

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the 35th Annual General Meeting (“35th AGM”) of the Company will be conducted entirely through live streaming from the broadcast venue at Tricor Business Centre, Gemilang Meeting Room, Unit 29-01, Level 29, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur on 3 May 2024, Friday at 10.30 a.m. to transact the following businesses:

1. To lay before the meeting the Audited Financial Statements for the financial year ended 31 December 2023 and the Reports of the Directors and the Auditors thereon.
2. To approve the payment of Directors’ fees amounting to RM1,570,333 for the financial year ended 31 December 2023, an increase of RM123,667 from RM1,446,666 for the financial year ended 31 December 2022. **Ordinary Resolution 1**
3. To re-elect the following Directors who retire pursuant to Regulation 115 of the Constitution of the Company:-
 - (i) Mr Francis Chia Mong Tet **Ordinary Resolution 2**
 - (ii) Mr John Chia Sin Tet **Ordinary Resolution 3**
 - (iii) Mr Ang Chye Hock **Ordinary Resolution 4**
4. To re-elect the following Director who retires pursuant to Regulation 118 of the Constitution of the Company:-
 - (i) Mdm Xu Qinqin **Ordinary Resolution 5**
5. To appoint KPMG PLT as Auditors in place of the retiring Auditors, Deloitte PLT, until the conclusion of the next Annual General Meeting and to authorise the Directors to fix their remuneration. **Ordinary Resolution 6**

As Special Business:

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

6. **Authority To Allot Shares And Waiver of Pre-Emptive Rights Over New Ordinary Shares In The Company Under Section 85(1) Of The Companies Act 2016 Read Together With Regulation 67 Of The Constitution Of The Company**

THAT pursuant to Sections 75 and 76 of the Companies Act, 2016 and subject to the approval of the relevant authorities (if any shall be required), the Directors be and are hereby empowered to issue and allot shares in the Company from time to time to such persons and upon such terms and conditions and for such purposes as the Directors may deem fit provided that the aggregate number of shares issued during the preceding 12 months does not exceed 10% of the total number of issued shares (excluding treasury shares) of the Company for the time being AND THAT the Directors be and are also empowered to obtain approval for the listing of and quotation for the additional shares so issued from Bursa Malaysia Securities Berhad AND THAT such approval shall continue to be in force until the conclusion of the next Annual General Meeting of the Company.

Ordinary Resolution 7

AND THAT in connection with the above, pursuant to Section 85(1) of the Companies Act, 2016 read together with Regulation 67 of the Constitution of the Company, the shareholders of the Company do hereby waive their pre-emptive rights over all new ordinary shares arising from issuance of new ordinary shares pursuant to Sections 75 and 76 of the Companies Act, 2016, such new ordinary shares when issued, to rank pari passu with the existing ordinary shares in the Company.”

7. To transact any other business for which due notice has been given.

By Order of the Board

CHIN HOCK YEE
SSM PC No. 201908003237
(LS 8922)

KUAN HUI FANG
SSM PC No. 202008001235
(MIA 16876)

Company Secretaries

1 April 2024
Kuala Lumpur

Notice of Annual General Meeting

Notes:

- The 35th AGM of the Company will be conducted entirely through live streaming and online remote voting using the Remote Participation and Voting facilities (“RPV”) provided by Tricor Investor & Issuing House Services Sdn Bhd via its TIIH Online website at <https://tiih.online>.

Members are to attend, speak (including posing questions to the Board via real time submission of typed texts) and vote (collectively, “participate”) remotely at the 35th AGM via the RPV provided by Tricor Investor & Issuing House Services Sdn Bhd via its TIIH Online website at <https://tiih.online>. Please follow the Procedures for RPV in the Administrative Guide for the 35th AGM to participate remotely via RPV.
- A member entitled to participate via RPV at the 35th AGM is entitled to appoint not more than two (2) proxies to participate via RPV in his stead. A proxy need not be a member of the Company.
- Only members whose names appear in the Record of Depositors as at 25 April 2024 are entitled to participate via RPV at the 35th AGM of the Company to be held on 3 May 2024.
- Where a member is an authorised nominee as defined in the Securities Industry (Central Depositories) Act 1991 (“SICDA”), it may appoint not more than two (2) proxies in respect of each securities account it holds, with ordinary shares of the Company standing to the credit of the said securities account to attend, participate and vote remotely via RPV at the 35th AGM.
- Where a member is an exempt authorised nominee (as defined under the SICDA) which holds ordinary share 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.
- Where a member appoints more than one proxy, the appointments shall be invalid unless he specifies the proportions of his holdings to be represented by each proxy.
- The instrument appointing a proxy shall be in writing under the hand of the appointor or his attorney or, if such appointor is a corporation, under its common seal or the hands of its attorney.
- The instrument appointing a proxy either in writing or in electronic form shall be deposited at the Company’s Share Registrar, Tricor Investor & Issuing House Services Sdn Bhd, at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur or its Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur or via TIIH Online at <https://tiih.online> not less than forty-eight (48) hours before the time set for the meeting or any adjournment thereof. Kindly refer to the Administrative Guide for further information on electronic submission of proxy form.
- Any authority pursuant to which such an appointment is made by a power of attorney must be deposited with 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 or alternatively, the Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur not less than forty-eight (48) hours before the time set for the meeting or adjourned general meeting at which the person named in the appointment proposes to vote.
- Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all resolutions set out in this Notice will be put to vote by way of a poll.

Notice of Annual General Meeting

11. Explanatory Note on Special Business

Ordinary Resolution 7

The proposed Ordinary Resolution 7 is a renewal of the general mandate for issuance of shares by the Company under Sections 75 and 76 of the Companies Act, 2016 (“Act”) and a waiver of pre-emptive rights over new ordinary shares (“Shares”) in the Company under Section 85(1) of the Act read together with Regulation 67 of the Constitution of the Company.

The proposed Ordinary Resolution 7, if passed, will grant a renewed general mandate and provide flexibility for the Company to empower the Directors of the Company, from the date of the above Annual General Meeting, to issue new ordinary shares of not more than 10% of the total number of issued shares (excluding treasury shares) of the Company for the time being. In order to avoid any delay and costs involved in convening a general meeting to approve such issuance of ordinary shares, this renewal of general mandate will provide flexibility to the Company for any possible fund raising activities for purpose of financing future investments, major capital expenditure, acquisitions, and/or working capital purposes. This authority, unless revoked or varied at a general meeting, will expire at the next Annual General Meeting of the Company.

The Company had, at the 34th Annual General Meeting held on 28 April 2023, obtained its shareholders’ approval for the general mandate for issuance of shares pursuant to Sections 75 and 76 of the Act. As at the date of this Notice, no new shares of the Company were issued or allotted pursuant to this mandate.

The proposed Ordinary Resolution 7 is a renewal of the general mandate for issuance of shares by the Company under Sections 75 and 76 of the Act. At this juncture, there is no decision to issue new shares.

Pursuant to Section 85(1) of the Act read together with Regulation 67 of the Constitution of the Company, shareholders have pre-emptive rights to be offered any new Shares in the Company which rank equally to the existing issued Shares in the Company. Please refer to Section 85(1) of the Act and Regulation 67 of the Constitution of the Company set out below.

In order for the Directors of the Company to issue any new Shares under Sections 75 and 76 of the Act free of pre-emptive rights, such pre-emptive rights must be waived. The proposed Ordinary Resolution 7, if passed, will exclude your pre-emptive rights over all new Shares arising from issuance of new Shares pursuant to Sections 75 and 76 of the Companies Act, 2016.

Section 85(1) of the Act set out as follows:

“85. Pre-emptive rights to new shares (1) Subject to the constitution, where a company issues shares which rank equally to existing shares as to voting or distribution rights, those shares shall first be offered to the holders of existing shares in a manner which would, if the offer were accepted, maintain the relative voting and distribution rights of those shareholders.”

Regulation 67 of the Constitution of the Company set out as follows:

“67. Offer of new shares or securities to existing members

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

Statement Accompanying Notice of **Annual General Meeting**

DIRECTORS WHO ARE SEEKING RE-ELECTION AT THE 35TH ANNUAL GENERAL MEETING OF THE COMPANY

The Directors who retire in accordance with Regulations 115 and 118 of the Constitution and being eligible offer themselves for re-election at the upcoming Annual General Meeting (“AGM”) are Mr Francis Chia Mong Tet, Mr John Chia Sin Tet, Mr Ang Chye Hock and Mdm Xu Qinqin (“Retiring Directors”).

The details of the Retiring Directors are set out in their respective profiles on pages 17 to 21 of this Integrated Annual Report. The details of their interest in the securities of the Company are set out in the Statement of Directors’ Interest on page 246 of this Integrated Annual Report.

Before presenting its recommendation to the shareholders, the Board, in collaboration with the Nomination Committee, methodically evaluated the Retiring Directors taking into account the following key factors:

- (a) performance and contribution of the Director;
- (b) fit & proper assessment of the Director;
- (c) current composition of the Board; and
- (d) tenure of each Director.

For the financial year under review, the Board conducted a formal and comprehensive performance and effectiveness assessment of the Board, Board Committees, and individual Directors, including Independent Directors. The Board Effectiveness Evaluation (“BEE”) exercise included performance criteria such as Fiduciary Role & Responsibilities, Board Structure & Composition, Meeting Effectiveness, Board Culture & Conduct, Directors’ Skill Sets, Board Contribution, Calibre & Personality, Independent Directors’ assessment and declaration.

The assessment of Director performance, derived from the 2023 BEE exercise, unequivocally indicates that the Retiring Directors have consistently met the criteria essential for an effective and high-performing Board. In addition, the Retiring Directors also met the stringent fit and proper criteria outlined in the Company’s Fit & Proper Policy.

The current composition of the Board is overall balanced and adequately embodies the necessary mix of skills, experience, and diversity. The duration of the respective tenures of the Directors enhances the overall board dynamic. This strategic mix gives a good balance, combining the experience and continuity offered by longer-tenured Directors with the fresh perspectives and insights brought by those with more recent appointments. Such diversity in tenure strengthens the Board’s effectiveness and governance, aligning with best practices in corporate governance.

Based on the aforementioned evaluation and careful consideration, the Board unequivocally endorses and advocates for the re-election of Mr Francis Chia Mong Tet, Mr John Chia Sin Tet, Mr Ang Chye Hock and Mdm Xu Qinqin to continue serving in their roles as Directors of the Company.

Statement Accompanying Notice of Annual General Meeting

APPOINTMENT OF KPMG PLT AS AUDITORS IN PLACE OF RETIRING AUDITORS, DELOITTE PLT AND TO HOLD OFFICE UNTIL THE CONCLUSION OF THE NEXT AGM AT A REMUNERATION TO BE DETERMINED BY THE DIRECTORS

At the 35th AGM of the Company, Messrs. Deloitte PLT (“Deloitte”), retire and do not seek re-appointment as Auditors of the Company. Deloitte has been the Company’s Auditors for more than 30 years. In October 2023, Deloitte announced the closure of its Ipoh office scheduled for 30 June 2024. Given that Unisem’s primary operations in Malaysia are centered in Ipoh, Perak, it is advantageous for the Company to engage an audit firm with a strong local presence and ample resources in Ipoh, Perak.

The Board wishes to seek shareholders’ approval for the appointment of Messrs. KPMG PLT (“KPMG”) as Auditors of the Company in place of the retiring Auditors, Deloitte, and to hold office until the conclusion of the next Annual General Meeting in 2025. KPMG has given their consent to act as Auditors of the Company pursuant to Section 264(5) of the Companies Act 2016, prior to this AGM.

In evaluating the suitability of KPMG, the Audit & Risk Management Committee (“ARMC”) considered the adequacy of the audit firm’s expertise and resources, the credentials and experience in the Company’s industry, reputation, the audit engagement partner to be assigned, independence, commitment, geographical coverage, staff turnover experience and continuity, and the indicative audit fees. After the evaluation, the Board, in consultation with the ARMC, is satisfied that KPMG will be able to meet the audit requirements of the Company and the Group.

The Company confirms there were no disagreements with the retiring auditors, Deloitte, on accounting treatments within the last two months from the date of this Notice.

The Company is not aware of any matters regarding the proposed change of Auditors that should be brought to the attention of the Shareholders.

GENERAL MANDATE TO ISSUE NEW ORDINARY SHARES PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT, 2016 (“THE ACT”) AND WAIVER OF PRE-EMPTIVE RIGHTS OVER NEW ORDINARY SHARES IN THE COMPANY UNDER SECTION 85(1) OF THE ACT READ TOGETHER WITH REGULATION 67 OF THE CONSTITUTION OF THE COMPANY

The details on the proposed general mandate to issue new ordinary shares pursuant to Sections 75 and 76 of the Act and waiver of pre-emptive rights over new ordinary shares in the Company under Section 85(1) of the Act read together with Regulation 67 of the Constitution of the Company are set out in the Explanatory Note on Special Business in the Notice of 35th Annual General Meeting and page 250 of the Integrated Annual Report.