

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting (“**EGM**”) of Kenanga Investment Bank Berhad (“**Kenanga IB**” or the “**Company**”) will be held at Taming Sari Grand Ballroom, The Royale Chulan Kuala Lumpur, 5, Jalan Conlay, 50450 Kuala Lumpur, Wilayah Persekutuan, Malaysia on Thursday, 25 May 2017 at 12.00 noon or immediately following the conclusion or adjournment (as the case may be) of the Company’s Forty-Third (43rd) Annual General Meeting which will be held at 11.00 a.m. on the same day and at the same place, whichever shall be the later, or at any adjournment thereof, for the purpose of considering and, if thought fit, passing with or without modifications, the following resolutions:

ORDINARY RESOLUTION 1

PROPOSED ESTABLISHMENT AND IMPLEMENTATION OF AN EMPLOYEES’ SHARE SCHEME (“SCHEME”) OF UP TO TEN PERCENT (10%) OF THE COMPANY’S TOTAL ISSUED SHARE CAPITAL (EXCLUDING TREASURY SHARES) AT ANY ONE TIME DURING THE DURATION OF THE SCHEME FOR THE ELIGIBLE EMPLOYEES AND EXECUTIVE DIRECTORS OF KENANGA IB AND ITS NON-DORMANT SUBSIDIARY COMPANIES (“PROPOSED ESS”)

“**THAT**, subject to the approval of all the relevant authorities or parties being obtained (if required) and to the extent permitted by law and the Constitution/ Memorandum and Articles of Association of the Company, approval be and is hereby given for the Company to establish the Proposed ESS, which comprises the proposed employees’ share option scheme and the proposed employees’ share grant plan for the benefit of the employees and Executive Directors of Kenanga IB and its non-dormant subsidiary companies who fulfil the criteria for eligibility for participation in the Scheme (“**Eligible Persons**”), the Board of Directors of the Company (“**Board**”) be and is hereby authorised to –

- (a) implement and administer the Proposed ESS, which involves the granting of options to subscribe for (“**ESOS Options**”) and/or the award (“**ESGP Awards**”) of ordinary shares in Kenanga IB (“**Kenanga IB Shares**”) to such Eligible Persons in accordance with the draft By-Laws which is set out in Appendix I of the Circular to Shareholders dated 28 April 2017 (“**By-Laws**”);
- (b) amend and/or modify all or part of the provisions of the By-Laws from time to time as may be required/permitted by the authorities or deemed necessary by the authorities or the Board or any committee of the Scheme established or appointed by it (“**ESS Committee**”), provided that such modifications and/or amendments are effected and permitted in accordance with the provisions of the By-Laws relating to modifications and/or amendments and to do all acts, deeds and things as may be deemed fit, necessary, expedient and/or appropriate and to enter into all such transactions, arrangements and agreements as may be necessary, expedient and/or appropriate in order to give effect to such modifications and/or amendments;
- (c) make the necessary applications and do all the things necessary at the appropriate time or times to Bursa Malaysia Securities Berhad (“**Bursa Securities**”) for the listing of and quotation for the new Kenanga IB Shares which may from time to time be allotted and issued pursuant to the Proposed ESS;
- (d) allot and issue and/or transfer from time to time such number of Kenanga IB Shares as may be required to be issued to the Eligible Persons who have accepted the offer of ESOS Options (“**ESOS Offer**”) and/or award of ESGP Awards (collectively, the “**ESS Awards**”) pursuant to their exercise of the vested ESOS Options and/or vesting of any ESGP Awards under the Scheme, provided always that the aggregate maximum number of Kenanga IB Shares which may be made available under the Scheme shall not in aggregate exceed ten percent (10%) of the issued share capital of the Company (excluding treasury shares) at any point in time during the duration of the Scheme and that such new Kenanga IB Shares shall, upon allotment and issue, rank *pari passu* in all respects with the then existing Kenanga IB Shares, save and except that they will not be entitled to any dividends, rights, allotments and/or other distributions in respect of which the entitlement date is prior to the date of allotment and issuance of the new Kenanga IB Shares and will be subject to all the provisions of the Constitution/ Memorandum and Articles of Association and the By-Laws of the Company relating to the transfer, transmission and otherwise of the Kenanga IB Shares;
- (e) establish a trust to be administered by a trustee to be appointed (“**Trustee**”) (if required to be appointed under the provisions of the By-Laws), to facilitate the implementation and administration of the Proposed ESS and authorise the Trustee to, among other things, subscribe for Kenanga IB Shares for the purpose of the Proposed ESS and to pay expenses in relation to the administration of the trust to the extent permitted by the law;
- (f) provide funding or other assistance (financial or otherwise), and/or to authorise and/or procure any one or more of the subsidiaries of the Company and/or third parties, to provide funding or other assistance (financial or otherwise) from time to time if required to enable the Trustee to subscribe for such number of Kenanga IB Shares pursuant to the Proposed ESS from time to time as may be required for the purpose of the Proposed ESS;
- (g) do all such acts, execute all such documents and to enter into all such transactions, arrangements and agreements, deeds or undertakings (including but not limited to the trust deed with the Trustee) and to make such rules or regulations, or impose such terms and conditions or delegate part of its power as may be deemed necessary, expedient and/or appropriate in order to give full effect to the Scheme and the terms of the By-Laws; and
- (h) extend the Proposed ESS for a further period of up to five (5) years or such longer duration as may from time to time be permitted by the relevant authorities without having to obtain further approvals of the shareholders of the Company in a general meeting (unless otherwise required by law or the relevant authorities) or the relevant regulatory authorities and to consent to and to adopt, if the Board so deems fit and expedient, such conditions, modifications and/or variations as may be required or imposed by the relevant authorities in respect of the Proposed ESS;

AND THAT the Board be and is hereby authorised and empowered to give effect to the Proposed ESS with full power to negotiate, approve, agree and/or assent to any conditions, modifications, variations and/or amendments in any manner as may be required, at their discretion and/or imposed or required by the relevant regulatory authorities;

AND FURTHER THAT the proposed By-Laws of the Scheme, as set out in Appendix I of the Circular to Shareholders dated 28 April 2017, be and is hereby approved and adopted.”

ORDINARY RESOLUTION 2

PROPOSED ALLOCATION OF ESS AWARDS TO MEGAT MIZAN NICHOLAS DENNEY

“**THAT**, subject to the passing of Ordinary Resolution 1 and the approval of all the relevant authorities or parties being obtained (if required), approval be and is hereby given to the Board to authorise the ESS Committee to award, from time to time throughout the duration of the Proposed ESS, ESS Awards to Megat Mizan Nicholas Denney, provided always that not more than ten percent (10%) of the aggregate number of Kenanga IB Shares to be issued under the Scheme shall be allocated to any individual Eligible Person who, either singly or collectively through persons connected with the Eligible Person, holds twenty percent (20%) or more of the issued share capital of Kenanga IB (excluding treasury shares), and subject always to such terms and conditions of the Scheme as may, from time to time, be modified, varied and/or amended in accordance with the provisions of the By-Laws and the Main Market Listing Requirements of Bursa Securities, or any prevailing guidelines issued by Bursa Securities or any other relevant authorities, as amended from time to time.

THAT the Board be and is hereby authorised to allot and issue new Kenanga IB Shares and/or transfer existing Kenanga IB Shares pursuant to the Proposed ESS to him from time to time pursuant to the vesting of his grant.

AND THAT the Board be and is hereby authorised to take such steps as are necessary or expedient to implement, finalise or to give full effect to the proposed allocation of ESS Awards to Megat Mizan Nicholas Denney with full power to assent to any terms, conditions, modifications, variations and/or amendments as may be imposed and/or permitted by the relevant authorities or otherwise thought fit by the Board to be in the best interest of the Company; to execute, sign and deliver on behalf of the Company all such agreements, arrangements and documents as may be necessary to give full effect to, complete and implement the proposed allocation of ESS Awards to Megat Mizan Nicholas Denney as well as to deal with all matters relating thereto and/or to do all such acts and things as the Board may deem fit and expedient in the best interest of the Company.”

BY ORDER OF THE BOARD

NORLIZA BINTI ABD SAMAD

MAICSA 7011089

Group Company Secretary

28 April 2017

Kuala Lumpur

Notes:

1. Only members whose names appear in the Record of Depositors on 19 May 2017 shall be entitled to attend, speak and vote at this EGM.
2. A member of the Company entitled to attend, speak and on a show of hands or on poll, to vote at the EGM is entitled to appoint up to two (2) proxies to attend, speak and vote in his place. There shall be no restriction as to the qualification of the proxy.
3. A member who is an authorised nominee as defined under the Securities Industry (Central Depositories) Act, 1991, may appoint at least one (1) proxy but 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.
4. Where a member is an exempt authorised nominee as defined under the Securities Industry (Central Depositories) Act, 1991 which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account (“**Omnibus Account**”), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each Omnibus Account it holds.
5. Where a member appoints more than one (1) proxy, the appointments shall be invalid unless he specifies the proportion of his shareholdings to be represented by each proxy.
6. 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 its common seal or under the hand of an officer or attorney duly authorised.
7. Duly completed Form of Proxy must be deposited at the office of the Company’s share registrar, Symphony Share Registrars Sdn Bhd at Level 6, Symphony House, Pusat Dagangan Dana 1, Jalan PUJ 1A/46, 47301 Petaling Jaya, Selangor Darul Ehsan, Malaysia not less than twenty-four (24) hours before the time appointed for holding the EGM or at any adjournment thereof.