



Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the Forty-Second Annual General Meeting of IpMuda Berhad will be held at Symphony 1, 1st Floor, Symphony Suites, No: 41 Lapangan Symphony Business Park, Jalan Lapangan Symphony, 31350 Ipoh, Perak Darul Ridzuan, Malaysia, on Thursday 25 May 2017 at 11.00 a.m. for the following purposes:-

AS ORDINARY BUSINESS

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| 1. To receive and adopt the Audited Financial Statements for the financial year ended 31 December 2016 and the Directors' and Auditors' Reports thereon. | Resolution 1 |
| 2. To approve the payment of Directors' Fees of RM158,400.00 for the financial year ended 31 December 2016. | Resolution 2 |
| 3. To approve the payment of Directors' benefits to the Non-Executive Directors up to an amount of RM60,000.00 from 31 January 2017 until the next Annual General Meeting of the Company. | Resolution 3 |
| 4. To re-appoint the following Director of the Company:
(a) Dato' Ahmad Bakri bin Shabdin | Resolution 4 |
| 5. To re-elect the following Directors retiring under Article 101 of the Company's Articles of Association:
(a) Tan Sri Abu Sahid bin Mohamed
(b) Dato' Yap Wee Leong | Resolution 5
Resolution 6 |
| 6. To appoint Auditors and to authorise the Directors to fix their remuneration. | Resolution 7 |

AS SPECIAL BUSINESS

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

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| 7. RETENTION OF INDEPENDENT NON-EXECUTIVE DIRECTORS | |
| (a) "THAT subject to the passing of Ordinary Resolution 4, authority be and is hereby given to Dato' Ahmad Bakri bin Shabdin 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 act as an Independent Non-Executive Director of the Company." | Resolution 8 |
| (b) "THAT authority be and is hereby given to Dato' Maarof bin H.A. Rahman 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 act as an Independent Non-Executive Director of the Company." | Resolution 9 |
| 8. AUTHORITY TO THE DIRECTORS TO ISSUE AND ALLOT SHARES PURSUANT TO SECTION 75 AND SECTION 76 OF THE COMPANIES ACT, 2016 | |
| "THAT subject always to the Companies Act, 2016, the Articles of Association of the Company and the approvals of the relevant governmental/regulatory authorities, the Directors be and are hereby empowered, pursuant to Section 75 and Section 76 of the Companies Act, 2016, to issue and allot shares in the Company at any time and 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 issued pursuant to this resolution does not exceed 10% of the total number of issued shares of the Company for the time being and that the Directors be and are also empowered to obtain the approval from Bursa Malaysia Securities Berhad for the listing of and quotation for the additional shares so issued and that such authority shall continue in force until the conclusion of the next Annual General Meeting of the Company." | Resolution 10 |
| 9. To transact any other business for which due notice shall have been given. | |

BY ORDER OF THE BOARD
CHAN LAI CHOON
(MAICSA 0809269)

Secretary

Ipoh
28 April 2017

NOTES:

- A member of the Company entitled to attend and vote at the abovementioned meeting is entitled to appoint a proxy or not more than two (2) proxies, to attend and vote in his stead. A proxy may but need not be a member of the Company. 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.
- Where a Member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories) Act, 1991, it may appoint at least one (1) proxy but not more than two (2) 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 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.
- Where an authorised nominee appoints two (2) proxies, or where an exempt authorised nominee appoints two (2) or more proxies, the proportion of shareholdings to be represented by each proxy must be specified in the instrument appointing the proxies.
- The instrument appointing a proxy, in the case of an individual, shall be signed by the appointer or by his attorney duly authorised in writing, and in the case of a corporation, shall be either given under its common seal or under the hand of an officer or attorney of the corporation duly authorised.
- The instrument appointing the proxy must be deposited at the Registered Office of the Company at Bangunan IpMuda, 12 Jalan Datoh, 30000 Ipoh, Perak Darul Ridzuan, Malaysia, not less than forty-eight (48) hours before the time set for holding the meeting or any adjournment thereof.
- For the purposes of determining a member who shall be entitled to attend and vote at the forthcoming 42nd Annual General Meeting of the Company, the Company shall be requesting the Record of Depositors as at 18 May 2017. Only a depositor whose name appears in the Record of Depositors as at 18 May 2017 shall be entitled to attend and vote at this meeting as well as for appointment of proxy/proxies to attend and vote in his stead.

(A) Explanatory Notes on Ordinary Business:

(1) Ordinary Resolution 3 (Agenda No. 3)

The proposed Directors' benefits payable comprises solely of meeting allowances.

The total estimated amount of Directors' benefits payable is calculated based on the number of scheduled Board's and Board Committees' meetings for the current financial year ending 31 December 2017 until the next Annual General Meeting. This authority, unless revoked or varied by the Company in a general meeting will expire at the conclusion of the next Annual General Meeting of the Company.

(2) Ordinary Resolution 4 (Agenda No. 4)

With the coming into force the Companies Act 2016 on 31 January 2017, there is no age limit for directors.

At the 41st Annual General Meeting of the Company held on 23 May 2016, Dato' Ahmad Bakri bin Shabdin, who is above the age of 70, was re-appointed pursuant to Section 129(6) of the Companies Act, 1965 to hold office until the conclusion of the 42nd Annual General Meeting. His term of office will end at the conclusion of the 42nd Annual General Meeting and he has offered himself for re-appointment.

The proposed Ordinary Resolution 4, if passed, will enable Dato' Ahmad Bakri bin Shabdin to continue to act as a Director of the Company and he shall be subject to retirement by rotation at a later date.

The Nomination Committee ("NC") of the Company has assessed the criteria and contribution of Dato' Ahmad Bakri bin Shabdin and recommended for his re-appointment. The Board has endorsed the NC's recommendation that Dato' Ahmad Bakri bin Shabdin be re-appointed as a Director of the Company.

(B) Explanatory Notes On Special Business:

(1) Ordinary Resolutions 8 and 9 – Retention of Dato' Ahmad Bakri bin Shabdin and Dato' Maarof bin H.A. Rahman as Independent Non-Executive Directors (Agenda No. 7)

Pursuant to the Malaysian Code on Corporate Governance 2012, the tenure of an independent Director should not exceed a cumulative term of nine years unless an approval is sought from the Company's shareholders at the Annual General Meeting to retain the said director as an independent director.

The Nomination Committee has assessed the independence of Dato' Ahmad Bakri bin Shabdin and Dato' Maarof bin H.A. Rahman who each has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine years, and the Board has recommended to retain them as Independent Non-Executive Directors of the Company based on the following justifications:-

- each of them fulfills the criteria of an Independent Director pursuant to the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and is able to bring independent and objective judgement to the Board;
- each of them is familiar with the Company's business operations as he has been with the Company for more than 9 years;
- each of them has devoted sufficient time and attention to his responsibilities as an Independent Non-Executive Director of the Company for an informed and balanced decision making; and
- each of them has exercised due care and diligence during his tenure as an Independent Director of the Company and carried out his duty in the interest of the Company and shareholders.

The proposed Ordinary Resolutions 8 and 9, if passed, will enable Dato' Ahmad Bakri bin Shabdin and Dato' Maarof bin H.A. Rahman to retain as Independent Non-Executive Directors of the Company.

(2) Ordinary Resolution 10 - Authority to the Directors to issue and allot shares pursuant to Section 75 and Section 76 of the Companies Act, 2016

The proposed Ordinary Resolution 10 is proposed pursuant to Section 75 and Section 76 of the Companies Act, 2016, and if passed, will empower the Directors of the Company from the date of the above Annual General Meeting, authority to issue and allot shares in the Company up to an amount not exceeding 10% of the total number of issued shares of the Company for the time being for such purposes as the Directors deem fit and in the interest of the Company. This authority will, unless revoked or varied by the Company in general meeting, will expire at the conclusion of the next Annual General Meeting of the Company.

The general mandate is a renewal of the mandate that was approved by the shareholders at the last Annual General Meeting held on 23 May 2016. 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.

On 19 January 2017, KAF Investment Bank Berhad on behalf of the Company announced that Bursa Malaysia Securities Berhad vide their letter of 19 January 2017, approved the application for further extension of time for another six (6) months from 15 December 2016 until 14 June 2017 to complete the Private Placement of up to 7,246,950 ordinary shares of RM1.00 each to third party investors to be identified. As at the date of this Annual Report, the Private Placement has not been completed.