

**NOTICE IS HEREBY GIVEN** that the Twenty-Fourth Annual General Meeting of YLI Holdings Berhad will be held at the Concorde Ballroom, Lobby Level, Concorde Hotel, Jalan Sultan Ismail, 50250 Kuala Lumpur on Wednesday, 28 August 2019 at 11.30 a.m.

**AGENDA**

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| 1. To receive the Audited Financial Statements for the financial year ended 31 March 2019 together with the Reports of the Directors and Auditors thereon. | Please refer to Note A |
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**AS ORDINARY BUSINESS**

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|---|-----------------------|
| 2. To re-elect Tan Sri Syed Mohd Yusof bin Tun Syed Nasir who retires in accordance with Clause 84 of the Company's Constitution. | Ordinary Resolution 1 |
| 3. To re-elect Dato' Hj Samsuri bin Rahmat who retires in accordance with Clause 84 of the Company's Constitution.                | Ordinary Resolution 2 |
| 4. To re-appoint Messrs Baker Tilly Monteiro Heng PLT as Auditors and to authorise the Directors to determine their remuneration. | Ordinary Resolution 3 |

**AS SPECIAL BUSINESS**

To consider and, if thought fit, to pass with or without modifications the following Resolutions:-

**Ordinary Resolutions**

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|---|-----------------------|
| 5. To approve the payment of Directors' fees for the financial year ended 31 March 2019 and Directors' benefits from 29 August 2019 until the next Annual General Meeting of the Company up to an aggregate amount of RM923,000.  | Ordinary Resolution 4 |
| 6. <b>Authority to continue in office as Independent Non-Executive Directors</b>  |                       |
| i. "THAT authority be and is hereby given to YBhg Tan Sri Academician Ir (Dr) Ahmad Zaidee bin Laidin 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 act as an Independent Non-Executive Director of the Company until the conclusion of the next Annual General Meeting." | Ordinary Resolution 5 |
| ii. "THAT authority be and is hereby given to Encik Mohammad Khayat bin Idris 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 act as an Independent Non-Executive Director of the Company until the conclusion of the next Annual General Meeting."                         | Ordinary Resolution 6 |

**7. Proposed Renewal of Authority for Share Buy-Back**

Ordinary Resolution 7

"THAT subject always 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:

- i. 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 centum (10%) of the total number of issued shares of the Company as quoted on Bursa Securities as at point of purchase; and
- ii. 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 Share Buy-Back").

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

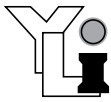
- i. the conclusion of the next Annual General Meeting of the Company following at which time the authority shall lapse unless by ordinary resolution passed at the meeting, the authority is renewed, either unconditionally or subject to conditions;
- ii. the expiration of the period within which the next annual general meeting of the Company is required by law to be held; or
- iii. 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:

- i. To cancel all or part of the Purchased Shares;
- ii. To retain all or part of the Purchased Shares as treasury shares as defined in Section 127 of the Act;
- iii. To distribute all or part of the treasury shares as dividends to the shareholders of the Company;
- iv. To resell all or part of the treasury shares;
- v. 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;
- vi. To transfer all or part of the treasury shares as purchase consideration;
- vii. To sell, transfer or otherwise use the shares for such other purposes as the Minister may by order prescribe; and/or
- viii. 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 all other agreements, arrangements and guarantee with any party or parties] to implement, finalise and give full effect to the Proposed Share Buy-Back with full powers to assent to any conditions, modifications, variations and/or amendments (if any) as may be imposed by the relevant authorities."



**Ordinary Resolutions (continued)**

**8. Authority to Issue Shares**

"THAT pursuant to Sections 75 and 76 of the Companies Act 2016 and the Constitution of the Company and subject to approvals from Bursa Malaysia Securities Berhad ("Bursa Securities") and other relevant governmental regulatory authorities where such authority shall be necessary, the Board of Directors be and is hereby authorised to issue and allot shares in the Company from time to time until the conclusion of the next Annual General Meeting and upon such terms and conditions and for such purposes as the Board of Directors may, in their absolute discretion, deem fit provided that the aggregate number of shares to be issued shall not exceed ten per centum (10%) of the total number of issued shares (excluding treasury shares) of the Company for the time being, and that the Board of Directors be and is also empowered to obtain the approval for the listing of and quotation for the additional shares so issued on Bursa Securities."

Ordinary  
Resolution 8

**Special Resolution**

**9. Proposed Alteration of the Existing Constitution by replacing with a New Constitution ("Proposed Alteration")**

"THAT the existing Constitution of the Company be hereby altered by replacing with a new Constitution attached hereto as Annexure A with effect from the date of passing this special resolution.

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."

Special  
Resolution 1

10. To transact any other business of which due notice shall have been given in accordance with the Companies Act 2016.

By Order of the Board

**CHEW SIEW CHENG (MAICSA 7019191)**

Company Secretary

Penang

Date: 29 July 2019

**Note A**

This Agenda item is meant for discussion only as the provision of Sections 248(2) and 340(1)(a) of the Companies Act 2016 does not require a formal approval of the shareholders and hence is not put forward for voting.

**NOTES:**

- A member entitled to attend and vote at the Annual General Meeting is entitled to appoint not more than two proxies (who need not be members of the Company) to attend, participate, speak and vote on his behalf.
- Where a member appoints two proxies, the appointments shall be invalid unless the percentage of the holding to be represented by each proxy is specified.
- Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories) Act, 1991, it may appoint not more than two (2) proxies 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 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.
- The instrument appointing a proxy or proxies must be under the hand of the appointor or of his attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its seal or under the hand of an officer or attorney duly authorised.
- The instrument appointing a proxy or proxies must be deposited at the Company's Registered Office at No. 45 Lorong Rahim Kajai 13, Taman Tun Dr Ismail, 60000 Kuala Lumpur not less than 48 hours before the time set for the meeting.
- A corporation which is a member may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the meeting in accordance with Section 333 of the Companies Act 2016.
- Only members registered in the Record of Depositors as at 22 August 2019 shall be eligible to attend the meeting or appoint proxies and vote on their behalf.

**EXPLANATORY NOTES ON SPECIAL BUSINESS**

**1. Resolution 4 - To approve the Directors' fees and benefits**

Pursuant to Section 230 of the Act, any fees and benefits payable to the directors of a listed company and its subsidiaries shall be approved at a general meeting.

The proposed Ordinary Resolution 4, if passed, will authorise the payment of Directors' fees for the financial year ended 31 March 2019 and Directors' benefits from 29 August 2019 until the next Annual General Meeting of the Company up to an aggregate amount of RM923,000.

**2. Resolutions 5 and 6 - Authority to continue in office as Independent Non-Executive Directors**

The Nomination Committee had assessed the independence of YBhg Tan Sri Academician Ir (Dr Ahmad Zaidee bin Laidin and Encik Mohammad Khayat bin Idris who have served on the Board as Independent Non-Executive Directors for a cumulative term of more than nine (9) years. The Board has recommended that the approval of the shareholders be sought to re-appoint YBhg Tan Sri Academician Ir (Dr) Ahmad Zaidee bin Laidin and Encik Mohammad Khayat bin Idris as Independent Non-Executive Directors as both of them possess the following aptitudes necessary in discharging their roles and functions as Independent Non-Executive Directors of the Company:-

- Have vast experience in the various industries the Group is involved in and as such could provide the Board with a diverse set of experience, expertise and independent judgment;
- Consistently challenge the management in an effective and constructive manner;
- Have good and thorough understanding of the main drivers of the business in a detailed manner;
- Actively participate in board deliberations and decision making in an objective manner; and
- Exercise due care in all undertakings of the Group and carry out their fiduciary duties in the interest of the Company and minority shareholders.

**3. Resolution 7 - Proposed Renewal of Authority for Share Buy-Back**

The proposed Ordinary Resolution 7, if passed, will empower the Company to purchase and/or hold up to ten per centum (10%) of the total number of issued shares of the Company. This authority, unless revoked

or varied at a general meeting, will expire at the next Annual General Meeting of the Company. For further information, please refer to the Statement to Shareholders dated 29 July 2019.

**4. Resolution 8 - Authority to Issue Shares**

This general mandate for issuance of shares ("the Mandate") was sought for in the preceding year and the Board did not carry out the Mandate since the last Annual General Meeting ("AGM") of the Company until the latest practicable date before the printing of this Annual Report. As the Mandate will expire on 28 August 2019, the Board is desirous of seeking a fresh general mandate at the forthcoming AGM. This Mandate will provide flexibility to the Company for any possible fund raising activities, including but not limited to placing of shares, for the purpose of funding further investment project(s), working capital and/or acquisition.

The proposed Ordinary Resolution 8, if passed, will from the date of the above meeting give the Directors of the Company authority to allot and issue ordinary shares in the Company of up to an amount not exceeding 10% of the total number of issued shares (excluding treasury shares) of the Company for the time being for such purposes as the Directors consider would be in the interest of the Company. The authority will, unless revoked or varied by the Company in General Meeting, expire at the next Annual General Meeting.

**5. Special Resolution 1 - Proposed Alteration of the Existing Constitution by replacing with a New Constitution ("Proposed Alteration")**

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

For further information on the Proposed Alteration, please refer to the Annexure A enclosed together with this Notice of Annual General Meeting of the Company dated 29 July 2019.