

NOTICE OF THIRTY-FOURTH ANNUAL GENERAL MEETING



NOTICE IS HEREBY GIVEN THAT the Thirty-Fourth Annual General Meeting of Kuantan Flour Mills Berhad will be held at Function Room 1, Rocana Hotel, 1st floor, B2-B10, Lorong Tun Ismail 8, Sri Dagangan II, 25000 Kuantan, Pahang on Wednesday, 27 February 2019 at 3 p.m. to transact the following businesses: -

AGENDA

AS ORDINARY BUSINESS:

- To receive the Audited Financial Statements of the Company and of the Group for the financial year ended 30 September 2018 and the Reports of the Directors and Auditors thereon. (Please refer Explanatory Note 1)
- To approve the Directors' fees for the financial year ended 30 September 2018. (Ordinary Resolution 1)
- To re-elect as Director, Iskandar Zurkanain Bin Mohamed who retires by rotation in accordance with Company's Constitution (Article 63 of the Company's Article of Association as adopted before the commencement of the Companies Act 2016) and, being eligible, offers himself for re-election. (Ordinary Resolution 2)
- To re-elect as Director, Ms. Low Koon Min, who retires by rotation in accordance with Company's Constitution (Article 68 of the Company's Article of Association as adopted before the commencement of the Companies Act 2016) and, being eligible, offers herself for re-election. (Ordinary Resolution 3)
- To re-appoint Messrs. McMillan Woods Thomas (Audit Firm No. AF001879) as the Company's Auditors for the ensuing year and to authorize the Board of Directors to fix their remuneration. (Ordinary Resolution 4)

AS SPECIAL BUSINESS:

To consider and if thought fit, to pass the following Resolution as Ordinary Resolution:-

6. AUTHORITY TO ISSUE SHARES

- "THAT, subject always to the Companies Act 2016, the Company's Constitution and the approvals of the relevant governmental/regulatory authorities, if applicable, the Directors be and are hereby empowered, pursuant to Section 75 and Section 76 of the Companies Act 2016, to issue shares in the Company from time to 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 issue 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 to be in force until the conclusion of the next Annual General Meeting of the Company."
- (Ordinary Resolution 5)
- To transact any other business of which due notice shall have been given.

BY ORDER OF THE BOARD,

LAANG JHE HOW (MIA 25193)
Company Secretary

Kuala Lumpur
31 January 2019

NOTES:-

- Only a member whose name appears on the Record of Depositors as at 20 February 2019 shall be entitled to attend the meeting and to speak and vote thereat. A member entitled to attend and vote at the meeting may appoint a proxy or proxies to attend and vote in his stead. A proxy may but need not be a member of the Company.
- A member may appoint one or more than one proxy to attend and vote instead of the member. Where a member appoints two or more proxies, the appointment shall be invalid unless the member specifies the proportion of his holdings to be represented by each proxy.
- Where a member is an authorized nominee as defined under the Securities Industry (Central Depositories) Act, 1991, it may appoint at least one proxy in respect of each securities accounts it holds with ordinary shares of the Company standing to the credit of the said securities account.
- The instrument appointing proxy in the case of an individual shall be signed by the appointor or by his attorney duly authorized and in the case of a corporation, the instrument appointing proxy must be under seal or under the hand of an officer or attorney duly authorized. In the case of joint holders, all holders must sign the Form of Proxy.
- The instrument appointing a proxy must be deposited at the registered office of the Company at Kawasan Lembaga Pelabuan Kuantan, KM25, Jalan Kuantan/ Kemaman, Tanjung Gelang, 25740 Kuantan, Pahang not less than 48 hours before the time appointed for holding the meeting or at any adjournment thereof.
- Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all the resolutions set out in this Notice shall be put to vote by poll.

EXPLANATORY NOTES ON ORDINARY BUSINESS

1. Item 1 of the Agenda

The 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 for the Audited Financial Statements. Hence, this item is not put forward for voting.

EXPLANATORY NOTES ON SPECIAL BUSINESS

2. Ordinary Resolution 5- Proposed Authority to issue shares

The Company wishes to renew the mandate on the authority to issue shares pursuant to Section 75 and Section 76 of the Companies Act 2016 at the 34th Annual General Meeting of the Company (hereinafter referred to as the "General Mandate").

The Company had been granted a general mandate by its shareholders at the 33rd Annual General Meeting of the Company held on 27 February 2018 (hereinafter referred to as the "Previous Mandate").

As at the date of this notice, the Previous Mandate granted by the shareholders had not been utilised and hence no proceeds were raised therefrom.

The General Mandate will enable the Directors of the Company to issue shares any time to such persons in their absolute discretion without convening a general meeting as it would be both time and cost-consuming to organise a general meeting. This authority, unless revoked or varied by the Company in a general meeting, will expire at the next Annual General Meeting. The proceeds raised from 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 purpose of funding future investment project(s), working capital and / or acquisitions.

Statement Accompanying the Notice of Annual General Meeting

Pursuant to Paragraph 8.27(2) of the Listing Requirements of Bursa Malaysia Securities Berhad

Name of Director who is standing for re-election accordance to Company's Constitution (Article 63 and Article 68 of the Company's Articles of Association as adopted before the commencement of the Companies Act 2016):

- Iskandar Zurkanain Bin Mohamed
- Low Koon Min

The details of the Director who are standing for re-election / re-appointment are set out in the Director's Profile on page 22 and their securities holdings in the Company are set out in the Statistics on Shareholdings on pages 62 to 63.