

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT THE THIRTEENTH ANNUAL GENERAL MEETING (“AGM”) OF **MALAKOFF CORPORATION BERHAD (“THE COMPANY”)** WILL BE HELD AT **MAHKOTA BALLROOM, HOTEL ISTANA, 73, JALAN RAJA CHULAN, 50200 KUALA LUMPUR, MALAYSIA ON THURSDAY, 25 APRIL 2019 AT 10.00 A.M.** FOR THE PURPOSE OF CONSIDERING AND, IF THOUGHT FIT, PASSING THE FOLLOWING RESOLUTIONS:

ORDINARY BUSINESS

1. “**THAT** the Audited Financial Statements of the Company for the financial year ended 31 December 2018 and the Directors’ Report and Auditors’ Report thereon be and are hereby received.”

(Please refer to Explanatory Note 1)

2. “**THAT** a final single-tier dividend of 3.5 sen per share for the financial year ended 31 December 2018 be and is hereby approved.” **Resolution 1**

3. “**THAT** the following Directors who retire in accordance with Article 105 of the Company’s Constitution be and are hereby re-elected as the Directors of the Company:-

- (i) Datuk Dr. Syed Muhamad Syed Abdul Kadir
- (ii) Datuk Idris Abdullah”

Resolution 2
Resolution 3

(Please refer to Explanatory Note 2)

4. “**THAT** Cik Sharifah Sofia Syed Mokhtar Shah who retires in accordance with Article 111 of the Company’s Constitution be and is hereby re-elected as the Director of the Company.” **Resolution 4**

(Please refer to Explanatory Note 2)

5. “**THAT** the payment of Directors’ fees up to an amount of RM1,170,000 to the Non-Executive Directors (“NED”) from the conclusion of the 13th AGM until the next AGM of the Company be and is hereby approved.” **Resolution 5**

(Please refer to Explanatory Note 3)

6. “**THAT** the payment of Directors’ benefits to the NEDs at the capping amount of RM1,350,000 from the conclusion of the 13th AGM until the next AGM of the Company be and is hereby approved.” **Resolution 6**

(Please refer to Explanatory Note 3)

7. “**THAT** Messrs. KPMG PLT, who are eligible and have given their consent for re-appointment, be and are hereby re-appointed as Auditors of the Company until the conclusion of the next AGM, AND THAT the remuneration to be paid to them be fixed by the Board.” **Resolution 7**

NOTICE OF ANNUAL GENERAL MEETING (CONTINUED)

SPECIAL BUSINESS

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

Proposed Renewal of Authority for the Company to Purchase Its Own Shares

Resolution 8

“**THAT** subject to provisions of the Companies Act 2016 (“**Act**”), the Constitution of the Company, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“**Bursa Securities**”) and all prevailing laws, rules, regulations, orders, guidelines and requirements for the time being in force, approval and authority be and are hereby given to the Directors of the Company (“**Directors**”), to the extent permitted by law, to purchase such number of ordinary shares in the Company (“**Shares**”) as may be determined by the Directors from time to time through Bursa Securities upon such terms and conditions as the Directors may deem fit, necessary and expedient in the best interest of the Company, provided that:

- a) the maximum aggregate number of Shares purchased or held by the Company pursuant to this resolution shall not exceed 10% of the total number of issued shares of the Company at any point in time;
- b) the maximum amount of funds to be allocated by the Company for the purpose of purchasing its shares shall not exceed the amount of the retained profits of the Company at the time of purchase; and
- c) the authority conferred by this resolution shall be effective immediately after the passing of this resolution and shall continue to be in force until:
 - (i) the conclusion of the next annual general meeting of the Company at which time the authority will lapse unless the authority is renewed by a resolution passed at that meeting, either conditionally or unconditionally;
 - (ii) the expiration of the period within which the next annual general meeting of the Company is required by law to be held; or
 - (iii) the authority is revoked or varied by ordinary resolution passed by the shareholders of the Company at a general meeting of the Company,

whichever occurs first;

THAT the Directors be and are hereby authorised to deal with the Shares so purchased, at their discretion, in the following manner:

- (i) cancel the Shares so purchased;
- (ii) retain the Shares so purchased as treasury shares; or
- (iii) retain part of the Shares so purchased as treasury shares and cancel the remainder of the Shares;

THAT where such Shares are held as treasury shares, the Directors be and are hereby authorised to deal with the treasury shares in their absolute discretion, in the following manner:

- (i) distribute the Shares as dividends to shareholders, such dividends to be known as “shares dividends”;
- (ii) resell the Shares or any of the Shares in accordance with the relevant rules of Bursa Securities;
- (iii) transfer the Shares or any of the Shares for the purposes of or under an employees’ share scheme;
- (iv) transfer the Shares or any of the Shares as purchase consideration;
- (v) cancel the Shares or any of the Shares; or
- (vi) sell, transfer or otherwise use the Shares for such other purposes as the Minister charged with the responsibilities for companies, currently the Minister of Domestic Trade and Consumer Affairs may by order prescribe;

AND THAT the Directors be and are hereby authorised and empowered to do all acts and things and to take all such steps as necessary or expedient (including opening and maintaining a Central Depository System account) and to enter into and execute, on behalf of the Company, any instrument, agreement and/or arrangement with any person, and with full power to assent to any condition, modification, variation and/or amendment as may be imposed by Bursa Securities or any relevant regulatory authority, and/or as may be required in the best interest of the Company and to take all such steps as the Directors may deem fit, necessary and expedient in the best interest of the Company in order to implement, finalise and give full effect to the purchase by the Company of its Shares.”

(Please refer to Explanatory Note 4)

NOTICE OF ANNUAL GENERAL MEETING (CONTINUED)

9. To consider and, if thought fit, to pass the following Special Resolution:-

Resolution 9

Proposed Adoption of New Constitution of the Company

“**THAT** approval be and is hereby given for the Company to adopt the new Constitution as set out in Appendix II of the Company’s circular to shareholders dated 27 March 2019, in place of the existing Constitution with immediate effect.

AND THAT the Directors of the Company be and is hereby authorised to do all acts, deeds and things as are necessary and/or expedient with full power to assent to any modifications, variations and/or amendments as may be required by the relevant authorities to give full effect to the foregoing.”

(Please refer to Explanatory Note 5)

10. To transact any other business of which due notice shall have been given in accordance with the Act and the Company’s Constitution.

NOTICE OF BOOK CLOSURE AND NOTICE OF DIVIDEND ENTITLEMENT AND PAYMENT

NOTICE IS ALSO HEREBY GIVEN THAT shareholders who are registered in the Record of Depositors at the close of business on 10 May 2019 shall be entitled to the final dividend which will be paid on 31 May 2019.

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

- a) Shares transferred into the Depositor’s securities account before 4.00 p.m. on 10 May 2019 in respect of ordinary transfers; and
- b) Shares bought on Bursa Securities on a cum entitlement basis according to the Rules of Bursa Securities.

BY ORDER OF THE BOARD

Yeoh Soo Mei (MAICSA 7032259)

Sharifah Ashtura Jamalullail Syed Osman (LS0009113)

Company Secretaries

Kuala Lumpur
27 March 2019

Notes:

1. The proxy form, to be valid, must be deposited at the office of Boardroom Share Registrars Sdn Bhd (formerly known as Symphony Share Registrars Sdn Bhd), Level 6, Symphony House, Pusat Dagangan Dana 1, Jalan PJU 1A/46, 47301 Petaling Jaya, Selangor Darul Ehsan, Malaysia not less than 48 hours before the time appointed for the meeting or any adjournment thereof.
2. A member of the Company entitled to attend and vote at this meeting is entitled to appoint a proxy or proxies or attorney or other duly authorised representative to attend and vote at his stead. A member of the Company may appoint up to two (2) proxies to attend the same meeting. Where the member of the Company appoints two (2) proxies, the appointment shall be invalid unless the member specifies the proportion of his shareholding to be represented by each proxy.
3. In case of a corporation, the proxy form should be under its common seal or under the hand of an officer or attorney duly authorised on its behalf. A proxy need not be a member of the Company and a member may appoint any person to be his proxy. The instrument appointing a proxy shall be deemed to confer authority to demand or join in demanding a poll.
4. In the case of joint holders, the signature of any one of them will suffice.
5. Where a member is an exempt authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991 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 a member appoints more than one (1) proxy, the appointment shall be invalid unless it specifies the proportion of its shareholding to be represented by each proxy.
6. Only depositors whose names appear on the Record of Depositors as at 17 April 2019 shall be entitled to attend the AGM or appoint proxies to attend and/or vote on their behalf.
7. Unless voting instructions are indicated in the spaces provided in the proxy form, the proxy may vote as he/she thinks fit.
8. Registration of members/proxies attending the meeting will commence at 8.00 a.m. on the day of the meeting and shall remain open until the conclusion of the AGM or such a time as may be determined by the Chairman of the meeting. Members/proxies are required to produce identification documents for registration.

NOTICE OF ANNUAL GENERAL MEETING (CONTINUED)

Explanatory Notes on Ordinary Business:-

1. **Audited Financial Statements for the financial year ended 31 December 2018**

This agenda item is meant for discussion only as under the provisions of Section 340(1) of the Act and the Company's Constitution, the audited financial statements do not require the formal approval of shareholders and hence, the matter will not be put forward for voting.

2. **Re-election of Directors retiring in accordance with Articles 105 and 111**

The proposed ordinary resolutions 2 and 3 under Agenda 3 and ordinary resolution 4 under Agenda 4 of the 13th AGM are to seek the shareholders' approval for the re-election of the Directors standing for re-election in accordance with the Company's Constitution. The Board, after having received their consent for re-election, recommends the re-election of the said Directors for the following reasons:-

i) Datuk Dr. Syed Muhamad Syed Abdul Kadir retires in accordance with Article 105

The recommendation to re-elect Datuk Dr. Syed Muhamad is supported by his diverse education background in both the business administration and law. Given his invaluable exposure and experience in both the public and private sectors, he has brought to the Board insights of how the business should be managed and operated within the confines of the regulatory environment in which the Group operates. Being meticulous and disciplined, Datuk Dr. Syed Muhamad has brought the right balance to the proceedings of the Board and Board Committees in which he serves.

Based on his self-independence assessment, Datuk Dr. Syed Muhamad had declared his independence as per the criteria prescribed by the Main Market Listing Requirements ("MMLR") of Bursa Securities. The Board Nomination and Remuneration Committee ("BNRC") (save for Datuk Dr. Syed Muhamad) had based on self-declaration of Datuk Dr. Syed Muhamad that coincides with his behaviour and in the manner in which he conducts himself on the Board, is satisfied that he has complied with the spirit of independence prescribed by the MMLR of Bursa Securities. His re-election will continue to bring independent and objective judgement to the Board deliberations.

ii) Datuk Idris Abdullah retires in accordance with Article 105

The recommendation to re-elect Datuk Idris is supported by his vast legal knowledge and his business acumen gained throughout his career. He also possesses a good understanding of the business and the environment in which it operates and the challenges it faces.

Based on his self-independence assessment, Datuk Idris had declared his independence as per the criteria prescribed by the MMLR of the Bursa Securities. The BNRC (save for Datuk Idris) had, based on self-declaration of Datuk Idris that coincides with his behaviour and in the manner in which he conducts himself on the Board, is satisfied that he has complied with the spirit of independence prescribed by the MMLR of Bursa Securities. His re-election will continue to bring independent and objective judgement to the Board deliberations.

iii) Cik Sharifah Sofia Syed Mokhtar Shah retires in accordance with Article 111

The recommendation to re-elect Cik Sharifah Sofia is supported by her experience and knowledge in various industries especially in the financial sector. She brings diversity in age as she is the youngest member of the Board. With her appointment, the age profile of the Board will be more balanced and she is able to bring new perspective and ideas to the Board's discussions.

3. **NEDs' Remuneration**

Pursuant to Section 230(1) of the Act, a public listed company is required to table, amongst others, the fees of the directors and any benefits payable to the directors of a listed company and its subsidiaries for the shareholders' approval at a general meeting.

The proposed ordinary resolutions 5 and 6 under the respective Agenda 5 and 6, if passed, will allow the payment of the following Directors' remuneration to the NEDs on a monthly basis and/or as and when incurred within the approval period after the NEDs have discharged their responsibilities and rendered their services to the Company:-

- Directors' fees; and
- Benefits payable by the Company comprising Board Committee allowances, meeting allowances, annual leave passage and/or annual supplemental fees including benefits-in-kind to the Chairman.

NOTICE OF ANNUAL GENERAL MEETING (CONTINUED)

3. NEDs' Remuneration (continued)

The current Directors' remuneration payable to the NEDs are summarised in the table below:-

Board/Board committees	Directors' fees/allowances (per member)		Meeting allowances (per member)	
	Non-Executive Chairman (NEC)/per month (RM)	NED/per month (RM)	NEC/per meeting (RM)	NED/per meeting (RM)
i) Board	30,000	7,500	2,500	2,500
ii) Board Audit Committee	4,000	2,500	2,500	2,500
iii) Board Nomination & Remuneration Committee	3,000	2,000	2,000	2,000
iv) Board Risk & Investment Committee	3,000	2,000	2,000	2,000
v) Board Procurement Committee	N/A	N/A	3,000	2,000

Items	Other benefits	
	NEC (RM)	Per NED (RM)
i) Annual leave passage & annual supplemental fees	25,000 per annum	25,000 per annum
ii) Benefits-in-kind (Board only)	up to 3,500 per month (as claimed)	N/A

(each of the foregoing payments being exclusive of the others)

Explanatory Notes on Special Business:-

4. Proposed Renewal of Share Buy-Back Authority

The proposed resolution 8 under Agenda 8, if passed, will empower the Directors to purchase the Company's own shares of up to 10% of its total number of issued shares subject to Section 127 of the Act and any prevailing laws, rules, regulations, orders, guidelines and requirements issued by the relevant authorities at the time of the purchase(s).

Details of the proposed renewal of authority for the Company to purchase its own shares are set out in the Share Buy-Back Statement to Shareholders dated 27 March 2019 which is circulated together with the 2018 Annual Report of the Company.

5. Proposed Adoption of New Constitution of the Company

The proposed resolution 9 under Agenda 9, if passed, will align the Company's Constitution with the Act, the updated provisions of the MMLR of Bursa Securities and other prevailing statutory and regulatory requirements.

The Board has proposed that the existing Constitution of the Company be replaced in its entirety with a new Constitution once the proposed resolution 9 is approved by at least seventy-five percent (75%) of the shareholders who are present and entitled to vote at the AGM.

The proposed new Constitution of the Company is set out in the Circular to Shareholders dated 27 March 2019 and circulated together with the 2018 Annual Report of the Company.

6. Abstention from Voting

The Directors who are shareholders of the Company shall abstain from voting on the resolution in respect of their own re-election at the 13th AGM and the resolutions concerning remuneration of the NEDs at the 13th AGM.