



NOTICE IS HEREBY GIVEN that the Forty-Third Annual General Meeting ("43rd AGM") of Magnum Berhad ("Company" or "Magnum") will be held at the Grand Ballroom, First Floor, Flamingo hotel by the lake, No. 5, Tasik Ampang, Jalan Hulu Kelang, 68000 Ampang, Selangor Darul Ehsan on Wednesday, 29 May 2019 at 9.30 a.m. for the transaction of the following business:-

AGENDA

AS ORDINARY BUSINESS

1. To consider and receive the Report of the Directors and the Audited Financial Statements for the year ended 31 December 2018 together with the Report of the Auditors thereon. (Please refer to Explanatory Note 1)
2. (a) To approve the payment of Directors' fees of RM95,000 per annum for each of the Non-Executive Directors in respect of the year ended 31 December 2018 totalling RM285,000, an increase of RM5,000 for each Non-Executive Director (Year 2017: RM90,000 each per annum). (Resolution 1)
(b) To approve the payment of the Directors' remuneration (excluding Directors' fees) to the Non-Executive Directors of up to an amount of RM100,000 for the period from 29 May 2019 until the next Annual General Meeting of the Company. (Resolution 2)
3. (a) To re-elect the Director, Dato' Lawrence Lim Swee Lin, who is retiring by rotation in accordance with Clause 90 of the Constitution of the Company. (Resolution 3)
(b) To note that Dato' Wong Puan Wah will be retiring by rotation pursuant to Clause 90 of the Constitution of the Company and he will not be seeking re-election at this Annual General Meeting. Hence, Dato' Wong Puan Wah will retain office until the close of the 43rd AGM.
(c) To re-elect the Director, Krian Upatkoorn, who is retiring in accordance with Clause 97 of the Constitution of the Company. (Resolution 4)
4. To re-appoint Messrs. Ernst & Young as Auditors of the Company for the financial year ending 31 December 2019 and to authorise the Board of Directors to fix their remuneration. (Resolution 5)

AS SPECIAL BUSINESS

5. To consider and, if thought fit, to pass the following Ordinary Resolutions:-
 - (A) **PROPOSED RENEWAL OF THE AUTHORITY TO ALLOT SHARES PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT 2016** (Resolution 6)
"THAT, subject always to the Companies Act 2016, the Constitution of the Company, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and approvals of any other relevant governmental and/or regulatory authorities, the Directors of the Company be and are hereby empowered, pursuant to Sections 75 and 76 of the Companies Act 2016, 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 ten per centum (10%) of the total number of issued shares of the Company for the time being and 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 in force until the 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 by law 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."
 - (B) **PROPOSED RENEWAL OF THE AUTHORITY FOR MAGNUM TO PURCHASE ITS OWN SHARES** (Resolution 7)
"THAT, subject always to the Companies Act 2016, the Company's Constitution, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") and any other relevant governmental and/or regulatory authorities, approval be and is hereby given for the renewal of the authority granted by the shareholders of the Company at the Forty-Second Annual General Meeting of the Company held on 30 May 2018, authorising the Company to purchase and/or hold as treasury shares from time to time and at any time such number of ordinary 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 ("Proposed Share Buy-Back Renewal") provided that:-
 - (1) The maximum number of shares which may be purchased and/or held as treasury shares by the Company at any point of time pursuant to the Proposed Share Buy-Back Renewal shall not exceed ten per centum (10%) of the total issued shares of the Company (including the shares previously purchased and held as treasury shares) provided always that in the event that the Company ceases to hold all or any part of such shares as a result of, amongst others, cancellation of shares, sale of shares on the open market of the Bursa Securities or distribution of treasury shares to shareholders as dividend, the Company shall be entitled to further purchase and/or hold such additional number of shares as shall, in aggregate with the shares then still held by the Company, not exceed ten per centum (10%) of the total issued shares of the Company for the time being quoted on the Bursa Securities;
 - (2) The maximum amount of funds to be allocated by the Company pursuant to the Proposed Share Buy-Back Renewal shall not exceed the sum of retained profits of the Company. As at 31 December 2018, the audited retained profits of the Company amounted to approximately RM771.709 million;
 AND THAT authority is hereby given to the Directors to decide in their absolute discretion to deal in any of the following manners the shares in the Company purchased by the Company pursuant to the Proposed Share Buy-Back Renewal:-
 - (i) to cancel the shares purchased; or
 - (ii) to retain the shares purchased as treasury shares, to be either distributed as share dividends to the shareholders and/or re-sold on the open market of the Bursa Securities and/or subsequently cancelled; or
 - (iii) a combination of (i) and (ii) above; or in any other manners as allowed by the Companies Act 2016;
 AND THAT such authority shall commence immediately upon the passing of this resolution, until the conclusion of the next Annual General Meeting of the Company unless by ordinary resolution passed at that meeting, the authority is renewed, either unconditionally or subject to conditions; or at the expiry of the period within which the next Annual General Meeting is required by law to be held, unless earlier revoked or varied by ordinary resolution of the shareholders of the Company in a general meeting, whichever is earlier 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 the Directors of the Company be and are hereby authorised to take all such steps as are necessary or expedient to implement, finalise and give full effect to the Proposed Share Buy-Back Renewal with full powers to assents 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 Companies Act 2016, the provisions of the Company's Constitution and the requirements and/or guidelines of Bursa Securities for the Main Market and all other relevant governmental and/or regulatory authorities."
6. To consider and, if thought fit, to pass the following Special Resolution:-

PROPOSED AMENDMENTS TO THE CONSTITUTION OF THE COMPANY (Resolution 8)

"THAT the proposed amendments to the Company's Constitution as set out in Part B (Appendix II) of the Document to Shareholders dated 30 April 2019 accompanying the Company's Annual Report for the financial year ended 31 December 2018 be and are hereby approved AND THAT the Directors of the Company be and are hereby authorised to assent to any modifications, variations and/or amendments as may be required by the relevant authorities and to do all acts and things and take all such steps as may be considered necessary to give full effect to the foregoing."
7. To transact any other business of which due notice shall have been given in accordance with the Constitution of the Company and the Companies Act 2016.

BY ORDER OF THE BOARD

LEONG KUAN YING (MAICSA 7041318)
NG SOOK YEE (MAICSA 7020643)
Chartered Secretaries
Kuala Lumpur
30 April 2019

NOTES :-

PROXY

1. A member whose name appears in the Record of Depositors on 16 May 2019 shall be regarded as a member entitled to attend, speak and vote at the meeting or to appoint proxy to attend, speak and vote on its behalf at the meeting.
2. A proxy may but need not be a member of the Company.
3. A member, other than an exempt authorised nominee, shall be entitled to appoint one or more proxies (or in the case of a corporation, to appoint representative(s) in accordance with Section 333 of the Companies Act 2016) to attend and vote at the same meeting in his stead.
4. A member who is an authorised nominee may appoint one proxy in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.
5. Where a member 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 an exempt authorised nominee may appoint in respect of each omnibus account it holds.
6. Where a member appoints more than one proxy, the appointment shall be invalid unless he specifies the proportions of his holdings to be represented by each proxy.
7. If the appointor is a corporation, the form of proxy must be executed either under its Common Seal or under the hand of its officer or attorney duly authorised.
8. To be valid, a form of proxy duly completed and signed before a witness must be deposited at the registered office of the Company at 35th Floor, Menara Multi-Purpose, Capital Square, No. 8, Jalan Munshi Abdullah, 50100 Kuala Lumpur not less than 48 hours before the time for holding the meeting. Fax copy of the duly executed form of proxy is not acceptable.

REGISTRATION AND OTHER MATTERS

9. Registration will start at 7.30 a.m. in Mewah Hall at Ground Floor, Flamingo hotel by the lake and will end at a time as directed by the Chairman of the meeting. Shareholders are encouraged to be punctual.
10. Light refreshments will only be served before the commencement of the 43rd AGM.

EXPLANATORY NOTES ON ORDINARY BUSINESS

1. **Directors' Report, Audited Financial Statements and Auditors' Report**
Agenda item 1 is meant for discussion only. The provisions of Sections 248(2) and 340(1) of the Companies Act 2016 and the Constitution of the Company require that the Audited Financial Statements and Reports of the Directors and Auditors thereon be laid before the Company at its Annual General Meeting. Hence, this Agenda item is not a business which requires a resolution to be put to vote by shareholders.
2. **Resolutions 1 and 2 - Payment of Directors' Fees and Other Remuneration**
The proposed ordinary Resolution 1, if passed, will authorise the payment of RM95,000 per annum (Year 2017: RM90,000 each per annum) as Directors' fees for each of the Non-Executive Directors for the financial year 2018 totalling RM285,000, an increase of RM5,000 for each Non-Executive Director pursuant to Clause 99 of the Company's Constitution.
In August 2018, the Board through the Remuneration Committee had conducted a review of the Directors' Fees and in view of the increasing responsibility of directors, the Remuneration Committee has recommended the increase in the Directors' Fees for the financial year 2018 from RM90,000 per annum to RM95,000 per annum for each Non-Executive Director of the Company.
The proposed ordinary Resolution 2 is to seek shareholders' approval pursuant to Section 230 of the Companies Act 2016 for the payment of up to RM100,000 as Directors' remuneration (excluding Directors' fees) to the Non-Executive Directors for the period from 29 May 2019 until the next Annual General Meeting.
The total estimated amount of Directors' remuneration (excluding Directors' fees) payable to the Non-Executive Directors is calculated based on the number of scheduled Board's and Board Committees' meetings, and other benefits such as club memberships and cars for the Non-Executive Chairman and Directors, including allocation of additional allowances to any new Non-Executive Directors appointed during the period from 29 May 2019 until the next Annual General Meeting in 2020.
The payment of Directors' remuneration (excluding Directors' fees) will be made on monthly basis and/or as and when incurred if the ordinary Resolution 2 has been passed at the 43rd AGM. This authority under ordinary Resolution 2, unless revoked or varied by the Company in a general meeting, will expire at the conclusion of the next Annual General Meeting of the Company.
The breakdown and details of the Directors' remuneration including Directors' Fees are set out in the Annual Report under the Corporate Governance Overview Statement.
3. **Resolutions 3 and 4 - Re-election of Retiring Directors**
Clause 90 of the Constitution of the Company provides that one-third (1/3) of the Directors of the Company for the time being shall retire by rotation at an AGM of the Company. All Directors shall retire from office at least once in three (3) years but, shall be eligible for re-election.
Clause 97 of the Constitution of the Company provides that the Director appointed either to fill a casual vacancy or as an addition to the existing Directors shall hold office only until the next Annual General Meeting and shall be eligible for re-election.
The proposed ordinary Resolutions 3 and 4 are to seek shareholders' approvals for the re-elections of Dato' Lawrence Lim Swee Lin and Krian Upatkoorn respectively as Directors of the Company. Both Dato' Lawrence Lim Swee Lin and Krian Upatkoorn, who are standing for re-election as Directors of the Company and being eligible, have offered themselves for re-election.
In determining the eligibility of the Directors standing for re-election at the 43rd AGM, the Nomination Committee had considered the evaluations on the contributions and performance of the Individual Directors, including the effectiveness of the Board as a whole and the Board Committees; and for independent Non-Executive Directors only, the level of independence demonstrated by the independent Non-Executive Directors and their ability to act in the best interest of the Company. The Board has agreed with the Nomination Committee's recommendation for the retiring Directors pursuant to Clauses 90 and 97 of the Company's Constitution.
4. **Resolution 5 - Re-appointment of Messrs. Ernst & Young (Firm No. AF: 0039) as Auditors of the Company**
The proposed ordinary Resolution 5 is to re-appoint Messrs. Ernst & Young as Auditors of the Company. The Board had at a meeting held on 28 March 2019 approved the recommendation by the Group Audit Committee ("GAC") on the re-appointment of Messrs. Ernst & Young as Auditors of the Company. The Board is satisfied that Messrs. Ernst & Young has met the relevant criteria prescribed by Paragraph 15.21 of the Main Market Listing Requirements, which was concluded through the assessment carried out by the GAC on the suitability and independence of the external auditors.

EXPLANATORY NOTES ON SPECIAL BUSINESS

5. **Resolution 6 - Renewal of the Authority to Allot Shares Pursuant to Sections 75 and 76 of the Companies Act 2016**
The proposed ordinary Resolution 6 is a renewal of the mandate obtained from the members at the last Annual General Meeting held on 30 May 2018, and if passed, will give the Directors of the Company, from the date of the 43rd AGM, authority to allot shares from the unissued capital of the Company of up to 10% of the total issued shares of the Company for such purposes as the Directors deem fit and in the interest of the Company. The authority, unless revoked or varied by the Company in a general meeting, will expire at the conclusion of the next Annual General Meeting of the Company or at the expiry of the period within which the next Annual General Meeting is required by law to be held after the approval was given, whichever is earlier.
This general mandate sought will provide flexibility to the Company of any possible fund raising activities, including but not limited to further placing of shares, for purpose of funding future investment projects), working capital and/or acquisitions. The Company did not issue any new ordinary shares pursuant to the shareholders' mandate obtained at the last Annual General Meeting held on 30 May 2018 and to-date, there is no decision to issue new shares. If there should be a decision to issue new shares after the general mandate is obtained, the Company will make an announcement in respect of the purpose and utilisation of proceeds arising from such issue.
6. **Resolution 7 - Renewal of the Authority for the Company to purchase its own shares**
The proposed ordinary Resolution 7 is a renewal of the mandate for the Company to repurchase its own shares and if passed, will empower the Company to purchase and/or hold from time to time up to ten per centum (10%) of the total issued shares of the Company.
The details of the Proposed Share Buy-Back Renewal are set out in the Share Buy-Back Statement which forms Part A of the Document to Shareholders dated 30 April 2019 and is dispatched together with the Company's 2018 Annual Report.
7. **Resolution 8 - Amendments To The Constitution Of The Company**
The proposed special Resolution 8 is to seek shareholders' approval pursuant to Section 36 of the Companies Act 2016 for the Company's Constitution to be amended to:-
 - (a) allow the Board to cancel or postpone a meeting of members without having to hold the meeting on the original specified date and thereafter adjourning it;
 - (b) facilitate and further advance administrative efficiency particularly, in issuance of any notice or documents required to be sent under the Listing Requirements to members of the Company, taking full advantage of new technology leverages; and
 - (c) allow the Company to destroy certain documents which have been kept for 7 years, should the Company consider it to be appropriate.
 The details of the proposed amendments to the Company's Constitution are set out in Part B of the Document to Shareholders dated 30 April 2019 which is dispatched together with the Company's 2018 Annual Report.

VOTING BY POLL

Pursuant to Paragraph 8.29A of Bursa Malaysia Securities Berhad's Main Market Listing Requirements, all resolutions set out in this notice are to be voted by poll.

STATEMENT ACCOMPANYING THE NOTICE OF ANNUAL GENERAL MEETING

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

1. Details of individuals who are standing for election as Directors (excluding Directors standing for re-election)
No individual is seeking for new election as a Director at the 43rd Annual General Meeting of the Company.
2. General mandate for issue of securities in accordance with Paragraph 6.03(3) of Bursa Malaysia Securities Berhad's Main Market Listing Requirements
Details of the general mandate/authority for Directors to allot and issue shares in the Company pursuant to Sections 75 and 76 of the Companies Act 2016 are set out in the Explanatory Notes on Special Business of the Notice of 43rd Annual General Meeting.