

## Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the Forty-Third (43rd) Annual General Meeting of IpMuda Berhad will be held at Multaqam Hall, Level 10, Maju Tower, 1001 Jalan Sultan Ismail, 50250 Kuala Lumpur, Malaysia on Friday 07 December 2018 at 9.00 a.m. for the following purposes:-

### AS ORDINARY BUSINESS

- To receive and adopt the Audited Financial Statements for the financial period ended 30 June 2018 and the Directors' and Auditors' Reports thereon. Resolution 1
- To approve the payment of Directors' Fees of RM207,350.00 for the financial period ended 30 June 2018. Resolution 2
- To approve the additional payment of Directors' benefits payable to the Non-Executive Directors up to an amount of RM20,000.00 from 01 November 2018 to 07 December 2018 (the date of the 43rd Annual General Meeting in 2018). Resolution 3
- To approve the payment of Directors' benefits payable to the Non-Executive Directors up to an amount of RM80,000.00 from 08 December 2018 until the next Annual General Meeting of the Company in 2019. Resolution 4
- To re-elect the following Director retiring under Article 101 of the Company's Articles of Association:  
(a) Dato' Maarof bin H.A. Rahman Resolution 5
- To re-elect the following Directors retiring under Article 107 of the Company's Articles of Association:  
(a) Dato' Sim Choo Thiam Resolution 6  
(b) Datuk David Rashid bin Ghazali Resolution 7  
(c) Puan Nazariah binti Ibrahim Resolution 8
- To re-appoint Messrs Crowe Malaysia (formerly known as Messrs Crowe Horwath) as Auditors of the Company for the ensuing year and to authorise the Board of Directors to fix their remuneration. Resolution 9

### AS SPECIAL BUSINESS

To consider and if thought fit, to pass the following resolutions as Ordinary Resolutions:

- RETENTION OF INDEPENDENT NON-EXECUTIVE DIRECTORS**  
(a) "THAT subject to the passing of Ordinary Resolution 5, authority be and is hereby given to Dato' Maarof bin H.A. Rahman who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than twelve (12) years, to continue to act as an Independent Non-Executive Director of the Company." Resolution 10  
(b) "THAT authority be and is hereby given to Dato' Ahmad Bakri bin Shabdin who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than twelve (12) years, to continue to act as an Independent Non-Executive Director of the Company." Resolution 11
- AUTHORITY TO THE DIRECTORS TO ISSUE AND ALLOT SHARES PURSUANT TO SECTION 75 AND SECTION 76 OF THE COMPANIES ACT 2016**  
"THAT subject always to the Companies Act 2016, the Articles of Association of the Company and the approvals of the relevant governmental/regulatory authorities, the Directors be and are hereby empowered, pursuant to Section 75 and Section 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 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 from Bursa Malaysia Securities Berhad for the listing and quotation for the additional shares so issued and that such authority shall continue in force until the conclusion of the next Annual General Meeting of the Company." Resolution 12
- To transact any other business for which due notice shall have been given.

### BY ORDER OF THE BOARD

CHAN LAI CHOON  
(MAICSA 0809269)  
Secretary

Kuala Lumpur  
31 October 2018

### NOTES:

- A member of the Company entitled to attend and vote at the abovementioned meeting is entitled to appoint a proxy or not more than two (2) proxies, to attend and vote in his stead. A proxy may but need not be a member of the Company. There shall be no restriction as to the qualification of the proxy. Where a member appoints two (2) proxies, he shall specify the proportion of his shareholdings to be represented by each proxy.
- 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 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 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 an 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.
- The instrument appointing a proxy, in the case of an individual, shall be signed by the appointer or by his attorney duly authorised in writing, and in the case of a corporation, shall be either given under its common seal or under the hand of an officer or attorney of the corporation duly authorised.
- The instrument appointing the proxy must be deposited at the Registered Office of the Company at 9<sup>th</sup> Floor, Maju Tower, 1001 Jalan Sultan Ismail, 50250 Kuala Lumpur, Malaysia, not less than forty-eight (48) hours before the time set for holding the meeting or any adjournment thereof.
- Pursuant to 8.29(A) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all the resolutions set out in the Notice shall be put to vote by way of poll.
- For the purposes of determining a member who shall be entitled to attend and vote at the forthcoming 43<sup>rd</sup> Annual General Meeting of the Company, the Company shall be requesting the Record of Depositors as at 30 November 2018. Only a depositor whose name appears in the Record of Depositors as at 30 November 2018 shall be entitled to attend and vote at this meeting as well as for appointment of proxy/proxies to attend and vote in his stead.

### (A) Explanatory Notes on Ordinary Business

#### (1) Ordinary Resolution 2

The shareholders had at the 42<sup>nd</sup> Annual General Meeting approved the payment of Directors' Fees of RM158,400.00 to Non-Executive Directors for the financial year ended 31 December 2016.

The Board is seeking an increase in the directors fees to RM207,350.00 for the financial period ended 30 June 2018 due to the Company's change in the financial year end from 31 December 2017 to 30 June 2018 which was announced to Bursa Malaysia Securities Berhad on 19 December 2017 and the Companies Commission of Malaysia had on 13 February 2018 granted the Company an extension of time until 31 December 2018 to hold the Company's 2018 Annual General Meeting under Section 340(4) of the Companies Act 2016.

#### (2) Ordinary Resolutions 3 and 4 (Agenda No. 3 and 4)

Section 230(1) of the CA 2016 provides that "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 wishes to seek shareholders' approval for the following payments to Non-Executive Directors ("NEDs") at the 43<sup>rd</sup> Annual General Meeting ("43<sup>rd</sup> AGM"):

- Ordinary Resolution 3 on the additional payment of Directors' benefits up to the amount of RM20,000.00 comprise of meeting allowances payable for attendance of the NEDs at Board and Board Committee Meetings for the period from 01 November 2018 to 07 December 2018 (the date of this 43<sup>rd</sup> AGM). The previous amount of RM60,000.00 Directors' benefits approved at the 42<sup>nd</sup> Annual General Meeting held on 25 May 2017 was insufficient due to the Company's change in financial year end from 31 December 2017 to 30 June 2018.
- Ordinary Resolution 4 on payment of Directors' benefits up to the amount of RM80,000.00 also comprise of meeting allowances payable for attendance of the NEDs. The aforesaid Directors' benefits are computed based on the number of scheduled meetings and unscheduled meetings (where necessary) for Board, Board Committee meetings and general meetings, assuming full attendance by all the NEDs. The amount also includes a contingency sum to cater to unforeseen circumstance such as the appointment of any additional Director.

In the event, where the payment of Directors' benefits payable during the above period exceeded the estimated amount sought at this 43<sup>rd</sup> AGM, shareholders' approval will be sought at the next Annual General Meeting.

### (B) Explanatory Notes On Special Business:

#### (1) Ordinary Resolutions 10 and 11 - Retention of Dato' Maarof bin H.A. Rahman and Dato' Ahmad Bakri bin Shabdin as Independent Non-Executive Directors [Agenda No. 8 (a) and 8(b)]

Practice 4.2 of the Malaysian Code on Corporate Governance 2017 states that the tenure of an independent director should not exceed a cumulative term of nine (9) years. Nonetheless, Practice 4.2 also states that the Board should justify and seek annual shareholders' approval if the Board intends to retain an independent director beyond nine years. If the Board continues to retain the independent director after the twelfth year, the Board should seek annual shareholders' approval through a two-tier voting process.

The Nomination Committee has assessed the independence of Dato' Maarof bin H.A. Rahman and Dato' Ahmad Bakri bin Shabdin who each has served as an Independent Non-Executive Director of the Company for a cumulative term of more than twelve (12) years, and the Board has recommended to retain them as Independent Non-Executive Directors of the Company based on the following justifications:-

- Both of them fulfill the criteria of an Independent Director pursuant to the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and are able to bring independent and objective judgement to the Board.
- Both of them are familiar with the Company's business operations with their years of experience in the Company, thus enabling them to contribute actively and effectively during deliberations or discussions at the Board Meetings.
- Their length of service on the Board do not in any way interfere with their exercise of independent judgement. They have remained objective and independent in expressing their views and participating in deliberations and decision-making of the Board and Board Committees.
- They have devoted sufficient time and commitment to discharge their responsibilities as Independent Non-Executive Directors.
- Both of them have exercised due care and diligence during their tenure as Independent Directors of the Company and carried out their duties in the interest of the Company and shareholders.

As recommended by Practice 4.2 of the Malaysian Code on Corporate Governance 2017, the Board will seek approval from the shareholders of the Company through a two-tier voting process at this 43<sup>rd</sup> AGM to retain Dato' Maarof bin H.A. Rahman and Dato' Ahmad Bakri bin Shabdin as Independent Non-Executive Directors.

The proposed Ordinary Resolutions 10 and 11, if passed, will enable Dato' Maarof bin H.A. Rahman and Dato' Ahmad Bakri bin Shabdin to retain as Independent Non-Executive Directors of the Company.

#### (2) Ordinary Resolution 12 - Authority to the Directors to issue and allot shares pursuant to Section 75 and Section 76 of the Companies Act 2016

The proposed Ordinary Resolution 12 is proposed pursuant to Section 75 and Section 76 of the Companies Act 2016, and if passed, will empower the Directors of the Company from the date of the above Annual General Meeting, authority to issue and allot shares in the Company up to an amount not exceeding 10% of the total number of issued shares of the Company for the time being for such purposes as the Directors deem fit and in the interest of the Company. This authority will, unless revoked or varied by the Company in general meeting, will expire at the conclusion of the next Annual General Meeting of the Company.

The general mandate is a renewal of the mandate that was approved by the shareholders at the last Annual General Meeting held on 25 May 2017. The renewal of the general mandate is to provide flexibility to the Company to issue new shares without the need to convene separate general meeting to obtain its shareholders' approval so as to avoid incurring additional cost and time. 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 and/or acquisitions.

The extended approval of 14 June 2017 given by Bursa Malaysia Securities Berhad to the Company vide their letter dated 19 January 2017 to complete the Private Placement of up to 7,246,950 new ordinary shares in the Company representing up to 10% of the issued and paid-up share capital of the Company had lapsed after 14 June 2017. No new shares were issued/placed out pursuant to the Private Placement.