

NOTICE OF TENTH (10TH) ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 10th Annual General Meeting of the Company will be held at Rafflesia 1 & 2, Lower Ground Floor 1, Sime Darby Convention Centre, 1A, Jalan Bukit Kiara 1, 60000 Kuala Lumpur on Monday, 17 June 2019 at 2.30 p.m. to transact the following business:-

AGENDA

Ordinary Business

- To receive the Audited Financial Statements for the financial year ended 31 December 2018 together with the Reports of the Directors and Auditors thereon. **(Please refer to Note 2)**
- To re-elect the following Directors who retire pursuant to Article 86 of the Company's Constitution, as Directors of the Company:-
 - Pang Khang Hau **(Resolution 1)**
 - Dato' Paduka (Dr.) Ir. Hj. Keizrul Bin Abdullah @ Lim Teik Keat **(Resolution 2)**
 - Chin Lian Hing **(Resolution 3)**
- To declare a final single tier dividend of 3.7 sen per ordinary share for the financial year ended 31 December 2018. **(Resolution 4)**
- To approve the payment of Directors' fees and benefits up to an amount of RM370,000 to the Non-Executive Directors for the period from this 10th Annual General Meeting ("AGM") until the next AGM of the Company. **(Resolution 5)**
- To re-appoint Messrs Ernst & Young as Auditors of the Company and to authorise the Directors to fix their remuneration. **(Resolution 6)**

Special Business

To consider and if thought fit, to pass the following resolutions, with or without modifications, as Ordinary/ Special Resolutions of the Company:-

- ORDINARY RESOLUTION I - CONTINUING IN OFFICE AS INDEPENDENT NON-EXECUTIVE DIRECTOR - CHUA KEE YAT @ KOO KEE YAT**
"THAT authority be and is hereby given to Chua Kee Yat @ Koo Kee Yat who will have served as an Independent Non-Executive Director of the Company for a cumulative term of ten years on 23 October 2019, to continue to serve as an Independent Non-Executive Director of the Company from 24 October 2019 to 23 October 2020." **(Resolution 7)**
- ORDINARY RESOLUTION II - CONTINUING IN OFFICE AS INDEPENDENT NON-EXECUTIVE DIRECTOR - DATO' PADUKA (DR.) IR. HJ. KEIZRUL BIN ABDULLAH @ LIM TEIK KEAT**
"THAT subject to the passing of Resolution 2, authority be and is hereby given to Dato' Paduka (Dr.) Ir. Hj. Keizrul Bin Abdullah @ Lim Teik Keat who will have served as an Independent Non-Executive Director of the Company for a cumulative term of ten years on 23 October 2019, to continue to serve as an Independent Non-Executive Director of the Company from 24 October 2019 to 23 October 2020." **(Resolution 8)**
- ORDINARY RESOLUTION III - CONTINUING IN OFFICE AS INDEPENDENT NON-EXECUTIVE DIRECTOR - KEE CHIN WU**
"THAT authority be and is hereby given to Kek Chin Wu who will have served as an Independent Non-Executive Director of the Company for a cumulative term of ten years on 23 October 2019, to continue to serve as an Independent Non-Executive Director of the Company from 24 October 2019 to 23 October 2020." **(Resolution 9)**
- ORDINARY RESOLUTION IV - AUTHORITY TO ALLOT SHARES**
"THAT pursuant to Sections 75 and 76 of the Companies Act 2016, the Directors of the Company be and are hereby authorised to 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 allotted pursuant to this resolution does not exceed 10% of the number of issued shares of the Company for the time being and that the Directors be and are also empowered to obtain approval for the listing of and quotation for the additional shares so issued from Bursa Malaysia Securities Berhad and that such authority shall continue to be in force until the conclusion of the next AGM of the Company after the approval was given or at the expiry of the period within which the next AGM is required to be held after the approval was given, whichever is earlier, unless such approval is revoked or varied by the Company at a general meeting." **(Resolution 10)**

- ORDINARY RESOLUTION V PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE AND PROPOSED NEW SHAREHOLDERS' MANDATE FOR THE COMPANY AND/OR ITS SUBSIDIARIES TO ENTER INTO RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE WITH RELATED PARTIES ("RRPT MANDATE")**
"THAT pursuant to Part E Paragraph 10.09 of the Bursa Malaysia Securities Berhad's Main Market Listing Requirements, the Company and its subsidiaries ("KLCB Group") be and are hereby authorised to enter into any of the recurrent transactions of a revenue or trading nature as set out in Section 2.2 of the Circular to Shareholders of the Company dated 29 April 2019 with the related parties mentioned therein which are necessary for the KLCB Group's day-to-day operations, provided that the transactions are in the ordinary course of business, on normal commercial terms and on terms which are not more favourable to the related parties than those generally available to the public and are not to the detriment of the minority shareholders of the Company;

AND THAT such approval shall continue to be in force until:-

- the conclusion of the next AGM of the Company following the general meeting at which this resolution was passed, at which time it will lapse, unless by an ordinary resolution passed at the meeting, the authority is renewed, either unconditionally or subject to conditions; or
- the expiry of the period within which the next AGM of the Company is required to be held pursuant to Section 340(2) of the Companies Act 2016 ("the Act") (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or
- revoked or varied by ordinary resolution passed by the shareholders of the Company in general meeting; whichever is earlier;

AND THAT the Directors of the Company and/or any of them be and are hereby authorised to complete and do all such acts and things as they may deemed fit and expedient in the interest of the Company to give full effect to the RRPT Mandate." **(Resolution 11)**

- ORDINARY RESOLUTION VI PROPOSED RENEWAL OF AUTHORITY FOR THE COMPANY TO PURCHASE ITS OWN SHARES OF UP TO TEN PER CENT (10%) OF THE TOTAL NUMBER OF ISSUED SHARES ("PROPOSED RENEWAL OF SHARE BUY-BACK")**
"THAT subject to the Companies Act 2016 ("the Act"), the Constitution of the Company, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") ("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 number of issued 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 issued shares in the Company ("Shares") purchased ("Purchased Shares") and/or held as treasury shares pursuant to this ordinary resolution does not exceed ten per cent (10%) of the total number of issued shares of the Company as quoted on Bursa Securities as at point of purchase; and
 - the maximum fund to be allocated by the Company for the purpose of purchasing the shares shall not exceed the aggregate of the retained profits of the Company based on the latest audited financial statements and/or the latest management accounts (where applicable) available at the time of the purchase,

("Proposed Renewal of Share Buy-Back").

AND THAT the authority to facilitate the Proposed Renewal of Share Buy-Back will commence immediately upon passing of this Ordinary Resolution and will continue to be in force until:

- the conclusion of the next AGM of the Company following the general meeting at which this resolution was passed, 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 expiry 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 at a general meeting, whichever occurs first, but shall not prejudice the completion of purchase(s) by the Company of its own Shares before the aforesaid expiry date and, in any event, in accordance with the Listing Requirements and any applicable laws, rules, regulations, orders, guidelines and requirements issued by any relevant authorities.
- AND THAT the Directors of the Company be and are hereby authorised, at their discretion, to deal with the Purchased Shares until all the Purchased Shares have been dealt with by the Directors in the following manner as may be permitted by the Act, Listing Requirements, applicable laws, rules, regulations, guidelines, requirements and/or orders of any relevant authorities for the time being in force:
- To cancel all or part of the Purchased Shares;
 - To retain all or part of the Purchased Shares as treasury shares as defined in Section 127 of the Act;
 - To distribute all or part of the treasury shares as dividends to the shareholders of the Company;
 - To resell all or part of the treasury shares;
 - To transfer all or part of the treasury shares for the purposes of or under the employees' share scheme established by the Company and/or its subsidiaries;
 - To transfer all or part of the treasury shares as purchase consideration;
 - To sell, transfer or otherwise use the shares for such other purposes as the Minister may by order prescribe; and/or
 - To deal with the treasury shares in any other manners as allowed by the Act, Listing Requirements, applicable laws, rules, regulations, guidelines, requirements and/or orders of any relevant authorities for the time being in force.

AND THAT the Directors of the Company be and are authorised to take all such steps as are necessary or expedient (including without limitation, the opening and maintaining of central depository account(s) under Securities Industry (Central Depositories) Act, 1991, and the entering into agreements, arrangements and guarantee with any party or parties) to implement, finalise and give full effect to the Proposed Renewal of Share Buy-Back with full powers to assent to any conditions, modifications, revaluations, variations and/or amendments (if any) as may be imposed by the relevant authorities." **(Resolution 12)**

- ORDINARY RESOLUTION VII PROPOSED RENEWAL OF THE AUTHORITY TO ALLOT NEW ORDINARY SHARES IN THE COMPANY ("NEW KLCB SHARES"), FOR THE PURPOSE OF DIVIDEND REINVESTMENT PLAN ("DRP") THAT PROVIDES THE SHAREHOLDERS OF THE COMPANY THE OPTION TO ELECT TO REINVEST THEIR CASH DIVIDEND IN NEW KLCB SHARES ("PROPOSED RENEWAL OF DRP")**
"THAT pursuant to the DRP as approved by the shareholders at the Extraordinary General Meeting held on 24 June 2016 and subject to the approval of the relevant regulatory authorities, approval be and is hereby given to the Company to allot such number of New KLCB Shares from time to time as may be required to be allotted pursuant to the DRP until the conclusion of the next AGM upon such terms and conditions and to such persons as the Board of the Company at their absolute discretion, deem fit and in the best interest of the Company PROVIDED THAT the issue price of the said New KLCB Shares shall be fixed by the Board at not more than ten per cent (10%) discount to the adjusted five (5)-day volume weighted average market

price ("VWAMP") of KLCB Shares immediately prior to the price-fixing date, of which the VWAMP shall be adjusted ex-dividend before applying the abovementioned discount in fixing the issue price;

AND THAT the Directors and the Secretary of the Company be and are hereby authorised to do all such acts and enter into all such transactions, arrangements and documents as may be necessary or expedient in order to give full effect to the DRP with full power to assent to any conditions, modifications, variations and/or amendments (if any) as may be imposed or agreed to by any relevant authorities or consequent upon the implementation of the said conditions, modifications, variations and/or amendments, as they, in their absolute discretion, deem fit and in the best interest of the Company." **(Resolution 13)**

- SPECIAL RESOLUTION PROPOSED ALTERATION OF THE EXISTING MEMORANDUM AND ARTICLES OF ASSOCIATION/ CONSTITUTION BY REPLACING WITH A NEW CONSTITUTION ("PROPOSED ALTERATION")**
"THAT the existing Memorandum and Articles of Association/Constitution of the Company be hereby altered by replacing with a new Constitution as set out in the Appendix I attached to the Annual Report 2018 with effect from the date of passing this special resolution.
AND THAT the Directors of the Company be hereby authorised to do all such acts and things and to take all such steps as they deem fit, necessary, expedient and/or appropriate in order to complete and give full effect to the Proposed Alteration with full powers to assent to any condition, modification, variation and/or amendment as may be required or imposed by the relevant authorities." **(Resolution 14)**

- To consider any other business of which due notice shall be given in accordance with the Act.

By Order of the Board
TAY LEE SHYA (MIA 16982)
WONG PEIR CHYUN (MAICSA 7018710)
YENG SHI MEI (MAICSA 7059759)
Company Secretaries

Kuala Lumpur
29 April 2019

NOTES:-

- Appointment of Proxy**
 - A member entitled to attend and vote at the Meeting is entitled to appoint proxy(ies) (or in the case of a corporation, a duly authorised representative) to attend and vote in his stead. A proxy may but need not be a member of the Company.
 - The instrument appointing a proxy shall be in writing under the hand of the appointor or of 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.
 - A member shall be entitled to appoint not more than two (2) proxies to attend and vote at the same meetings, and that appointment shall be invalid unless he specifies the proportions 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 ("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 as defined under the SICDA 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 the authorised nominee or an exempt authorised nominee appoints more than one (1) proxy, the proportion of the shareholdings to be represented by each proxy must be specified in the instrument appointing the proxies.
 - The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority shall be deposited at the share registrar of the Company at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur or alternatively, the Customer Services Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, not less than forty-eight (48) hours before the time for holding the meeting or any adjournment thereof.
 - Only the members whose names appear on the Record of Depositors as at 10 June 2019 shall be entitled to attend and vote at this meeting or appoint proxy (proxies) to attend and vote on their behalf.
- Audited Financial Statements for the financial year ended 31 December 2018**
The Audited Financial Statements in agenda 1 is meant for discussion only as the approval of the shareholders is not required pursuant to the provision of Section 340(1)(a) of the Companies Act 2016. Hence, this agenda is not put forward for voting by shareholders.

- Resolutions 1 to 3 – Re-election of Directors**
Pang Khang Hau, Dato' Paduka (Dr.) Ir. Hj. Keizrul Bin Abdullah @ Lim Teik Keat and Chin Lian Hing are standing for re-election as Directors of the Company and being eligible, have offered themselves for re-election at the 10th AGM.

The Board had through the Nomination Committee carried out assessment of the Directors who are standing for re-election and agreed that they met the criteria as prescribed by Paragraph 2.20A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad on character, experience, integrity, competence and time to effectively discharge their role as Directors.

The Board had also through Nomination Committee carried out assessment on the independence of Dato' Paduka (Dr.) Ir. Hj. Keizrul Bin Abdullah @ Lim Teik Keat and is satisfied that he met the criteria of independence as prescribed in the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

- Resolution 4 – Declaration of a Final Single Tier Dividend**
Pursuant to Paragraph 8.26(2) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the final single tier dividend, if approved, will be paid no later than three (3) months from the date of shareholders' approval.
- Resolution 5 – Directors' Fees and Benefits**
The Directors' fees and benefits proposed for the period from this 10th AGM until the date of next AGM are calculated based on the expected Board size and number of scheduled Board and Committee Meetings for 2019 up to the next AGM. This resolution is to allow the Company to make payment of Directors' fees and benefits up till the next AGM of the Company. In the event the proposed amount is insufficient (e.g. due to more meetings or enlarged Board size), approval will be sought at the next AGM for the shortfall.
- Resolution 6 – Re-appointment of Auditors**
The Board had on 1 April 2019, through the Audit Committee, assessed the suitability and independence of the External Auditors, Messrs Ernst & Young and considered the re-appointment of Messrs Ernst & Young as Auditors of the Company. The Board and the Audit Committee collectively agreed and satisfied that Messrs Ernst & Young has the relevant criteria prescribed by Paragraph 15.21 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

- Explanatory Notes on Special Business**
 - Resolutions 7, 8 and 9 – Continuing in Office as Independent Non-Executive Directors**
The Board had through the Nomination Committee conducted an annual performance evaluation and assessment of Chua Kee Yat @ Koo Kee Yat, Dato' Paduka (Dr.) Ir. Hj. Keizrul Bin Abdullah @ Lim Teik Keat and Kek Chin Wu who will have served as Independent Non-Executive Directors ("INED") of the Company for a cumulative term of ten years respectively on 23 October 2019 and recommended for them to continue to act as an INEDs based on the following justifications:-
 - Each of them has fulfilled the criteria under the definition of Independent as set out in the Main Market Listing Requirements of Bursa Malaysia Securities Berhad;
 - Each of them has during their present tenure as Independent Non-Executive Director developed valuable insight of the Group and its business. Their experience enables them to discharge their duties and responsibilities independently, objectively and effectively in the decision making processes of the Board;
 - Each of them has vast experience, knowledge and skills in a diverse range of business and therefore provide constructive opinion, counsel, oversight and guidance as directors; and
 - Each of them has devoted sufficient time and attention to their professional obligations to the Company for informed and balanced decision making.
 - Resolution 10 – Authority to Allot Shares**
The resolution is proposed for the purpose of granting a renewed general mandate ("General Mandate") and empowering the Directors to allot shares in the Company up to an amount not exceeding in total ten per cent (10%) of the total number of issued shares of the Company for such purposes as the Directors consider would be in the interest of the Company.

This authority, unless revoked or varied by the Company at a general meeting, will expire at the next AGM. The renewed General Mandate is to provide flexibility to the Company to issue new securities 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 renewed General Mandate is for possible fund raising exercise including but not limited to further placement of shares for purpose of funding current and/or future investments projects, working capital, repayment of bank borrowings and acquisition.

As at the date of this notice, the Company did not issue any shares pursuant to the mandate granted to the Directors at the Ninth AGM because there were no investment(s), acquisition(s) or working capital that require fund raising activity.

- Resolution 11 – RRPT Mandate**
This resolution, if passed, will authorise the Company and each of its subsidiaries to enter into recurrent related party transactions of a revenue or trading nature in the ordinary course of business. For further information on the recurrent related party transactions, please refer to the Circular to Shareholders dated 29 April 2019 enclosed together with the Company's Annual Report 2018.
- Resolution 12 – Proposed Renewal of Share Buy-Back**
This resolution, if passed, will give the Company the authority to purchase its own ordinary shares of up to ten per cent (10%) of the number of issued shares of the Company. For further information on Proposed Renewal of Share Buy-Back, please refer to the Statement to Shareholders dated 29 April 2019 enclosed together with the Company's Annual Report 2018.

- Resolution 13 – Proposed Renewal of DRP**
The shareholder had at the AGM held on 22 June 2018 approved the authority for Director to allot New KLCB Shares in relation to DRP and such authority will expire at the conclusion of this AGM. The Company's DRP provides the shareholders of the Company the option to elect to reinvest their cash dividend in New KLCB Shares.

This resolution, if passed, will give the Company the authority to the Board to allot New KLCB Shares under the DRP in respect of dividend declared in this AGM and subsequently, until the conclusion of the next AGM. A renewal of this authority may be sought at the next AGM, at the sole discretion of the Board.

- Special Resolution – Proposed Alteration**
This proposed Special Resolution, if passed, will enable the Company to alter its existing Memorandum and Articles of Association/Constitution by replacing with a new Constitution which is drafted in accordance with the relevant provisions of Companies Act 2016, relevant amendments of Chapter 7 and other Chapters of the Main Market Listing Requirements of Bursa Securities and other provisions of laws and regulations that are applicable to the Company.

For further information on the Proposed Alteration, please refer to the Appendix I attached to the Annual Report 2018.