



NOTICE OF 39TH ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the 39th Annual General Meeting of YKGI HOLDINGS BERHAD ("YKGI" or "Company") will be held at Meeting Room, Wisma YKGI, Lot 6479, Lorong Sg. Puloh/KU06, Kawasan Perindustrian Sungai Puloh, 42100 Klang, Selangor Darul Ehsan on Thursday, 30 June 2016 at 3.00 p.m. to transact the following business:-

AGENDA

AS ORDINARY BUSINESS

- To receive the Audited Financial Statements for the financial year ended 31 December 2015 and the Reports of the Directors and Auditors thereon. **(Please refer to Note A)**
- To approve the Directors' fees of RM136,000 for the financial year ended 31 December 2015. **RESOLUTION 1**
- To re-elect the following Directors, who retire in accordance with Article 103 of the Company's Articles of Association and, being eligible, have offered themselves for re-election: **RESOLUTION 2**
RESOLUTION 3
 - Mr Lim Pang Kiam
 - Mr Victor Hii Lu Tian
- To re-elect the following Directors, who retire in accordance with Article 108 of the Company's Articles of Association and, being eligible, have offered themselves for re-election: **RESOLUTION 4**
RESOLUTION 5
RESOLUTION 6
 - Mr Yasuji Nakano
 - Dr Loh Leong Hua
 - Mr Yoshiyuki Komaki
- To re-appoint Messrs KPMG (AF 0758) as the Auditors of the Company and to authorise the Directors to fix their remuneration. **RESOLUTION 7**

AS SPECIAL BUSINESS

To consider and if thought fit, to pass the following Ordinary Resolutions:

- AUTHORITY TO ISSUE SHARES PURSUANT TO SECTION 132D OF THE COMPANIES ACT, 1965** **RESOLUTION 8**
"THAT, subject always to the Companies Act, 1965, ("Act"), the provisions of the Memorandum and Articles of Association of the Company and other relevant regulatory authorities, the Directors of the Company ("Board") be and are hereby empowered, pursuant to Section 132D of the Act, to allot and issue shares in the Company at any time and upon such terms and conditions and for such purposes as the Board may in their discretion deem fit and expedient in the interest of the Company, 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 Board be and is also empowered to obtain the approval for the listing and quotation of the additional shares so issued on Bursa Malaysia Securities Berhad ("Bursa Securities") AND FURTHER THAT such authority shall continue to be in force until the conclusion of the next Annual General Meeting ("AGM") of the Company."
- PROPOSED RENEWAL OF AND NEW SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE ("SHAREHOLDERS' MANDATE")** **RESOLUTION 9**
"THAT, the mandate granted by the shareholders of the Company on 30 June 2015, authorising the Company and its subsidiaries ("YKGI Group") to enter into any of the categories of recurrent related party transactions of a revenue or trading nature and are necessary for day-to-day operations of YKGI Group as described in Item 3(b) (pages 4 to 12) of the Company's Circular to Shareholders dated 29 April 2016, be and is hereby renewed provided that:
(i) 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 are not to the detriment of the minority shareholders of the Company; and
(ii) disclosure is made in the Annual Report of the aggregate value of transactions conducted pursuant to the Shareholders' 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 recurrent related party transactions made; and
• the names of the related parties involved in each type of the recurrent related party transactions and their relationship with the Company
AND THAT, such approval shall continue to be in force until:
(i) the conclusion of the next AGM of the Company at which time it will lapse, unless the authority is renewed by a resolution passed at the meeting;
(ii) the expiration of the period within which the next AGM of the Company is required to be held pursuant to Section 143(1) of the Act (but shall not extend to such extension as may be allowed pursuant to Section 143(2) of the Act); or
(iii) revoked or varied by resolution passed by shareholders in general meeting,
whichever is the earlier.
AND FURTHER THAT the Board be and is hereby authorised to complete and do all such acts and things as they may consider expedient or necessary in the best interest of the Company to give full effect to the transactions described by this Shareholders' Mandate."
- To transact any other business of the Company of which due notice shall have been given in accordance with the Company's Articles of Association and the Act.

BY ORDER OF THE BOARD

SIEW SUET WEI (MAICSA NO. 7011254)
IR MICHAEL HII EE SING (LS 000872)
Company Secretaries

Klang, Selangor
29 April 2016

PROXY

- 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 Wisma YKGI, Lot 6479, Lorong Sg. Puloh/KU06, Kawasan Perindustrian Sungai Puloh, 42100 Klang, Selangor Darul Ehsan not less than forty-eight (48) hours before the time for holding the meeting or any adjournment thereof.
- A member of the Company 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 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.
- For the purpose of determining a member who shall be entitled to attend this 39th AGM, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd in accordance with the provisions under Article 63 of the Company's Articles of Association and Section 34(1) of the Securities Industry (Central Depositories) Act 1991 to issue a General Meeting Record of Depositors ("ROD") as at 23 June 2016. Only a depositor whose name appears on the ROD as at 23 June 2016 shall be entitled to attend the said Meeting or appoint proxies to attend and vote on his/her behalf.

NOTE A

This Agenda item is meant for discussion only as under the provisions of Section 169(1) of the Companies Act, 1965 and Company's Articles of Association, the audited financial statements do not require the formal approval of the shareholders. As such, this matter will not be put forward for voting.

EXPLANATORY NOTES TO SPECIAL BUSINESS

- RESOLUTION 8**
The proposed Resolution 8, if passed, will empower the Directors of the Company, to allot and issue shares in the Company up to and not exceeding in total 10% of the issued and paid-up share capital of the Company for the time being for such purposes as they consider would be in the best interests of the Company. This authority will expire at the next Annual General Meeting of the Company, unless revoked or varied at a general meeting.
This mandate is a renewal to the general mandate which was approved by the shareholders at the 38th AGM held on 30 June 2015. The renewal of the general mandate will also provide flexibility to the Company to issue new shares without the need to convene a separate general meeting to obtain its shareholders' approval so as to avoid incurring additional costs and time. As at the date of this notice, no new shares were issued pursuant to the general mandate which was approved by the shareholders at the 38th AGM.
The renewed mandate will also enable the Board to take advantage of any strategic opportunity which involve the issue/placing of shares for investments, acquisitions or to raise fund for investments and/or working capital.
- RESOLUTION 9**
The proposed Resolution 9, if passed, will enable the Company and each of its subsidiaries to enter into recurrent related party transactions of a revenue or trading nature with related parties which are necessary for the Group's day-to-day operations and 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 are not to the detriment of the minority shareholders of the Company. The details of the proposal are set out in Item 3 of the Company's Circular to Shareholders dated 29 April 2016 which is dispatched together with the Company's Annual Report 2015.

STATEMENT ACCOMPANYING NOTICE OF 39TH ANNUAL GENERAL MEETING

Pursuant to Paragraph 8.27(2) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, there is no person seeking election as Director of the Company at this 39th AGM.