



KINSTEEL BHD
(Company No. 210470-M)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the **Twenty-Sixth Annual General Meeting** of the Company will be held at The Everly Hotel, No. 1, Jalan Alamanda Precinct 1, 62000 Putrajaya on Monday, 15 January 2018 at 9.00 a.m.

AGENDA

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| 1. To receive the Statutory Financial Statements for the financial year ended 30 June 2017 together with the Reports of the Directors and Auditors thereon. | Please refer to Explanatory Note 1 |
| 2. To approve the payment of Directors' fees of RM142,500 for the financial year ended 30 June 2017. | Resolution 1 |
| 3. To approve the payment of meeting allowances of RM500.00 per meeting payable to Independent Non-Executive Directors for the period from 31 January 2017 up to the next Annual General Meeting of the Company. | Resolution 2 |
| 4. To re-elect Dato' Pheng Chin Guan who retire pursuant to the Article 83 of the Company's Articles of Association and being eligible offer himself for re-election. | Resolution 3 |
| 5. Retirement of Mr Chong Hoi Sheong @ Chong Hoi Cheong as a Director of the Company. | Please refer to Explanatory Note 2 |
| 6. To consider and if thought fit, to pass the following resolution:
"THAT Messrs Baker Tilly Monteiro Heng, having consented to act, be and are hereby appointed as Auditors of the Company in place of the outgoing Auditors, Messrs Crowe Horwath, and to hold office until the conclusion of the next Annual General Meeting of the Company, at a remuneration to be determined by the Board of Directors." | Resolution 4 |

As Special Business

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

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| 7. AUTHORITY TO ISSUE AND ALLOT SHARES PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT 2016
"THAT, subject always to the Companies Act 2016 ("Act"), the Articles of Association of the Company and the approvals from Bursa Malaysia Securities Berhad and other relevant government/regulatory authorities, where such approval is necessary, the Directors be and are hereby empowered pursuant to Sections 75 and 76 of the Act, to issue and allot shares in the Company at any time and upon such terms and conditions and for such purposes as the Directors of the Company may, in their absolute discretion, deem fit, provided that the aggregate number of shares to be issued during the preceding 12 months does not exceed 10% of the total number of the issued shares (excluding treasury shares) of the Company for the time being AND THAT the Directors of the Company be and are hereby 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 to be in force until the conclusion of the next Annual General Meeting of the Company, or at the expiry of the period within which the next annual general meeting is required to be held after the approval was given, whichever is earlier, unless such approval is revoked or varied by a resolution of the Company at a general meeting. | Resolution 5
(Please refer to Explanatory Note 3) |
| 8. To transact any other business for which due notice shall have been given. | |

BY ORDER OF THE BOARD

YEAP KOK LEONG (MAICSA 0862549)
TAN BEE HWEE (MAICSA 7021024)
Joint Secretaries

Dated: 15 December 2017

NOTES :

- For the purposes of determining a member who shall be entitled to attend and vote at the forthcoming Twenty-Sixth Annual General Meeting of the Company, the Company shall be requesting the Record of Depositors as at 8 January 2018. Only a depositor whose name appears on the Record of Depositors as at 8 January 2018 shall be entitled to attend and vote at the meeting as well as for appointment of proxy(ies) to attend and vote on his/her stead.
- A proxy may but need not be a Member of the Company and Member may appoint any person to be his proxy without limitation. There shall be no restriction as to the qualification of the proxy. A proxy appointed to attend and vote at a meeting of the Company shall have the same rights as the member to speak at a meeting.
- To be valid, proxy form, duly completed must be deposited at the Registered Office of the Company at B-38, 1st Floor, Lorong Sri Teruntum 139, Off Jalan Bukit Ubi, 25200 Kuantan, Pahang Darul Makmur not less than 48 hours before the time for holding the meeting, i.e. before 10.00 a.m., 13 January 2018. Provided That in the event the member(s) duly executes the form of proxy but does not name any proxy, such member(s) shall be deemed to have appointed the Chairman of the meeting as his/their proxy, Provided Always that the rest of the proxy form, other than the particulars of the proxy have been duly completed by the member(s).
- A member shall be entitled to appoint not more than two (2) proxies to attend and vote at the same meeting.
- Where a member is an authorised nominee as defined under the Security Industry (Central Depositories) Act, 1991 ("SICDA"), it may appoint at least one (1) proxy but not more than two proxies in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.
- Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for the 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 SICDA which is exempted from compliance with the provisions of subsection 25A(1) of SICDA.
- Where a member or the authorised nominee shall be entitled to appoint not more than two (2) proxies, or where an exempt authorised nominee appoints two (2) or more proxies to attend and vote at the same meeting and the appointment shall be invalid unless he specifies the proportions of his holdings to be represented by each proxy.
- If the proxy is a corporation this form must be executed under its common seal or under the hand of an officer or attorney duly authorised.
- If this Proxy Form is signed under the hand of an officer duly authorised, it should be accompanied by a statement reading "signed as authorised officer under Authorisation Document which is still in force, no notice of revocation having been received". If this Proxy Form is signed under the attorney duly appointed under a Power of Attorney, it should be accompanied by a statement reading "signed under Power of Attorney which is still in force, no notice of revocation having been received". A copy of the Authorisation Document or the Power of Attorney, which should be valid in accordance with the laws of the jurisdiction in which it was created and is exercised, should be enclosed in this Proxy Form.

Explanatory Notes on Ordinary/ Special Business:

- Item 1 of the Agenda**
To receive the Statutory Financial Statements for the Financial Year Ended 30 June 2017
This agenda item is for discussion only as the provision of Section 248(2) and 340(1)(a) of the Companies Act 2016 does not require a formal approval of the shareholders for the Statutory Financial Statements. Hence, this Agenda item is not put forward for voting.
- Item 5 of the Agenda**
Retirement of Mr Chong Hoi Sheong @ Chong Hoi Cheong as a Director of the Company
Mr Chong Hoi Sheong @ Chong Hoi Cheong who is above 70 years old and retiring under the resolution passed at the Twenty-Fifth Annual General Meeting of the Company held on 25 November 2016 pursuant to Section 129(6) of the Companies Act, 1965 which was then in force, of which the said resolution could only permit the Director to hold office until this Annual General Meeting. Mr Chong Hoi Sheong @ Chong Hoi Cheong has indicated to the Company that he would not seek for re-appointment at this Annual General Meeting. Therefore, Mr Chong Hoi Sheong @ Chong Hoi Cheong shall cease to be a Director of the Company at the conclusion of this Annual General Meeting.
- Item 7 of the Agenda**
Authority to Issue and Allot Shares pursuant to Sections 75 and 76 of the Companies Act 2016
The proposed Resolution 5, if passed, will give the Directors of the Company, from the date of the above General Meeting, authority to issue and allot ordinary shares up to 10% of the total number of the issued shares (excluding treasury shares) of the Company for such purposes as the Directors consider would be in the interest of the Company. This authority will unless revoked or varied by the Company in General Meeting, expire at the next Annual General Meeting.
The general mandate for issue of shares is a renewal. As at the date of notice of meeting, no shares have been issued pursuant to the general mandate granted at the last Annual General Meeting of the Company.
The general mandate sought will enable the Directors of the Company to issue and allot shares, including but not limited to further placing of shares for purpose of funding investment(s), working capital and/ or acquisitions, at any time to such persons in their absolute discretion without convening a general meeting as it would be both costs and time-consuming to organise a general meeting.