (ii) the net assets, gearing and earnings per share of the British American Tobacco Malaysia Group.

### **5. APPROVALS REQUIRED**

The Proposed Adoption is subject to approval being obtained from the shareholders of the Company at the forthcoming AGM.

### **6. DIRECTORS AND MAJOR SHAREHOLDERS INTERESTS**

None of the Directors or Major Shareholders of the Company and/or Persons Connected to them has any interest, direct or indirect, in the Proposed Adoption.

### **7. AGM**

The Fifty-Eighth (58<sup>th</sup>) AGM of the Company, notice of which is enclosed in the abridged version of the Annual Report of the Company for the financial year ended 31 December 2018 accompanying this Circular, will be held at the Connexion Conference & Event Centre, Nexus 2 & 3 at Level 3A, Nexus, Bangsar South City, No. 7, Jalan Kerinchi, 59200 Kuala Lumpur on Thursday, 18 April 2019 at 10.30 a.m. for the purpose of considering and if thought fit, passing, *inter alia*, the special resolution on the Proposed Adoption under the agenda of Special Business as set out in the notice of the AGM to be tabled at the forthcoming AGM.

If you are unable to attend and vote in person at the AGM, you are requested to complete and return the enclosed original Proxy Form enclosed in the abridged version of the Annual Report of the Company for the financial year ended 31 December 2018 in accordance with the instructions printed thereon as soon as possible and in any event so as to arrive at the Share Registrar of the Company at Tricor Investor & Issuing House Services Sdn Bhd, Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur not less than twenty-four (24) hours before the time appointed for the taking of poll or no later than 17 April 2019 at 12.00 p.m.. The lodging of the original Proxy Form does not preclude you from attending and voting in person should you subsequently decide to do so.

**8. DIRECTORS' RECOMMENDATION**

The Board of the Company having considered all aspects of the Proposed Adoption, is of the opinion that the Proposed Adoption is in the best interest of the Company. Accordingly, the Board of the Company recommends that you vote in favour of the special resolution relating to the Proposed Adoption under the agenda of Special Business as set out in the notice of AGM to be tabled at the forthcoming AGM.

**9. FURTHER INFORMATION**

Shareholders are requested to refer to the attached Appendix I for additional information.

Yours faithfully,  
On behalf of the Board of Directors  
**BRITISH AMERICAN TOBACCO (MALAYSIA) BERHAD**

**TAN SRI DATO' SERI (DR.) ASEH BIN HAJI CHE MAT**  
Independent Non-Executive Chairman

**ADDITIONAL INFORMATION**

**1. Directors' Responsibility Statement**

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

**2. Material Litigation, Claims or Arbitration**

As at LPD, being the latest practicable date prior to the printing of this Circular, neither British American Tobacco Malaysia nor any of its subsidiaries is engaged in any material litigation, claims or arbitration, either as plaintiff or defendant, and the Board of British American Tobacco Malaysia has no knowledge of any proceedings pending or threatened against the British American Tobacco Malaysia Group or of any facts likely to give rise to any proceeding which may materially and adversely affect the financial position or business of the British American Tobacco Malaysia Group.

**3. Material Contracts**

Neither British American Tobacco Malaysia nor any of its subsidiaries has entered into any material contracts which are or may be material, not being contracts entered into in the ordinary course of business, during the past two (2) years preceding LPD, being the latest practicable date prior to the printing of this Circular.

**4. Documents Available for Inspection**

Copies of the following documents are available for inspection at the Registered Office of British American Tobacco Malaysia at Level 19, Guoco Tower, Damansara City, No. 6 Jalan Damanlela, Bukit Damansara, 50490 Kuala Lumpur, Malaysia during normal business hours between Monday and Friday (except public holidays) from the date of this Circular up to and including the date of the AGM:

- (a) The Constitution of British American Tobacco Malaysia; and
- (b) Audited consolidated accounts of British American Tobacco Malaysia for the past two (2) financial years ended 31 December 2017 and 2018.

DETAILS OF THE RECURRENT RPTs TO BE ENTERED INTO BY THE BRITISH AMERICAN TOBACCO MALAYSIA GROUP

1. Recurrent RPT(s) under the Proposed Renewal of the Recurrent RPT Mandate

	Related Parties	Type of transaction	Estimated Transacted Value <sup>1</sup> (a) (RM)	Actual Transacted Value <sup>2</sup> (b) (RM)	Deviation <sup>3</sup> ((b)-(a)) & Reasons for deviation where (b) exceeds (a) by 10% (%)	Estimated Value <sup>4</sup> (RM)	The Company and/or subsidiaries transacting with the Related Parties	Nature of interest
1.	British-American Tobacco (Singapore) Private Limited PT. Export Leaf Indonesia British American Tobacco Western Europe Commercial Trading Limited British American Tobacco Korea Manufacturing Limited Scandinavian Tobacco Group Lane PT Bentoel Internasional Investama Rothmans Far East B.V. Korea Business Office	Purchase of cigarettes, tobacco products, leaf and packaging and wrapping materials	263.5 million	209.0 million	-21	227.1 million	British American Tobacco Malaysia Group	<b>Through Major Shareholder</b> The British American Tobacco Malaysia Group is related to the Related Parties through a common ultimate Major Shareholder, namely, British American Tobacco p.l.c.

	<b>Related Parties</b>	<b>Type of transaction</b>	<b>Estimated Transacted Value<sup>1</sup> (a) (RM)</b>	<b>Actual Transacted Value<sup>2</sup> (b) (RM)</b>	<b>Deviation<sup>3</sup> ((b)-(a)) &amp; Reasons for deviation where (b) exceeds (a) by 10% (%)</b>	<b>Estimated Value<sup>4</sup> (RM)</b>	<b>The Company and/or subsidiaries transacting with the Related Parties</b>	<b>Nature of interest</b>
2.	Rothmans Far East B.V. Korea Business Office Nicoventures Trading Limited British American Tobacco Korea Manufacturing Limited*	Purchase of tobacco products, products, devices, and materials which are necessary for the use or operation of tobacco products, packaging and wrapping materials for such tobacco products, products, devices and materials and payment of royalties for use of trademarks and market rights for such tobacco products, products, devices and materials.	27.7 million	6.0 million	-78	24.9 million	British American Tobacco Malaysia Group	<b>Through Major Shareholder</b> The British American Tobacco Malaysia Group is related to the Related Parties through a common ultimate Major Shareholder, namely British American Tobacco p.l.c.
3.	British American Shared Services (GSD) Limited	Procurement of information technology services	26.4 million	20.3 million	-23	25.1 million	British American Tobacco Malaysia Group	<b>Through Major Shareholder</b> The British American Tobacco Malaysia Group is related to the Related Parties through a common ultimate Major Shareholder, namely British American Tobacco p.l.c.

	<b>Related Parties</b>	<b>Type of transaction</b>	<b>Estimated Transacted Value<sup>1</sup> (a) (RM)</b>	<b>Actual Transacted Value<sup>2</sup> (b) (RM)</b>	<b>Deviation<sup>3</sup> ((b)-(a)) &amp; Reasons for deviation where (b) exceeds (a) by 10% (%)</b>	<b>Estimated Value<sup>4</sup> (RM)</b>	<b>The Company and/or subsidiaries transacting with the Related Parties</b>	<b>Nature of interest</b>
4.	BAT (Holdings) Ltd Benson & Hedges (Overseas) Limited American-Cigarette Company (Overseas) Ltd Dunhill Tobacco of London Limited Turmac Tobacco Company B.V. B.A.T.China Limited	Payment of royalties	118.4 million	110.3 million	-7	122.5 million	British American Tobacco Malaysia Group	<b>Through Major Shareholder</b> The British American Tobacco Malaysia Group is related to the Related Parties through a common ultimate Major Shareholder, namely, British American Tobacco p.l.c.
5.	BAT Investments Ltd BAT Aspac Service Centre Sdn Bhd BAT (Holdings) Limited	Payment of fees for technical and advisory support services	47.1 million	43.6 million	-7	45.5 million	British American Tobacco Malaysia Group	<b>Through Major Shareholder</b> The British American Tobacco Malaysia Group is related to the Related Parties through a common ultimate Major Shareholder, namely, British American Tobacco p.l.c.
6.	British American Tobacco Sales & Marketing (Singapore) Pte. Ltd.	Provision of technical and advisory support services	1.6 million	1.0 million	-37	1.5 million	British American Tobacco Malaysia Group	<b>Through Major Shareholder</b> The British American Tobacco Malaysia Group is related to the Related Parties through a common ultimate Major Shareholder, namely, British American Tobacco p.l.c.



	<b>Related Parties</b>	<b>Type of transaction</b>	<b>Estimated Transacted Value<sup>1</sup> (a) (RM)</b>	<b>Actual Transacted Value<sup>2</sup> (b) (RM)</b>	<b>Deviation<sup>3</sup> ((b)-(a)) &amp; Reasons for deviation where (b) exceeds (a) by 10% (%)</b>	<b>Estimated Value<sup>4</sup> (RM)</b>	<b>The Company and/or subsidiaries transacting with the Related Parties</b>	<b>Nature of interest</b>
7.	British-American Tobacco (Singapore) Private Limited British American Tobacco Korea Manufacturing Limited Pakistan Tobacco Company Ltd. PT Bentoel Prima British American Tobacco Bangladesh Company Limited British-American Tobacco Marketing (Singapore) Private Limited Ceylon Tobacco Company Limited Pakistan Tobacco Co Ltd British American Tobacco Philippines Limited BAT Mexico SA de CV PT Bentoel Internasional Investama PT. Tresno Souza Cruz LTDA	Purchase / (sale) of equipment	0.2 million	0.15 million	-14	Nil	British American Tobacco Malaysia Group	<b>Through Major Shareholder</b> The British American Tobacco Malaysia Group is related to the Related Parties through a common ultimate Major Shareholder, namely, British American Tobacco p.l.c.

	<b>Related Parties</b>	<b>Type of transaction</b>	<b>Estimated Transacted Value<sup>1</sup></b> <b>(a)</b> <b>(RM)</b>	<b>Actual Transacted Value<sup>2</sup></b> <b>(b)</b> <b>(RM)</b>	<b>Deviation<sup>3</sup></b> <b>((b)-(a))</b> <b>&amp;</b> <b>Reasons for deviation (a) by where (b) exceeds (a) by 10%</b> <b>(%)</b>	<b>Estimated Value<sup>4</sup></b> <b>(RM)</b>	<b>The Company and/or subsidiaries transacting with the Related Parties</b>	<b>Nature of interest</b>
	BAT Switzerland SA BAT Chile Operaciones SA Tabacalera Hondureña, SA BAT Pécsi Dohánygyár Kft BAT Kenya plc BAT Nigeria Limited BAT Polska SA BAT Investment (Romania) BAT Vranje a.d JSC "BAT-SPB" BAT Tutun Mamulleri San West Indian Tobacco BAT Prilucky Ukraine C.A. Cigarrera Bigott, Su BAT-Vinata (JV) Ltd VINA-BAT JV Co. Ltd.							

Notes:

- \* New Related Parties which the British American Tobacco Malaysia Group: (i) have entered into transactions with which contributed to the Actual Transacted Value as at LPD; and/or (ii) may enter into transactions with for the period from the conclusion of the forthcoming AGM of the Company until the conclusion of the next AGM of the Company.
- 1 The Estimated Value set out in the preceding year's circular to shareholders dated 21 March 2018.
- 2 The Actual Transacted Value as at LPD.
- 3 Variance between the Estimated Transacted Value and the Actual Transacted Value.
- 4 The Estimated Value for the period from the conclusion of the forthcoming AGM of the Company until the conclusion of the next AGM of the Company based on the British American Tobacco Malaysia Group's budget for the financial year ending 31 December 2019 and may be subject to changes.

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APPENDIX III

DETAILS OF THE SUMS DUE AND OWING BY THE RELATED PARTIES PURSUANT TO A RECURRENT RPT WHICH EXCEEDED THE CREDIT TERM AS AT THE FINANCIAL YEAR ENDED 31 DECEMBER 2018

Related Parties	Total sum due and owing pursuant to a Recurrent RPT which exceeded the credit term for a period of 1 year or less as at the financial year ended 31 December 2018		Total sum due and owing pursuant to a Recurrent RPT which exceeded the credit term for a period of more than 1 but equal to or less than 3 years as at the financial year ended 31 December 2018		Total sum due and owing pursuant to a Recurrent RPT which exceeded the credit term for a period of more than 3 but equal to or less than 5 years as at the financial year ended 31 December 2018		Total sum due and owing pursuant to a Recurrent RPT which exceeded the credit term for a period of more than 5 years as at the financial year ended 31 December 2018	
	Principal Sum (RM)	Interest (RM)	Principal Sum (RM)	Interest (RM)	Principal Sum (RM)	Interest (RM)	Principal Sum (RM)	Interest (RM)
British American Tobacco Bangladesh Company Limited	49,447.64	Nil	Nil	Nil	Nil	Nil	Nil	Nil
VINA-BAT JV Co. Ltd.	71,701.36	Nil	Nil	Nil	Nil	Nil	Nil	Nil

Note:

*The British American Tobacco Group does not charge interest on outstanding sums as there is an arrangement that all outstanding balances within the British American Tobacco Group should be cleared on a prompt basis within a credit period of 60 days, with an additional grace period of 30 days from the expiry of the credit period. At the end of every quarter of the financial year, the relevant parties will also confirm and agree on the outstanding balances so as to eliminate any potential disputes thereon. However, the Company is mindful of the implication of delay in payments and as such reminders will be sent to the Related Parties regarding balances outstanding. The Board of the Company is of the opinion that these outstanding sums will be paid by the respective Related Parties in due time.*

**THE COMPANIES ACT, 2016**

**MALAYSIA**

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**PUBLIC COMPANY LIMITED BY SHARES**

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**CONSTITUTION**

**OF**

**BRITISH AMERICAN TOBACCO (MALAYSIA) BERHAD**  
(Company No. 4372-M)

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Incorporated on 11<sup>th</sup> day of September 1961

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### **NAME**

- 1 The name of the Company is BRITISH AMERICAN TOBACCO (MALAYSIA) BERHAD.

### **OFFICE**

- 2 The Registered Office of the Company will be situated in Malaysia.

### **OBJECTS**

- 3 The Company shall have full capacity to carry on or undertake any business or activity, do any act or enter into any transactions and for these purposes, full rights, powers and privileges as contained in Section 21 of the Act including but not limited to the following:

- (a) To carry on the business of an investment holding company and for that purpose to acquire and hold either in the name of the Company or in that of any nominees, shares, stock, debentures, debenture stock, bonds, notes, obligations and securities issued or guaranteed by any company wherever incorporated or any government or authority and to acquire by purchase, lease, exchange or otherwise and hold land, buildings, immovable and movable property of any tenure or description whatsoever and to mortgage, lease or lay out the property of the Company or any part thereof for such consideration as the Company may think fit and to vary such investments from time to time and for such time as the Company shall hold such investments to derive income therefrom and for that purpose as regards land, buildings and other immovable property, to carry on the business of letting out the same for rental.
- (b) To carry on all or any of the businesses of producers or importers or manufacturers of or dealers in tobacco, cigars, cigarettes, snuff, lighters, matches, pipes, devices, apparatus and all other products used by consumers and all material used in the production of any such products, to plant, grow, cultivate, cure, process, manufacture, treat, buy, sell, import, export, deal with and deal in tobacco of every kind.
- (c) To manufacture or otherwise produce, treat, import, export, buy, sell, use, prepare, distribute, traffic in and in every way deal with and deal in either as principal or agent, wholesaler or retailer or otherwise cigars, cigarettes, tobacco of every kind, all merchandise of every kind used in connection with tobacco of every kind and the products and by-products of tobacco of every kind including, without restricting the generality thereof, tobacconists, sundries and other goods, wares, devices, materials and merchandise of every kind, nature and description.
- (d) To purchase or otherwise acquire or manufacture and deal in all kinds of plants, machinery, apparatus, tools and other articles capable of being used in the production of any such articles or products as referred to in the preceding paragraph.
- (e) To carry on any other trade or business which can in the opinion of the Company be conveniently or advantageously carried on in connection with any such business as aforesaid or is calculated directly or indirectly to increase the value of or turn to account any of the Company's assets, property or rights.
- (f) To carry on business as shippers, general and manufacturer's, agents, commission agents and insurance agents, brokers, managers,

distributors, warehousemen, contractors and builders.

- (g) To obtain grants of, purchase, take on lease, exchange, hire or otherwise acquire or obtain options over, any real or personal property and any patents, licences, trade mark, trade names, labels, designs, brands and blends rights or privileges which the Company may think necessary or convenient with reference to any of its objects or capable of being profitably dealt with in connection with any of the Company's property or rights for the time being and to use, exercise, develop, grant licences in respect of sell, to traffic in and exchange the same.
- (h) To erect and construct, either by the Company or through other parties, houses, buildings or works of every description on any land of the Company or upon any other lands and premises and to pull down, rebuild, enlarge, alter and improve houses, buildings or works thereon.
- (i) To develop and turn to account any land acquired by or in which the Company is interested and in particular, by laying out and preparing the same for the building purposes, constructing, making, altering, pulling down, decorating, maintaining, fitting up and improving buildings and conveniences, by paving, draining, letting on building lease or building agreement and by advancing money to and entering into contracts and arrangements of all kinds with builders, tenants and others.
- (j) To sell, improve, manage, develop, lease, mortgage, sub-mortgage, pledge, farm out, sub-let, dispose of or otherwise deal with all or any of the lands, stock-in-trade, furniture, plant, machinery, goodwill or any property of the Company and the rights, interests and privileges therein.
- (k) To enter into any arrangements with any governments or authorities, supreme, municipal, local or otherwise, that may seem conducive to the Company's objects or any of them and to obtain from such government or authority any rights, privileges and concessions which the Company may think it desirable to obtain and to carry out exercise and comply with any such arrangements, rights, privileges and concessions and to oppose the grant to any other person or company of similar rights, concessions and privileges.
- (l) To construct, equip, improve, maintain, develop, alter, work, manage, carry out or control any buildings, roads, ways, tramways, railways, branches or sidings, bridges, reservoirs, watercourses, telephones, electric works, factories, warehouses and buildings or conveniences which are necessary or convenient for the purposes of the Company or which may seem calculated directly or indirectly to advance the Company's interests and to contribute to subsidise or otherwise assist or take part in the construction improvement alteration maintenance working management carrying out or control thereof.
- (m) To acquire, hold, sell, exchange, surrender, convert or dispose of shares, stock, debentures, debenture stock, annuities, bonds options, loans or other obligations or securities issued or guaranteed by any company, corporation or association or by any government or public body or other local or municipal authority and to acquire any such shares, stock, debentures, debenture stock, bonds, options, loans or other obligations or securities by original subscription, tender, purchase, exchange or otherwise and to subscribe for the same, either conditionally or otherwise and to underwrite, sub-underwrite or guarantee the subscription thereof in any manner.
- (n) To give any indemnity or guarantee in relation to any matter arising in the course of the business of the Company or for the performance of

contracts or obligations of whatever nature by any person or company or body, including any indemnity or guarantee with reference to the payment of any shares, stock, debentures, debenture stock, bonds, loans or other obligations or securities or the dividends or interest thereon.

- (o) To purchase or otherwise acquire and undertake all or any part of the business, property, goodwill and liabilities of any person, firm or company carrying on any business which this Company is authorised to enter into or carry on or possessed of property suitable for the purposes of this Company or to acquire to control of or the shares or any part of the shares of, any such company or any interest therein.
- (p) To borrow, raise or secure the payment of money in such manner as the Company shall think fit and in particular by the issue of debentures or debenture stock, perpetual or otherwise, mortgages, or other instruments for securing the payment thereof, with or without a charge upon all or any of the Company's property or assets (both present and future), including its uncalled or unpaid capital and to purchase, redeem and pay off any such securities and to re-issue any such securities for such consideration or purpose as may be thought fit.
- (q) To sell, let on lease, grant licences, easements and other rights over, exchange or dispose of the lands, rights, assets and undertaking of the Company or any part or parts thereof, for such consideration as the Company may think fit and in particular for shares, stock, debentures, debenture stock, securities or obligations of any other company.
- (r) To amalgamate with or enter into partnership or into any arrangement for sharing profits, union of interests, joint venture, reciprocal concession or co-operation, with any person or company carrying on or engaged in or about to carry on or engage in any business, transaction or enterprise which this Company is authorised to carry on or engage in or any business or transaction capable of being conducted so as directly or indirectly to benefit this Company and to take or otherwise acquire and hold shares, securities or obligations in any such company and to sell, hold, re-issue, with or without guarantee or otherwise deal with the same.
- (s) To promote or assist in the promotion of any other company or companies for the purpose of acquiring or undertaking all or any of the assets and liabilities of this Company or for any other purpose which may seem directly or indirectly calculated to benefit this Company or to advance the objects or interests thereof and to take and otherwise acquire and hold shares in any such company or companies and to lend money to and guarantee the payment of any debentures or other securities issued by any such company or companies and the interest thereon.
- (t) To draw, make, accept, endorse, execute, issue, negotiate, purchase, lend money upon and discount promissory notes, bills of exchange, charter-parties, bills of lading, warrants and other negotiable or transferable instruments or securities.
- (u) To lend, advance or deposit money or assets to or with such persons or companies, for such purposes and on such terms and conditions, as may be considered expedient and either with or without security and to receive money and securities on deposit at interest or for safe custody or otherwise.
- (v) To issue securities which the Company has power to issue by way of security and indemnity to any company or persons whom the Company has agreed or is bound or willing to indemnify or in satisfaction of or as



security for any liability undertaken or agreed to be undertaken by the Company and generally in every respect upon such terms and conditions and for such consideration as the Company may think fit.

- (w) To pay for any property or rights acquired by the Company and for any services rendered or to be rendered to the Company, either in cash or in shares, with or without preferred or deferred rights in respect of dividend or repayment of capital or otherwise or by any securities or obligations which the Company has power to issue or partly in one more and partly in another or others.
- (x) To distribute among the Members in specie by way of dividend or bonus or upon a return of capital any property or assets of the Company or any proceeds of sale or disposal of any property or assets of the Company, but so that no distribution amounting to a reduction of capital be made except with the sanction (if any) for the time being required by law.
- (y) To subscribe or guarantee money for any national or charitable, benevolent, public, general or useful objects or for any exhibition or for any purpose which may be considered likely directly or indirectly to further the objects of the Company or the interests of its Members.
- (z) To establish and support or aid in the establishment and support of, associations, institutions, funds, trusts and conveniences calculated to benefit any of the officials or employees or ex-officials or ex-employees of the Company or its predecessors in business or the dependents or connections of such persons and to grant pensions allowances, gratuities and bonuses to any such persons or their dependents or connections and to make payments towards insurance and to subscribe or guarantee money for any national, charitable or benevolent objects or for any exhibition or to any trade or other association or for any public, general or useful object and to make gifts and bonuses to persons in the employment of the Company.
- (aa) To adopt such means of making known the products, goods, wares, property, affairs, enterprises or services of the Company as may seem expedient and in particular by advertising in the press or by broadcasting, radio, television or any other means of advertising, by purchase and exhibition of works of art and interest, by sponsoring radio, television programmes or any other form of sponsorship, by publication of books, periodicals or on website and by granting prizes, rewards and donations, or any other methodology as the Company may think fit.
- (bb) To pay all expenses incident to the formation or promotion of this or any other company and to remunerate any person or company for services rendered or to be rendered in placing or assisting to place or guaranteeing the placing of any of the shares in or debentures or debenture stock or other securities of the Company or in or about the promotion, formation or business of the Company or of any other company promoted wholly or in part by this Company.
- (cc) To carry on any other business or businesses whatsoever and wheresoever which may, in the opinion of the Company, be conveniently carried on in connection with any business which the Company is authorised to carry on or calculated directly or indirectly, to enhance the value of or render profitable any of the Company's properties or rights.
- (dd) To procure the Company to be recognised or registered in any part of the world outside Malaysia.

- (ee) To hold in the name of others any property which the Company is authorised to acquire and do all or any of the above things in any part of the world and either as principal, agent, trustee, contractor or otherwise and by or through agents, trustees, sub-contractors or otherwise and either alone or in conjunction with others.
- (ff) To do all such other things as are incidental to or connected with any of the above objects or conducive to the attainment thereof or otherwise likely in any respect to be advantageous to the Company.
- (gg) To purchase shares in itself and deal with the shares so purchased subject to and in accordance with the provisions of the Act and the rules, regulations orders, guidelines or requirements issued by the Exchange and/or any other relevant authority from time to time.

And it is hereby declared that the word “company” in this Clause, except where used in reference to the Company, shall be deemed to include any partnership or other body or persons, whether incorporated or not incorporated and whether domiciled in Malaysia, or elsewhere and further the intention is that the objects specified in each paragraph of this Clause shall, except where otherwise expressed in such paragraph, be an independent main object and be in no wise limited or restricted by reference to or inference from the terms of any other paragraph or the name of the Company.

#### **LIABILITY OF MEMBERS**

- 4 The liability of the Members of the Company is limited.

#### **DEFINITION AND INTERPRETATION**

- 5 5.1 In this Constitution, unless the subject matter or context dictates otherwise, the following words and phrases shall have the meaning assigned to them herein: **Definition**
  - “**Act**” means the Companies Act 2016 and any statutory modification, amendment or re-enactment thereof and any other legislation for the time being in force made thereunder and any written law for the time being in force concerning companies and affecting the Company.
  - “**Alternate Director**” means any person who has been appointed and for the time being holds office as an alternate director of the Company in accordance with the provisions of this Constitution.
  - “**Authorised Nominee**” means an authorised nominee defined under the Central Depositories Act.
  - “**Board**” means the Board of Directors for the time being of the Company.
  - “**Central Depositories Act**” means the Securities Industry (Central Depositories) Act 1991, as it may be amended, modified or re-enacted from time to time.
  - “**Clause**” means any provisions in this Constitution.
  - “**Company**” means BRITISH AMERICAN TOBACCO (MALAYSIA) BERHAD.

“**Constitution**” means this constitution as originally framed or as altered from time to time by special resolution.

“**Deposited Securities**” means Securities standing to the credit of a Securities Account and includes Securities in a Securities Account that is in suspense.

“**Depositor**” means a holder of Securities Account established by Depository.

“**Depository**” means the Bursa Malaysia Depository Sdn. Bhd. (Company No. 165570-W) and/or its nominee.

“**Director(s)**” means the Directors for the time being of the Company, and unless otherwise stated, includes an Alternate Director.

“**Exchange**” means the Bursa Malaysia Securities Berhad (Company No. 635998-W).

“**Exempt Authorised Nominee**” means an authorised nominee defined under the Central Depositories Act which is exempted from compliance with the provisions of subsection 25A(1) of the Central Depositories Act.

“**Listing Requirements**” means the Main Market Listing Requirements of the Exchange as it may be amended or modified from time to time.

“**Market Day**” means a day on which the stock market of the Exchange is open for trading in securities.

“**Member(s)**” means any person(s) whose name(s) is/are entered in the Company's Register of Members (except the Bursa Malaysia Depository Nominees Sdn. Bhd.) including Depositors who shall be treated as Members pursuant to Section 35 of the Central Depositories Act, but excludes the Depository in its capacity as bare trustee.

“**Record of Depositors**” means the record provided by the Depository to the Company under Chapter 24.0 of the Rules.

“**Register**” means the Register of Members to be kept pursuant to the Act.

“**Registered Office**” means the registered office for the time being of the Company.

“**Registrar of Companies**” means the Registrar of Companies designated under Section 20A (1) of the Companies Commission of Malaysia Act 2001.

“**Rules**” means the Rules of the Depository and any appendices thereto as they may be amended or modified from time to time.

“**Seal**” means the common seal of the Company.

“**Secretary**” means any person or persons appointed to perform the duties of the secretary of the Company and shall include a joint, temporary, assistant or deputy secretary.

"**Securities**" means securities as defined in Section 2 of the Capital Markets and Services Act 2007, as may be amended, modified or re-enacted from time to time.

"**Securities Account**" means an account established by the Depository for a Depositor for the recording of deposit of Securities and for dealing in such Securities by the Depositor, as defined in the Central Depositories Act and/or the Rules.

"**Securities Commission**" means the Securities Commission Malaysia established under the Securities Commission Malaysia Act 1993.

5.2 In this Constitution, unless there is something in the subject or context inconsistent with such construction or unless it is otherwise expressly provided: **Interpretation**

5.2.1 reference to "writing" shall, unless the contrary intention appears, be construed as including references to printing, typewriting, lithography, photography, electronic storage or transmission and other modes of representing or reproducing words in a visible form and/or method of recording information or fixing information in a form capable of being preserved;

5.2.2 words denoting the singular number only shall include the plural number and vice versa and words importing the masculine gender only shall include the feminine and neuter genders and the word "person" shall include a corporation;

5.2.3 any reference to a statutory provision includes any modification, consolidation or re-enactment thereof for the time being in force, and all statutory instruments or orders made pursuant thereto;

5.3.4 any words or expressions defined in the Act, the Central Depositories Act, the Listing Requirements and the Rules shall where the context so admits bear the same meaning in this Constitution; and

5.2.5 save as aforesaid, words or expressions contained in this Constitution shall be interpreted in accordance with the provisions of the Interpretation Act, 1967, as amended from time to time and any re-enactment thereof;

The headings, sub-headings and marginal notes are inserted for convenience only and shall not affect the construction of this Constitution.

## **SHARES**

6 The share capital of the Company is its issued share capital. The shares in the original or any increased capital may be divided into several classes and there may be attached thereto respectively any preferred, deferred, qualified or other special rights, privileges, conditions or restrictions as to dividend, capital, voting or otherwise. **Class of shares**

- 7 Without prejudice to any special rights previously conferred on the holders of any existing shares or class of shares, and subject to the Act, the conditions, restrictions and limitations expressed in this Constitution, any other requirements of the Securities Commission, and to the provisions of any resolution of the Company, the Directors may allot shares or grant rights to subscribe for or otherwise dispose of the unissued shares in the Company to such persons at such price, at such time and on such terms and conditions, with such preferred or deferred or other special rights, as they think proper, PROVIDED ALWAYS THAT:
- Authority of Directors to allot shares**
- 7.1 no shares shall be issued which shall have the effect of transferring a controlling interest in the Company without the prior approval of the Members in a meeting of Members;
  - 7.2 in the case of shares other than ordinary shares, no special rights shall be attached until the same have been expressed in this Constitution;
  - 7.3 every issue of shares or options to employees and/or Directors shall be approved by the Members in a meeting of Members and:
    - 7.3.1 such approval shall specifically detail the amount of shares of options to be issued to such employees and/or Directors; and
    - 7.3.2 only Directors holding office in an executive capacity shall participate in such an issue of shares or options. Provided always that a Director not holding office in an executive capacity may so participate in an issue of shares pursuant to a public offer or a public issue;
  - 7.4 the Company must ensure that all new issues of Securities for which listing is sought are made by way of crediting the Securities Accounts of the allottees with such Securities, save and except where it is specifically exempted from compliance with Section 38 of the Central Depositories Act. The Company must notify the Depository of the names of the allottees and all such particulars required by the Depository, to enable the Depository to make the appropriate entries in the Securities Accounts of such allottees;
  - 7.5 subject to the provisions of the Act, the Central Depositories Act and the Rules, the Company must allot and issue Securities, despatch notices of allotment to the allottees and make an application for the quotation of such securities within eight (8) Market Days of the final applications date or such period as may be prescribed by the Exchange.
  - 7.6 subject to the Listing Requirements, the Act, the Central Depositories Act and/or the Rules and notwithstanding the existence of a resolution pursuant to Sections 75 and 76 of the Act, the Company must not issue any shares or convertible Securities if the total number of those shares or convertible Securities, when aggregated with the total number of any such shares or convertible Securities issued during the preceding 12 months, exceeds 10% of the number of issued shares (excluding treasury shares) of the Company, except where the shares or convertible Securities are issued with the prior shareholder approval in a meeting of Members of the precise terms and conditions of the issue.

- 8 Subject to the Act, any preference shares may with the sanction of an ordinary resolution be issued on the terms that they are, or at the option of the Company are liable, to be redeemed. **Issue of preference shares**
- 9 The Company shall not give any financial assistance whether directly or indirectly and whether by means of a loan, guarantee, the provision of security or otherwise, for the purpose of or in connection with a purchase or subscription made or to be made by any person of or for any shares in the Company or in its holding company, nor shall the Company make a loan for any purpose whatsoever on the security of its shares or those of its holding company, but nothing in this Clause shall prohibit transactions mentioned in Section 127 of the Act or the circumstances set out in Section 127 of the Act. **No financial assistance**
- 10 Subject to the provisions of the Act and the rules, regulations, orders, guidelines or requirements issued by the Exchange and/or any other relevant authority from time to time, the Company may by ordinary resolution purchase its own shares. **Purchase by the Company of its own shares**
- 11 The Company shall not purchase its own shares unless:
- 11.1 the Company is solvent at the date of the purchase and will not become insolvent by incurring the debts involved in the obligation to pay for the shares so purchased;
- 11.2 the purchase is made through the Exchange on which the shares of the Company are quoted and in accordance with the relevant rules of the Exchange; and
- 11.3 the purchase is made in good faith and in the interest of the Company.
- 12 Notwithstanding Clause 11.2, the Company may purchase its own shares otherwise than through the Exchange if the purchase is:
- 12.1 permitted under the relevant rules of the Exchange; and
- 12.2 made in accordance with such requirements as may be determined by the Exchange.
- 13 In addition to all other powers of paying commissions, the Company may exercise the powers conferred by Section 80 of the Act of applying its shares or cash either directly or indirectly, in paying commissions to persons subscribing or agreeing to subscribe or agreeing to procure shares of the Company, provided that the amount or rate of the commission paid or agreed to be paid shall be disclosed in the manner required by the Act and shall not exceed 10% of the price at which the shares in respect whereof the commission is paid are issued or an amount equivalent thereto, whichever is lesser. Such commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in one way and partly in the other. The Company may also on any issue of the shares pay such brokerage as may be lawful. **Power of paying Commission**
- 14 Where any shares are issued for the purpose of raising money to defray the expenses of the construction of any works or buildings or the provision of any plant which cannot be made profitable for a long period, the Company may pay interest or returns on the amount of such share capital as is for the time being paid up for the period and subject to the condition and restrictions mentioned in Section 130 of the Act, and may charge the interest or returns on the amount paid to such share capital as part of the cost of construction or provision. **Shares issued for purposes of raising money for the construction of works or building**

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| 15 | The Company shall duly observe and comply with the provisions of the Act, the Central Depositories Act, the Rules and the Listing Requirements from time to time prescribed by the Exchange applicable to any allotment of its shares.   | <b>Compliance with Requirements on allotment of shares</b> |
| 16 | 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, even when having notice thereof; be bound or compelled 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 otherwise expressly provided or as required by law) any other right in respect of any share except an absolute right to the entirety thereof in the registered holder. | <b>Trusts not to be recognised</b>                         |
| 17 | No person shall exercise any rights of a Member until his name shall have been entered in the Record of Depositors and he shall have paid all calls and other moneys for the time being due and payable on any share held by him.  | <b>Exercise of rights of Members</b>                       |
| 18 | If, by the condition of allotment of any share, the whole or part of the amount or issue price thereof shall be payable on fixed dates every such amount shall, when due, be paid to the Company by the person who for the time being and from time to time shall be the registered holder of the share, or his legal personal representatives.  | <b>Instalments</b>   |

#### CERTIFICATES

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| 19 | The Registrar of Companies shall only issue jumbo certificates in respect of shares or Securities in favour of the Depository as may be directed by the Securities Commission or the Depository pending the crediting of shares or securities into the Securities Account of the person entitled to such shares or securities or as may be prescribed by the Central Depositories Act and the Rules. Provided always that every certificate shall be issued under the shares Seal or Seal in such form as the Directors shall from time to time prescribe and shall bear the facsimile signature of at least one Director and a second Director or the Secretary or some other person appointed by the Directors and shall specify the number and class of shares or securities to which it relates and the amounts paid thereon. | <b>Issue of Share Certificates</b> |
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#### ALTERATION ON RIGHTS

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| 20 | Notwithstanding Clause 21 hereof, the repayment of preference capital other than redeemable preference capital, or any other alteration of preference shareholder rights, may only be made pursuant to a special resolution of the preference shareholders concerned, provided always that 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 preference shares concerned within two (2) months of the meeting, shall be as valid and effectual as a special resolution carried at the meeting.  | <b>Alteration of preferential shareholders' rights</b> |
| 21 | If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of shares of that class) may, whether or not the Company is being wound up, be varied or abrogated with the consent in writing of the holders of seventy-five per centum (75%) of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class. To every such separate meeting, the provisions of this Constitution relating to meetings of Members shall mutatis mutandis apply; but so that the necessary quorum shall be two (2) | <b>Alteration of class rights</b>                      |

persons at least holding or representing by proxy at least one-third (1/3) of the issued shares of the class and that any holder of shares of the class present in person or by proxy may demand a poll. To every such special resolution, the provisions of Section 292 of the Act shall apply with such adaptations as are necessary.

- 22 The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking as regards to participation in the profits or assets of the Company in some or in all respects *pari passu* therewith. **No alteration of rights by issuance of new shares**

### **CALLS ON SHARES**

- 23 The Directors may from time to time make such calls upon the Members as the Directors may think fit in respect of the amounts unpaid on their shares and not by the conditions of allotment made payable at fixed times provided that no call shall be payable at less than thirty (30) days from the date fixed for the payment of the last preceding call. Except in the case of calls payable at fixed times pursuant to the conditions of allotment, each Member shall be entitled to receive at least fourteen (14) days' notice specifying the time or times and place of payment. **Calls on shares**
- 24 Any call may be made payable either in one sum or by instalments, and each Member upon whom a call is made is liable to pay the amount of the call to the Company and at the time or times and place appointed by the Directors. A call may be revoked or the time for its payment may be postponed by the Directors. **Payment of calls**
- 25 A call shall be deemed to have been made at the time when the resolution of the Directors authorising such call was passed. **When call made**
- 26 The Directors may on the issue of shares, differentiate between the holders of such shares as to the amount of calls to be paid and the time of payment of such calls. **Directors may differentiate between holders**
- 27 Any sum which by the terms of issue of a share is made payable upon allotment or at any fixed date, shall, for all purposes of this Constitution, be deemed to be a call duly made and payable on such fixed date, 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. **Any sum by terms of issue is made payable may be treated as call**
- 28 If any sum in respect of a call is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest or compensation on the sum from the day appointed for payment thereof to the time of actual payment, at such rate, not exceeding eight percent (8%) per annum, as the Directors may determine (or failing such determination, then at the rate of eight percent (8%) per annum) provided however the Directors may waive payment of such interest in whole or in part. **Interest on calls in arrears**
- 29 No Member shall be entitled to receive any dividend or to exercise any privileges as a Member until he shall have paid all calls for the time being due and payable on every share held by him together with interest and expenses (if any). **Calls to be fully paid before receiving dividend**
- 30 The Directors may, if they think fit, receive from any Member willing to advance the same, all or any part of the moneys payable in respect of any share held by him beyond the amount of the calls actually made thereon **Payment of calls in advance**



and upon the moneys so advanced, or so much thereof as shall from time to time exceed the amount of the calls due upon such shares, the Company may pay interest at such rate not exceeding eight percent (8%) per annum, as may be agreed between the Member paying the sum in advance and the Directors. Any capital paid on shares in advance of calls shall not, whilst carrying interest, confer a right to participate in profits. Except in liquidation, sums paid in advance of calls shall not, until the same would but for such advance have become payable, be treated as paid up in the shares in respect of which they have been paid.

### **FORFEITURE AND SURRENDER OF SHARES**

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| 31 | If any Member fails to pay the whole or any part of any call or instalment of a call on the day appointed for the payment thereof, the Directors may at any time thereafter during such time as any part of the call or instalment thereof remains unpaid, serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest or compensation which may have accrued and which may still accrue up to the date of payment and all expenses that may have been incurred by the Company by reason of such non-payment.  | <b>Notice to pay calls</b>                     |
| 32 | The notice shall name a further day (not being less than fourteen (14) days from the date of service of the notice) 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 at or before the time and place appointed the shares in respect of which such call was made will be liable to be forfeited.   | <b>Period of notice to pay calls</b>           |
| 33 | 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 due in respect thereof has been made, be forfeited by a resolution of the Directors to that effect. Such forfeiture shall include all dividends which shall have been declared in respect of the forfeited shares and not actually paid before the forfeiture. A notice of forfeiture shall be sent to the Member within fourteen (14) days of the forfeiture. The Directors may accept the surrender of any share liable to be forfeited hereunder. | <b>Forfeiture for non-payment</b>              |
| 34 | Notwithstanding any such forfeiture as aforesaid, the Directors may at any time before the forfeited share has been otherwise disposed of, annul the forfeiture upon the terms of payment of all calls and interest due upon and expenses incurred in respect of the share and upon such further terms (if any) as they shall see fit.   | <b>Annulment of forfeiture</b>                 |
| 35 | Subject to the Central Depositories Act and the Rules, a share so forfeited or surrendered shall become the property of the Company and may be re-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.  | <b>Shares forfeited belongs to the Company</b> |
| 36 | A person whose shares have been forfeited or surrendered shall cease to be a Member in respect of the forfeited or surrendered shares, but shall, notwithstanding, remain liable to pay to the Company all moneys which, at the date of forfeiture or surrender were payable by him to the Company in respect of the shares (together with interest or compensation at the rate of eight percent (8%) per annum from the date of forfeiture or surrender on the money for the time being unpaid if the Directors think it fit to enforce payment of such interest or compensation) but his liability shall   | <b>Liability on forfeiture</b>                 |

cease if and when the Company receives payment in full of all such moneys in respect of the shares.

- 37 A statutory declaration in writing by a Director or the Secretary that a share in the Company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the shares. The Company may receive the consideration, if any, given for the forfeited share on any sale or disposition of the share may execute a transfer of the share in favour of the person to whom the share is sold or disposed of and such person shall be registered as the holder of the share shall not have his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or other disposal of the share. If any share is forfeited and sold, any residue after the satisfaction of the unpaid calls and accrued interest and expenses, shall be paid to the person whose shares have been forfeited, or his executors, administrators or assignees or as he directs. **Statutory Declaration as conclusive evidence**
- 38 The provisions of this Constitution as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable at a fixed date, as if the shares had been payable by virtue of a call duly made and notified. **Application of forfeiture provision**
- 39 When any shares have been forfeited in accordance with this Constitution, notice of the forfeiture shall forthwith be given to the holder of the shares or to the person entitled to the shares by reason of the death or bankruptcy as the case may be, and an entry of such notice having been given, and of the forfeiture with the date thereof shall forthwith be made in the Record of Depositors opposite to the shares. **Notice of forfeiture to be given and entered in the Record of Depositors**

#### LIEN ON SHARES

- 40 The Company shall have a first and paramount lien on every shares (not being fully paid shares) for all money (whether presently payable or not) called or payable at a fixed time in respect of the particular shares including all unpaid instalments and interest thereon and the Company shall also have a first and paramount lien on all shares (other than fully paid shares) registered in the name of Member for all moneys (whether presently payable or not) payable by him or his estate to the Company, but the Directors may at any time declare any shares to be wholly or in part exempt from the provisions of the Clause. The Company's lien on shares and dividends from time to time declared in respect of such shares, shall be restricted to unpaid calls and instalments upon the specific shares in respect of which such moneys are due and unpaid, and to such amounts as the Company may be called upon by law to pay and has paid in respect of the shares of the Member or deceased Member. **Company's lien on shares**
- 41 The Company may sell, in such manner as the Directors think fit, any shares 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 a notice in writing, stating and demanding payment of such part of the amount in respect of which the privilege or lien exists as is presently payable, has been given to the registered holder for the time of the share, or the person entitled to the share by reason of his death or bankruptcy of the registered holder. **Power to enforce lien by sale**

To give effect to any such sale, the Directors may authorise some person to transfer the shares sold to the purchaser thereof. The purchaser shall be registered as the holder of the shares comprised in any such transfer and he shall not be bound to see to the application of the purchase money nor shall the purchaser's title to the shares to be affected by any irregularity or invalidity in the proceedings in relating to the sale.

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

### TRANSFER OF SHARES

- 43 The transfer of any Deposited Security shall be by way of book entry by the Depository in accordance with the Rules and, notwithstanding Sections 105, 106 and 110 of the Act, but subject to Section 148 (2) of the Act and any exemption that may be made from compliance with Section 148(1) of the Act, the Company shall be precluded from registering and effecting any transfer of Deposited Security. **Execution of transfer**
- 44 The instrument of transfer of any shares of the Company shall be executed by or on behalf of the transferor and the transferor shall be deemed to remain the holder of the shares until the same of the transferee is entered into the Register and/or Record of Depositors, as the case may be, in respect thereof. **Transferor's right**
- 45 Subject to the provisions of the Central Depositories Act and the Rules, there shall be no restriction on the transfer of fully paid shares except where required by law. **No restriction on transfer of fully paid shares**
- 46 Subject to the Rules and Listing Requirements, the transfer of any Securities may be suspended at such times and for such periods as the Directors may from time to time determine. The Company shall give at least ten (10) Market Days' notice or such other period as may from time to time be specified by the Exchange governing the Register concerned, of its intention to close the Register to fix a books closing date such notice shall be published in a daily newspaper circulating in Malaysia and shall also be given to the Exchange. Prior notice shall be given to the Depository, within such time as is required by the Depository, to prepare the appropriate Record of Depositors in accordance with the Central Depositories Act and the Rules. **Suspension of registration**
- 47 The Depository may refuse to register any transfer of Deposited Security that does not comply with the Central Depositories Act and the Rules. **Depository's right to refuse registration of transfer**
- 48 No Securities shall in any circumstances be transferred to any infant, bankrupt or person of unsound mind. **Prohibition on transfer**
- 49 Subject to Section 106 and any other relevant provisions of the Act, the Directors may refuse or delay to register the transfer of a share, not being a deposited security, (not being a fully paid share) to a person of whom they shall not approve. **Refusal to transfer**
- 50 Neither the Company nor its Directors nor any of its officers shall incur any liability for registering or acting upon a transfer of shares apparently made by sufficient parties, although the same may, by reason of any fraud and or other cause not known to the Company or its Directors or other officers be legally inoperative or insufficient to pass the property in the shares proposed or professed to be transferred, and although the transfer may, as between the transferor and transferee, be liable to be set aside. In every such case, the person registered as transferee, his executors, administrators and assigns, subject to compliance with the Act, the Central **Company and Directors not liable if transfer of Securities inoperative due to fraud**

Depositories Act and the Rules, shall be entitled to be recognised as the holder of such shares and the previous holder shall, so far as the Company is concerned, be deemed to have transferred his whole title thereto.

#### TRANSMISSION OF SHARES

- 51 In case of death of a Member, the person(s) recognised as having any title to his interest in the shares shall be: **Death of Member**
- 51.1 where the deceased was a sole holder, the legal personal representative(s); and
- 51.2 where the deceased was a joint holder, the survivor,
- but nothing herein contained shall release the estate of the deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.
- 52 Any person entitled to Securities (not being Deposited Securities) in consequence of death or bankruptcy of a Member may, upon such evidence being produced as from time to time properly be required by the Directors, and subject hereinafter provided, elect either to be registered himself as a holder of the Securities or to have another person registered as a holder in respect of the Securities. Where the Securities are Deposited Securities, the person becoming so entitled may elect either to register himself or another person nominated by him as Depositor or transfer the Deposited Securities subject to the provisions of the Act, the Central Depositories Act and the Rules. The Directors shall in any case, have the same right to decline or suspend registration as they would have had in case of transfer of the Securities by that Member before his death or bankruptcy. **Share of deceased or bankrupt Member**
- 53 All limitations, restrictions and provisions of this Constitution, the Rules, the Act and the Listing Requirements relating to the right to transfer and the registration of transfers of shares or debentures shall be applicable to any notice or transfer as if the death or bankruptcy of the Member had not occurred and the notice or transfer were executed by that Member. **Limitation and restrictions applicable**
- 54 If any person so becoming entitled elects to register himself, he shall deliver or send to the Company, a notice in writing signed by him and stating that he so elects, provided that where the shares is a Deposited Security and the person becoming entitled elects to have the shares transferred to him, the aforesaid notice must be served by him to the Depository. If he elects to have another person registered, he shall testify his election by executing to that person a transfer of the shares. **Notice of election**
- 55 Subject to the Act, the Central Depositories Act and the Rules, a person becoming entitled to a Security by reason of the death or bankruptcy of the holder thereof shall upon the production of such evidence as may from time to time be properly required by the Directors and/or Depository in that behalf, be entitled to the same dividends and other advantages and to the same rights in relation to meetings of the Company or to voting or otherwise. Provided further always that the Directors may at any time give notice requiring any such person to elect either to be registered himself or to transfer the Security and if the notice is not complied with within thirty (30) days, the Directors may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Security until the requirements of the notice have been complied with. **Person entitled may receive dividend, etc.**

56 Subject to the Act, the Central Depositories Act and the Rules, fees may be charged by the Company or the Depository in respect of the registration of any instrument of transfer or probate or letters of administration or certificate of marriage or death or power of attorney or other document relating to or affecting the title to any securities or otherwise for making an entry in the Register or Record of Depositors affecting the title to any Securities but only to the extent permitted by law. **Fees may be charged on registration of transfer, etc.**

57 Where:

(a) the Securities of the Company are listed on another stock exchange; and

(b) the Company is exempted from compliance with Section 14 of the Central Depository Act 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,

**Transmission of Securities between registers**

the 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 Companies in the jurisdiction of the other stock exchange, to the register of holders maintained by the Registrar of Companies and vice versa provided that there shall be no change in the ownership of such Securities.

#### **CONVERSION OF SHARES INTO STOCK**

58 The Company may by ordinary resolution passed at a meeting of Members convert any paid up shares into stock or reconvert any stock into paid up shares of any number. **Conversion of shares into stock**

59 The stockholder may transfer the shares or any part of the shares in the same manner as the transfer of shares from which the stock may arise, before the conversion, have been transferred or be transferred in the closest manner as the circumstances allow; provided however that the Directors may from time to time, if they think fit, fix the minimum amount of stock transferable and restrict or forbid the transfer of fractions of that minimum. **Stockholder may transfer their interest**

60 The stockholder shall according to the amount of stock held by the stockholders, have the same rights, privileges and advantages with regards to dividends, voting at meetings of the Company and other matters as the stockholders held the shares from which the stock arose, but none of such rights, privileges or advantages, (except participation in dividends and profits of the Company and in assets on a winding up) shall be conferred by any such part of stock which would not, if existing shares have conferred such right, privilege or advantage. **Participation of Stockholder**

61 All such provisions of this Constitution as are applicable to paid-up shares shall apply to stock and the words "share" and "shareholder" shall include "stock" and "stockholder" respectively. **Application of this Constitution**

#### **INCREASE OF CAPITAL**

62 The Company in a meeting of Members may from time to time by ordinary resolution increase the share capital by such sum, to be divided into shares of such amount, as the resolution shall prescribe. **Increase of share capital**

63 Subject to any direction to the contrary that may be given by the Company in a meeting of Members, all new shares or other convertible securities shall, before issued, be offered to such persons as at the date of the offer **Issue of new shares to existing Members**

are entitled to receive notices from the Company of meetings of Members in proportion, as nearly as the circumstances admit, to the amount of the existing shares or Securities to which they are entitled. The offer shall be made by notice specifying the number of shares or Securities offered, and limiting a time within which the offer, if not accepted, 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 shares or Securities which (by reason of the ratio which the new shares or Securities bear to shares or Securities held by persons entitled to an offer of new shares or Securities) cannot, in the opinion of the Directors, be conveniently offered under this Constitution.

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| 64 | Except so far as otherwise provided by the conditions of issue, any capital raised by the creation of new shares shall be considered as part of the original share capital of the Company. All new shares shall be subject to the provisions herein contained with reference to allotments, the payment of calls and instalments, transfer, transaction, transmission, forfeiture, lien or otherwise and shall also be subject to the Rules. | <b>New capital to be considered as part of the current share capital of the Company</b> |
| 65 | Subject to the Listing Requirements, the Company may alter its share capital by passing a special resolution to:   | <b>Company may alter its share capital</b>  |
|    | (a) consolidate and divide all or any of its share capital, the proportion between the amount paid and the amount, if any, unpaid on each subdivided share shall be the same as it was in the case of the share from which the subdivided share is derived;  |   |
|    | (b) convert all or any of its paid-up shares into stock and may reconvert that stock into paid-up shares;  |   |
|    | (c) subdivide its shares or any of the shares, whatever is in the subdivision, the proportions between the amount paid and the amount, if any, unpaid on each subdivided share shall be the same as it was in the case of the share from which the subdivided share is derived;  |   |
|    | (d) cancel any shares which at the date of the passing of the resolution which have been forfeited and diminish the amount of its share capital by the amount of the shares so cancelled;  |   |
|    | (e) purchase shares in itself subject to the provision of the Act and the rules, regulations, orders, guidelines or requirements issued by the Exchange and/or any other relevant authority from time to time; or  |   |
|    | (f) reduce its share capital in any manner subject to the requirements and consents required under the Act and Listing Requirements.   |   |

#### MEETING OF MEMBERS

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| 66 | An annual general meeting of the Company shall be held in accordance with the Act.                        | <b>Annual General Meeting</b>        |
| 67 | All meeting of Members other than annual general meetings shall be called extraordinary general meetings. | <b>Extraordinary General Meeting</b> |

- 68 The Directors may whenever they think fit, convene a meeting of Members. In addition, a meeting of Members other than an annual general meeting shall be convened on such requisition as referred to in Section 311 of the Act or if the Company makes default in convening a meeting in compliance with a requisition received pursuant to Section 311 of the Act, a meeting may be convened by such requisitionists themselves in the manner provided in Section 313 of the Act. Any meeting convened by requisitionists shall be convened in the same manner, as nearly as possible, as that in which meetings are to be convened by the Directors. **Convening of a meeting of Members**
- 69 The main venue of all meetings of Members and annual general meeting shall be held within Malaysia at such time, day and place as the Directors shall determine. The chairperson shall be present at that main venue of the meeting. The meeting of Members may be held at more than one venue using any technology or method that enables the Members to participate and to exercise the Members' rights to speak and vote at the meeting.
- 70 Every notice of an annual general meeting shall specify the meeting as such and every meeting convened for passing a special resolution shall state the intention to propose such resolution as a special resolution. **Notice of meetings**
- The notices convening meetings shall be given to all Members (other than those who are not entitled to receive notices of a meeting of Members under the provisions of this Constitution or the terms of issue of the shares held by them) and to the Directors and auditors for the time being of the Company at least fourteen (14) days before the meeting or at least twenty-one (21) days before the meeting where any special resolution is to be proposed or where it is an annual general meeting. The notice shall be exclusive of the day on which it is served or deemed to be served and of the day for which it is given and shall specify the place, the day, the hour of the meeting and the general nature of the business of the meeting. Any notice of meeting called to consider special business shall be accompanied by a statement regarding the effect of any proposed resolution in respect of such special business. At least 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 the Exchange.
- 71 The Company shall request the Depository in accordance with the Rules, to issue a Record of Depositors to whom notices of meetings of Members shall be given by the Company. 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 three (3) Market Days before the meeting of Members (hereinafter referred to as "the General Meeting Record of Depositors"). Subject to the Securities Industry (Central Depositories) (Foreign Ownership) Regulations 1996 (where applicable) and notwithstanding any provision in the Act, a Depositor shall not be regarded as a Member entitled to attend any meeting of Members and to speak and vote thereat unless his name appears in the General Meeting Record of Depositors. **General Meeting Record of Depositors**
- 72 Subject always to the provisions of the Act, no business shall be transacted at a meeting of Members except business of which notice has been given in the notice convening the meeting. **Business at meeting of Members**
- 73 Any notice or other document shall be served by the Company or the Secretary on any Member: **When notice deemed to be served**

- 73.1 in hard copy, either personally or by post to the address to such Member at his last known address in the Record of Depositors; or
- 73.2 in electronic form, and sent by the following electronic means:
- (i) transmitting to the last known electronic address provided by the Member to the Company for such purpose; or
  - (ii) publishing any notice or other document on a website provided that a notification of the publication of the notice or other document on the website via hard copy or electronic form has been given in accordance to Section 320 of the Act and the Listing Requirements; or
  - (iii) using any other electronic platform maintained by the Company or third parties that can host the information in a secure manner for access by Members provided that a notification of the publication or availability of the notice or document on the electronic platform via hard copy or electronic mail or short messaging service has been given to them accordingly; or
- 73.3 partly in hard copy and partly in electronic form.
- 74 In every notice calling a meeting of Members there shall appear with reasonable prominence a statement that a Member entitled to attend and vote is entitled to appoint, subject to Clause 101, not more than two (2) person as his proxy to exercise all or any of his rights to attend, participate, speak and vote at the meeting. **Notice that proxy is allowed**
- 75 The accidental omission to give notice of any meeting to, or the non-receipt of the notice of a meeting by, any Member shall not invalidate any resolution passed or proceedings held at any such meeting. **Omission to give notice**
- 76 A meeting shall, notwithstanding that it is called by notice shorter than is required by Clause 70, be deemed to be duly called if it is so agreed, in the case of a meeting called as the annual general meeting, by all the Members entitled to attend and vote thereat or in the case of an extraordinary general meeting, by a majority in number of the Members having a right to attend and vote thereat, being a majority which together holds not less than ninety-five percent (95%) of the shares giving a right to attend and vote. **Call of meetings by shorter notice**
- 77 Where by the Act special notice is required of a resolution, the resolution shall not be effective unless notice of the intention to move it has been given to the Company within the period stipulated in the Act before the meeting at which it is moved, and the Company shall give its Members notice of any such resolution at the same time and in the same manner as it gives notice of the meeting or, if that is not practicable, shall give them notice thereof, in any manner allowed by this Constitution within the period stipulated in the Act before the meeting, but if after notice of the intention to move such a resolution has been given to the Company, a meeting is called for a date within the period stipulated in the Act after the notice has been given, the notice, although not given to the Company within the time required by this Constitution shall be deemed to be properly given. **Resolution requiring special notice**
- 78 Any Member may require the Company to give a notice of a resolution which may be properly moved at any meeting of Members, or circulate any statement pertaining to such resolution or such other business to be **Member's power to require circulation of**



dealt with at the meeting, to the Members entitled to receive notice of a meeting of Members. The Company shall not be bound to give notice of such resolution or circulate any statement unless the Member shall have served at the Registered Office a copy of the requisition signed by the Member subject to compliance with Section 323 of the Act.

**resolutions and statements**

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

### **PROCEEDINGS AT A MEETING OF MEMBERS**

- 79 Subject always to the provisions of the Act, all business that is transacted at any extraordinary general meeting and also all business that is transacted at an annual general meeting shall be deemed special, with the exception of the laying of audited financial statements and audited group financial statements (if any) of the Company and the reports of the Directors and auditors and other documents required to be annexed to the financial statements, the election of Directors in place of those retiring, the appointment and the fixing of the fee of Directors, the appointment and the fixing of the remuneration of the auditors, and any resolution or other business of which notice is given in accordance with the Act or this Constitution. **Special business**
- 80 No business shall be transacted at any meeting of Members unless a quorum is present at the time when the meeting proceeds, to business. For all purposes, two (2) Members present in person or by proxy or in the case of corporation which is Member, by its representatives appointed pursuant to the provision of this Constitution and entitled to vote shall be a quorum. For the purposes of this Constitution, "Member" includes a person attending as a proxy or representing a corporation which is a Member. **Quorum**
- 81 If within half an hour after the time appointed for the meeting a quorum is not present, the meeting, if convened by or upon the requisition of Members, shall be dissolved. If otherwise convened, it shall stand adjourned to the same day in the next week (or if that day be a public holiday, then to the next business day following such public holiday), at the same time and place or to such other day and at such other time and place as the Directors may determine, but if a quorum is not present within half an hour from the time appointed for holding the adjourned meeting, the Member or Members present at an adjourned meeting shall form a quorum. **Proceeding when quorum not present**
- 82 The Chairman of the Board or in his absence, a Deputy Chairman (if any), shall preside as chairperson at every meeting of Members. But if no such chairperson is present within the time stipulated in the Act after the time appointed for holding the meeting, the Directors present shall choose one of their number to act as chairperson of such meeting, and if there is no Director chosen who shall be willing to act, the Members present in person or by proxy and entitled to vote shall choose one of the Directors to act as chairperson at such meeting. The election of the chairperson shall be by show of hands. **Chairperson of the meeting of Members**
- 83 The chairperson may, with the consent of any meeting at which a quorum is present and if so directed by the meeting shall, adjourn the meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. When **Chairperson may adjourn meeting and notice of adjournment to be given**

a meeting is adjourned for more than the time stipulated in the Act, 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.

- 84 Subject to the Listing Requirements, any resolution set out in the notice of any meeting of Members, or in any notice of resolution which may properly be moved and is intended to be moved at any meeting of Members shall be voted on by poll. **Voting on resolutions**
- 85 85.1 Subject to Clause 84, at any meeting of Members a resolution put to the vote of the meeting shall be determined by a show of hands of the Members present in person or by proxy, unless a poll is demanded (before or upon the declaration of the result of a show of hands):
- 85.1.1 by the chairperson of the meeting (being a person entitled to vote);
  - 85.1.2 by at least two (2) Members present in person or by proxy;
  - 85.1.3 by any Member or Members present in person or by proxy or by attorney or in the case of corporation by a representative representing not less than ten per centum (10%) of the total voting rights of all the Members having the right to vote at the meeting; or
  - 85.1.4 by a Member or Members present in person or by proxy or by attorney or in the case of corporation by a representative 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 ten per centum (10%) of the total sum paid up on all the shares conferring that right,
- Provided that no poll shall be demanded on the election of a chairperson of a meeting or on any question of adjournment.
- 85.2 Unless a poll is duly demanded in accordance with the foregoing provisions, a declaration by the chairperson that a resolution has been carried or carried unanimously or by a particular majority or lost, and an entry to that effect in the minutes of the proceedings of the Company, shall be conclusive evidence of the fact, without proof of the number, proportion or validity of the votes, recorded in favour of or against such resolution.
- 86 Where Clause 84 is applicable or where a poll is duly demanded, it shall be taken in such manner (including the use of a ballot or voting papers or tickets or electronically using various forms of electronic voting devices) as the chairperson may direct and the result of a poll shall be deemed the resolution of the meeting. The Company must appoint at least one (1) scrutineer to validate the votes cast at the meeting of Members. The chairperson may, in addition to the power of adjourning meetings contained in Clause 83, adjourn the meeting to some place and time fixed by him for the purpose of declaring the results of the poll. **Taking of poll**
- 87 Where Clause 84 is applicable or where a poll is duly demanded on any question, the time of taking a poll shall be either forthwith or after an **Time of taking poll**

interval or adjournment or otherwise as the chairperson directs. No notice need to be given of a poll not taken immediately.

- 88 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 a poll has been demanded. **Continuance of meeting on other business**
- 89 Except where Clause 84 is applicable, the demand for a poll may be withdrawn. **Withdrawal of poll**

#### **VOTE OF MEMBERS**

- 90 In the case of an equality of votes, the chairperson of the meeting shall have a second or casting vote. **Chairperson's casting vote**
- 91 91.1 Subject to Clause 71 above and any rights or restrictions for the time being attached to any class or classes of shares, at meetings of Members or classes of Members, each Member shall be entitled to be present and to vote either personally or by proxy or by attorney or duly authorised representative; **Member's votes**
- 91.2 Subject to any special rights or restrictions as to voting attached to any class or classes of shares by or in accordance with these Clauses, on a show of hands every person personally present who is a Member whether a holder of ordinary shares or preference shares and entitled to vote or a Member's proxy or attorney or duly authorised representative shall have one vote on any resolution to be decided by question at any meeting of Members and in the case of a poll, every Member voting present in person or by proxy or by attorney or duly authorised representative shall have one vote for every share held by him. A person entitled to more than one vote need not use all his votes or cast all the votes he uses on a poll in the same way. **Number of votes**
- 92 Subject to Section 333 of the Act, any corporation which is a Member, may by resolution of its directors or other governing body, authorise such person(s) as it thinks fit to act as its representative(s) at all meetings of Members and the person so authorised shall in accordance with his authority and until his authority is revoked by the corporation be entitled to exercise the same powers on behalf of the corporation as that corporation could exercise if it were an individual Member. **Votes of corporation**
- 93 Any Member being of unsound mind or whose person or estate is liable to be dealt with in any way under the law relating to mental disorder may vote, whether on a show of hands or on a poll, by his committee, receiver, curator bonis, or other legal guardian or such other person who has been properly appointed to manage his estate. Any one (1) of such person may vote either personally or by proxy or by attorney provided such evidence as the Directors may require of the authority of the person claiming to vote shall have been deposited at the Registered Office not less than forty-eight (48) hours before the time appointed for holding the meeting or adjourned meeting. **Votes of Members of unsound mind**
- 94 The legal personal representative of a deceased Member or the person entitled under Clause 52 to any share in consequence of the death or bankruptcy of any Member may vote at any meeting of Members in respect thereof in the same manner as if he was the registered holder of such shares provided that at least forty-eight (48) hours before the time of holding the meeting or adjourned meeting as the case may be at which he proposes to vote, he shall satisfy the Directors of his right to any share in consequence of the death or bankruptcy of any Member unless the **Votes of legal personal representatives of deceased or bankrupt Members**

	Directors shall have previously admitted his right to vote in respect thereof.	
95	No person shall be entitled to be present or to vote either as a Member or otherwise as a proxy or attorney or duly authorised representative or to exercise any privilege as a Member nor be counted as one of the quorum at any meeting of Members unless all calls or other sums immediately payable by him in respect of shares in the Company have been paid.	<b>Members barred from voting while call unpaid</b>
96	No objection shall be raised in respect 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 shall be referred to the chairperson at the meeting, whose decision shall be final and conclusive.	<b>Time for objection of any voter's qualification</b>
97	If any votes shall have been 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 unless in the opinion of the chairperson at the meeting or any adjournment thereof as the case may be, it shall be of sufficient importance to vitiate the result of the voting.	<b>Counting of votes</b>
98	Where a Member is an Exempt Authorised Nominee which holds ordinary shares in the Company in an 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. An Exempt Authorised Nominee refers to an authorised nominee defined under the Central Depositories Act which is exempted from compliance with the provisions of subsection 25A(1) of the Central Depositories Act.	<b>Appointment of multiple proxies by Omnibus Account holder</b>
99	A Member entitled to attend and vote at a meeting of the Company, or at a meeting of any class of Members, shall be entitled to appoint any person as his proxy to exercise all or any of his rights to attend, participate, speak and vote at the meeting. There shall be no restriction as to the qualification of the proxy. A proxy appointed to attend at a meeting of the Company shall have the same rights as the Member to attend, participate, speak and vote at the meeting.	<b>No qualification of proxy</b>
100	The instrument appointing a proxy to vote at a meeting shall be deemed to confer authority to demand, or join in demanding a poll, and, for the purposes of the last preceding Clause, a demand by a person as proxy for a Member shall be the same as a demand by the Member.	<b>Proxies' right to demand a poll</b>
101	The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, either under the corporation's seal or under the hand of an officer or attorney duly authorised. The Directors may, but shall not be bound to require evidence of the authority of any such attorney or officer. An instrument appointing a proxy to vote at a meeting shall be deemed to include the power to demand a poll on behalf of the appointor.	<b>Instrument appointing proxy</b>
102	The instrument appointing a proxy shall be in the form or in such other form as the Directors may approve or in any particular case may accept.	<b>Proxy Form</b>
103	The instrument appointing a proxy, and the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of such power or authority, shall be deposited at the Registered Office or at such other place within Malaysia as is specified for that purpose in the notice convening the meeting, within the period as stipulated in the Act before the time appointed for holding the meeting or adjourned meeting,	<b>Deposit of proxy</b>

as the case may be, at which the person named as proxy in such instrument proposes to vote, or, in the case of a poll, within the period as stipulated the Act before the time appointed for the taking of the poll, and in default the instrument of proxy shall not be treated as valid.

- 104 A vote given in accordance with the terms of an instrument of proxy or attorney shall be valid, notwithstanding the previous death or unsoundness of mind of the principal or revocation of the instrument of proxy, or of the authority which the instrument of proxy was executed, or the transfer of the shares in respect of which the instrument of proxy is given, provided that no intimation in writing of such death, unsoundness of mind, revocation or transfer shall have been received by the Company at the Registered Office 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 instrument is used. **Proxy irrevocable unless notice received by the Company**
- 105 A Member of the Company is permitted to give the Company notice of termination of a person's authority to act as proxy before the time appointed for holding the meeting. The notice of termination must be in writing. **Notice of termination of proxy**
- DIRECTORS**
- 106 No person shall be eligible as a Director who is an undischarged bankrupt or disqualified from being a Director as provided in Section 198 of the Act. **Eligibility of a Director**
- 107 Until otherwise determined by the Company in meeting of Members the number of Directors shall have a minimum of two (2) and not have more than fifteen (15) Directors. No one other than a natural person shall be a Director of the Company. **Numbers of Directors**
- 108 The shareholding qualification for Directors may be fixed by the Company in meeting of Members and until so fixed, no shareholding qualification for Directors shall be required. All Directors shall be entitled to receive notice of and to attend and speak at all meeting of Members. **Shares qualification of the Directors**
- 109 109.1 An election of Directors shall take place each year at the annual general meeting of the Company where one-third of the Directors for the time being, or, if their number is not three (3) or a multiple of three (3), then the number nearest to one-third shall retire from office at the conclusion of the meeting and be eligible for re-election, provided always that all Directors shall retire from office in accordance to the Listing Requirements but shall be eligible for re-election. A retiring Director shall retain office until the close of the meeting at which he retires. **Rotation and retirement of Directors**
- 109.2 The Directors to retire in every year shall be those who have been longest in office since their last election, but as between persons who became Directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot.
- 110 No person, not being a retiring Director, shall be eligible for election to the office of Director at any meeting of Members unless a Member intending to propose him for election has, in the period stipulated in the Listing Requirements before the meeting, left at the Registered Office, a notice in writing duly signed by the nominee, giving his consent to the nomination and signifying his candidature for the office, or the intention of such Member to propose him for election, provided that in the case of a person recommended by the Directors for election, nine (9) clear days' **Notice of nomination of Director**

notice only shall be necessary, and notice of each and every candidature for election to the Board shall be served on the registered holders of shares in the period stipulated in the Listing Requirements prior to the meeting at which the election is to take place. The cost of serving the notice as aforesaid where the nomination is made by Members shall be borne by the Members making the nomination.

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| 111 | The Company at the meeting at which a Director retires may fill the vacated office by electing a person thereto. Unless at that meeting it is expressly resolved not to fill the vacated office or a resolution for re-election of the Director retiring at that meeting is put to the meeting and lost or some other person who is not disqualified under the Act is elected a Director in place of the retiring Director, the retiring Director shall, if he offers himself for re-election and not being disqualified under the Act from holding office as a Director, be deemed to have been re-elected. A retiring Director shall be deemed to have offered himself for re-election unless he has given notice in writing to the Company that he is unwilling to be re-elected. | <b>When the retiring Director deemed re-elected</b>     |
| 112 | At a meeting of Members at which more than one Director is to be elected, each candidate shall be the subject of a separate motion and vote unless a motion for the appointment of two or more persons as Directors by a single resolution shall have first been agreed to by the meeting without any vote being given against it.   | <b>No appointment of Directors by single resolution</b> |
| 113 | The Company may from time to time by ordinary resolution passed at a meeting of Members increase or reduce the number of Directors, and may also determine in what rotation the increased or reduced number is to retire from office.  | <b>Number may be increased or decreased</b>             |
| 114 | The Company may by ordinary resolution of which special notice has been given, remove any Director before the expiration of his period of office and may, if thought fit, by ordinary resolution 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 appointed a Director. In default of such appointment, the vacancy so arising may be filled by the Directors as a casual vacancy.   | <b>Removal of Director</b>                              |
| 115 | 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 addition to the existing Directors, but the total number of Directors shall not at any time exceed the maximum number fixed in accordance with this Constitution. Any Director so appointed shall hold office only until the next following annual general meeting, and shall then be eligible for re-election but shall not be taken into account in determining the Directors who are to retire by rotation at that meeting.   | <b>Appointment by Board</b>                             |
| 116 | 116.1 Any Director may from time to time appoint any person approved by a majority of the Directors to be an Alternate Director. The Alternate Director shall be entitled to notices of all meetings and to attend, speak and vote at any such meeting at which his appointor is not present and generally in the absence of his appointor, to perform all the functions of his appointor as a Director. An Alternate Director shall be an officer of the Company, such person is not a director of the Company and shall be responsible to the Company for his own acts and defaults. Such person does not act as an alternate for more than one Director of the Company. Any fees paid by the Company to an Alternate Director shall be deducted from the remuneration of          | <b>Alternate Director</b>                               |

- the Director appointing him. Any appointment so made may be revoked at any time by the appointor or by a majority of the Directors and any appointment or revocation under this Clause shall be effected by notice in writing to be delivered to the Secretary. An Alternate Director shall ipso facto cease to be an Alternate Director if his appointor for any reason ceases to be a Director.
- 116.2 If any Director retires by rotation and is re-elected by the meeting or is, pursuant to this Constitution, deemed to be re-elected at the meeting at which such retirement took effect, any appointment made by him of an Alternate Director which was in force immediately prior to the appointor's retirement shall continue to operate after such re-election as if the appointor had not so retired.
- 116.3 Any appointment or removal of an Alternate Director may be made in any other manner approved by the Directors.
- 116.4 An Alternate Director shall not be taken into account in reckoning the minimum or maximum number of Directors allowed for the time being but he shall be counted for the purpose of reckoning whether a quorum is present at any meeting of the Directors attended by him at which he is entitled to vote.
- 116.5 Every person acting as an Alternate Director shall be deemed to be an officer of the Company and shall alone be responsible to the Company for his own acts and defaults and he shall not be deemed to be an agent of or for the Director appointing him.
- 116.6 The Directors shall not be represented at any meetings of the Board save and except by their duly appointed Alternate Directors or pursuant to Clause 138.
- 117 The fees and any benefits payable to the Directors shall be such fixed sum as shall from time to time be determined by an ordinary resolution of the Company and shall (unless such resolution otherwise provides) be divisible among the Directors as they may agree, or, failing agreement, equally, except that any Director who shall hold office for part only of the period in respect of which such fees are payable shall be entitled only to rank in such division for a proportion of the fees related to the period during which he has held office provided always that:
- 117.1 fees payable to non-executive Directors shall be by a fixed sum, and not by a commission on or percentage of profits or turnover;
- 117.2 salaries payable to executive Directors may not include a commission on or percentage of turnover; and
- 117.3 fees of Directors, and any benefits payable to Directors shall be subject to annual shareholder approval at a meeting of Members.
- 118 118.1 The Directors shall be entitled to be reimbursed for all travelling, hotel and other reasonable expenses as may be incurred in attending and returning from meetings of the Directors or of any committee of the Directors or meeting of Members or otherwise howsoever in or about the business of the Company in the course of the performance of their duties as Directors.
- 118.2 If by arrangement with the Directors, any Director shall perform or render any special duties or services outside his ordinary

**Remuneration of Directors**

**Reimbursement to Directors**

**Special Remuneration to Directors**

duties as a Director in particular without limiting to the generality of the foregoing if any Director being willing shall be called upon to perform extra services or to make any special exertions in going or residing away from his usual place of business or residence for any of the purposes of the Company or in giving special attention to the business of the Company as a Member of a committee of Directors, the Company may pay him special remuneration as may be determined by the Directors, in addition to his Director's fees, and such special remuneration may be by way of a fixed sum, or otherwise as may be arranged.

- 119 The office of Director shall, ipso facto, be vacated: **Vacation of Office of Directors**
- 119.1 if he ceases to be a Director by virtue of the Act;
  - 119.2 if he resigns his office by notice in writing under his hand sent to or left at the Registered Office;
  - 119.3 if he is absent from more than fifty percent (50%) of the total Board meetings held during a financial year unless an exemption or waiver is approval is sought and obtained from the Exchange;
  - 119.4 if he is removed from his office of Director by resolution of the Company in meeting of Members of which special notice has been given;
  - 119.5 if he becomes of unsound mind or a person whose person or estate is liable to be dealt with in any way under the law relating to mental disorder during his term of office;
  - 119.6 if he becomes bankrupt or makes any arrangement or composition with his creditors generally during his term of office; or
  - 119.7 if he becomes prohibited or disqualified from being a Director by reason of any order made under the provisions of the Act or the Listing Requirements or contravenes Section 198 of the Act.

#### **POWERS AND DUTIES OF DIRECTORS**

- 120 The business and affairs of the Company shall be managed by, or under the direction of the Board who may exercise all such powers of the Company and do on behalf of the Company all such acts as are within the scope of this Constitution and by the Act or by this Constitution required to be exercised or done by the Company in meeting of Members, subject nevertheless to this Constitution, to the provisions of the Act, and to such resolutions, being not inconsistent with this Constitution, as may be prescribed by the Company in meeting of Members, but no resolution made by the Company in meeting of Members shall invalidate any prior act of the Directors which would have been valid if such regulation had not been made. **Powers and duties of Directors**
- 121 The Directors shall not without the prior approval of the Company in meeting of Members: **Approval of meeting of Members required**
- 121.1 carry into effect any proposal or execute any transaction for the acquisition of an undertaking or property of a substantial value, or the disposal of a substantial portion of or a controlling interest in the Company's undertaking or property;



- 121.2 exercise any power of the Company to issue shares unless otherwise permitted under the Act; or
- 121.3 subject to Section 228 of the Act, enter or carry into effect any arrangement or transaction where a Director or a director of the holding company or a subsidiary of the Company, or with a person connected with such a Director acquires or is to acquire from the Company or disposes of or is to dispose to the Company shares or non-cash assets of the requisite value as defined in the Act.
- 122 122.1 The Directors may exercise all the powers of the Company to borrow money and to mortgage or charge its undertakings, property and uncalled capital, or any part thereof, and to issue debentures and other Securities whether outright or as security for any debt, liability or obligation of the Company or of any related third party, provided always that nothing contained in this Constitution shall authorise the Directors to borrow any money or mortgage or charge any of the Company's undertaking, property or any uncalled capital or to issue debentures and other Securities whether outright or as security for any debt, liability or obligation of an unrelated third party.
- 122.2 The Directors shall cause a proper register to be kept in accordance with Section 362 of the Act of all mortgages and charges specifically affecting the property of the Company and shall duly comply with the requirements of the Act in regard to the registration of mortgages and charges therein specified or otherwise.
- 123 If the Directors or any of them, or any other person, shall become personally liable for the payment of any sum primarily due from the Company, the Directors may execute or cause to be executed any mortgage, charge or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the Directors or persons so becoming liable as aforesaid from any loss in respect of such liability.
- 124 The Directors may procure the establishment and maintenance of any non-contributory or contributory pension or superannuation fund or life assurance scheme for the benefit of and pay, provide for or procure the grant of donations, gratuities, pensions, allowances, benefits or emoluments to, any persons who are or shall have been at any time in the employment or service of the Company or any associated company or to any persons who are or have been a Director of other officer of and holds or have held salaried employment in the Company or any associated company or the wives, widows, families or dependents of any such persons. The Directors may also procure the establishment and subsidy of or subscription and support to any institutions, association, clubs, funds or trusts calculated to be for the benefit of any such persons as aforesaid or of its Members and payment for or towards the insurance of any such persons as aforesaid and subscriptions or guarantees of money for charitable or benevolent objects or for any exhibitions of for any public, general or useful object. Provided that any Director holding such salaried employment shall be entitled to retain any benefit received by him hereunder subject only where the Act requires, to proper disclosure to the Members of the Company in meeting of Members. In this Clause, the expression "the associated company" shall include any Company which is the holding company of the Company or a subsidiary of the Company or of any such holding company or which in the opinion of the Directors
- Directors' borrowing power**
- Power of Directors to indemnify out of Company's assets**
- Establishment and maintenance of any pension superannuation fund or life assurance schemes for the benefit of the employees of the Company**

can properly be regarded as being connected with the Company or with any such company as aforesaid.

- 125 The Directors may from time to time, and at any time, by power of attorney under the Seal, appoint any corporation, firm or person or body of persons, whether nominated directly or indirectly by the Directors to be the attorney or attorneys of the Company for such purposes and with such powers, authorities and discretion (including the power to sub-delegate but not exceeding those vested in or exercisable by the Directors under this Constitution) and for such period and subject to such conditions as the Directors may from time to time think fit, and any such power of attorney may contain such provisions for the protection or convenience of persons dealing with any such attorney as the Directors think fit. **Director's power to appoint attorney of the Company**
- 126 All cheques, promissory notes, drafts, bills of exchange and other negotiable instruments and all receipt for money paid to the Company shall be signed, drawn, accepted, endorsed or otherwise executed, as the case may be, in such manner as the Directors may from time to time determine. **Cheques, bills etc.**
- 127 A Director may hold any other office or place of profit under the Company (other than the office of auditor) in conjunction with his office of Director for such period and on such terms (as to remuneration and otherwise) as the Directors may determine. No Director or intending Director shall be disqualified by his office from contracting with the Company with regard to his tenure of any such office or place of profit in any other respect nor shall any such contract, or any contract or arrangement entered into by or on behalf of any 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 always that Sections 221 and 228 and all other relevant provisions of the Act and this Constitution are complied with. **Right to hold other office under the Company**
- 128 Any Director may act by himself or his firm in a professional capacity for the Company, and he or his firm shall be entitled to remuneration for professional services as if he were not a Director, provided that nothing herein contained shall authorise a Director or his firm to act as auditor of the Company. **Right to payment for professional services**
- 129 A Director shall at all times exercise his powers for a proper purpose, in good faith and in the best interest of the Company and shall act honestly and use reasonable care, skill and diligence in the discharge of the duties of his office and shall not, without the consent or ratification of a meeting of Members, make use of any information acquired by virtue of his position as a Director to gain, directly or indirectly, an improper advantage for himself or for any other person or cause detriment to the Company. **As to the duty and liability of the Director**
- 130 Every Director shall give notice to the Company of such events and matters relating to himself as may be necessary or expedient to enable the Company and its officers to comply with the requirements of the Act and the Listing Requirements. **General duty to make disclosure**

#### **PROCEEDINGS OF DIRECTORS**

- 131 The Third Schedule of the Act does not apply to the Company. The Directors may meet together for the despatch of business, adjourn and otherwise regulate their meetings and proceedings as they think fit. A **Directors' meeting**

- Director may at any time and the Secretary shall on the requisition of a Director summon a meeting of the Directors.
- 132 A notice of a meeting of the Board shall be sent to every Director who is in Malaysia, and the notice shall include the date, time and place of meeting and the matters to be discussed. **Notice of meeting**
- 133 An irregularity in the notice of a meeting is waived if all Directors entitled to receive notice of the meeting attend the meeting without objection to the irregularity. **Waiver of irregular notice of meeting**
- 134 The quorum necessary for the transaction of the business of the Directors shall be a majority of the Directors. No business may be transacted at a meeting of the Board if a quorum is not present. **Quorum**
- 135 A meeting of the Directors for the time being at which a quorum is present shall be competent to exercise all or any of the powers, authorities and discretion by or under this Constitution vested in or exercisable by the Directors generally. Every Director has one vote. Subject to this Constitution, questions arising at any meeting of the Directors shall be decided by a majority of votes and a determination by a majority of Directors shall for all purposes be deemed a determination of the Directors. **Proceeding of meeting**
- 136 In case of equality of votes, the Chairman of the meeting shall have a second or casting vote. The Chairman of the meeting shall however not have a second or casting vote where at the meeting only two (2) Directors form the quorum or where only two (2) Directors are competent to vote on the question at issue. **Chairman's casting vote**
- 137 The remaining Directors may continue to act notwithstanding any vacancy in their body but if and so long as their number is reduced below the minimum number fixed by or pursuant to this Constitution the remaining Director may, except in an emergency, act for the purpose of increasing the number of Directors to such minimum number, or to summon a meeting of Members. **Number reduced below quorum**
- 138 A Director who has not appointed an alternate director may authorise any other Director to vote for him at any meeting or meetings at which he is not present and in that event, the Director so authorised shall have a vote for each Director by whom he is so authorised in addition to his own vote. Every such authority shall be in writing, which shall be produced at the meeting or meetings at which the same is to be used and be left with the Secretary for filing. **Authority of one Director to vote for absent Director**
- 139 All or any of the members of the Board or any committee of the Board may participate at a meeting of the Board or that committee by means of audio, or audio and visual, telephone or video conferencing or by means of other communication equipment whereby all persons participating in the meeting are able to hear each other and be heard for the entire duration of the meeting. A person so participating shall be deemed to be present in person and shall be entitled to vote or be counted in a quorum accordingly. Any meeting held in such manner shall be deemed to be held at such place as shall be agreed upon by the Directors attending the meeting provided that at least one of the Directors present at the meeting was at such place for the duration of that meeting. All information and documents must be made equally available to all participants prior to or at/during the meeting. **Participation in meetings by way of telephone and video conferencing**
- 140 The Directors may from time to time elect and remove a Chairman of the Board and determine the period for which he is to hold office. The Chairman so elected shall preside at all meetings of the Directors but if **Chairman**

no such Chairman be elected, or if at any meeting the Chairman be not present within fifteen (15) minutes after the time appointed for holding the same, the Directors present shall choose one of their number to act as Chairman of such meeting.

- 141 Every Director shall comply with the provisions of Sections 219 and 221 of the Act in connection with the disclosure of his shareholding and interest in any contract or proposed contract with the Company and in connection with the disclosure of holding any offices and possesses any property, every Director shall state the fact and the nature, character and extent of any office or possession of any property whereby whether directly or indirectly, duties or interests might be created in conflict with his duty or interest as a Director of the Company. **Disclosure of interest in contracts, property, offices etc.**
- 142 A Director shall not vote in regard to any contract or proposed contract or arrangement in which he is, directly or indirectly interested. Without prejudice to the generality of the foregoing, a Director shall also not vote in regard to any contract or proposed contract or arrangement with any other company in which he is interested either as an officer of that other company or as a holder of shares or other Securities in that other company and if he votes, his vote shall not be counted. **Directors refrained from voting in interested transactions**
- 143 A Director, notwithstanding his interest shall be counted in the quorum present at any meeting of the Board but shall not participate in any discussion while the contract or arrangement in which he is in any way interested is being considered during the meeting provided always that he has complied with Section 221 and all other relevant provisions of the Act, the Listing Requirements and of this Constitution. **Interested Director in a transaction to be counted in the quorum**
- 144 A Director may vote in respect of:
- 144.1 any arrangement for the giving the Director himself or any other Director any security or indemnity in respect of money lent by him to or obligations undertaken by him for the benefit of the Company; or
- 144.2 any arrangement for the giving by the Company of any security to a third party in respect of a debt or obligation of the Company for which the director himself or any other Director has assumed responsibility in whole or in part under a guarantee or indemnity or by the deposit of a security. **Directors may vote in giving of security or indemnity where he is interested**
- 145 A Director may be or become director or other officer of or otherwise be interested in any corporation promoted by the Company or in which the Company may be interested as shareholder or otherwise, or any corporation, which is directly or indirectly interested in the Company as shareholder or otherwise, and no such Director shall be accountable to the Company for any remuneration or other benefits received by him as a Director or officer of, or from his interest in, such corporation, unless the Company otherwise directs at the time of his appointment. The Directors may exercise the voting power conferred by the shares or other interest in any such other corporation held or owned by the Company, or exercisable by them as Directors of such other corporation in such manner and in all respects as they think fit (including the exercise thereof in favour of any resolution appointing themselves or any of the Directors or other officers of such corporation) and any Director may vote in favour of the exercise of such voting rights in manner aforesaid, notwithstanding that he may be, or is about to be appointed, a Director or other officer of such corporation and as such is or may become interested in the exercise of such voting rights in manner aforesaid provided always that he has **Director may become director or other officer of any corporation promoted by the Company**

complied with Section 221 and all other relevant provisions of the Act, the Listing Requirements and of this Constitution.

### COMMITTEES OF DIRECTORS

- 146 The Directors may establish any committees, boards or agencies, comprising of one or more persons, for managing any of the affairs of the Company, either in Malaysia or elsewhere, and may lay down, vary or annul such rules and regulations as they may think fit for the conduct of the business thereof, and may appoint any persons to be members of any such committee or board or any managers or agents and may fix their remuneration, and may delegate to any such committee, board, manager or agent any of these powers, authorities and discretion vested in the Directors, with power to sub-delegate, and may authorise the members of any such committee or board, 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 persons dealing in good faith without notice of any such annulment or variation shall be affected thereby. **Directors may establish committees etc.**
- 147 The meetings and proceedings of any such committee consisting of two (2) or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Directors so far as the same are applicable thereto and are not superseded by a regulation made by the Directors under the last preceding Clause. **Meetings of the committee**
- 148 Subject to any rules and regulations made hereunder, a committee may meet and adjourn as it thinks proper, and questions arising at any meeting shall be determined by a majority of votes of the members present (if more than one), and in the case of an equality of votes, the Chairman shall have a casting vote. Provided always that where two (2) Directors form the quorum for the committee, the Chairman of the meeting at which only such a quorum is present or at which only two (2) Directors are competent to vote on the question at issue, shall not have a casting vote. **Proceedings of the committee**
- 149 A committee, board or agency may elect a Chairman of its meetings, if no such Chairman is elected, or if at any meeting, the Chairman is not present within fifteen (15) minutes after the time appointed for holding of the meeting, the members present may choose one of their number to be the Chairman at the meeting. **Chairman of the committee**

### VALIDATION OF ACTS OF DIRECTORS

- 150 All acts done by any meeting of the Directors or a Committee of Directors or by any person acting as a Director, board or agency shall, notwithstanding that it is afterwards discovered 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 such person had been duly appointed and was qualified and had continued to be a Director or member of such committee, board or agency as aforesaid and had been entitled to vote. **Validation of acts of Directors**

### CIRCULAR RESOLUTION

- 151 A resolution in writing signed or approved by letter, facsimile, electronic means or other similar means of communication by a majority of the Directors who may be present in Malaysia and who are sufficient to form a quorum, shall be as valid and effectual as if it had been passed at a **Circular resolution**

meeting of the Directors duly called and constituted; provided that where a Director is not so present but has an alternate, who is so present, then such resolution shall also be signed or approved by such alternate. All such resolutions shall be described as "Directors' Circular Resolution" and shall be forwarded or otherwise delivered to the Secretary without delay, and shall be recorded by him in the Company's Minute Book. Any such resolution may consist of several documents in like form, each signed or approved by one (1) or more Directors or their alternates.

#### **MANAGING DIRECTOR**

- 152 The Directors may from time to time appoint one (1) or more of its body to the office of managing director, for such period and on such terms as the Directors thinks fit and may revoke any such appointment. A Managing Director, or a person performing the functions of a managing director, by whatever name called, shall be subject to the control of the Board. **Directors may appoint Managing Director**
- 153 A Managing Director shall subject to the terms of any agreement entered into any particular case, receive such remuneration whether by way of salary, commission or participation in profits or partly in one way and partly in another as the Directors may determine. **Remuneration of Managing Director**
- 154 A Managing Director shall, while he continues to hold that office, be subject to retirement by rotation and shall be reckoned as a Director for the purpose of determining the rotation or retirement of Directors or in fixing the number of Directors to retire, but he shall, subject to provisions of any contract between him and the Company, be subject to the same provision as to resignation and removal as the other Directors of the Company and if he ceases to hold the office of Director for any cause shall ipso facto and immediately cease to be a Managing Director. **Managing Director or Deputy Managing Director reckoned as Directors for purposes of rotation and retirement**
- 155 The Directors may entrust to and confer upon a Managing Director any of the powers exercisable by them upon such terms and conditions and with such restriction as they may think fit either collaterally with or to the exclusion of their own powers and may from time to time revoke, withdraw, alter or vary all or any of those powers. **Delegation of duties of the Directors to the Managing Director**

#### **ASSOCIATE DIRECTORS**

- 156 The Directors may from time to time appoint any person or persons to be an associate director or associate directors and may from time to time cancel any such appointments. The Directors may fix, determine and vary the powers, duties and remuneration of any person or persons so appointed and the number of associate directors that the Company may have from time to time and at any time. Any person or persons so appointed shall not be required to hold any shares to qualify him for appointment nor have any right to attend or vote at any meeting of Directors except by the invitation and with the consent of the Directors. **Directors may appoint associate directors**

#### **MINUTES AND REGISTERS**

- 157 The Directors shall cause minutes to be duly entered in books provided for the purpose: **Minutes**
- 157.1 of all appointments of officers;
- 157.2 of the names of all the Directors present at each meeting of the Directors and of any Committee of Directors, board or agency and of the Company in meeting of Members;

157.3 of all resolutions and proceedings of meetings of Members and of meetings of the Directors and Committees of Directors, board or agency; and

157.4 of all orders made by the Directors and any Committee of Directors, board or agency.

Such minutes shall be signed by the chairperson and/or Chairman of the meeting at which the proceedings were held or by the Chairperson and/or Chairman of the next meeting is sufficient evidence of the proceedings at the meeting without any further proof of the facts thereon stated.

158 Where a resolution is passed at an adjourned meeting of the Board, the resolution shall, for all purposes, be treated as having been passed on the date on which it was in fact passed and shall not to be deemed to have been passed on any earlier date.

159 The Company shall in accordance with the provisions of Section 57 of the Act, keep at the Registered Office or such other place provided notice has been given to the Registrar of Companies, a register containing such particulars with respect to the Directors, managers and secretaries of the Company as are required by the Act and shall from time to time notify the Registrar of Companies of any change in such register and of the date of such change in manner prescribed in Section 58 of the Act. **Register of Directors, Managers and Secretaries**

160 The books containing the minutes of proceedings of all meeting of Members shall be kept by the Company at the Registered Office or such other place provided notice has been given to the Registrar of Companies, and shall be open to the inspection of any Member without charge. **Minute books kept at Registered Office**

161 The Company shall also keep at the Registered Office or such other place provided notice has been given to the Registrar of Companies, a register which shall be open to the inspection of any Member without charge or on payment of such prescribed fee as stated in the Act and to any other person on payment of such prescribed fee stated in the Act or such lesser amount as may be determined by the Company, all such matters required to be so registered under the Act, and in particular: **Registers kept at Registered Office**

161.1 a register of substantial shareholders and of information received as required under Section 144 of the Act;

161.2 a register of the particulars of each of the Directors' shareholdings and interests as required under Section 59 of the Act; and

161.3 a register of mortgages and charges as required under Section 362 of the Act.

#### **THE SECRETARY**

162 The Secretary, co-secretary(ies) and assistant secretary(ies) shall, in accordance with the Act, be appointed by the Board for such term, at such remuneration, and upon such conditions as the Directors think fit and any Secretary, co-secretary(ies) and assistant secretary(ies) so appointed may be removed by it. **The Secretary**

#### **SEAL**

163 The Directors shall provide for the safe custody of the Seal which shall only be used pursuant to a resolution of the Directors or a committee of the **The custody and the affixing of the Seal**

Directors authorised by the Directors. The Directors may from time to time make such regulation as they think fit determining the persons and the number of such persons in whose presence the Seal shall be affixed and until otherwise so determined, the Seal shall be affixed in the presence of at least one (1) Director and counter-signed by the Secretary or by a second Director or by some other person appointed by the Directors for the purpose who shall sign every instrument to which the Seal is affixed and the Directors may resolution determine either generally or in any particular case that the signature of any Director, the Secretary or such other persons appointed as aforesaid may be affixed or reproduced by facsimile, autographic or other mechanical means provided that the use of such is restricted to a certificate or other documents of title in respect of any shares, stock, debenture or marketable security created or issued by the Company to be given under the Seal of the Company.

164 The Company may also have a Shares seal pursuant to Section 63 of the Act. The Shares seal is an exact copy of the Seal with the addition on its face of the words "Securities" which is specifically affixed onto certificates that may be issued by the Company for any share, stock, loan stock, debentures as defined in the Act, or other marketable security created or issued by the Company. **The Shares seal**

165 The Company or the Directors on behalf of the Company may exercise the powers conferred by the provisions of the Act with regard to having an official Seal for use abroad and the powers conferred by the provisions of the Act with regard to the keeping of a branch Register. **Power to have a seal for use abroad**

#### **RESERVES**

166 The Directors may, before authorising any distribution of dividend, set aside out of the profits of the Company such sums as they think proper as a reserve fund to meet depreciation or contingencies, or for equalising dividends or for the payment of special dividends, or for the general liquidation of any debt or liability of the Company or for repairing, improving or maintaining any of the property of the Company, or for such other purposes (being purposes for which the profits of the Company may lawfully be applied) as the Directors shall in their absolute discretion think conducive to the interest of the Company, and may invest the several sums so set aside upon such investments as they think fit (including purchasing shares in the Company to the extent and in the manner allowed by the Act and subject to the provisions of this Constitution) and from time to time vary or realise such investments and dispose of all or any part thereof for the benefit of the Company, and may divide any reserve fund into such special funds as they think fit, with all power to employ the assets constituting the reserve fund in the business of the Company, and that without being bound to keep the same separate from the other assets. The Directors may also, without placing the same to reserve, carry forward any profits which they may think prudent not to divide. **Creation of reserve fund**

#### **DIVIDEND**

167 The profits of the Company available for dividend and determined to be distributed shall be applied in the payment of dividends to the Members in accordance with their respective rights and priorities. The Company may make a distribution of dividends to the Members accordingly out of profits of the Company available if the Company is solvent, but no dividend shall exceed the amount as authorised by the Directors. **Payment of dividends**

168 The Board may authorise a distribution at such time and in such amount as the Board considers appropriate, if the Board is satisfied that the Company will be solvent immediately after the distribution is made. The Company is **Distribution only if Company is solvent**



regarded as solvent if the Company is able to pay its debts in accordance with the Act.

- 169 Subject to the rights of persons, if any, entitled to shares with special rights as to dividend, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but no amount paid or credited as paid on a share in advance of call shall be treated for the purposes of this Clause as paid up on the share. All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid but if any share is issued on terms providing that it shall rank for dividend as from a particular date, that shares shall rank for dividend accordingly. **Dividends in proportion to amounts paid up**
- 170 The Directors may deduct from any dividend payable to any Member all sums of money (if any) immediately payable by him to the Company on account of calls or otherwise in relation to the shares of the Company held by him. **Debits may be deducted from dividends**
- 171 The Directors may retain any dividend or other moneys payable on or in respect of a share other than fully paid shares 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. **Power to retain dividends on which the Company has a lien**
- 172 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. **Assets, business or property bought by the Company be credited or debited to the revenue accounts of the Company**
- 173 The Directors may retain the dividends payable upon shares in respect of which any person is under the provisions as to the transmission of shares hereinbefore contained entitled to become a Member, or which any person is under those provisions entitled to transfer, until such person shall become a Member in respect of such shares or shall transfer the same. **Power to retain dividends in respect of transmission of shares**
- 174 All dividends unclaimed for more than one (1) year after having been declared may be dealt with in accordance with the provisions of the Unclaimed Moneys Act, 1965. **Unclaimed dividends**
- 175 Any dividend declared on Deposited Securities shall accrue to the Depositors whose names appear on the Record of Depositors issued to the Company or the Registrar of Companies pursuant to the Rules. **Dividend declared accrue to the Depositors**
- 176 Any dividend, interest or other money payable in cash in respect of shares may be paid by cheque or warrant and sent through the post directed to the registered address of the holder or to such person and to such address as the holder may in writing direct or, if several persons are entitled thereto in consequence of the death or bankruptcy of the holder, to any one (1) of such persons or to such person and to such address as such persons may by writing direct, subject to the Rules. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent or to such person as the holder or person or persons entitled to the shares in consequence of the death or bankruptcy of the holder may direct and the payment of any **Mode of payment of dividend**

such cheque or warrant shall operate as a good discharge to the Company in respect of the dividend represented thereby. Every such cheque or warrant shall be sent at the risk of the person entitled to the money thereby represented. No unpaid dividend or interest shall bear interest against the Company.

- 177 Subject to the provisions of the Act, the Central Depositories Act and the Rules, the Listing Requirements and/or regulatory authorities, payment of dividend may be made by direct transfer or such other mode of electronic means to the bank account of the holder whose name appear in the Record of Depositors or if a person is entitled thereto in consequence of the death or bankruptcy of the holder, to such person or to the bank account of such person by writing direct. The payment of any dividend by such electronic means shall constitute good discharge to the Company in respect of the dividend represented thereby regardless of any discrepancy given by the Member in the details of the bank account(s). **Payment of dividend by electronic means**
- 178 The Board in authorising a distribution of dividends may direct payment of such dividends wholly or in partly by the distribution of specific assets, and in particular of paid-up shares or debentures or debenture stock of any other company, or in any one (1) or more of such ways and where any difficulty arises in regard to the payment of such distribution, the Board may settle the same as it thinks expedient, and in particular may issue fractional shares and may fix the value for distribution of such specific assets or any part thereof and may determine that cash payment 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 trustee upon such trusts for the persons entitled to the dividend as may seem expedient to the Board. **Power to distribute dividend in specie**

#### CAPITALISATION OF PROFITS

- 179 The Company may, upon the recommendation of the Directors, by ordinary resolution resolve either unconditionally or subject to such conditions as it may deem fit that it is desirable to capitalise any sum standing or which will stand to the credit of the profit and loss account or otherwise available or which will become 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 to appropriate the sum resolved to be capitalised to the Members 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; their behalf, either in or towards paying the amounts (if any) for the time being unpaid on any shares held by such Members respectively, or paying up in full unissued shares or debentures of the Company, 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. **Capitalisation of profits**
- 180 Whenever such a resolution as aforesaid shall have been passed, the Directors shall make all appropriations and applications of the undivided profits 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 shares 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 entitled thereto into an agreement with the Company providing for the allotment to them respectively, credited as fully paid up, of any further shares or debentures to which they may be entitled upon such capitalisation, or (as the case may require) for the payment up by the **Appropriation and application of undivided profits for capitalisation and allotments of shares**

Company on their behalf, by the application thereto of their respective proportions of the profits resolved to be capitalised of the amounts or any part of the amounts remaining unpaid on their existing shares, and any agreement made under such authority shall be effective and binding on all such Members.

## FINANCIAL STATEMENTS

- 181 The Company, Directors and managers of the Company shall cause to be kept the accounting and other records to sufficiently explain the transaction and financial position of the Company including its subsidiaries, and enable true and fair profit and loss accounts and balance sheets and any documents required to be attached thereto to be prepared and shall distribute copies of financial statements and other documents as required by the Act and shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations the accounting and other records of the Company or any of them shall be open to the inspection of Members not being Directors, and no Member (not being a Director) shall have any right of inspecting any account or book or paper of the Company except as conferred by statute or authorised by the Directors or by the Company in a meeting of Members. Subject always to Section 245 (5) and (6) of the Act, the accounting and other records of operations as aforesaid shall be kept at the Registered Office or at such other place as the Directors thinks fit and shall always be open to inspection by the Directors. **Directors to keep proper accounts**
- 182 The Directors shall, in accordance with Section 248 of the Act, cause to be prepared, sent to every Member under Section 257 of the Act and laid before an annual general meeting the duly audited financial statements and reports. A copy of each such documents shall be circulated within the period stipulated in the Act or such other shorter period as may be agreed by all Members entitled to attend and vote at the meeting before the date of the annual general meeting, be sent to every Member, every person who is entitled to receive notice of meeting of Members, every auditor of the Company, and to every debenture holders of the Company on a request being made to the Company 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 or debenture holder to whom a copy of these documents has not been sent shall be entitled to receive a copy free of charge on request made to the Company. **Financial Statements to be made-up and laid before the Company**
- 183 Save as may be necessary for complying with the provisions of the Act or as the Company may by special 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. **Lists or particulars of securities or investment**
- 184 The Company shall issue to the Members in any manner set out in Clause 191 and give to the Exchange the annual report within the specified period given by the Exchange from the close of the financial year of the Company. **Annual Report**

## AUDIT

- 185 Auditors shall be appointed for each financial year by ordinary resolution at the annual general meeting of the Company in accordance with Section 271 of the Act and their powers and duties regulated in accordance with Section 266 of the Act. **Appointment of auditors**
- 186 The auditors shall attend every annual general meeting where the financial statements of the Company for a financial year are to be laid, so as to respond according to his knowledge and ability to any question relevant to the audit of the financial statements and to receive all notices of and other **Auditors entitled to attend meeting of Members**

communications relating to any meeting of Members which any Member is entitled to receive, and to be heard at any meeting of Members on any part of the business of the meeting which concerns the auditors.

#### **LANGUAGE**

- 187 Where any financial statements, minute books or other records required by the Act to be kept are not kept in Bahasa Malaysia or the English language, the Directors shall cause a true translation of such financial statements, minute books and other records to be made from time to time at intervals as stipulated in the Act and shall cause such translation to be kept with the original financial statements, minute books and other records for so long as the original financial statements, minute books and other records are required by the Act to be kept. **Language**

#### **DESTRUCTION OF DOCUMENTS**

- 188 The Company shall be entitled to destroy in any manner, all instruments of transfer which shall have been registered at any time after a reasonable time from the date of registration thereof, and all share certificates and dividend mandates which have been cancelled or have ceased to have effect at any time after the expiration of one (1) year from the date of cancellation or cessation thereof, and all notifications of change of name or address after the expiration of one (1) year from the date they were recorded, and in favour of the Company it shall conclusively be presumed that every entry in the register which purports to have been made on the basis of an instrument of transfer or other document so destroyed was duly and properly made and every share certificate so destroyed was a valid certificate duly and properly cancelled and every other document hereinbefore mentioned so destroyed was a valid and effective document in accordance with the recorded particulars thereof in the books or records of the Company provided that: **Company may destroy documents**
- 188.1 the foregoing provisions of this Clause shall apply only to the destruction of a document in good faith and without express notice that the preservation of such document was relevant to a claim;
- 188.2 nothing contained in this Clause shall be construed as imposing upon the Company any liability in respect of the destruction of any such document earlier than as aforesaid or in any other circumstances which would not attach to the Company but for the provisions of this Clause; and
- 188.3 reference in this Clause to the destruction of any document includes references to its disposal in any manner.

#### **AUTHENTICATION OF DOCUMENTS**

- 189 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 resolution 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 or extracts. **Appointed persons to authenticate documents**
- 190 A document purporting to be a copy of a resolution of the Director or an extract from the minutes of a meeting of the Directors which is certified as such in accordance with the provisions of Clause 189 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, **Conclusive evidence of resolutions and extract of minutes of meeting**

that such extract is true and accurate record of a duly constituted meeting of the Directors.

## NOTICES

- 191 Any notice or other document shall be served by the Company or the Secretary on any Member: **When notice deemed to be served**
- 191.1 in hard copy, either personally or by post to the addressed to such Member at his last known address in the Record of Depositors; or
- 191.2 in electronic form, and sent by the following electronic means:
- (i) transmitting to the last known electronic address provided by the Member to the Company for such purpose; or
  - (ii) publishing any notice or other document on a website provided that a notification of the publication of the notice or other document on the website via hard copy or electronic form has been given in accordance to Section 320 of the Act and the Listing Requirements; or
  - (iii) using any other electronic platform maintained by the Company or third parties that can host the information in a secure manner for access by Members provided that a notification of the publication or availability of the notice or document on the electronic platform via hard copy or electronic mail or short messaging service has been given to them accordingly; or
- 191.3 partly in hard copy and partly in electronic form.
- 192 Any notice or other document shall be deemed to have been be served by the Company to a Member: **Deemed time of notice**
- 192.1 where the notice or document is sent in hard copy by post in accordance to Clause 191, two (2) days following that on which a properly stamped letter containing the same is posted. In proving service by post it shall be sufficient to prove that the letter containing the notice or document was properly addressed and stamped and put into a post office letter box; or
- 192.2 where the notice or document is sent by electronic means in accordance to Clause 191:
- (i) via electronic mail, at the time of transmission to a Member's electronic mail address pursuant to Clause 191.2(i), provided that the Company has proof of electronic mail delivery; or
  - (ii) via publication on the Company's website, on the date the notice or document is first made available on the Company's website provided that the notification on the publication of notice or document on website has been given pursuant to Clause 191.2(ii).
- 193 Any person who, by operation of law, transfer, transmission or other means whatsoever, shall become entitled to any share, shall be bound by every notice in respect of such share, which, prior to his name and address being entered in the Record of Depositors as the registered holder of such share, shall have been duly given to the person from whom he derives the title to such share. **Person entitled to shares by transfer, transmission, etc. bound by notices**

- 194 Any notice or document required to be sent to Members may be given by the Company to the person entitled to a share in consequence of the death or bankruptcy of a Member by sending it through representatives of the deceased or assignee of the bankrupt or by any like description, at the last known address supplied to the Company for such purpose, in any manner in which the same might have been served if the death or bankruptcy had not occurred. **Notices to persons entitled to a share in consequence of death and bankruptcy of a Member**
- 195 Subject always to the provisions of Clause 191, any notice or document in hard copy or electronic form or partly in hard copy and partly in electronic form delivered or sent by post to, or left at, the registered address or electronic address provided by any Member shall, if such Member be then deceased, and whether or not the Company has notice of his death, be deemed to have been duly served on his legal personal representatives. **Notices by post to persons entitled in consequence of death**
- 196 196.1 Notice of meeting of Members shall be given in any manner hereinbefore authorised to: **Person entitled to notice of meeting of Members**
- 196.1.1 every Director of the Company;
- 196.1.2 every Member as appearing in the Record of Depositors;
- 196.1.3 any person who is entitled to a share in consequence of the death or bankruptcy of a Member who, but for his death or bankruptcy, would be entitled to receive notice of the meeting and the Company has been notified of the person's entitlement in writing;
- 196.1.4 the auditor for the time being of the Company; and
- 196.1.5 the Exchange.
- 196.2 Save as otherwise provided in this Constitution or in the Act, no other person shall be entitled to receive notice of meeting of Members.
- 196.3 Any notice on behalf of the Company or of the Board shall be deemed effectual if it purports to bear the signature of the Secretary or other duly authorised officer of the Company.

#### WINDING UP

- 197 If the Company is wound up (whether the liquidation is voluntary, under supervision, or by the Court), the liquidator may after the payment or satisfaction of all liabilities of the Company including preferred payments under the Act, with the sanction of a special resolution of the Company, divide amongst the Members in specie or in kind the whole or any part of the assets of the Company (whether they consist of property of the same kind or not) and may for that purpose set such value as he deems fair upon any property to be divided as aforesaid and may determine how the division shall be carried out as between the Members or different classes of Members. The liquidator may, with the like sanction, vest the whole or any part of any such assets in trustees upon such trusts for the benefit of the contributories as the liquidator, with the like sanction, thinks fit, but so that no Member shall be compelled to accept any shares or other securities whereon there is any liability. **Distribution in specie or in kind of the Company's assets**
- 198 Save that this Clause shall be without prejudice to the rights of holders of shares issued upon special terms and conditions, the following provisions shall apply: **Distribution of assets**

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

198.2 If in a winding-up the assets available for distribution among the Members shall be more than sufficient to repay the whole of the capital paid up at the commencement of the winding-up, the excess shall be distributed among the Members in proportion to the capital paid up, or which ought to have been paid up at the commencement of the winding up, on the shares held by them respectively.

199 On a voluntary winding up of the Company, no commission or fee shall be paid to a liquidator unless it shall have been approved by the Members. The amount of such commission or fee shall be notified to all Members not less than seven (7) days before the meeting at which it is to be considered.

**Commission or fee to liquidators**

#### **SECURITY CLAUSE**

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

#### **INDEMNITY**

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

#### **RECONSTRUCTION**

202 On the sale of the undertaking of the Company, the Directors or the liquidators on a winding up may, if authorised by a special resolution, accept fully paid or partly paid-up shares, debentures or securities of any other company, either then existing or to be formed for the purchase in whole or in part of the property of the Company, and the Directors (if the profits of the Company permit), or the liquidators (on a winding up), may distribute such shares or securities, or any property of the Company amongst the Members without realisation, or vest the same in trust for them and any special resolution may provide for the distribution or appropriation of the cash, shares or other securities, benefits or property, otherwise than in accordance with the strict legal rights of the Members or contributories of the Company, and for valuation of any such securities or property at such price and in such manner as the meeting may approve, and all holders of shares shall be bound to accept and shall be bound by any valuation or distribution so authorised, and waive all rights in relation thereto, save only in the case of the Company which is proposed to be or is in the course of

being wound up, such statutory rights (if any) under the Act as are incapable of being varied or excluded by these Clause.

#### **COMPLIANCE WITH STATUTES, REGULATIONS AND RULES**

- 203 The Company shall comply with the provisions of the relevant governing statutes, regulations and guidelines as may be amended, modified or varied from time to time and any other applicable directives or requirements imposed by the Exchange, the Depository and other regulatory authorities, to the extent required by law, notwithstanding any provisions in this Constitution to the contrary.

#### **EFFECT OF LISTING REQUIREMENTS**

- 204 204.1 Notwithstanding anything contained in this Constitution, if the Listing Requirements prohibit an act being done, the act shall not be done.
- 204.2 Nothing contained in this Constitution prevents an act being done that the Listing Requirements require to be done.
- 204.3 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).
- 204.4 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.
- 204.5 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.
- 204.6 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.
- 204.7 For the purpose of this Constitution, unless the context otherwise requires “Listing Requirements” means Bursa Malaysia Securities Berhad Main Market Listing Requirements including any amendments to the Listing Requirements that may be made from time to time.



## EXTRACT OF NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that the Fifty-Eighth Annual General Meeting of British American Tobacco (Malaysia) Berhad (the Company) will be held at Connexion Conference & Event Centre, Nexus 2 & 3, Level 3A, Nexus, Bangsar South City, No. 7, Jalan Kerinchi, 59200 Kuala Lumpur on Thursday, 18 April 2019 at 10.30 a.m. for the following purposes:

### As Special Business

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

7. **Proposed Renewal of Shareholders' Mandate for the Company and Its Subsidiaries to enter into Recurrent Related Party Transactions of a Revenue or Trading Nature with Related Parties (Proposed Renewal of the Recurrent RPT Mandate)** **Ordinary Resolution 7**

“THAT, the Recurrent RPT Mandate (as defined in the Circular to Shareholders dated 20 March 2019) granted by the shareholders of the Company authorising the Company and/or its subsidiaries (British American Tobacco Malaysia Group) to enter into recurrent related party transactions of a revenue or trading nature (Recurrent RPTs) with Related Parties (as defined in the Main Market Listing Requirements of Bursa Malaysia Securities Berhad) as set out in Paragraph 2.2 and Appendix II of the Circular to Shareholders dated 20 March 2019 which are necessary for the British American Tobacco Malaysia Group’s day-to-day operations, be and is hereby renewed and approved, provided that:

- (i) the transactions are in the ordinary course of business and are on normal commercial terms which are not more favourable to the Related Parties than those generally available to the public and are not to the detriment of the minority shareholders to the Company; and
- (ii) disclosure of the aggregate value of the transactions conducted during a financial year will be made in the annual report for the said financial year;

AND THAT the authority conferred by such renewed mandate shall continue to be in force until:

- (i) the conclusion of the next Annual General Meeting (AGM) of the Company following the AGM at which the Proposed Renewal of the Recurrent RPT Mandate is approved, at which time it will lapse, unless by a resolution passed at the next AGM the mandate is again renewed;
- (ii) the expiration of the period within which the next AGM of the Company after the forthcoming AGM is required to be held pursuant to Section 340(2) of the Companies Act 2016 (but must not extend to such extension as may be allowed pursuant to Section 340(4) of the Companies Act 2016); or
- (iii) revoked or varied by resolution passed by the shareholders in general meeting;

whichever is earlier;

AND THAT the Directors of the Company be and are hereby authorised to complete and do all such acts and things as they may consider expedient or necessary in the best interest of the Company (including executing all such documents as may be required) to give effect to the Proposed Renewal of the Recurrent RPT Mandate;

AND FURTHER THAT, as the estimated values of the Recurrent RPTs given in Appendix II of the Circular to Shareholders dated 20 March 2019 are provisional in nature, the Directors of the Company or any of them be and are hereby authorised to agree to the actual amount or amounts thereof, provided that such amount or amounts

comply with the review procedures set out in Paragraph 2.3 of the Circular to Shareholders dated 20 March 2019.”

To consider and if thought fit, to pass the following Special Resolution:

8. **Proposed Adoption of The New Constitution of The Company (Proposed Adoption)** **Special Resolution 1**

“THAT approval be and is hereby given that the existing Constitution of the Company be revoked in its entirety with immediate effect and in place thereof, the proposed new Constitution of the Company as set out in Appendix IV of the Circular to Shareholders dated 20 March 2019 be and is hereby adopted as the Constitution of the Company.

AND THAT the Directors of the Company be and hereby authorised to assent to any modification, variation and/or amendment as may be required by any relevant authorities and to do all acts and things and take all such steps as may be considered necessary to give full effect to the foregoing.”