

Malayan Flour Mills Berhad (4260-M)
(Incorporated in Malaysia)

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the Fifty-Eighth Annual General Meeting of Malayan Flour Mills Berhad will be held at the Auditorium, 3rd Floor, Wisma MCA, 163 Jalan Ampang, 50450 Kuala Lumpur on Tuesday, 22 May 2018 at 10.00 a.m. for the following purposes:-

Ordinary Business

1. To receive the Audited Financial Statements for the financial year ended 31 December 2017 together with the Reports of the Directors and Auditors thereon. **[Please refer to Explanatory Notes].**
2. To re-elect the following Directors who retire by rotation in accordance with Article 111 of the Company's Articles of Association and being eligible, offer themselves for re-election:
 - (i) Dato' Wira Zainal Abidin bin Mahamad Zain **(Ordinary Resolution 1)**
 - (ii) Mr Prakash A/L K.V.P Menon **(Ordinary Resolution 2)**
3. To re-elect the following Directors who retire in accordance with Article 98 of the Company's Articles of Association and being eligible, offer themselves for re-election:
 - (i) Mr Quah Poh Keat **(Ordinary Resolution 3)**
 - (ii) Prof. Datin Paduka Dato' Dr Aini binti Ideris **(Ordinary Resolution 4)**
 - (iii) Mr Lim Pang Boon **(Ordinary Resolution 5)**
4. To approve the payment of Directors' fees of RM880,439 for the financial year ended 31 December 2017. **(Ordinary Resolution 6)**
5. To approve an amount of up to RM320,000 as benefits payable to the Directors for the period from the conclusion of the 58th Annual General Meeting ("AGM") until the conclusion of the next AGM of the Company. **(Ordinary Resolution 7)**
6. To re-appoint Messrs KPMG PLT as Auditors of the Company for the financial year ending 31 December 2018 and to authorise the Directors to fix their remuneration. **(Ordinary Resolution 8)**

Notice of Annual General Meeting (cont'd)

Special Business

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

7. Authority to Directors to Allot and Issue Shares Pursuant to Sections 75 and 76 of the Companies Act 2016

“**THAT** subject to the Companies Act 2016 and approval from the relevant authorities, where such approval is necessary, full authority be and is hereby given to the Directors pursuant to Sections 75 and 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 ten percent (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 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.”
(Ordinary Resolution 9)

8. Proposed Renewal of and New Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature pursuant to paragraph 10.09 of Bursa Malaysia Securities Berhad Main Market Listing Requirements

“**THAT** subject to the Companies Act 2016, the provisions of the Articles of Association of the Company, Bursa Malaysia Securities Berhad (“Bursa Securities”) Main Market Listing Requirements and approvals of all relevant authorities, approval be and is hereby given to Malayan Flour Mills Berhad (“Company”) and its subsidiary companies (“Malayan Flour Mills Group”) to enter into recurrent transactions with Dindings Soya & Multifeeds Sdn Berhad, the nature of which is set out in Section 2 of the Circular to Shareholders dated 23 April 2018 for the purposes of paragraph 10.09 of Bursa Securities Main Market Listing Requirements, subject to the following:-

- (a) the transactions are carried out in the ordinary course of business, at arm's length, on normal commercial terms and on terms not more favourable to the related party than those generally available to the public and are not to the detriment of the minority shareholders;
- (b) disclosure is made in the annual report of the aggregate value of transactions conducted pursuant to the shareholders' mandate during the financial year and that such approval shall continue in force, unless revoked or varied by Ordinary Resolution of the Company in a general meeting and will subject to renewal thereat, expire at the conclusion of the next Annual General Meeting of the Company following the passing of this Ordinary Resolution or at the expiration of the period within which the next Annual General Meeting of the Company is required to be held under the Companies Act 2016 (excluding any extension of such period as may be allowed under the Companies Act 2016); and

Notice of Annual General Meeting (cont'd)

- (c) the Directors and/or any of them be and are hereby authorised to complete and do all such acts and things to give effect to the transactions contemplated and/or authorised by this Ordinary Resolution.” **(Ordinary Resolution 10)**

9. Proposed Renewal of Authority for Share Buy-back

“**THAT** subject to the Companies Act 2016, the provisions of the Memorandum and Articles of Association of the Company, Bursa Malaysia Securities Berhad (“Bursa Securities”) Main Market Listing Requirements and the approvals of all relevant governmental and/or regulatory authorities, the Company be and is hereby authorised, to the fullest extent permitted by law, to purchase such amount of ordinary shares in the Company (“Proposed Share Buy-back”) as may be determined by the Directors of the Company from time to time through Bursa Securities upon such terms and conditions as the Directors may deem fit and expedient in the interest of the Company provided that the aggregate number of shares purchased pursuant to this Resolution does not exceed ten per cent (10%) of the total number of issued shares of the Company as at the point of purchase and that an amount not exceeding the Company’s retained profits at the time of the purchase(s) will be allocated by the Company for the Proposed Share Buy-back;

THAT the authority conferred by this resolution will be effective immediately and shall continue in force until: -

- (a) the conclusion of the annual general meeting of the Company following the general meeting at which such resolution was passed at which time it shall lapse unless by ordinary resolution passed at that meeting, the authority is renewed, either conditionally or subject to conditions; or
- (b) the expiration of the period within which the next annual general meeting after that date is required by law to be held; or
- (c) revoked or varied by ordinary resolution passed by shareholders in a general meeting,

whichever occurs first;

AND THAT authority be and is hereby given unconditionally and generally to the Directors of the Company to take all such steps as are necessary or expedient (including without limitation, the opening and maintaining of central depository account(s) under the Securities Industry (Central Depositories) Act, 1991, and the entering into of all other agreements, arrangements and guarantee with any party or parties) to implement, finalise and give full effect to the aforesaid purchase with full powers to assent to any conditions, modifications, revaluations, variations and/or amendments (if any) as may be imposed by the relevant authorities and with the fullest power to do all such acts and things thereafter (including without limitation, the cancellation or retention as treasury shares of all or any part of the repurchased shares) in accordance with the Companies Act 2016, the provisions of the Memorandum and Articles of Association of the Company and the requirements and/or guidelines of the Bursa Securities and all other relevant governmental and/or regulatory authorities and to do all such things as the said Directors may deem fit and expedient in the best interest of the Company.” **(Ordinary Resolution 11)**

Notice of Annual General Meeting (cont'd)

10. Proposed Alteration of Existing Memorandum and Articles of Association in its Entirety and Substituting with a New Constitution of the Company

“**THAT** approval be and is hereby given to alter or amend the whole of the existing Memorandum and Articles of Association of the Company by the replacement thereof with a new Constitution of the Company as set out in Appendix II of the Circular to Shareholders dated 23 April 2018;

AND THAT the Directors of the Company be and are hereby authorised to assent to any conditions, modifications and/or amendments as may be required by any 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.” **(Special Resolution)**

11. To transact any other business of which due notice shall have been given in accordance with the Companies Act 2016.

By Order of the Board

Mah Wai Mun (MAICSA 7009729)
Company Secretary

Kuala Lumpur
23 April 2018

Notes:-

- 1. A member entitled to attend, speak and vote at the 58th AGM is entitled to appoint not more than two (2) proxies to attend, speak and to vote in his/her stead. A proxy may but need not be a member of the Company.*
- 2. Where a member appoints two (2) proxies, the appointment shall be invalid unless he/she specifies the proportion of his/her holding to be represented by each proxy.*
- 3. 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 which is credited with ordinary shares of the Company.*
- 4. Notwithstanding the above, an exempt authorized nominee may appoint multiple proxies in respect of each Omnibus Account held.*
- 5. The instrument appointing a proxy must be in writing under the hand of the appointer or his attorney duly authorised in writing or, if the appointer is a corporation, either under its common seal or the hand of the attorney duly authorised.*

Notice of Annual General Meeting (cont'd)

6. *The Form of Proxy shall not be treated as valid unless the posted Form is received or the Form is deposited at the office of the Company's Share Registrar, Symphony Share Registrars Sdn Bhd at Level 6, Symphony House, Pusat Dagangan Dana 1, Jalan PJU 1A/46, 47301 Petaling Jaya, Selangor Darul Ehsan, not less than forty-eight (48) hours before the time appointed for holding the meeting or any adjournment thereof. Forms of Proxy transmitted by fax or email will not be accepted. The Company will not accept any photocopies of the form of proxy in place of the original signed copy.*
7. *For the purpose of determining a member who shall be entitled to attend this 58th AGM, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd in accordance with Article 66(b) of the Company's Articles of Association and Section 34(1) of the Securities Industry (Central Depositories) Act, 1991 to issue a Record of Depositors as at 15 May 2018. Only a depositor whose name appears on such Record of Depositors shall be entitled to attend the said meeting or appoint proxies to attend and vote on his/her behalf.*

Explanatory Notes on Ordinary Business

Item 1 of the Agenda: To receive the Audited Financial Statements

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

Ordinary Resolutions 6 and 7: Directors' Fees and Other Benefits

Section 230(1) of the Companies Act 2016 provides amongst others, that the fees and any benefits payable to the Directors of a listed company shall be approved at a general meeting.

In this respect, the Board wishes to seek the shareholders' approval for the following payments to Directors at the 58th AGM:-

Resolution 6: *Payment of Directors' fees totalling RM880,439 in respect of the financial year ended 31 December 2017; and*

Resolution 7: *Payment of benefits payable to the Directors which have been reviewed by the Remuneration Committee and Board of Directors of the Company for the period from the conclusion of the 58th AGM until the conclusion of the next AGM of the Company.*

The benefits payable to the Directors comprise Board Committee fixed fee, meeting allowances and benefits-in-kind. In determining the estimated total amount of the benefits payable, the Board has considered various factors including the number of scheduled and special meetings for the Board and Board Committees as well as the number of Directors involved in these meetings.

Notice of Annual General Meeting (cont'd)

Explanatory Notes on Special Business

Ordinary Resolution 9: Authority to Directors to Allot and Issue Shares

The proposed Resolution 9 is for the purpose of seeking a renewal of the general mandate (“General Mandate”) and if passed, will empower the Directors of the Company pursuant to Sections 75 and 76 of the Companies Act 2016, to issue and allot new shares in the Company from time to time provided that the aggregate number of shares issued pursuant to the General Mandate does not exceed 10% of the total number of issued shares of the Company for the time being. The General Mandate, unless revoked or varied by the Company in general meeting, will expire at the conclusion of the next AGM of the Company.

The General Mandate will provide flexibility to the Company for any possible fund raising activities, including but not limited to further placing of shares, for the purpose of funding future investment project(s), working capital and/or acquisition(s) and any share issuance for acquisition involving equity deal which requires the Company to allot and issue new shares, which is only to be undertaken if the Directors consider it to be in the best interest of the Company.

As at the date of this Notice, no new share in the Company was issued pursuant to the General Mandate granted to the Directors at the 57th AGM of the Company held on 25 May 2017.

Ordinary Resolution 10: Proposed Renewal of and New Shareholders’ Mandate for Recurrent Related Party Transactions

The proposed Resolution 10, if passed, will enable Malayan Flour Mills Group to enter into recurrent related party transactions with Dindings Soya & Multifeeds Sdn Berhad for the purposes of paragraph 10.09 of Bursa Securities Main Market Listing Requirements. This authority, subject to renewal thereat, will expire at the conclusion of the next AGM of the Company following the passing of this Ordinary Resolution or at the expiration of the period within which the next AGM of the Company is required to be held under the Companies Act 2016 (excluding any extension of such period as may be allowed under the Companies Act 2016) (unless earlier revoked or varied by Ordinary Resolution of the Company in a general meeting), whichever is earlier.

Ordinary Resolution 11: Proposed Renewal of Authority for Share Buy-back

The proposed Resolution 11, if passed, will empower the Directors to purchase the Company’s shares of up to a maximum of ten per cent (10%) of the total number of issued shares of the Company by utilising the funds allocated out of the retained profits of the Company. This authority, unless revoked or varied at a general meeting, will expire at the conclusion of the next AGM of the Company.

Special Resolution: Proposed Alteration of Existing Memorandum and Articles of Association in its Entirety and Substituting with a New Constitution of the Company

The proposed Special Resolution, if passed, shall streamline the Company’s Constitution to be aligned with the Companies Act 2016 which came into effect on 31 January 2017, latest amendments made to Bursa Securities Main Market Listing Requirements which were issued on 29 November 2017 as well as to render consistency and greater clarity throughout in order to facilitate and further enhance administrative efficiency.