



# KEY ALLIANCE GROUP BERHAD

(Company No.609953-K)  
(Incorporated in Malaysia under the Companies Act, 1965)

## NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that the Fourteenth Annual General Meeting of **KEY ALLIANCE GROUP BERHAD** ("KAG" or "the Company") will be held at Latitude 1.03, Level 1, Armada Petaling Jaya Lot 6, Lorong Utara C, Section 52 46200 Petaling Jaya Selangor on Friday, 25 August 2017 at 10.30 a.m. for the following purposes:

### AGENDA

#### As Ordinary Business

- To receive the Audited Financial Statements for the financial period ended 31 March 2017 together with the Reports of Directors and Auditors thereon. (Please refer to Note A).
- To approve the payment of Directors' fees for the financial period ended 31 March 2017. **(Ordinary Resolution 1)**
- To approve Directors' fees up to RM240,000 for the financial year ending 31 March 2018 payable monthly in arrears after each month of completed service of the Directors during the subject financial year. **(Ordinary Resolution 2)**
- To re-elect the following Directors who retire in accordance with Article 81 of the Company's Articles of Association:-  
- En. Encik Kamarudin Bin Ngah **(Ordinary Resolution 3)**  
- Mr Roy Ho Yew Kee **(Ordinary Resolution 4)**
- To appoint Messrs Afrizan Tarmili Khairul Azhar as Auditors in place of the retiring Auditors, Messrs Kreston John & Gan for which Notice of Nomination as set out in Appendix 1 of the Annual Report 2017 has been received and to authorise the Directors to fix their remuneration. **(Ordinary Resolution 5)**

#### As Special Business

To consider and if thought fit, to pass the following resolutions with or without any modifications as resolutions:-

- Authority to Directors to allot and issue shares pursuant to Section 75 of the Companies Act 2016 ("the Act")** **(Ordinary Resolution 6)**  
"THAT, subject always to the Act, the Articles of Association of the Company and approval and requirements of the relevant governmental and/or regulatory authorities (where applicable), the Directors be and are hereby empowered pursuant to Section 75 of the Act to allot and issue new ordinary shares in the Company, from time to time and upon such terms and conditions and for such purposes and to such persons whomsoever the Directors may, in their absolute discretion deem fit and expedient in the interest of the Company, provided that the aggregate number of shares to be issued pursuant to this resolution does not exceed ten percent (10%) of the issued and paid-up share capital for the time being of the Company AND THAT such authority shall continue to be in force until the conclusion of the next annual general meeting of the Company."
- Proposed retention of Independent Director** **(Ordinary Resolution 7)**  
"THAT approval be hereby given to Gen (R) Tan Sri Abdul Rahman Bin Abdul Hamid, who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine (9) years, to continue in office as an Independent Non-Executive Director of the Company in accordance with the Malaysian Code on Corporate Governance 2012."
- Proposed retention of Independent Director** **(Ordinary Resolution 8)**  
"THAT subject to the passing of Ordinary Resolution 3, approval be and is hereby given to En. Encik Kamarudin Bin Ngah, who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine (9) years, to continue in office as an Independent Non-Executive Director of the Company in accordance with the Malaysian Code on Corporate Governance 2012."
- To transact any other ordinary business of which due notice shall have been given.

#### By order of the Board

**PANG KAH MAN (MIA 18831)**

Company Secretary

Kuala Lumpur  
31 July 2017

#### NOTES:-

- Only depositors whose names appear in the Record of Depositors as at 17 August 2017 shall be regarded as members and be entitled to attend, participate, speak and vote at the Fourteenth Annual General Meeting.
- A member shall be entitled to appoint another person as his/her proxy to exercise all or any of his/her rights to attend, participate, speak and vote in his/her stead pursuant to Section 334 of the Companies Act 2016. There shall be no restriction as to the qualification of the 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.
- Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he/she specifies the proportion of his/her shareholding to be represented by each proxy.
- The instrument appointing a proxy shall be in writing under the hand of the appointer or his/her attorney duly authorised in writing. If the appointer is a corporation, the instrument must be executed under its Common Seal or under the hand of an attorney so authorised.
- The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power of attorney, must be deposited at the Registered Office of the Company at 3-2, 3rd Mile Square, No. 151 Jalan Kelang Lama, Batu 3½, 58100 Kuala Lumpur not less than twenty-four (24) hours before the time appointed for holding this meeting or any adjournment thereof as Rule 8.31A(1) of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad requires all resolutions set out in the Notice of 14th AGM to vote by poll.
- Item 7 and 8 of the Agenda - Ordinary Resolutions no. 7 and 8 Proposed retention of Independent Directors**  
The Directors of the Company have assessed the independence of the Directors, Gen (R) Tan Sri Abdul Rahman Bin Abdul Hamid and Encik Kamarudin Bin Ngah who have served as Independent Non-Executive Directors of the Company for a cumulative term of more than nine (9) years, and recommended them to continue to act as Independent Non-Executive Directors of the Company based on the following justifications:-  
(i) They fulfilled the criteria under the definition of an Independent Director as stated in the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad ("Listing Requirements"), and thus, they would be able to function as check and balance, provide a broader view and brings an element of objectivity to the Board.  
(ii) During their tenure in office, they have not developed, established or maintained any significant relationship which would impair their independence as Independent Directors with the Executive Directors and major shareholders other than normal engagements and interactions on a professional level consistent and expected of them to carry out their duties as Independent Non-Executive Directors and Chairman or member of the Board Committees;  
(iii) During their tenure in office, they have never transacted or entered into any transactions with, nor provided any services to the Company and its subsidiaries ("the Group"), within the scope and meaning as set forth under Paragraph 5 of Guidance Note 9 of Listing Requirements;  
(iv) They are currently not sitting on the board of any other public and/or private companies having the same nature of business as that of the Group; and  
(v) Other than the Director's fees and allowances paid in accordance with the industry norm and within the acceptable market rates which have been duly disclosed in the Annual Report, there are no other incentives or benefits of whatsoever nature that had been paid to them by the Company during their tenure in office as Independent Non- Executive Directors in the Company.
- Personal data privacy**  
By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the Fourteenth Annual General Meeting ("AGM") and/or any adjournment thereof, a member of the Company:  
(i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "Purposes"),  
(ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and  
(iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

#### EXPLANATORY NOTES TO THE AGENDA

##### 7. Item 1 of the Agenda

This Agenda item is meant for discussion only as the provision of Section 340(1) (a) of the Act does not require a formal approval of the shareholders and hence, is not put forward for voting.

##### 8. Item 3 of the Agenda - Ordinary Resolution no. 2

###### Approval of Directors' fees for the financial year ending 31 March 2018

Directors' fees approved for the financial period ended 31 March 2017 was RM240,000. The Directors' fees proposed for the financial year ending 31 March 2018 are calculated based on the number of scheduled Board and Committee Meetings for 2018 and assuming that all Non-Executive Directors will hold office until the end of the subject financial year.

This resolution is to facilitate payment of Directors' fees on current financial year basis. In the event the Directors' fees proposed is insufficient (e.g. due to more meetings), approval will be sought at the next annual general meeting for additional fees to meet the shortfall.

##### 9. Item 6 of the Agenda - Ordinary Resolution no. 6

###### Authority to Allot and Issue Shares pursuant to Section 75 of the Act

(a) The proposed resolution, if passed, will grant a mandate ("General Mandate") empowering the Directors of the Company, from the date of the Fourteenth Annual General Meeting to allot and issue shares in the Company up to an amount not exceeding in total of ten percent (10%) of the issued and paid-up capital of the Company (excluding treasury shares, if any) for the time being for such purposes as they may think fit and in the interest of the Company. This authority, unless revoked or varied at a general meeting, shall continue to be in full force until the conclusion of the next annual general meeting of the Company.

(b) The General Mandate is a renewal from the previous mandate obtained at the last annual general meeting held on 03 June 2016 which will expire at the conclusion of the Fourteenth annual general meeting of the Company.

(c) As at the date of this Notice, the Company did not issue any new shares based on the previous mandate obtained at the last Annual General Meeting.

(d) The General Mandate, if granted will provide flexibility to the Company for any possible fund raising activities, including but not limited to further placing of shares, for purpose of funding current and/or future investment project(s), working capital and/or pavement of bank borrowings and acquisition.

**STATEMENT ACCOMPANYING NOTICE OF ANNUAL GENERAL MEETING (Pursuant to Rule 8.29(2) of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad)**

#### DETAILS OF INDIVIDUAL WHO IS STANDING FOR ELECTION AS DIRECTOR

No individual is seeking for election as a Director at the Fourteenth Annual General Meeting of the Company.