



NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Fifty Third ("53rd") Annual General Meeting ("AGM") of Karambunai Corp Bhd will be held at Nexus Resort & Spa Karambunai, Magibah Conference Room of No. 1, Nexus Drive West, Karambunai, off Jalan Sepangar, Menggatal, 88450 Kota Kinabalu, Sabah, Malaysia on Monday, 26 August 2019 at 10.00 a.m. for the following purposes:-

AGENDA

As Ordinary Business:-

1. To receive the Audited Financial Statements of the Company for the financial year ended 31 March 2019 together with the Reports of Directors and Auditors thereon. *(Please refer to Note (a) of the Explanatory Notes)*
2. To approve the payment of Directors' fees and benefits of up to RM114,000 for the period from 27 August 2019 until the conclusion of the next AGM of the Company. *Ordinary Resolution 1*
3. To re-elect the following directors who are retiring pursuant to Article 18.5 of the Company's Constitution, and being eligible, offer themselves for re-election.
 - (a) Dato' Dr Mohd Aminuddin Bin Mohd Rouse *Ordinary Resolution 2*
 - (b) Mr Lim Mun Kee *Ordinary Resolution 3*
4. To re-appoint Messrs Moore Stephens Associates PLT as Auditors of the Company and to authorise the Directors to fix their remuneration. *Ordinary Resolution 4*

As Special Business:-

To consider and, if thought fit, pass the following Resolutions:-

5. **Authority to Allot and Issue Shares pursuant to Section 75 and 76 of the Companies Act 2016** *Ordinary Resolution 5*

"THAT subject to the Companies Act 2016, the Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad and the Company's Constitution, the Directors of the Company be and are hereby authorised, pursuant to Section 75 and 76 of the Companies Act 2016, to issue 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 to be issued pursuant to this resolution does not exceed 10% of the number of issued shares of the Company for the time being."
6. **Continuing in Office as Independent Non-Executive Directors** *Ordinary Resolution 6*

"THAT subject to the passing of Ordinary Resolution 2, approval be and is hereby given for Dato' Dr Mohd Aminuddin Bin Mohd Rouse, who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine (9) years, to continue to serve as an Independent Non-Executive Director of the Company until the conclusion of the next Annual General Meeting in accordance with the Malaysian Code on Corporate Governance."

"THAT subject to the passing of Ordinary Resolution 3, approval be and is hereby given for Mr Lim Mun Kee, who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine (9) years, to continue to serve as an Independent Non-Executive Director of the Company until the conclusion of the next Annual General Meeting in accordance with the Malaysian Code on Corporate Governance."

"THAT approval be and is hereby given for Datuk Wan Kassim Bin Ahmed, 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 serve as an Independent Non-Executive Director of the Company until the conclusion of the next Annual General Meeting in accordance with the Malaysian Code on Corporate Governance."
7. To transact any other ordinary business of which due notice shall have been received. *Ordinary Resolution 8*

By Order of the Board

YEW NYUK KWEI, MACS 01247

Company Secretary

Kota Kinabalu

26 July 2019

Notes:-

1. A member entitled to attend and vote at the Meeting is entitled to appoint a proxy or proxies to attend and vote in his/her stead. Where a member appoints two (2) proxies, the appointment shall be invalid unless he/she specifies the proportion of his/her shareholdings to be represented by each proxy.
2. The instrument appointing a proxy must be in writing under the hand of the appointer or his attorney duly authorised in writing or if such appointer is a corporation, either under its common seal, or the hand of an officer or attorney duly authorised.
3. The instrument appointing a proxy and the power of attorney or other authority (if any) under which the instrument is signed or a notarily certified copy of that power of authority, shall be deposited at the Company's Registered Office at No. 9020, Nexus Drive West, Karambunai, Menggatal, 88450 Kota Kinabalu, Sabah, Malaysia not less than forty-eight (48) hours before the time for holding the meeting or any adjourned meeting.
4. Please note that in order to attend and vote at the Meeting, a member must be registered in the Record of Depositors at 4.00 p.m. on 16 August 2019 in accordance with Article 15.8 of the Company's Constitution. Any changes in the entries on the Record of Depositors after the above mentioned date and time shall be disregarded in determining the rights of any person to attend and vote at the Meeting.
5. Shareholders' attention is hereby drawn to the MMLR of the Bursa Malaysia Securities Berhad, which allows a member of the Company which is an exempt authorised nominee, as defined under the Securities Industry (Central Depositories) Act, 1991, who holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus") to appoint multiple proxies in respect of each omnibus account it holds.
6. Pursuant to Paragraph 8.29A(1) of the MMLR of Bursa Malaysia Securities Berhad, all the resolutions set out in the Notice of AGM will be put to vote by poll.

EXPLANATORY NOTES:-

(a) Agenda 1 – Audited Financial Statements

The Audited Financial Statements are laid before the shareholders for discussion only as the provision of Section 340(1)(a) of the Companies Act 2016 does not require a formal approval of shareholders for the Audited Financial Statements. Hence, this item on the Agenda is not put forward for voting.

(b) Ordinary Resolution 5 – Authority to Allot and Issue Shares pursuant to Section 75 and 76 of the Companies Act 2016

The proposed resolution, if passed, will empower the Directors to issue shares up to 10% of the total number of issued shares of the Company for the time being for such purposes as the Directors consider would be in the interest of the Company. This 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. No proceeds were raised from the previous mandate. The renewed mandate will provide flexibility to the Company for any possible fund raising activities, including placement of shares, for the purpose of funding further investment project(s), working capital and/or acquisitions.

(c) Ordinary Resolution 6, 7 & 8 - Continuing in Office as Independent Non-Executive Director

The Board has via the Nomination Committee conducted an annual performance evaluation and assessment on Dato' Dr Mohd Aminuddin Bin Mohd Rouse and Mr Lim Mun Kee, who have both served as Independent Non-Executive Directors of the Company for a cumulative term of more than nine (9) years (but less than 12 years) and on Datuk Wan Kassim Bin Ahmed, who has served as Independent Non-Executive Director of the Company for a cumulative term of more than twelve (12) years. The Board is satisfied that Dato' Dr Mohd Aminuddin Bin Mohd Rouse, Mr Lim Mun Kee and Datuk Wan Kassim Bin Ahmed continue to be Independent and recommended that they continue to act as Independent Non-Executive Directors of the Company based on the following justifications:-

- (i) they met the criteria under the definition of "Independent Director" stated in the MMLR of Bursa Malaysia Securities Berhad;
- (ii) they are able to exercise independent and objective judgement and to act in the best interest of the Company, notwithstanding their tenure of service;
- (iii) they have devoted sufficient time and efforts and exercised due care in all undertakings of the Company and have acted and carried out their fiduciary duties in the interest of the Company during their tenure as independent directors;
- (iv) they are independent from Management and free from any business or other relationship which could interfere with the exercise of independent judgement or the ability to act in the best interest of the Company;

The Resolution 8 on retaining Datuk Wan Kassim Bin Ahmed as Independent Non-Executive Director will be subject to a two-tier voting process in accordance with the Malaysian Code on Corporate Governance.