

## NOTICE OF 27<sup>TH</sup> ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN THAT** the 27<sup>th</sup> Annual General Meeting ("AGM") of Pos Malaysia Berhad ("Pos Malaysia" or "the Company") will be held at Glenmarie Ballroom, Holiday Inn Kuala Lumpur Glenmarie, 1, Jalan Usahawan U1/8, 40250 Shah Alam, Selangor Darul Ehsan on Wednesday, 18 September 2019 at 10.00 a.m. for the transaction of the following business:-

### Ordinary Business

- To receive the Audited Financial Statements for the financial year ended 31 March 2019 and the Reports of the Directors and Auditors thereon. Please refer to Note A
- To declare a final single tier dividend of 4 sen per ordinary share in respect of the financial year ended 31 March 2019. Please refer to Note B (Resolution 1)
- To re-elect the following Directors who retire pursuant to Article 110(2) of the Company's Constitution, and being eligible, offered themselves for re-election:- Please refer to Note C
  - Datuk Yasmin binti Mahmood (Resolution 2)
  - Encik Ahmad Suhaimi bin Endut (Resolution 3)
- To re-elect the following Directors who retire by rotation pursuant to Article 115 of the Company's Constitution, and being eligible, offered themselves for re-election:- Please refer to Note C
  - Dato' Sri Syed Faisal Albar bin Syed A. R Albar (Resolution 4)
  - Datuk Puteh Rukiah binti Abd Majid (Resolution 5)
- To re-appoint Messrs. KPMG PLT as Auditors of the Company for the ensuing year and to authorise the Directors to determine their remuneration. Please refer to Note D (Resolution 6)

### Special Business

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

- Proposed Continuation in office of Dato' Abdul Hamid bin Sh Mohamed as Independent Non-Executive Director. "THAT approval be hereby given to Dato' Abdul Hamid bin Sh Mohamed, who will have served as Independent Non-Executive Director of the Company for a cumulative tenure of eleven (11) years, on 20 October 2019, to continue to act as Independent Non-Executive Director of the Company until the conclusion of the next AGM of the Company in accordance with the Malaysian Code on Corporate Governance." Please refer to Note E (Resolution 7)
- Proposed Continuation in office of Dato' Ibrahim Mahaludin bin Puteh as Senior Independent Non-Executive Director. "THAT approval be hereby given to Dato' Ibrahim Mahaludin bin Puteh, who will have served as Independent Non-Executive Director of the Company for a cumulative tenure of eleven (11) years, on 24 February 2020, to continue to act as Senior Independent Non-Executive Director of the Company until the conclusion of the next AGM of the Company in accordance with the Malaysian Code on Corporate Governance." Please refer to Note E (Resolution 8)
- Proposed Payment of Directors' Fees from 19 September 2019 until the conclusion of the next AGM of the Company. "THAT the payment of Directors' fees for an estimated amount up to RM961,000 to the Non-Executive Directors ("NEDs") of the Company from 19 September 2019 until the conclusion of the next AGM of the Company, be hereby approved." Please refer to Note F (Resolution 9)
- Proposed Payment of Directors' Benefits (excluding Directors' Fees) from 19 September 2019 until the conclusion of the next AGM of the Company. "THAT the payment of Directors' benefits (excluding Directors' fees) for an estimated amount up to RM321,700 to the NEDs of the Company from 19 September 2019 until the conclusion of the next AGM of the Company, be hereby approved." Please refer to Note G (Resolution 10)
- Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature ("Proposed Renewal of Shareholders' Mandate"). "THAT subject to the Companies Act 2016 ("the Act"), the Constitution of the Company and the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Listing Requirements of Bursa Securities"), approval be hereby given for the renewal of the mandate granted by the Shareholders of the Company on 29 August 2018, authorising the Company and its subsidiary companies ("Pos Malaysia Group") to enter into any of the recurrent related party transactions of a revenue or trading nature as set out in Section 2.2.3 Part A of the Circular to Shareholders dated 31 July 2019 with the transacting related parties mentioned therein which are necessary for the Pos Malaysia Group's day-to-day operations, subject to the following:
  - the transactions are in the ordinary course of business and are on terms 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
  - the shareholders' mandate is subject to annual renewal and disclosure is made in the annual report of the Company of the aggregate value of transactions conducted pursuant to the shareholders' mandate during the financial year where the aggregate value is equal to or exceeds the applicable prescribed threshold under Paragraph 10.09(1) of the Listing Requirements of Bursa Securities.
 AND THAT the Proposed Renewal of Shareholders' Mandate will be subject to annual renewal and any authority conferred by the Proposed Renewal of Shareholders' Mandate, shall continue to be in force until:-
  - the conclusion of the next AGM of the Company following the forthcoming AGM at which time it will lapse, unless by a resolution passed at the meeting, the authority is renewed; or
  - the expiration of the period within which the next AGM of the Company is required to be held pursuant to Section 340(1) and (2) of 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 resolution passed by the shareholders in general meeting; whichever is earlier;

AND THAT the Directors of the Company and/or any of them be hereby authorised to complete and do all such acts and things (including executing such documents as may be required) to give effect to the transactions contemplated and/or authorised by this resolution and with full power to assent to any conditions, modifications, revaluations, variations and/or amendments thereof in the best interest of the Company. (Resolution 11)

- Proposed New Shareholders' Mandate for New Recurrent Related Party Transactions of a Revenue or Trading Nature ("Proposed New Shareholders' Mandate"). Please refer to Note H

"THAT subject to the Act, the Constitution of the Company and the Listing Requirements of Bursa Securities, approval be hereby given to Pos Malaysia Group to enter into any of the new recurrent related party transactions of a revenue or trading nature as set out in Section 2.2.3 Part A of the Circular to Shareholders dated 31 July 2019 with the transacting related parties mentioned therein which are necessary for the Pos Malaysia Group's day-to-day operations subject to the following:

- the transactions are in the ordinary course of business and are on terms 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
- the shareholders' mandate is subject to annual renewal and disclosure is made in the annual report of the Company of the aggregate value of transactions conducted pursuant to the shareholders' mandate during the financial year where the aggregate value is equal to or exceeds the applicable prescribed threshold under Paragraph 10.09(1) of the Listing Requirements.

AND THAT the Proposed New Shareholders' Mandate will be subject to annual renewal and any authority conferred by the Proposed New Shareholders' Mandate, shall continue to be in force until:-

- the conclusion of the next AGM of the Company following the forthcoming AGM at which time it will lapse, unless by a resolution passed at the meeting, the authority is renewed; or
- the expiration of the period within which the next AGM of the Company is required to be held pursuant to Section 340(1) and (2) of 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 resolution passed by the shareholders in general meeting; whichever is earlier;

AND THAT the Directors of the Company and/or any of them be hereby authorised to complete and do all such acts and things (including executing such documents as may be required) to give effect to the transactions contemplated and/or authorised by this resolution and with full power to assent to any conditions, modifications, revaluations, variations and/or amendments thereof in the best interest of the Company. (Resolution 12)

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

- Proposed Adoption of New Constitution of the Company. Please refer to Note I

"THAT approval be hereby given by the Company to adopt the new Constitution in the form and manner as set out in Part B of the Circular to Shareholders dated 31 July 2019 accompanying the 2019 Annual Report, in place of the existing Constitution; AND THAT the Directors of the Company be and is hereby authorised to assent to any modifications, variations and/or amendments as may be required by any 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." (Resolution 13)

- To transact any other business of which due notice has been given in accordance with the Act and the Company's Constitution.

**FURTHER NOTICE IS HEREBY GIVEN THAT** for the purpose of determining a member who shall be entitled to attend this 27<sup>th</sup> AGM, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd, in accordance with Article B9(3) of the Company's Constitution and Section 34(1) of the Securities Industry (Central Depositories) Act 1991, to issue a General Meeting Record of Depositors as at 6 September 2019. Only Depositors whose names appear on the Record of Depositors as at 6 September 2019 shall be entitled to attend this 27<sup>th</sup> AGM or appoint proxies to attend and/or vote on his/her behalf.

### Notice of Book Closure and Notice of Dividend Entitlement and Payment:

**NOTICE IS ALSO HEREBY GIVEN THAT** the final single tier dividend of 4 sen per ordinary share in respect of the financial year ended 31 March 2019, if approved by the shareholders at the 27<sup>th</sup> AGM, will be paid on 10 October 2019 to shareholders whose names appear in the Register of Members or Record of Depositors at the close of business on 30 September 2019.

A Depositor shall qualify for entitlement to the dividend only in respect of:-

- shares deposited into the Depositor's securities account before 12.30 p.m. on 27 September 2019 in respect of securities which are exempted from mandatory deposit;
- shares transferred into the Depositor's securities account before 4.30 p.m. on 30 September 2019 in respect of ordinary transfers; and
- shares bought on Bursa Malaysia Securities Berhad on a cum entitlement basis according to the Rules of Bursa Malaysia Securities Berhad.

By Order of the Board,

**SABARINA LAILA BINTI MOHD HASHIM (LS0004324)**  
**KAMILIA NOR BINTI MOHAMAD KAMAL (LS0008663)**  
Company Secretaries

Kuala Lumpur  
Date: 31 July 2019

### NOTES:

- Proxy**
- A member entitled to attend and vote is entitled to appoint a proxy to exercise all or any of his/her rights to attend, participate, speak and vote in his/her stead. A proxy need not be a member of the Company.
  - A member may appoint a maximum of two (2) proxies to attend the meeting provided that such member holds not less than the minimum board lot as specified under the Rules of Bursa Malaysia Depository Sdn Bhd and the Listing Requirements of Bursa Securities.
  - Pursuant to the Listing Requirements of Bursa Securities, where a member of the Company is an exempt authorised nominee as defined under the Central Depositories Act ("CDA"), which is exempted from compliance with the provisions of Section 25A(1) of the CDA, of 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 two (2) proxies to attend the meeting, the member shall specify the proportion of his/her shareholding to be represented by each proxy.
  - The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly appointed under a power of attorney or if such appointor is a corporation, either under the corporation's seal or under the hand of an officer or attorney duly appointed under a power of attorney.
  - The instrument appointing a proxy or representative shall be deposited at the Company's Share Registrar's office at Boardroom Share Registrars Sdn Bhd (formerly known as Symphony Share Registrars Sdn Bhd), Level 6, Symphony House, Pusat Dagangan Dana 1, Jalan PUIJ 1A/46, 47301 Petaling Jaya, Selangor Darul Ehsan not less than forty-eight (48) hours before the time for holding the meeting or any adjournment thereof, or, in the case of a poll, not less than twenty-four (24) hours before the time appointed for the taking of the poll.

### Voting by Poll

Pursuant to Paragraph 8.29A(1) of the Listing Requirements of Bursa Securities, all resolutions set out in this notice will be put to vote by way of poll.

### Explanatory Note A

#### Audited Financial Statements

The Audited Financial Statements is laid in accordance with Section 340(1)(a) of the Act and meant for discussion only as it does not require a formal approval of the shareholders. Hence, this Agenda item is not put forward for voting.

### Explanatory Note B

#### Resolution 1 – Final Dividend

In accordance with Article 140 of the Company's Constitution, the Board of Directors of Pos Malaysia ("the Board") is recommending that the shareholders approve the payment of the final dividend.

With reference to Section 131 of the Act, a company may only make a distribution to the shareholders out of available profits if the company is solvent. On 1 July 2019, the Board had considered the amount of dividend and decided to recommend the same for shareholders' approval.

The Board is satisfied that the Company will be solvent as it will be able to pay its debts as and when the debts become due within 12 months immediately after the distribution date which would be announced by the Company after the AGM in accordance with Sections 132(2) and (3) of the Act.

#### Explanatory Note C

#### Resolutions 2, 3, 4 and 5 – Re-election of Directors

The Directors who are subject to re-election at the 27<sup>th</sup> AGM of the Company are as follows:-

- Article 110(2) - Retirement by casual vacancy
  - Datuk Yasmin binti Mahmood
  - Ahmad Suhaimi bin Endut

Article 110(2) of the Company's Constitution provides that any newly appointed Director shall hold office only until the next AGM, and shall then be eligible for re-election.

- Article 115 – Retirement by rotation
  - Dato' Sri Syed Faisal Albar bin Syed A. R Albar
  - Datuk Puteh Rukiah binti Abd Majid

Article 115 of the Company's Constitution provides that one-third or the number nearest to one-third of the Directors for the time being, shall retire from office in every subsequent AGM and shall then be eligible for re-election.

All Directors standing for re-election as Directors and being eligible, have offered themselves for re-election at the 27<sup>th</sup> AGM of the Company.

The Board, through the Board Nomination and Remuneration Committee ("BNRC"), has conducted an assessment on the suitability of the Directors who are seeking re-election at the 27<sup>th</sup> AGM of the Company and agreed that the Directors meet the criteria of character, experience, integrity, competence and time commitment to effectively discharge their respective roles as Directors as prescribed in Paragraph 2.20A of the Listing Requirements of Bursa Securities.

Independent Directors who are seeking re-election at the 27<sup>th</sup> AGM of the Company comply with the independence criteria as prescribed in the Listing Requirements of Bursa Securities and remained independent in exercising their judgment and in carrying out their duties as Independent Directors.

#### Explanatory Note D

#### Resolution 6 – Re-appointment of Auditors

The Board through the Board Audit Committee, has conducted an annual assessment of the suitability and independence of the external auditors, Messrs. KPMG PLT ("KPMG") and agreed that KPMG has met the relevant criteria as prescribed under Paragraph 15.21 of the Listing Requirements of Bursa Securities.

#### Explanatory Note E

#### Resolutions 7 and 8 – Continuation in office of Dato' Abdul Hamid bin Sh Mohamed and Dato' Ibrahim Mahaludin bin Puteh as Independent Non-Executive Directors of the Company

Practice 4.2 of the MCGG provides that shareholders' approval can be sought in the event that the Company intends for an independent director who has served in that capacity for more than nine (9) years, to continue to act as Independent Director of the Company.

The Board is recommending to the shareholders for Dato' Abdul Hamid bin Sh Mohamed and Dato' Ibrahim Mahaludin bin Puteh, who would have served as an Independent Non-Executive Director of the Company for a cumulative tenure of eleven (11) years, on 20 October 2019 and 24 February 2020, respectively, to continue to act as Independent Non-Executive Director and Senior Independent Non-Executive Director of the Company, respectively. The Board, through the BNRC, had assessed and endorsed that Dato' Abdul Hamid bin Sh Mohamed and Dato' Ibrahim Mahaludin bin Puteh be retained as Independent Non-Executive Director and Senior Independent Non-Executive Director of the Company, respectively, as they have continued to display high level of integrity and are objective in their judgement and decision making in the best interest of the Company, shareholders and stakeholders and are able to express unbiased views without any influence. The detailed justifications of the Board for making such recommendation are set out in the Corporate Governance Report announced to Bursa Securities and uploaded on the Company's website at www.pos.com.my.

#### Explanatory Note F and G

#### Resolution 9 and 10 – Directors' Fees and Benefits

Section 230(1)(b) of the Act provides that the fees of the directors and any benefits payable to the directors of a listed company and its subsidiaries shall be approved at a general meeting. For the financial year ending 31 March 2020, the Board decided that the Directors' fees and benefits be maintained as the previous financial year for each Director. Accordingly, the Company is seeking the shareholders' approval at the 27<sup>th</sup> AGM on the Directors' fees and benefits payable with effect from 19 September 2019 until the conclusion of the next AGM.

The Fee structure for Board and Board Committees.

Board/Board Committees	Fee (per annum)	
	Chairman	Member
Board	RM120,000	RM60,000
Board Audit Committee	RM15,000	RM10,000
Other Board Committees*	RM8,000	RM6,000

\* Board Nomination and Remuneration Committee, Board Risk, Sustainability and Compliance Committee, Board Tender Committee and Board Digital-First Committee.

The Meeting Allowance structure for the Board and Board Committees

Type of Meeting	Meeting Allowance per Meeting (for Chairman and Members)
Board	RM1,000
Board Audit Committee	RM2,500
Board Nomination and Remuneration Committee	RM1,000
Board Risk, Sustainability and Compliance Committee	RM1,000
Board Tender Committee	RM1,000
Board Digital-First Committee	RM1,000
General Meeting	RM1,000

In determining the estimated total amount of Directors' fees and benefits for the NEDs, the Board has considered various factors, including the number of scheduled meetings for the Board, Board Committees and general meetings, based on the composition of NEDs, including a provisional sum as contingency for future appointment of NED on the Board and increase in number of Board and committee meetings.

The proposed Resolution 9 and 10, if passed, will give authority to the Company to pay the Directors' fees and benefits on a quarterly/monthly basis and/or as and when incurred, since the NEDs have discharged their responsibilities and rendered their services to the Company throughout the period.

#### Explanatory Note H

#### Resolutions 11 and 12 – Renewal of Shareholders' Mandate and New Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature

The proposed Ordinary Resolutions 11 and 12, if passed, will respectively renew the existing shareholders' mandate and grant a new mandate to Pos Malaysia Group to enable Pos Malaysia Group to respectively enter into the recurrent related party transactions of a revenue or trading nature which are necessary for Pos Malaysia Group's day to day operations as set out in Section 2.2.3 Part A of the Circular to Shareholders dated 31 July 2019, subject to the transactions being in the ordinary course of business and on normal commercial 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.

#### Explanatory Note I

#### Resolution 13 – Adoption of New Constitution

The proposed Special Resolution 13, if passed, will give full effect to the Proposed New Constitution as set out in Part B of the Circular to Shareholders dated 31 July 2019, accompanying the 2019 Annual Report of the Company. The rationale of the Proposed New Constitution is to ensure continued compliance and streamline the Company's Constitution with the latest amendments made to the Listing Requirements of Bursa Securities, the Act and the MCGG.

In view of the substantial amendments to the existing Constitution, the Board proposed for the revocation of the existing Constitution in its entirety, and in place thereof, to adopt a new Constitution as set out in Part B of the Circular to Shareholder dated 31 July 2019. The Proposed New Constitution shall take effect once Resolution 13 is passed by a majority of not less than seventy-five per centum (75%) of such members who are entitled to vote and do vote in person or by proxy at the 27<sup>th</sup> AGM.

#### 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)

No notice in writing has been received by the Company nominating any candidate for election as Director at the 27<sup>th</sup> AGM of the Company.

The Directors who are due for retirement and seeking for re-election pursuant to the Company's Constitution are set out in the Notice of AGM and their profiles are set out in the Directors' Profile in the 2019 Annual Report.