

## NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN THAT** the Nineteenth Annual General Meeting ("19th AGM") of Kumpulan Powernet Berhad ("KPB" or "Company") will be held at No. 53, Batu 4, Jalan Bentong-Kuala Lumpur, 28700 Bentong, Pahang on Wednesday, 30 November 2016 at 10.00 a.m for the following purposes:

### AGENDA

#### ORDINARY BUSINESS:

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| 1. To receive the Audited Financial Statements for the financial year ended 30 June 2016 together with the Reports of the Directors and Auditors thereon.                                       | <b>Please refer to Explanatory Note Resolution 1</b> |
| 2. To approve the payment of Directors' fees of RM85,209.00 in respect of the financial year ended 30 June 2016.                                                                                | <b>Resolution 2</b>                                  |
| 3. To re-elect Mr. Woo Wai Mun who retires in accordance with the Articles 105 of the Company's Articles of Association and being eligible, offers himself for re-election.                     | <b>Resolution 3</b>                                  |
| 4. To re-elect Datuk Liang Teck Meng who retires in accordance with the Articles 105 of the Company's Articles of Association and being eligible, offers himself for re-election.               | <b>Resolution 4</b>                                  |
| 5. To re-elect Datuk Seri Haji Ahmad Bin Hamzah who retires in accordance with the Articles 105 of the Company's Articles of Association and being eligible, offers himself for re-election.    | <b>Resolution 5</b>                                  |
| 6. To re-elect Mr. Thum Swee Ping @ Tham Swee Ping who retires in accordance with the Articles 105 of the Company's Articles of Association and being eligible, offers himself for re-election. | <b>Resolution 6</b>                                  |
| 7. To re-elect Dato' Hasan Nawawi Bin Abd Rahman who retires in accordance with the Articles 105 of the Company's Articles of Association and being eligible, offers himself for re-election.   | <b>Resolution 7</b>                                  |
| 8. Re-appoint Messrs. Baker Tilly Monteiro Heng as Auditors of the Company for the ensuing year and to authorize the Directors to fix their remuneration.                                       | <b>Resolution 8</b>                                  |

#### SPECIAL BUSINESS:

To consider and, if thought fit, to pass with or without modifications, the following ordinary Resolutions:

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| 9. <b>Ordinary Resolution</b><br><b>Authority to Issue Shares Pursuant to Section 132D of the Companies Act, 1965</b><br>"THAT subject always to the Companies Act, 1965 ("the Act"), Articles of Association of the Company and/or approvals of the relevant authorities, the Directors be and are hereby authorised and empowered pursuant to Section 132D of the Act to allot and issue new shares in the Company, from time to time and upon such terms and conditions, for such purposes and to such person or persons whomsoever as the Directors may, in their absolute discretion deem fit, provided that the aggregate number of shares issued pursuant to this resolution does not exceed 10% of the issued and paid-up share capital of the Company for the time being AND THAT the Directors be and are hereby empowered to obtain the approval for the listing of and quotation for the additional shares so issued on Bursa Malaysia Securities Berhad AND THAT such authority shall continue in force until the conclusion of the next Annual General Meeting of the Company." | <b>Resolution 8</b> |
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#### ANY OTHER BUSINESS:

10. To transact any other business for which due notice shall have been given in accordance with the Company's Articles of Association and the Companies Act, 1965.

#### BY ORDER OF THE BOARD

**WONG YOUN KIM**  
**(MAICSA 7018778)**

Company Secretary  
Kuala Lumpur  
31 October 2016

#### Notes:

- In respect of deposited securities, only members whose names appear in the Record of Depositors on 24 November 2016 (General Meeting Record of Depositors) shall be entitled to attend, speak and vote at this meeting.
- A member of the Company entitled to attend and vote at the general meeting is entitled to appoint up to two (2) proxies to attend and vote in his/her stead. There shall be no restriction as to the qualification of the proxy. Where a member appoints two (2) proxies, he shall specify the proportion of his shareholdings to be represented by each 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 the meeting.
- A member of the Company 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 shares of the Company standing to the credit of the said securities account.
- Where a member of the Company 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 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.
- The instrument appointing a proxy in the case of an individual shall be signed by the appointer or his/her attorney duly authorised in writing and in the case of a corporation, the instrument appointing a proxy must be under its common seal or under the hand of an officer or attorney duly authorised.
- The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed (or a notorially certified copy of that power or authority) shall be deposited at the Registered Office of the Company at Level 2, Tower 1, Avenue 5, Bangsar South City, 59200 Kuala Lumpur not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof.

#### EXPLANATORY NOTE ON ORDINARY BUSINESS

Agenda 1 – Audited Financial Statements for financial year ended 30 June 2016

The Audited Financial Statements for the financial year ended 30 June 2016 are for discussion only under Agenda 1, as it does not require shareholders' approval under the provisions of Section 169(1) and (3) of the Act. Hence, it will not be put for voting.

Resolutions 2, 3, 4, 5 and 6 – Re-election of Directors

Details of the Directors standing for re-election under proposed Resolution 2, Resolution 3, Resolution 4, Resolution 5 and Resolution 6 are stated in the Directors' profile on pages 6 and 7 of the Annual Report. Their shareholdings in the Company are stated on page 101 of the Annual Report.

In line with Recommendation 3.1 of the Malaysian Code on Corporate Governance 2012, the Board had conducted an assessment of independence of the Independent Non-Executive Directors including the Independent Non-Executive Director who is due for re-election, based on the independence criteria applied by the Company and are satisfied that the independent directors continue to provide independent and objective judgement to the Board deliberations.

Resolution 8 – Authority to Issue Shares Pursuant to Section 132D of the Companies Act, 1965

The Company had, at the Eighteenth Annual General Meeting held on 23 June 2015, obtained its shareholders' approval for the general mandate for issuance of shares pursuant to Section 132D of the Act. The Company did not issue any new shares pursuant to this mandate obtained as at the date of this notice. The Ordinary Resolution pursuant to Section 132D of the Act is a renewal of the general mandate for issuance of shares by the Company. This resolution, if passed, will empower the Directors, from the date of the 19th AGM until the next Annual General Meeting ("AGM") to allot and issue new shares of the Company up to an amount not exceeding in total 10% of the issued and paid-up share capital of the Company for the time being and for such purposes as the Directors consider would be in the best interests of the Company. This would avoid any delay and cost involved in convening a general meeting to specifically approve the aforesaid. This authority, unless revoked or varied at a general meeting, will expire at the next AGM of the Company.

At this juncture, there is no decision to issue new shares. If there should be a decision to issue new shares after the general mandate is obtained, the Company will make an announcement in respect of the purpose and utilisation of proceeds arising from such issue.