

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Eleventh (11th) Annual General Meeting of Complete Logistic Services Berhad will be held at Nilai Inland Park, 1st Floor, PT 3907, Nilai Industrial Estate, 71800 Nilai, Negeri Sembilan Darul Khusus on Thursday, 18 August 2016 at 11.30 a.m. for the following purposes:-

AS ORDINARY BUSINESS

1. To receive the audited financial statements for the financial year ended 31 March 2016 and the Reports of the Directors and Auditors thereon. (Ordinary Resolution 1)
2. To approve the payment of Directors' fees not exceeding RM72,000 for the financial year ending 31 March 2017 (2016: RM72,000). (Ordinary Resolution 2)
3. To re-elect the following Directors retiring pursuant to Article 95 of the Articles of Association of the Company: (Ordinary Resolution 3)
 - (i) Law Hee Ling; and
 - (ii) Yet Kiong Siang.
4. To re-appoint Tan Sri Dato' Seri Law Hieng Ding to hold office until the conclusion of the next Annual General Meeting of the Company pursuant to Section 129(6) of the Companies Act, 1965. (Ordinary Resolution 4)
5. To re-appoint Crowe Horwath as Auditors of the Company and to authorise the Directors to fix their remuneration. (Ordinary Resolution 5)

SPECIAL BUSINESS

- To consider and, if thought fit, to pass the following resolutions:
- (A) Authority to Allot and Issue Shares Pursuant to Section 132D of the Companies Act, 1965 ("Act")- General Allotment (Ordinary Resolution 6)

"That pursuant to Section 132D of the Act, full authority be and is hereby given to the Directors to issue shares of the Company from time to time upon such terms and conditions and for such purposes as the Directors may in their absolute discretion deem fit provided that the aggregate number of shares to be issued pursuant to this resolution does not exceed ten percent (10%) of the issued share capital of the Company as at the date of this Annual General Meeting and that such authority shall continue in force until the conclusion of the next Annual General Meeting of the Company, and that the Directors be and are hereby empowered to obtain the approval of Bursa Malaysia Securities Berhad for the listing of and quotation for the new shares so issued." (See Explanatory Note 4 (i) on Special Business below)
 - (B) Authority to Allot and Issue Shares Pursuant to Section 132D of the Companies Act, 1965 ("Act") - SIS Allotment (Ordinary Resolution 7)

"That pursuant to Section 132D of the Act, full authority be and is hereby given to the Directors to issue shares in the Company from time to time under the existing Share Issuance Scheme ("SIS") of the Company provided that the aggregate number of shares to be issued under this resolution does not exceed the amount approved under the SIS and that such authority shall continue in force until the conclusion of the next Annual General Meeting of the Company, and that the Directors be and are hereby empowered to obtain the approval of Bursa Malaysia Securities Berhad for the listing of and quotation for the additional shares so issued". (see Explanatory Note 4 (ii) on Special Business below)
 - (C) Proposed Renewal of Shareholders' Mandate to Enable the Company to Purchase up to 10% of its Issued and Paid-up Share Capital ("Proposed Renewal of Share Buy-Back Authority") (Ordinary Resolution 8)

"That subject to the Companies Act, 1965 ("Act"), rules, regulations and orders made pursuant to the Act, provisions of the Company's Memorandum and Articles of Association and the Main Market Listing Requirements of Bursa Securities ("Listing Requirements") and any other relevant authority, the Company be and is hereby authorised to purchase and/or hold such amount of ordinary shares of RM0.50 each in the Company's issued and paid-up share capital through Bursa Securities upon such terms and conditions as the Directors may deem fit in the interest of the Company provided that:-

 - (a) the aggregate number of shares so purchased and/or held pursuant to this ordinary resolution ("Purchased Shares") does not exceed ten percent (10%) of the total issued and paid-up share capital of the Company at any one time; and
 - (b) the maximum amount of funds to be allocated for the Purchased Shares shall not exceed the aggregate of the retained profits and share premium of the Company;

And that the authority conferred by this ordinary resolution shall be effective immediately upon passing of this ordinary resolution and shall continue in force until the conclusion of the next Annual General Meeting ("AGM") of the Company or the expiry of the period within which the next AGM of the Company is required by law to be held (whichever is earlier), unless earlier revoked or varied by ordinary resolution of the shareholders of the Company in general meeting, but shall not prejudice the completion of purchases(s) by the Company before that aforesaid expiry date and in any event in accordance with provisions of the Listing Requirements and other relevant authorities." (See Explanatory Note 4(iii) on Special Business below)
 - (D) Proposed Renewal of Existing Shareholders' Mandate for Recurrent Related Party Transactions ("RRPT") of a Revenue and/or Trading Nature and New Mandate for Additional RRPT of a Revenue and/or Trading Nature ("Proposed Shareholders' Mandate for RRPT") (Ordinary Resolution 9)

"That authority be and is hereby given in line with Paragraph 10.09 of the Listing Requirements, for the Company, its subsidiaries or any of them to enter into any of the transactions falling within the types of the RRPT, particulars of which are set out in the Circular to Shareholders dated 27 July 2016 ("the Circular"), with the Related Parties as described in the Circular, provided that such transactions are of a revenue and/or trading nature, which are necessary for the day-to-day operations of the Company and/or its subsidiaries, within the ordinary course of business of the Company and/or its subsidiaries, made on at arm's length basis and on normal commercial terms which are generally available to the public and are not detrimental to the minority shareholders of the Company; That such authority shall commence immediately upon the passing of this ordinary resolution and continue in force until:-

 - (a) the conclusion of the next Annual General Meeting ("AGM") of the Company following the general meeting at which the ordinary resolution for the Proposed Shareholders' Mandate for RRPT is passed, at which time it shall lapse, unless the authority is renewed by a resolution passed at that AGM; or
 - (b) the expiry of the period within which the next AGM is required by law to be held; or
 - (c) revoked or varied by ordinary resolution passed by the shareholders of the Company in general meeting,

whichever occurs first;

And that the Directors of the Company be authorised to complete and do all such acts and things (including executing all such documents as may be required) as they may consider expedient or necessary or give effect to the Proposed Shareholders' Mandate for RRPT". (See Explanatory Note 4(iv) on Special Business below).
 - (E) Continuing in office as Independent Non Executive Director of the Company. (Ordinary Resolution 10)

"That subject to the passing of Ordinary Resolution 4, approval be and is hereby given to Tan Sri Dato' Seri Law Hieng Ding, who has served as an independent non executive director of the Company for a cumulative term of more than nine (9) years, to continue to serve as an independent non executive director of the Company." (See Explanatory Note 4(v) on Special Business below)

8. To transact any other business of which notice shall have been given.

By Order of the Board

Complete Logistic Services Berhad

Chia Ong Leong (MIA 4797)

Company Secretary

Klang, Selangor Darul Ehsan

Dated: 27 July 2016

NOTES

1. Receiving of the Audited Financial Statements
Item 1 of the Agenda is intended for discussion only as the provision of Section 169(1) of the Companies Act, 1965 does not require a formal approval of the shareholders of the Audited Financial Statements. As such this item is not put forward for voting.
2. Ordinary Resolution 6 - Proposed payment of Directors' fees of not exceeding RM72,000 for the financial year ending 31 March 2017.
The proposed Ordinary Resolution 1 is to seek shareholders' approval to facilitate the payment of Directors' fees on current year basis. In the event the Directors' fees proposed is insufficient, the Board will seek the approval of shareholders at the next Annual General Meeting to meet the shortfall.
3. Form of Proxy
 - (i) A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote in his stead. A proxy may but need not be a member of the Company.
 - (ii) Where a member appoints two (2) proxies, the appointment shall be invalid unless he specifies the proportion of his shareholdings to be represented by each proxy.
 - (iii) A member who is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, may appoint one (1) proxy in respect of each securities account.
 - (iv) Where a member is an exempt authorised nominee which holds shares in the Company for multiple beneficial owners in one securities account ("omibus account") as defined under the Securities Industry (Central Depositories) Act 1991, there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omibus account it holds.
 - (v) The instrument appointing a proxy in the case of an individual shall be signed by the appointor or his attorney duly authorised in writing and in the case of a corporation, the instrument appointing a proxy must be under seal or under the hand of an officer or attorney duly authorised.
 - (vi) Only a member whose name appear in the Record of Depositors as at 11 August 2016 will be entitled to attend, speak and vote at the meeting or appoint a proxy to attend, speak and vote in his stead.
 - (vii) To be valid, the original instrument appointing a proxy must be deposited at the office of the 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 not less than 48 hours before the time appointed for holding the meeting and any adjournment thereof.
4. Explanatory Notes on Special Business:
 - (i) Ordinary Resolution 6 - Proposed renewal of authority for Directors to issue shares-General Allotment
Ordinary Resolution 6 is proposed for the purpose of granting a renewal of the general mandate for the issuance of shares by the Company under Section 132D of the Act. Ordinary Resolution 6, if passed, will give the Directors of the Company authority to issue ordinary shares in the Company at any time in their absolute discretion without convening a general meeting. The authorisation, unless revoked or varied by the Company at a general meeting, will expire at the conclusion of the next AGM of the Company.
The Company had, at the 10th AGM held on 22 September 2015, obtained its shareholders' approval for the general mandate for the issuance of shares pursuant to Section 132 D of the Act. The Company did not issue any new shares pursuant to this mandate obtained as at the date of this notice. Ordinary Resolution 6 is a renewal of the general mandate. At this juncture, there is no decision to issue new shares. Should there be a decision to issue new shares after the general mandate is obtained, an announcement will be made by the Company in respect of the purpose and utilisation of proceeds arising from such issue.
The general mandate, if granted, will provide flexibility to the Company for any possible fund raising activities, including but not limited to placing of shares, for the purpose of funding future investment project(s), working capital and/or acquisition(s).
 - (ii) Ordinary Resolution 7 - Proposed authority for Directors to issue shares - SIS Allotment
Ordinary Resolution 7 is proposed for the purpose of granting Directors of the Company authority to allot and issue ordinary shares in the Company at any time to those employees who have exercised their options under the Share Issuance Scheme (SIS).
 - (iii) Ordinary Resolution 8 - Proposed renewal of the share buy-back authority.
Ordinary Resolution 8, if passed, will enable the Company to utilise any of its surplus financial resources to purchase its own shares through Bursa Securities up to 10% of the issued and paid-up capital of the Company. This authority will, unless revoked or varied at a general meeting, expire at the conclusion of the next AGM of the Company.
Further information on the proposed renewal of the share buy-back authority are set out in the Statement to Shareholders of the Company dated 27 July 2016, which is dispatched together with the Company's 2016 Annual Report.
 - (iv) Ordinary Resolution 9 - Proposed shareholders' mandate for RRPT.
Ordinary Resolution 9, if passed, is primarily to authorise the Company and/or its unlisted subsidiaries to enter into arrangements or transactions with Related Parties, particulars of which are set out in Section 4 of the Circular to Shareholders dated 27 July 2016, which is dispatched together with the Company's 2016 Annual Report, which are necessary for the day-to-day operations of the Group and are based on normal commercial terms that are not more favourable to the Related Parties than those generally made available to the public.
 - (v) Ordinary Resolution 10- Retention of Independent Non Executive Director
Tan Sri Dato' Seri Law Hieng Ding, an independent director has served a cumulative term of more than 9 years.
Ordinary Resolution 10 is proposed pursuant to Recommendation 3.3 of the Malaysian Code on Corporate Governance 2012 and if passed will allow Tan Sri Dato' Seri Law Hieng Ding to continue serving as an independent non executive director of the Company, and enable the Company to fulfill the requirements of Paragraph 3.04 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.
The Nomination Committee has assessed the independence of Tan Sri Law and the Board has recommended that Tan Sri Law be retained as an independent non executive director of the Company. The Board's justification for his retention is set out in the Statement on Corporate Governance in the Company's 2016 Annual Report.