



KECK SENG (MALAYSIA) BERHAD

(Company No. 8157-D)
(Incorporated in Malaysia)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Forty-Eighth (48th) Annual General Meeting of KECK SENG (MALAYSIA) BERHAD will be held at the Conference Room of Tanjong Puteri Golf Resort Berhad, Pasir Gudang, Johor on Wednesday, 30 May 2018 at 11.00 a.m. for the following purposes:

Agenda Ordinary Business

- To receive the Audited Financial Statements for the financial year ended 31 December 2017 together with the Reports of the Directors and Auditors thereon. **Resolution 1**
- To declare a Single Tier Final Dividend of 6 sen per share in respect of the financial year ended 31 December 2017. **Resolution 2**
- To approve the payment of Directors' Fees of RM835,000 in respect of the financial year ended 31 December 2017. **Resolution 3**
- To approve the payment of Directors' Benefits up to RM450,000 for the period from 1 January 2018 up to the conclusion of the 49th Annual General Meeting in year 2019. **Resolution 4**
- To re-elect the following Directors who retire pursuant to Article 78 of the Company's Articles of Association, constituting part of the Constitution of the Company: -
(i) Dato' Ho Cheng Chong @ Ho Kian Hock
(ii) Ms. Lee Huee Nan @ Lee Hwee Leng
(iii) Mr. Too Hing Yeap @ Too Heng Yip **Resolution 5**
- To re-appoint Messrs Ernst & Young as Auditors of the Company for the financial year ending 31 December 2018 and to authorise the Directors to fix their remuneration. **Resolution 7**

Special Business

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

- ORDINARY RESOLUTION 1
RETENTION OF INDEPENDENT NON-EXECUTIVE DIRECTORS**
(i) YM Tengku Yunus Kamaruddin **Resolution 8**
"THAT approval be and is hereby given to YM Tengku Yunus Kamaruddin who has served as 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."

- (ii) Maj-Gen (R) Dato' Muhammad Bin Yunus **Resolution 9**
"THAT approval be and is hereby given to Maj-Gen (R) Dato' Muhammad Bin Yunus who has served as 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."

- ORDINARY RESOLUTION 2
AUTHORITY TO DIRECTORS TO ALLOT SHARES PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT 2016** **Resolution 10**

"THAT pursuant to Sections 75 and 76 of the Companies Act 2016, and subject to the approval of the relevant governmental / regulatory authorities (if any), the Directors be and are hereby authorised to allot shares in the Company, from time to time, at such price, upon such terms and conditions and for such purpose and to such person or persons whomsoever as the Directors may in their absolute discretion deem fit provided that the aggregate number of shares to be allotted during the preceding 12 months does not exceed ten percent (10%) of the total number of issued shares (excluding treasury shares) of the Company for the time being AND THAT the Directors be and are hereby also empowered to obtain the approval for the listing of and quotation for the additional shares so allotted from Bursa Malaysia Securities Berhad AND THAT such authority shall continue to be in force until conclusion of the next annual general meeting of the Company after the approval was given or at the expiry of the period within which the next annual general meeting is required to be held after the approval was given, whichever is earlier, unless such approval is revoked or varied by a resolution of the Company at a general meeting."

- ORDINARY RESOLUTION 3
PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR PROPOSED SHARE BUY-BACK** **Resolution 11**

"THAT subject always to the Companies Act 2016 ("Act"), the provisions of the Constitution of the Company, Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Listing Requirements") and all other applicable laws, guidelines, rules and regulations, 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 Malaysia Securities Berhad ("Bursa Malaysia") 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 and/or held does not exceed ten percent (10%) of the total number of issued shares of the Company as quoted on Bursa Malaysia as at the point of purchase;
- An amount of funds not exceeding the retained profits of the Company based on the latest audited financial statements and/or the latest management accounts (where applicable) at the time of purchase(s) will be allocated by the Company for the purchase of its own shares; 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 to deal with the treasury shares in the manner allowed by the Act.

AND THAT the authority conferred by this resolution will commence immediately upon the passing of this Ordinary Resolution and will continue to be in force until:

- the conclusion of the next Annual General Meeting ("AGM") of the Company following at which time the authority shall lapse unless by ordinary resolution passed at the meeting, the authority is renewed, either unconditionally or subject to conditions;
- the expiration of the period within which the next AGM of the Company is required by law to be held; or
- revoked or varied by ordinary resolution passed by the shareholders of the Company in general meeting,

whichever occurs first, but shall not prejudice the completion of purchase(s) by the Company before the aforesaid expiry date and, in any event, in accordance with the provisions of the Listing Requirements and any other relevant authorities."

AND THAT authority be and is hereby given to the Directors of the Company to take all such steps as are necessary or expedient to implement, finalise and give full effect to the aforesaid purchase(s) with full powers to assent to any conditions, modifications, variations and/or amendments (if any) as may be required or imposed by the relevant authorities and with the fullest power to do all such acts and things thereafter in accordance with the Act, the provisions of the Constitution of the Company and the requirements and/or guidelines of Bursa Malaysia for the Main Market and all other relevant governmental and/or regulatory authorities."

- ORDINARY RESOLUTION 4
PROPOSED SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE** **Resolution 12**

"THAT subject always to the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Listing Requirements"), the Company and/or its subsidiaries shall be mandated to enter into with the related party the category of recurrent related party transactions of a revenue or trading nature as specified in Sections 2.4 and 2.5 of Part B of the Circular to shareholders dated 30 April 2018 ("Circular") subject further to the following:-

- the recurrent related party transactions are in the ordinary course of business and are on terms not more favourable than those generally available to the public and are made on an arm's length basis and on normal commercial terms and transaction prices and that are not detrimental to the shareholders; and
- disclosure is made in the annual report of the recurrent related party transactions conducted pursuant to the shareholders' mandate during the financial year in the manner required under the Listing Requirements and as set out in Section 2.5 of Part B of the Circular; and

Resolution on Proxy Form

Please refer to Explanatory Note 1

Resolution 1

Resolution 2

Resolution 3

Resolution 4

Resolution 5

Resolution 7

- that the shareholders' mandate shall continue in force until:-
(a) the conclusion of the next annual general meeting of the Company at which such mandate was passed, at which time it will lapse, unless by a resolution passed at the meeting, the authority is renewed;
 - the expiration of the period within which the next annual general meeting after that date is required to be held pursuant to Section 340(2) of the Companies Act 2016 but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Companies Act 2016; or
 - revoked or varied by resolution passed by the shareholders in general meeting;
- whichever is the earlier; and
- the Directors and/or any of them be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) to give effect to the transactions contemplated and/or authorised by this Ordinary Resolution."
- To transact any other business of which due notice shall have been given.

BY ORDER OF THE BOARD KECK SENG (MALAYSIA) BERHAD

YONG MAY LI (F)
(LS000295)

Company Secretary
Johor Bahru
30 April 2018

Notes:

- A member of the Company entitled to attend and vote at the meeting is entitled to appoint not more than two (2) proxies to attend and vote in his/her stead. A proxy need not be a member of the Company and there shall be no restriction as to the qualification of the proxy.
- Where a member of the Company or the authorised nominee appoints two (2) proxies, or where an exempt authorised nominee appoints two (2) or more proxies, the proportion of shareholdings to be represented by each proxy must be specified in the instrument appointing the proxies.
- Where a member is an authorised nominee as defined under the Securities Industry (Central Depositories) Act, 1991, it may appoint not more than two (2) proxies in respect of each securities account it holds in 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.
- Where the Proxy Form is executed by a corporation, it must be either under its Common Seal or under the hand of an officer or attorney duly authorised.
- The Proxy Form must be deposited with the Company Secretary at the Registered Office situated at Suite 1301, 13th Floor, City Plaza, Jalan Tebrau, 80300 Johor Bahru, Johor not less than 48 hours before the time set for holding the Meeting.
- For the purpose of determining who shall be entitled to attend this meeting, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd to make available to the Company a Record of Depositors as at 21 May 2018 and only a Depositor whose name appears on such Record of Depositors shall be entitled to attend this meeting.

Explanatory Notes:

Ordinary Business

- Item 1 of the Agenda**
This Agenda item is meant for discussion only as an approval from shareholders for the Audited Financial Statements is not required pursuant to the provisions of Sections 248(2) and 340(1) of the Companies Act 2016. Hence, this Agenda item is not put forward for voting by shareholders of the Company.
- Item 4 of the Agenda
Resolution 3
Directors' Benefits for the Period from 1 January 2018 up to the Conclusion of the 49th Annual General Meeting in Year 2019**
The estimate of Directors' Benefits will comprise of expenses and incidentals relating to the attendance of the Company's Meetings.

Special Business

- Item 7 of the Agenda
Resolutions 8 and 9
Retention of Independent Non-Executive Directors**
The Board of Directors has recommended YM Tengku Yunus Kamaruddin and Maj-Gen (R) Dato' Muhammad Bin Yunus, who have served as Independent Non-Executive Directors ("INEDs") of the Company for a cumulative term of more than nine (9) years, to continue to serve as INEDs. Please refer to pages 31 to 32 as stated in the Statement on Corporate Governance of the Company's Annual Report for detailed information and justification.
- Item 8 of the Agenda
Resolution 10
Authority to Directors to Allot Shares Pursuant to Sections 75 and 76 of the Companies Act 2016**
This is the renewal of the mandate obtained from the members at the last Annual General Meeting held on 30 May 2017 ("the previous Mandate"). The previous Mandate was not utilized and accordingly no proceeds were issued.

The proposed Resolution 10, if passed, would provide flexibility to the Company to undertake fund raising exercise including but not limited to further placement of shares for purpose of funding current and/or future investment projects, working capital, repayment of bank borrowings, acquisitions and/or for allotment of shares as settlement of purchase consideration by the issuance of shares in the Company to such persons at any time as the Directors may deem fit provided that the aggregate number of shares to be issued pursuant to the mandate does not exceed 10% of the total number of issued shares (excluding treasury shares) of the Company for the time being, without having to convene a general meeting. This authority, unless revoked or varied by the Company in a general meeting will expire at the conclusion of next Annual General Meeting of the Company or at the expiry of the period within which the next Annual General Meeting is required to be held after the approval was given, whichever is earlier.

- Item 9 of the Agenda
Resolution 11
Proposed Renewal of Shareholders' Mandate for Proposed Share Buy-Back**
The proposed Resolution 11, if passed, will renew the mandate for the Company to buy back its own shares. The mandate shall continue to be in force until the date of the next Annual General Meeting of the Company unless earlier revoked or varied by ordinary resolution passed by the shareholders of the Company in general meeting and is subject to annual renewal. Further information on this resolution is set out in Part A of the Circular to shareholders dated 30 April 2018, which is sent out together with the Annual Report 2017 of the Company.
- Item 10 of the Agenda
Resolution 12
Proposed Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature**
The proposed Resolution 12, if passed, will renew the mandate for the Company to enter into the categories of recurrent transactions of a revenue or trading nature with the related party as specified in Section 2.5 of Part B of the Circular to shareholders dated 30 April 2018, which is sent out together with the Company's Annual Report 2017. The mandate shall continue to be in force until the conclusion of the next Annual General Meeting of the Company unless earlier revoked or varied by resolution passed by the shareholders in general meeting and is subject to annual renewal.

- Item 9 of the Agenda
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- Item 10 of the Agenda
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NOTICE OF DIVIDEND ENTITLEMENT AND PAYMENT DATES

NOTICE IS ALSO HEREBY GIVEN THAT the Single Tier Final Dividend of 6 sen per share in respect of the financial year ended 31 December 2017, if approved at the forthcoming 48th Annual General Meeting of the Company, will be paid on 18 July 2018 to depositors registered in the Record of Depositors at the close of business on 29 June 2018.

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

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