



NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Twenty First (21st) Annual General Meeting of Sarawak Cable Berhad ("SCB" or "the Company") will be held at M Hotel, Hock Lee Centre, Level 4, Hotel Towers A, Jalan Datuk Abang Abdul Rahim, 93450 Kuching, Sarawak on Wednesday, 12 June 2019 at 10:00 a.m. to transact the following businesses:

AGENDA

Ordinary Business

- To receive the Audited Financial Statements for the financial year ended 31 December 2018 together with the Reports of the Directors and Auditors thereon. **(Please refer to Explanatory Note (a))**
Resolution 1
- To approve the following payments to Directors:
 - Directors' fees amounting to RM1,168,000.00 for the financial year ended 31 December 2018.
 - Meeting allowances up to RM120,000.00 for the year ending 31 December 2019 until the next annual general meeting of the Company.**Resolution 2**
- To re-elect the following Directors retiring pursuant to Article 86 of the Company's Articles of Association and being eligible, offer themselves for re-election:
 - Tan Sri Dato' Seroi H'ng Bok San @ H'ng Ah Ba
 - Datuk Kevin How Kow
 - Dato' Ahmad Redza bin Abdullah**Resolution 3**
Resolution 4
Resolution 5
- To re-appoint Messrs. Ernst & Young as auditors of the Company until the conclusion of the next annual general meeting and to authorise the Board of Directors to fix their remuneration. **Resolution 6**

Special Business

- To consider and, if thought fit, pass the following ordinary resolution:

Continuation in office as Independent Non-Executive Director pursuant to Practice 4.2 of the Malaysian Code on Corporate Governance 2017 **Resolution 7**

"THAT subject to the passing of Ordinary Resolution No. 4, approval be and is hereby given to Datuk Kevin How Kow who has served as an Independent Non-Executive Director of the Company for a consecutive term of more than nine (9) years, to continue in office as an Independent Non-Executive Director".
- To consider and, if thought fit, pass the following ordinary resolution:

Continuation in office as Independent Non-Executive Director pursuant to Practice 4.2 of the Malaysian Code on Corporate Governance 2017 **Resolution 8**

"THAT approval be and is hereby given to Encik Erman bin Radin who has served as an Independent Non-Executive Director of the Company for a consecutive term of more than nine (9) years, to continue in office as an Independent Non-Executive Director".
- To consider and, if thought fit, pass the following ordinary resolution:

Authority to issue shares pursuant to Section 76 of the Companies Act 2016 **Resolution 9**

"THAT pursuant to Section 76 of the Companies Act 2016 and subject always to the approval of the relevant authorities, the Directors be and are hereby empowered to issue shares in the Company from time to time and upon such terms and conditions and for such purposes as the Directors may deem fit provided that the aggregate number of shares issued pursuant to this resolution does not exceed 10% of the total number of issued shares of the Company for the time being **AND THAT** the Directors be and are also empowered to obtain the approval for the listing of and quotation for the additional shares so issued on the Bursa Malaysia Securities Berhad **AND FURTHER THAT** such authority shall continue in force until the conclusion of the next annual general meeting of the Company."
- To consider and, if thought fit, pass the following ordinary resolution:

Proposed renewal of shareholder mandate for recurrent related party transactions of a revenue or trading nature ("Shareholder Mandate") **Resolution 10**

"THAT subject always to the Listing Requirements of Bursa Malaysia Securities Berhad, approval be and is hereby given to the Company and/or its subsidiaries ("SCB Group") to enter into any of the categories of related party transactions which are recurrent, of a revenue or trading nature and are necessary for the day-to-day operations of SCB Group as outlined in Section 3.2 on pages 3 to 7 of the Circular to Shareholders dated 30 April 2019 ("Circular"), with the specific related parties mentioned therein subject further to the followings:

 - 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 not detrimental to the interest of the minority shareholders; and
 - disclosure is made in the annual report a breakdown of the aggregate value of the 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 Main Market Listing Requirements, and amongst others, based on the following information:
 - the type of the recurrent related party transactions made; and
 - the names of the related parties involved in each type of the recurrent related party transactions made and their relationship with the Company.

AND THAT such approval will continue to be in force until:

 - the conclusion of the next annual general meeting ("AGM") of the Company, at which time it will lapse, unless by an ordinary resolution passed at the meeting, the authority is renewed;
 - the expiration of the period within which the next AGM of the Company after that date is required to be held pursuant to Section 340(2) of the Companies Act 2016 ("the Act") (but must not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or
 - revoked or varied by resolution passed by the shareholders in general meeting, whichever is the earlier.

AND THAT the Board of Directors of the Company be and is hereby authorised to complete and do all such acts and things as they may consider expedient or necessary to give effect to the Shareholder Mandate."
- To consider and, if thought fit, to pass the following special resolution in relation to the Proposed Adoption of a New Constitution of the Company as set out in Part B of the Circular to Shareholders dated 30 April 2019 despatched together with the Company's 2018 Annual Report: **Resolution 11**

"THAT approval be and is hereby given to the Company to revoke the existing Memorandum and Articles of Association in its entirety with immediate effect and in place thereof, the new Constitution of the Company as set out in Part B of the Circular to Shareholders dated 30 April 2019 be and is hereby adopted as the Constitution of the Company.

AND THAT the Directors of the Company be and are hereby authorised to do all acts, deeds and things as are necessary and/or expedient with full powers to allow for any variations, modifications and/or amendments as may be required by any relevant authorities to give full effect to the foregoing."
- To transact any other business which may properly be transacted at an annual general meeting, due notice of which shall have been previously given in accordance with the Companies Act 2016 and the Company's Articles of Association.

By Order of the Board of Directors
Teoh Wen Jing (MIA 25770)
Yoon Jan Moi (MAICSA 7021367)
Company Secretaries

Kuching, Sarawak
Dated: 30 April 2019

Explanatory Notes:

- (a) This agenda item is meant for discussion only and therefore, it will not be put forward for voting.**
- (b) Ordinary resolution in relation to the re-election of Independent Non-Executive Director (proposed resolution no. 4)**
- The Nomination Committee and the Board of Directors have assessed the independence of Datuk Kevin How Kow and recommended him to be re-elected as the Directors of the Company.
- (c) Ordinary resolution to retain Independent Non-Executive Directors pursuant to Practice 4.2 of the Malaysian Code on Corporate Governance 2017 (proposed resolutions 7 and 8)**
- The proposed Resolutions No. 7 and 8 are to seek shareholders' approval to retain Datuk Kevin How Kow and Encik Erman bin Radin who have served as an Independent Non-Executive Directors of the Company for a consecutive term of nine (9) years. The Board of Directors ("Board") and the Nomination Committee have assessed them and thereby recommended that they continue in office as Independent Non-Executive Directors of the Company based on the following justifications:
- their experiences, networking, understanding of business and objectivity in approach enables them to provide the Board and Board Committees with pertinent expertise, skills and competence and their independent judgement will continue to add credence to the Company;
 - they remain professionally independent and vocal, actively participated in deliberation and exercised independent judgement at Board and Board Committee meetings without being influenced by operational consideration;
 - they act in the best interests of all shareholders and their continuation in office as Independent Non-Executive Directors will provide a check and balance to operational management;
 - they continue to bring independent and objective judgements to Board deliberations and the decision making process as a whole. They also possess vast professional experience and bring the right mix of skills to the Board;
 - they fulfilled the criteria as Independent Non-Executive Director as stipulated in the Listing Requirements and therefore are able to offer impartial guidance and advice to the Board; and
 - they continue to exercise independent and objective judgement in carrying out their duties as Independent Non-Executive Directors and they provide guidance, unbiased and independent views to various aspects of the Company and the Group's strategy so as to safeguard the interests of minority shareholders. Their long tenure as Independent Non-Executive Directors have no conflict of interest or undue influence from management and interested parties.
- (d) Ordinary resolution on Authority to issue shares pursuant to Section 76 of the Companies Act 2016**
- The proposed resolution no. 9 will give powers to the Directors to issue shares up to ten per centum (10%) of the total number of issued shares of the Company for the time being for such purposes as the Directors consider would be in the best interest of the Company. This authority, unless revoked or varied by the Company at a general meeting, will expire at the next annual general meeting of the Company.
- The general mandate sought for issue of shares is a renewal of the mandate that was approved by the shareholders at the Company's annual general meeting held on 22 May 2018 ("AGM 2018"). The Company did not utilize the mandate that was approved at the AGM 2018.
- The renewal of the general mandate is to provide flexibility to the Company to issue new shares without the need to convene separate general meeting to obtain its shareholders' approval so as to avoid incurring additional cost and time.
- The purpose of this general mandate is for possible fund raising exercises including but not limited to further placement of shares for purpose of funding current and/or future investment projects, working capital and/or acquisitions.
- (e) Ordinary resolution on Shareholder Mandate for recurrent related party transactions**
- Paragraph 10.09 of the Main Market Listing Requirements states that with regard to related party transactions which are recurrent, of a revenue or trading nature and which are necessary for day-to-day operations ("RRPT"), a public listed company may seek a shareholder mandate.
- The proposed resolution no. 10, if passed, will authorise the Company and each of its subsidiaries to enter into RRPT with the mandated related parties as identified in Section 3.2 on pages 3 to 7 of the Circular to Shareholders dated 30 April 2019 ("Circular"), which are necessary for the SCB Group's day-to-day operations, provided that such 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 not detrimental to the interest of the minority shareholders.
- By obtaining the Shareholder Mandate, the necessity to convene separate meetings from time to time to seek shareholders' approval as and when such RRPT occur would not arise. This would reduce substantial administrative time and costs associated with the convening of such meetings without compromising on the corporate objectives of SCB Group or adversely affecting the business opportunities available to SCB Group.
- Please refer to the Circular for further information.
- (f) Special resolution on the Proposed Adoption of a New Constitution of the Company**
- The Proposed Special Resolution, if passed, will streamline the Company's existing Memorandum and Articles of Association with the Companies Act 2016, which came into force on 31 January 2017, and to align to amendments made in the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, as well as for better clarity and to enhance administrative efficacy.
- The Proposed new Constitution of the Company is set out in Part B of the Circular to Shareholders dated 30 April 2019.

Notes:

- A member entitled to attend, speak and vote at the meeting is entitled to appoint a proxy or proxies to attend, speak and vote in his stead. A proxy may but need not be a member of the Company and there shall be no restriction as to the qualification of the proxy. A proxy appointed to attend, speak and vote at a meeting of a Company shall have the same rights as the member to speak at the meeting.
- A member entitled to attend, speak and vote at this Annual General Meeting shall not be entitled to appoint more than two (2) proxies to attend, speak and vote at the same meeting. Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he specifies the proportions of his shareholdings to be represented by each proxy.
- If the appointor is a corporation, the form of proxy must be executed under its Common Seal or under the hand of an officer or attorney duly authorized.
- Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), 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 Securities Industry (Central Depositories) Act 1991 ("SICDA") which is exempted from compliance with the provisions of subsection 25A(1) of SICDA.
- The instrument appointing a proxy must be deposited at the Registered Office of the Company at Lot 767, Block 8, Muara Tebas Land District, Demak Laut Industrial Estate Phase III, Jalan Bako, 93050 Kuching, Sarawak not less than forty-eight (48) hours before the time appointed for holding the meeting or any adjournment thereof.
- A depositor whose name appears in the Record of Depositors as at 4 June 2019 shall be entitled to attend the meeting and to speak and vote thereat.