



NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Thirty-Seventh Annual General Meeting of YKGI Holdings Berhad ("YKGI" or the "Company") will be held at Function Room Petra 2, Level 2, Pullman Hotel Kuching, No.1A, Jalan Mathies, 93100 Kuching, Sarawak on Thursday, 29 May 2014 at 11:00 a.m. to transact the following businesses:

A G E N D A

- Ordinary Business**
- To receive the Audited Financial Statements of the Company for the financial year ended 31 December 2013 and the Reports of the Directors and Auditors thereon. **Resolution 1**
 - To consider and if thought fit, to pass the following resolution:
"THAT, subject to passing of the Resolution 3 below, a first and final single-tier dividend of 1.0 sen per ordinary share of RM0.50 each be declared in respect of the financial year ended 31 December 2013." **Resolution 2**
 - To consider and if thought fit, to pass the following resolution:
"THAT, subject to passing of the Resolution 2 above, a first and final single-tier dividend of 1.21 sen per redeemable convertible preference share of RM0.50 each be declared in respect of the financial year ended 31 December 2013 to be payable on the date final dividend is paid on the ordinary shares." **Resolution 3**
 - To re-elect the following directors retiring pursuant to Article 103 of the Company's Articles of Association:
 - Dato' Soh Thian Lai **Resolution 4**
 - Mr Victor Hii Lu Thian **Resolution 5**
 - Mr Yoshiki Kaneko **Resolution 6**
 - To re-elect the following directors retiring pursuant to Article 108 of the Company's Articles of Association:
 - Mr Toshihiko Takahashi **Resolution 7**
 - Mr Christopher Hii Lu Ming **Resolution 8**
 - To appoint Messrs KPMG as auditors of the Company for the ensuing year and to authorise the directors to fix their remuneration. **Resolution 9**
- Special Business**
- To consider and, if thought fit, pass the following ordinary resolution:
Authority to issue shares pursuant to Section 132D of the Companies Act, 1965 **Resolution 10**
"THAT pursuant to Section 132D of the Companies Act, 1965 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 issued share capital 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 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 and new shareholder mandates for recurrent related party transactions of a revenue or trading nature ("Shareholder Mandate") **Resolution 11**
"THAT approval be and is hereby given to the Company and its subsidiaries ("YKGI Group") to enter into any of the category of related party transactions which are recurrent, of a revenue or trading nature and are necessary for day-to-day operations of YKGI Group as outlined in point 3(b) (pages 4 to 14) of the Circular to Shareholders dated 7 May 2014 ("Circular"), with the specific related parties mentioned therein subject further to the following:
 - 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 party 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 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 143(1) of the Companies Act, 1965 ("Act") [but must not extend to such extension as may be allowed pursuant to Section 143(2) of the Act]; or
 - revoked or varied by resolution passed by the shareholders in general meeting, whichever is the 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 to give effect to the Shareholder Mandate."
9. To transact any other business of which, due notice have been given in accordance with the Companies Act, 1965 and the Company's Articles of Association.

NOTICE OF DIVIDEND ENTITLEMENT AND PAYMENT

NOTICE IS ALSO HEREBY GIVEN that a first and final single-tier dividend of 1.0 sen per ordinary share of RM0.50 each, in respect of the financial year ended 31 December 2013, if approved at the forthcoming Annual General Meeting, will be paid on 21 July 2014 to depositors whose names appear in the Record of Depositors on 30 June 2014.

A depositor shall qualify for entitlement only in respect of:

- shares transferred to the depositor's securities account before 4.00 p.m. on 30 June 2014 in respect of transfers; and
- shares bought on Bursa Malaysia Securities Berhad on a cum entitlement basis according to the Rules of Bursa Malaysia Securities Berhad.

By Order of the Board of Directors
Ms Voon Jan Moi (MAICSA 7021367)
Ir Michael Hii Ee Sing (LS 000872)

Company Secretaries
Kuching, Sarawak
Dated : 7 May 2014

Explanatory Notes on Special Business:

- (a) Ordinary resolution in relation to authority to issue shares pursuant to Section 132D of the Companies Act, 1965**
The proposed Resolution No. 10 will give powers to the Directors to issue up to a maximum ten per centum (10%) of the issued share capital of the Company for the time being for such purposes as the Directors would consider 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 17 May 2013 ("AGM 2013"). The Company did not utilize the mandate that was approved at the AGM 2013. 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.
- (b) Ordinary resolution in relation to proposed renewal of and new shareholder mandates for recurrent related party transactions of a revenue or trading nature**
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. 11 if passed, will authorise the Company and each of its subsidiaries to enter into RRPT with the mandated related parties as identified in point 3(b) (pages 4 to 14) of the Circular to Shareholders dated 7 May 2014 ("Circular"), which are necessary for the YKGI 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 the YKGI Group or adversely affecting the business opportunities available to the YKGI Group. Please refer to the Circular for further information.

Notes:

- A proxy may but need not be a member of the Company and the provisions of Section 149(1)(b) of the Companies Act, 1965 shall not apply to the Company.
- To be valid, the form of proxy, duly completed must be deposited at the registered office of the Company at Lot 712 Block 7 Demak Laut Industrial Park, 93050 Kuching, Sarawak, Malaysia not less than 48 hours before the time for holding the meeting or any adjournment thereof.
- A member of the Company entitled to attend and vote at this Annual General Meeting ("AGM") shall not be entitled to appoint more than two (2) proxies to attend 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 holdings to be represented by each proxy.
- 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.
- 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 authorised.
- A depositor whose name appears in the Record of Depositors as at 23 May 2014 shall be regarded as a member of the Company entitled to attend this Annual General Meeting or appoint a proxy to attend, speak and vote on his behalf.