



# KELINGTON GROUP BERHAD

(501386-P)  
(Incorporated in Malaysia)

## NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Eighteenth Annual General Meeting ("18<sup>th</sup> AGM") of Kelington Group Berhad ("KGB" or "Company") will be held at Function Room 2, Setia City Convention Centre, No. 1, Persiaran Setia Dagang AG U13/AG, Setia Alam Seksyen U13, 40170 Shah Alam, Selangor Darul Ehsan, Malaysia on Wednesday, 13 June 2018 at 10.00 a.m., for the purpose of considering the following businesses:-

### AGENDA

#### Ordinary Business

- To lay before the Meeting the Audited Financial Statements for the financial year ended 31 December 2017 together with the Reports of the Directors and the Auditors thereon. **(Refer to Explanatory Note (a))**
- To re-elect the following Directors who are retiring in accordance with the Article 69 of the Company's Constitution, and being eligible, have offered themselves for re-election:
  - Mr Gan Hung Keng **(Ordinary Resolution 1)**
  - Vice Admiral (Retired) Datuk Haji Jamil Bin Haji Osman **(Ordinary Resolution 2)**
- To approve the payment of Directors' remuneration payable to the Board of the Company amounting to RM182,840 for the period from 1 July 2018 until 30 June 2019. **(Ordinary Resolution 3)**
- To approve the payment of a final tax-exempt dividend of 1.50 sen per ordinary share for the financial year ended 31 December 2017. **(Ordinary Resolution 4)**
- To re-appoint Messrs. Crowe Horwath as Auditors of the Company until the conclusion of the next AGM and authorise the Directors to fix their remuneration. **(Ordinary Resolution 5)**

#### Special Business

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

- Authority to Issue and Allot Shares** **(Ordinary Resolution 6)**  
"THAT subject always to the Companies Act, 2016 ("the Act"), Constitution of the Company and approvals from Bursa Malaysia Securities Berhad and any other governmental/regulatory bodies, where such approval is necessary, authority be and is hereby given to the Directors pursuant to Section 75 of the Act to issue and allot not more than ten percent (10%) of the total number of issued shares (excluding treasury shares) of the Company at any time upon any such terms and conditions and for such purposes as the Directors may in their absolute discretion deem fit or in pursuance of offers, agreements or options to be made or granted by the Directors while this approval is in force until the conclusion of the next Annual General Meeting of the Company pursuant to Section 76 of the Act and that the Directors be and are hereby further authorised to make or grant offers, agreements or options which would or might require shares to be issued after the expiration of the approval hereof."
- Proposed Renewal of Authority for Purchase of Own Shares by the Company** **(Ordinary Resolution 7)**  
"THAT subject to the Companies Act, 2016 (the "Act"), rules, regulations and orders made pursuant to the Act, provisions of the Company's Constitution and the requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") and any other relevant 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 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 does not exceed ten per centum (10%) of the total number of issued shares of the Company as quoted on Bursa Securities as at the point of purchase;
  - the maximum fund to be allocated by the Company for the purpose of purchasing the shares shall be backed by an equivalent amount of retained profits; and
  - the Directors of the Company may decide either to retain the shares purchased as treasury shares or cancel the shares or retain part of the shares so purchased as treasury shares and cancel the remainder or to resell the shares or distribute the shares as dividends or transfer the shares under employee share scheme or as purchase consideration,
 AND THAT the authority conferred by this resolution will commence after the passing of this ordinary resolution and will continue to be in force until:-
  - the conclusion of the next Annual General Meeting ("AGM") at which time it shall lapse unless by ordinary resolution passed at the meeting, the authority is renewed, either unconditionally or subject to conditions; or
  - the expiration of the period within which the next AGM after that date is required by law to be held; or
  - revoked or varied by ordinary resolution passed by the shareholders of the Company in a general meeting; whichever occurs first.
 AND THAT the Directors of the Company be and are hereby authorised to take all such steps as are necessary or expedient to implement or to effect the purchase(s) of the shares with full power to assent to any condition, modification, variation and/or amendment as may be imposed by the relevant authorities and to take all such steps as they may deem necessary or expedient in order to implement, finalise and give full effect in relation thereto."
- To transact any other business of which due notice shall have been given in accordance with the Companies Act, 2016.

#### Notice of Dividend Entitlement

NOTICE IS HEREBY GIVEN THAT subject to the approval of the shareholders at Eighteenth Annual General Meeting, a final tax-exempt dividend of 1.50 sen per ordinary share for the financial year ended 31 December 2017, if approved, will be paid on 25 July 2018 to holders of ordinary shares registered in the Record of Depositors of the Company at the close of business on 29 June 2018.

A depositor shall qualify for entitlement to the dividend only in respect of:-

- Securities transferred into the Depositor's Securities Account before 4.00 p.m. on 29 June 2018 in respect of transfers; and
- Securities bought on the Bursa Malaysia Securities Berhad ("Bursa Securities") on a cum entitlement basis according to the Rules of the Bursa Securities.

#### BY ORDER OF THE BOARD

LIM LEE KUAN (MAICSA 7017753)

TEO MEE HUI (MAICSA 7050642)

Company Secretaries

Kuala Lumpur

Dated this 30th day of April 2018

#### Notes:

- A member may appoint up to two (2) proxies to attend and vote at the meeting. If a member appoints more than one (1) proxy, the appointments shall be invalid unless he/she specifies the proportions of his/her holding to be represented by each proxy. A proxy may but need not be a member of the Company. If the proxy is not a member, the proxy need not be an advocate, an approved company auditor or a person approved by the Registrar of Companies. There shall be no restriction as to the qualification of the proxy.
- The instrument appointing a proxy shall be in writing, executed by or on behalf of the appointor or his attorney duly authorised in writing or, if the appointor is a corporation, either under the corporation's seal or under the hand of an officer or attorney duly authorised.
- Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories) Act, 1991 ("SICDA"), it may appoint at least one (1) proxy 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 (1) 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. An exempt authorised nominee refers to an authorised nominee defined under the SICDA which is exempted from compliance with the provisions of subsection 25A(1) of the SICDA.
- The instrument appointing a proxy must be deposited at the Registered Office of the Company at 10th Floor, Menara Hap Seng, No. 1 & 3, Jalan P. Ramlee, 50250 Kuala Lumpur at least forty-eight (48) hours before the time for holding the meeting or any adjournment thereof.
- For the purpose of determining who shall be entitled to attend this meeting, the Company shall be requesting the Bursa Malaysia Depository Sdn. Bhd. to make available to the Company pursuant to Article 50(f) of the Constitution of the Company, a Record of Depositors as at 6 June 2018 and only a Depositor whose name appear on such Record of Depositors shall be entitled to attend this meeting.

#### Explanatory notes on Ordinary and Special Business

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

Audited Financial Statements for the financial year ended 31 December 2017.

The Audited Financial Statements under this agenda item is meant for discussion only as the provision of Section 248 and Section 340 (1)(a) of the Companies Act, 2016 does not require a formal approval of the shareholders and hence this item is not put forward for voting.

##### 2. Ordinary Resolution 3

Section 230(1) of the Companies Act, 2016 provides amongst others, that "the fees" of the directors and "any benefits" payable to the directors of a listed company and its subsidiaries shall be approved at a general meeting. In this respect, the Board agreed that the shareholders' approval shall be sought at the 18th AGM on the Directors' remuneration in Resolution 3 on payment of Directors' remuneration for the period from 1 July 2018 until 30 June 2019 ("Relevant Period").

The Directors' remuneration comprises the Directors' fee and meeting allowances payable to the Board of the Company is set out as follows:

	Executive Directors RM	Non-Executive Directors RM
Director Fee	-	172,040
Meeting allowance	-	10,800
<b>Total</b>	-	<b>182,840</b>

In determining the estimated total amount of the Directors' remuneration, the Board considered various factors including the number of scheduled meetings for the Board and Board Committees as well as involvement of the respective Directors.

Payment of Directors' remuneration will be made by the Company on a monthly basis and/or as and when incurred if the proposed Resolution 3 has been passed at the 18<sup>th</sup> AGM. The Board is of the view that it is just and equitable for the Directors to be paid such payment on a monthly basis and/or as and when incurred, particularly after they have discharged their responsibilities and rendered their services to the Company throughout the period as stated herein.

##### 3. Ordinary Resolution 6

Authority to Issue and Allot Shares

The proposed resolution, if passed, will give flexibility to the Directors to issue shares to such persons at any time in their absolute discretion without convening a general meeting. This authorisation will expire at the conclusion of next Annual General Meeting of the Company.

This is the renewal of the mandate obtained from the members at the last Annual General Meeting ("the previous mandate"). The previous mandate had been utilised for the proposed private placement of up to 10% of the total number of issued shares of the Company (excluding treasury shares) as announced to Bursa Malaysia Securities Berhad on 2 February 2018. For further information, please refer the Statement Accompanying Notice of Annual General Meeting on page 160 in the Annual Report 2017.

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, repayment of borrowings and/or acquisitions.

##### 4. Ordinary Resolution 7

Proposed Renewal of Authority for Purchase of Own Shares by the Company

The proposed Ordinary Resolution 7, if approved, will empower the Company to purchase and/or hold up to ten per centum (10%) of the total number of issued shares of the Company through Bursa Malaysia Securities Berhad. For more information, please refer to the Share Buy-Back Statement dated 30 April 2018.