

**NOTICE OF ANNUAL GENERAL MEETING**

**NOTICE IS HEREBY GIVEN THAT** the Fifty-Eighth Annual General Meeting of **KLUANG RUBBER COMPANY (MALAYA) BERHAD** will be held at DoubleTree by Hilton Hotel, Ballroom 3, Menara Landmark, 12, Jalan Ngee Heng, Bandar Johor Bahru, 80000 Johor Bahru, Johor, on Tuesday, 28 November 2017 at 11.30 a.m. to transact the following businesses:

**Agenda**

**ORDINARY BUSINESS**

1. To receive the Audited Financial Statements for the financial year ended 30 June 2017 together with the Directors' and Auditors' Reports thereon.

**REFER TO  
EXPLANATORY  
NOTE A  
RESOLUTION 1**

2. To approve the payment of a First and final tax exempt (single tier) dividend of 1.0% for the financial year ended 30 June 2017.

**RESOLUTION 2**

3. To approve the payments of Directors' fees and benefit for the financial year ending 30 June 2018.

**RESOLUTION 3**

4. To re-elect the following Directors who retire during the year in accordance with the Company's Articles of Association and being eligible, offer themselves for re-election:

**RESOLUTION 4**

- a) Lee Chung Shih - Article 84
- b) Tay Beng Chai - Article 84

**RESOLUTION 5**

5. To re-appoint Messrs Ernst & Young as Auditors of the Company and authorize the Directors to fix their remuneration.

**SPECIAL BUSINESS**

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

**RESOLUTION 6**

**ORDINARY RESOLUTION 1**

**RE-APPOINTMENT OF DIRECTOR**

"THAT Lee Soo Hoon be and is hereby re-appointed as Director of the Company."

**RESOLUTION 7**

**ORDINARY RESOLUTION 2**

**CONTINUATION OF TERMS OF OFFICE AS INDEPENDENT DIRECTOR**

"THAT authority be and is hereby given to Lee Soo Hoon to continue to serve as an Independent Director of the Company in accordance with the Malaysian Code on Corporate Governance 2017."

**REFER TO  
EXPLANATORY  
NOTE B**

**ORDINARY RESOLUTION 3**

**AUTHORITY TO ALLOT SHARES – SECTION 76**

"THAT pursuant to Section 76 of the Companies Act, 2016 and subject to the approval of the relevant authorities, the Directors be and are hereby empowered to issue shares in the Company from time to 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 the number of issued shares 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 also empowered to obtain approval for the listing of and quotation for the additional shares so issued on the Bursa Malaysia Securities Berhad **AND THAT** such authority shall continue in force until the conclusion of the next Annual General Meeting of the Company."

**RESOLUTION 8**

**ORDINARY RESOLUTION 4**

**PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF REVENUE OR TRADING NATURE FOR KLUANG RUBBER COMPANY (MALAYA) BERHAD AND GROUP'S DAY-TO-DAY OPERATIONS ENTERED INTO WITH KLUANG ESTATE (1977) SDN. BHD., PURSUANT TO PARAGRAPH 10.09 OF THE BURSA MALAYSIA'S MAIN MARKET LISTING REQUIREMENTS**

**RESOLUTION 9**

"THAT pursuant to Paragraph 10.09 of the Bursa Malaysia's Main Market Listing Requirements, the Company be and is hereby authorised to enter into and give effect to recurrent related party transactions of a revenue and trading nature with Kluang Estate (1977) Sdn. Bhd., as set out in section 2.2 of the Circular to Shareholders dated 27 October 2017 provided that such transactions are necessary for the day-to-day operations and undertaken in the ordinary course of business and at arm's length basis and on normal commercial terms which are not more favourable to the related party than those generally available to the public and not prejudicial to the shareholders of the Company **AND THAT** such approval, unless revoked or varied by the Company in general meeting, shall continue in force until:

- (a) the conclusion of the next Annual General Meeting ("AGM") of the Company following this AGM at which such mandate is passed, at which time it will lapse, unless by a resolution passed at such AGM whereby the authority is renewed;
- (b) the expiration of the period within which the next AGM after that date it is required to be held pursuant to Section 340(2) of the Companies Act, 2016 ("Act") (but must not extend to such extension as may be allowed pursuant to Section 340(4) of the Companies Act, 2016); or
- (c) revoked or varied by resolution passed by the shareholders in a general meeting; whichever is earlier."

**RESOLUTION 10**

**ORDINARY RESOLUTION 5**

**PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE FOR KLUANG RUBBER COMPANY (MALAYA) BERHAD AND GROUP'S DAY-TO-DAY OPERATIONS ENTERED INTO WITH THE NYALAS RUBBER ESTATES LIMITED, PURSUANT TO PARAGRAPH 10.09 OF THE BURSA MALAYSIA'S MAIN MARKET LISTING REQUIREMENTS**

"THAT pursuant to Paragraph 10.09 of the Bursa Malaysia's Main Market Listing Requirements, the Company be and is hereby authorised to enter into and give effect to recurrent related party transactions of a revenue and trading nature with The Nyalas Rubber Estates Limited, as set out in section 2.2 of the Circular to Shareholders dated 27 October 2017 provided that such transactions are necessary for the day-to-day operations and undertaken in the ordinary course of business and at arm's length basis and on normal commercial terms which are not more favourable to the related party than those generally available to the public and not prejudicial to the shareholders of the Company **AND THAT** such approval, unless revoked or varied by the Company in general meeting, shall continue in force until:

- (a) the conclusion of the next Annual General Meeting ("AGM") of the Company following this AGM at which such mandate is passed, at which time it will lapse, unless by a resolution passed at such AGM whereby the authority is renewed;
- (b) the expiration of the period within which the next AGM after that date it is required to be held pursuant to Section 340(2) of the Companies Act, 2016 ("Act") (but must not extend to such extension as may be allowed pursuant to Section 340(4) of the Companies Act, 2016); or
- (c) revoked or varied by resolution passed by the shareholders in a general meeting; whichever is earlier."

**RESOLUTION 11**

**ORDINARY RESOLUTION 6**

**PROPOSED SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE FOR KLUANG RUBBER COMPANY (MALAYA) BERHAD AND GROUP'S DAY-TO-DAY OPERATIONS ENTERED INTO WITH ESTATE AND TRUST AGENCIES (1927) LIMITED, PURSUANT TO PARAGRAPH 10.09 OF THE BURSA MALAYSIA'S MAIN MARKET LISTING REQUIREMENTS**

"THAT pursuant to Paragraph 10.09 of the Bursa Malaysia's Main Market Listing Requirements, the Company be and is hereby authorised to enter into and give effect to recurrent related party transactions of a revenue and trading nature with Estate and Trust Agencies (1927) Limited, as set out in section 2.2 of the Circular to Shareholders dated 27 October 2017 provided that such transactions are necessary for the day-to-day operations and undertaken in the ordinary course of business and at arm's length basis and on normal commercial terms which are not more favourable to the related party than those generally available to the public and not prejudicial to the shareholders of the Company **AND THAT** such approval, unless revoked or varied by the Company in general meeting, shall continue in force until:

- (a) the conclusion of the next Annual General Meeting ("AGM") of the Company following this AGM at which such mandate is passed, at which time it will lapse, unless by a resolution passed at such AGM whereby the authority is renewed;
- (b) the expiration of the period within which the next AGM after that date it is required to be held pursuant to Section 340(2) of the Companies Act, 2016 ("Act") (but must not extend to such extension as may be allowed pursuant to Section 340(4) of the Companies Act, 2016); or
- (c) revoked or varied by resolution passed by the shareholders in a general meeting; whichever is earlier."

**RESOLUTION 12**

7. To consider and if thought fit, to pass the following as Special Resolution:

**SPECIAL RESOLUTION**

**PROPOSED ADOPTION OF THE NEW CONSTITUTION OF THE COMPANY**

"THAT approval be and is hereby given to revoke the existing Memorandum and Articles of Association of the Company with immediate effect and in place thereof, the proposed new Constitution of the Company as set out in Part B of the Circular to Shareholders dated 27 October 2017 be and is hereby adopted as the Constitution of the Company **AND THAT** the Directors of the Company be and are hereby authorised to assent to any modifications, variations and/ or amendments as may be required by the relevant authorities and to do all acts and things and take all such steps as may be considered necessary to give full effect to the foregoing."

**RESOLUTION 12**

8. To transact any other business of which due notice has been given.

**NOTICE OF DIVIDEND ENTITLEMENT**

**NOTICE IS HEREBY GIVEN THAT** subject to the approval of the shareholders at the Fifty-Eighth Annual General Meeting, a First and final tax exempt (single-tier) dividend of 1.0% in respect of the financial year ended 30 June 2017 will be payable on 19 December 2017 to Depositors registered in the Record of Depositors at the close of business on 4 December 2017.

A Depositor shall qualify for entitlement only in respect of:-

- a) Securities deposited into the Depositor's Securities Account before 12.30 p.m. on 30 November 2017 in respect of shares which are exempted from mandatory deposits;
- b) Securities transferred into the Depositor's Securities Account before 4.00 p.m. on 4 December 2017 in respect of transfers; and
- c) Securities bought on the Bursa Malaysia Securities Berhad on a cum entitlement basis according to the Rules of the Bursa Malaysia Securities Berhad.

**BY ORDER OF THE BOARD**

LEONG SIEW FOONG (MAICSA NO. 7007572)

ZARINA BINTI AHMAD (LS0009964)

Company Secretaries

Johor Bahru

27 October 2017

**Notes :**

- a. A member of the Company entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote in his stead. The proxy need not be a Member of the Company. There shall be no restriction as to the qualification of the proxy. A proxy appointed to attend and vote at a meeting of a company shall have the same rights as the member to speak at the meeting.
- b. A member shall be entitled to appoint more than one (1) proxy (subject always to a maximum of two (2) proxies at each meeting) to attend and vote at the same meeting and shall have the same right as the member to speak at the Meeting.
- c. Where a member appoints more than one (1) proxy (subject always to a maximum of two (2) proxies at each meeting) the appointment shall be invalid unless he specifies the proportions of his holdings to be presented by each proxy.
- d. Where a member of the Company is an authorized nominee as defined under the Securities Industry (Central Depositories) Act, 1991, it may appoint at least one proxy in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.
- e. The instrument appointing a proxy shall be in writing under the hand of the appointor or his attorney duly authorised in writing or if such appointor is a corporation under its common seal or the hand of its officer or attorney.
- f. The instrument appointing the proxy must be deposited at Level 6, Symphony House, Pusat Dagangan Dana, 1, Jalan PJU 1A/46, 47301 Petaling Jaya, Selangor, Malaysia not less than forty-eight hours before the time appointed for holding the Meeting and any adjournment thereof.

**EXPLANATORY NOTES ON ORDINARY RESOLUTIONS:**

**Note A**

This Agenda item is meant for discussion only as the provision of Section 340(1)(a) of the Companies Act, 2016 does not require a formal approval of the shareholders and hence is not put forward for voting.

**Note B**

Mr Lee Soo Hoon is an Independent Director of the Company who has served the Company for more than nine years.

In line with the Malaysian Code on Corporate Governance 2017, the Nomination Committee has assessed his independence as defined in Bursa Securities Listing Requirement. To that, the Board recommends Mr Lee Soo Hoon to continue his office as an Independent Director according to the resolution put forth in the forthcoming Annual General Meeting.

**(i) Ordinary Resolution 3**

The Ordinary Resolution 3, if passed, is primarily to give flexibility to the Board of Directors to issue and allot shares at any time in their absolute discretion without convening a general meeting. This is a renewal of a general mandate. The Company did not utilize the mandate granted in the preceding year's Annual General Meeting. This authority will, unless revoked or varied by the Company in general meeting, will expire at the next Annual General Meeting. The authority will provide flexibility to the Company for allotment of shares for any possible fund raising activities, including but not limiting to further placing of shares, for the purpose of funding future investment(s), acquisition(s) and/or working capital.

**(ii) Ordinary Resolutions 4, 5, and 6**

Please refer to the Circular to Shareholders dated 27 October 2017.

**(iii) Special Resolution**

The proposed Special Resolution, if passed, will bring the Company's Constitution in line with the enforcement of the Companies Act 2016 and to enhance administrative efficiency. The proposed new Constitution is set out in Part B of the Circular to Shareholders dated 27 October 2017.