



## NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN THAT** the Twenty-First Annual General Meeting of Marine & General Berhad (formerly known as SILK Holdings Berhad) ("the Company") will be held at Dewan Perdana, Bukit Kiara Equestrian & Country Resort, 1st Floor, Sports Complex, Jalan Bukit Kiara, Off Jalan Damansara, 60000 Kuala Lumpur on Wednesday, 30 May 2018 at 10.00 am for the following purposes:

### AS ORDINARY BUSINESS

- To receive the Audited Financial Statements of the Company for the year ended 31 December 2017 together with the Reports of the Directors and Auditors thereon. **Please refer to Explanatory Note 1**
- To re-elect Shariffuddin bin Khalid who retires pursuant to the Company's Constitution (Article 89 of the Articles of Association as adopted before the enforcement of the Companies Act 2016), and being eligible, offers himself for re-election. **(Resolution 1)**
- To re-elect the following Directors who retire by rotation pursuant to the Company's Constitution (Article 107 of the Articles of Association as adopted before the enforcement of Companies Act 2016), and being eligible, offer themselves for re-election:
  - Dato' Harun bin Md Idris **(Resolution 2)**
  - Nik Abdul Malik bin Nik Mohd Amin **(Resolution 3)**
- To approve the payment of Directors' fees for the financial year ending 31 December 2018 of up to RM900,000, on quarterly basis after the end of each quarter. **(Resolution 4)**
- To approve the payment of Directors' benefits (other than Directors' fees) of up to RM475,000 to Non-Executive Directors for the period from 1 June 2018 until the next Annual General Meeting of the Company. **(Resolution 5)**
- To re-appoint Messrs. KPMG PLT as Auditors of the Company and to authorise the Directors to determine their remuneration. **(Resolution 6)**

### AS SPECIAL BUSINESS

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

- Continuing in Office as Independent Non-Executive Directors**
  - "THAT subject to the passing of Ordinary Resolution No. 2, authority be and is hereby given to Dato' Harun bin Md Idris, who has served as an Independent Non-Executive Director of the Company for a cumulative term of near to nine (9) years, to continue to act as an Independent Non-Executive Director of the Company until the conclusion of the next Annual General Meeting of the Company." **(Resolution 7)**
  - "THAT authority be and is hereby given to Tai Keat Chai, 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 until the conclusion of the next Annual General Meeting of the Company." **(Resolution 8)**
- Authority to Allot and Issue Shares Pursuant to Section 75 and 76 of the Companies Act 2016 (Resolution 9)**  
"THAT pursuant to Section 75 and 76 of the Companies Act 2016 and approvals from Bursa Malaysia Securities Berhad for the listing of and quotation for the additional shares so issued and other relevant authorities, where approval is necessary, authority be and is hereby given to the Directors to allot and issue shares in the Company at any point of time upon such terms and conditions and for such purposes as the Directors may in their absolute discretion deem fit provided always that the aggregate number of shares to be issued shall not exceed ten percent (10%) of the issued share capital of the Company for the time being AND THAT such authority shall continue to be in force until the conclusion of the next Annual General Meeting of the Company."
- To transact any other business of the Company of which due notice shall have been given.

By Order of the Board

**LIM HUI MING** (BC/L/740)  
**CHIA POH TIN** (MAICSA 7055061)  
Company Secretaries

Kuala Lumpur  
30th day of April, 2018

- NOTES:**
- Appointment of Proxy**
    - A member of the Company entitled to attend and vote, is entitled to appoint a proxy or proxies to attend and vote in his stead. A proxy need not be a member of the Company.
    - For the purpose of determining a member who shall be entitled to attend and vote at the Annual General Meeting, the Company shall be requesting the Record of Depositors as at 5:00 p.m. on 23 May 2018. Only a depositor whose name appears on the Record of Depositors as at 5:00 p.m. on 23 May 2018 shall be entitled to attend and vote at the said meeting as well as for appointment of proxy(ies) to attend and vote on his stead.
    - The instrument appointing a proxy shall 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 the corporation's seal, or under the hand of its attorney or duly authorised officer.
    - If a member appoints 2 proxies, the appointment will be invalid unless he states the percentage of his shareholding to be represented by each proxy.
    - The instrument appointing a proxy must be deposited at the Registered Office of the Company at Level 22, Axiata Tower, No. 9 Jalan Stesen Sentral 5, Kuala Lumpur Sentral, 50470 Kuala Lumpur not less than 24 hours before the time appointed for holding the meeting or any adjournment thereof, either by hand, post or fax to (03) 2273 8310. In the case where the member is a corporation and the proxy form is delivered by fax, the original form shall also be deposited at the Registered Office, either by hand or post not less than 24 hours before the time appointed for holding the meeting or any adjournment thereof.
  - Explanatory Notes :-**
    - Audited Financial Statements (Item No. 1)**  
The Audited Financial Statements laid at this meeting pursuant to Section 340(1)(a) of the Companies Act 2016 are meant for discussion only. It does not require shareholders' approval, and therefore, is not put forward for voting.
    - Payment of Directors' Fees and Benefits (Items No. 4 & 5)**  
At the 20th Annual General Meeting, the Company has obtained shareholders' approval to pay Directors' fees of not more than RM700,000 and Directors' remunerations (other than Directors' fees) of RM350,000. The total actual amount of fees and other remuneration payable to the Non-Executive Directors are RM615,000 and RM294,000 respectively.
    - Continuing in Office as Independent Non-Executive Directors (Item No. 7)**  
The Ordinary Resolutions proposed under Item No. 7 (Resolutions 7 & 8) of the Notice of 21st Annual General Meeting relate to the approval by shareholders for the named directors to continue in office as Independent Non-Executive Directors. The Nomination and Remuneration Committee ("NRC") has assessed the independence of each of the directors who has served as Independent Non-Executive Directors of the Company for a cumulative term of near/more than nine (9) years. The NRC is satisfied that each of these directors has met the independence guidelines as set out in Chapter 1 of the Bursa Malaysia Securities Berhad's Main Market Listing Requirements. The length of their service does not interfere with their ability and exercise of independent judgment as Independent Directors. Therefore, the Board has endorsed the recommendation of the NRC that the approval of the shareholders be sought for Dato' Harun bin Md Idris and Tai Keat Chai to continue to act as Independent Non-Executive Directors of the Company.
    - Authority to Allot and Issue Shares pursuant to Section 75 and 76 of the Companies Act 2016 (Item No. 8)**  
The Ordinary Resolution proposed under item No. 8 (Resolution 9) is to seek a renewal of the general mandate which was approved at the 20th Annual General Meeting of the Company held on 21 June 2017 and will lapse at the conclusion of the 21st Annual General Meeting to be held on 30 May 2018.  
The general mandate, if approved, will provide flexibility to the Company for any possible fund raising activities, including but not limited to placing of shares for the purpose of funding future investment project(s) and acquisition(s) and for strategic reasons.  
In order to eliminate any delay and costs in convening a general meeting to specifically approve such issuance of shares, it is considered appropriate that the Directors be empowered, as proposed under item No. 8 of the Agenda, to allot and issue new shares in the Company up to an amount not exceeding in total ten percent (10%) of the issued share capital of the Company for the time being. This authority, unless revoked or varied at a general meeting, will expire at the conclusion of the next annual general meeting of the Company.

### STATEMENT ACCOMPANYING NOTICE OF ANNUAL GENERAL MEETING

#### DIRECTORS WHO ARE STANDING FOR RE-ELECTION

- Shariffuddin bin Khalid
- Dato' Harun bin Md Idris
- Nik Abdul Malik bin Nik Mohd Amin

#### DIRECTORS WHO ARE SEEKING FOR CONTINUATION OF OFFICE AS INDEPENDENT NON-EXECUTIVE DIRECTORS

- Dato' Harun bin Md Idris
- Tai Keat Chai

The details of the above Directors who are standing for re-election and continuation of office as Independent Non-Executive Directors are set out on page 5 and page 6 of the Annual Report.

Their interests in the securities of the Company are set out on page 124 of the Annual Report.

#### GENERAL MANDATE FOR ISSUE OF SECURITIES

The Company will seek shareholders' approval on the renewal of general mandate ("General Mandate") for the issues of securities in accordance with Paragraph 6.03(3) of the Bursa Malaysia Securities Berhad's Main Market Listing Requirements. Please refer to the proposed resolution No. 9 as stated in this Notice for the details.

As at the date of this Notice, no new shares in the Company were issued pursuant to the mandate granted by the Shareholders of the Company at the 20th Annual General Meeting held on 21 June 2017 and will lapse at the conclusion of the 21st Annual General Meeting.

The General Mandate will provide flexibility to the Company for allotment of shares for any possible funding future investment project(s) and acquisition(s) and for strategic reasons.