

**NOTICE OF TWENTY-THIRD ANNUAL GENERAL MEETING**

**NOTICE IS HEREBY GIVEN THAT the Twenty-Third Annual General Meeting ("AGM") of Caely Holdings Bhd. will be convened and held at Lower Perak Club, Jalan Denai Intan, Bandar Baru, 36000 Teluk Intan, Perak Darul Ridzuan on Wednesday, 18 September 2019 at 10.00 a.m. for the purpose of considering and, if thought fit, passing the following resolutions:-**

**A G E N D A**

**ORDINARY BUSINESS**

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|--|--|
| 1. To receive the Statutory Financial Statements for the financial year ended 31 March 2019 together with the Directors' and Auditors' Reports thereon.  | (Please refer to Explanatory Note I)               |
| 2. To approve the payment of Directors' fees amounting to RM275,736.00 for the financial year ended 31 March 2019.   | (Ordinary Resolution 1)                            |
| 3. To approve the payment of Directors' fees and benefits up to an amount of RM450,000.00 to the Directors with effect from 19 September 2019 until the next AGM.  | (Ordinary Resolution 2)                            |
| 4. To approve the re-election of Mr Hem Kan @ Chan Hong Kee as Director who retires pursuant to Article No. 124 of the Constitution of the Company and being eligible, has offered himself for re-election.  | (Ordinary Resolution 3)                            |
| 5. To approve the re-election of the following Directors who retire pursuant to Article No. 129 of the Constitution of the Company and being eligible, have offered themselves for re-election:-<br>i. Mr Ng Boon Kang; and<br>ii. Mr Tan Loon Cheang. | (Ordinary Resolution 4)<br>(Ordinary Resolution 5) |
| 6. To re-appoint Messrs. PKF as Auditors of the Company for the financial year ending 31 March 2020 and to authorise the Directors to determine their remuneration.  | (Ordinary Resolution 6)                            |

**SPECIAL BUSINESS**

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

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|--|-------------------------|
| 7. <b>Approval to Continue in Office as an Independent Non-Executive Director</b>  | (Ordinary Resolution 7) |
| *AND THAT the Directors approval be and is hereby given to Mr Hem Kan @ Chan Hong Kee, 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 Independent Non-Executive Director of the Company in accordance with the Malaysian Code on Corporate Governance 2017.*   |                         |
| 8. <b>Authority to Allot Shares pursuant to Sections 75 and 76 of the Companies Act, 2016</b>  | (Ordinary Resolution 8) |
| *AND THAT the Directors subject always to the Companies Act, 2016 ("the Act"), the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities"), the Company's Constitution and the approval of the relevant government/regulatory authorities, the Directors be and are hereby empowered pursuant to Sections 75 and 76 of the Act to issue and allot new shares in the Company at any time at such price, upon such terms and conditions, for such purposes and to such person(s) whomsoever as the Directors may in their absolute discretion, deem fit and expedient in the interest of the Company, provided that the aggregate number of shares issued pursuant to this resolution does not exceed 10% of the total number of issued shares of the Company for the time being AND THAT the Directors be and are also empowered to obtain the approval from Bursa Securities for the listing of and quotation for the additional shares so issued AND THAT such authority shall commence immediately upon the passing of this Resolution and continue to be in force until the conclusion of the next AGM of the Company.* |                         |
| 9. <b>Proposed Adoption of New Constitution of the Company</b>   | (Special Resolution)    |
| *AND THAT the Directors approval be and is hereby given to the Company to revoke the existing Memorandum and Articles of Association of the Company with immediate effect and in place thereof, to adopt the proposed new Constitution of the Company as set out in the Circular to Shareholders dated 31 July 2019 ("Proposed New Constitution").   |                         |
| *AND THAT the Directors of the Company be and are hereby authorised to do all acts, deeds and thing as are necessary and/or expedient in order to give full effect to the Proposed New Constitution with full powers to assent to any conditions, modifications, variations and/or amendments as may be required by any relevant authorities.*   |                         |
| 10. To transact any other business of the Company which due notices shall be given in accordance with the Companies Act, 2016 and the Constitution of the Company.   |                         |

**BY ORDER OF THE BOARD**

**CHAN SAU LENG** (MAICSA 7012211)  
**RUZETI EMAR BINTI MOHD ROSLI** (LS 0010372)  
Joint Secretaries  
Selangor Darul Ehsan

31 July 2019

**NOTES:**

- Only depositors whose names appear in the Record of Depositors as at 10 September 2019 ("General Meeting Record of Depositors") shall be regarded as members entitled to attend, speak and vote at the Meeting.
- A member entitled to attend and vote at the above meeting is entitled to appoint a proxy to attend and vote in his stead. A proxy may but need not be a member of the Company.
- A member may appoint up to two (2) proxies to attend at the same meeting. Where a member appoints two (2) proxies, the proxies shall not be valid unless the member specifies the proportions of his shareholdings to be represented by each proxy.
- 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 in the case of an individual shall be signed by the appointer or his attorney and in the case of a corporation, the instrument appointing a proxy or proxies must be under seal or under the hand of an officer or attorney duly authorised.
- The instrument appointing a proxy must be deposited at the Registered Office situated at Level 8, Symphony House, Block D13, Pusat Dagangan Dana 1, Jalan PJU 1A/46, 47301 Petaling Jaya, Selangor Darul Ehsan not less than twenty-four (24) hours before the time appointed for holding the meeting or any adjournment thereof as Paragraph 8.29(A) of the Main Market Listing Requirements of Bursa Securities requires all resolutions set out in the Notice of General Meeting to be put to vote by poll.

**Personal Data Privacy:**

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the AGM and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the AGM (including any adjournment thereof), and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "Purposes"); (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes; and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

**EXPLANATORY NOTES:**

- Statutory Financial Statements for the financial year ended 31 March 2019**  
This agenda item is meant for discussion only as the provision of Section 340(1)(a) of the Act requires the Statutory Financial Statements to be laid at the AGM. As such, this agenda item does not require shareholders' approval and hence, is not put forward for voting.
- Ordinary Resolution No. 2 – Directors' Fees and Benefits**  
Ordinary Resolution No. 2 relates to the proposed payment of Directors' fees and benefits to the Directors from 19 September 2019 until the next AGM of the Company, which comprise the following:-

|  | Board Chairman       | Executive Directors  | Non-Executive Directors          |
|--|----------------------|----------------------|----------------------------------|
| Directors' Fees  | RM62,675.00          | RM62,675.00          | RM150,385.00                     |
| Meeting Allowance for attendance of Board and Board Committee Meetings | RM500.00 per meeting | RM300.00 per meeting | RM300.00 to RM500.00 per meeting |
| Other Benefits   | Company car          | Company car          | -                                |

- Ordinary Resolutions No. 7 – Approval to Continue in Office as an Independent Non-Executive Director**  
As recommended by the Malaysian Code on Corporate Governance 2017 ("MCCG 2017"), the Board of Directors has recommended Mr Hem Kan @ Chan Hong Kee who has served as Independent Non-Executive Director of the Company for a cumulative term of more than twelve (12) years since 5 June 2003 to continue to act as Independent Non-Executive Directors subject to the shareholders' approval through a two-tier voting process at the Twenty-Third AGM.

The Board of Directors has via the Nomination Committee conducted an annual performance evaluation and assessment of Mr Hem Kan @ Chan Hong Kee who has served as Independent Non-Executive Director of the Company for a cumulative term of more than twelve (12) years, and hereby recommends him to continue to act as Independent Non-Executive Director of the Company based on the following justifications:-

- He has fulfilled the criteria under the definition on Independent Director as stated in the Bursa Securities Main Market Listing Requirements, and therefore is able to bring independent and objective judgement to the Board;
- He has been with the Company for more than twelve (12) years and therefore understand the Company's business operations which enable him to participate actively and contribute during deliberations or discussions at the Meetings;
- He has contributed sufficient time and efforts and attended all the Meetings for informed and balanced decision making; and
- He has exercised due care and diligence during his tenure as Independent Non-Executive Director of the Company and carried out his fiduciary duty in the interest of the Company and shareholders without being subject to influence of management.

- Ordinary Resolution No. 8 – Authority to allot shares pursuant to Sections 75 and 76 of the Companies Act, 2016**  
The Resolution 8, if approved, will empower the Directors of the Company, from the date of the above AGM, authority to issue and allot shares in the Company up to an aggregate amount not exceeding 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 at a general meeting will expire at the next AGM of the Company.

The Mandate is for renewal of the Mandate granted by the members at the last AGM held on 20 September 2018. The Mandate granted at the last AGM was utilised by the Company arising from the Exercise of Warrants 2018/2021 and the Bonus Issue.

The Renewed Mandate will empower the Directors to raise fund via issuance of new shares without delay, in the event of business opportunities arise.

- Special Resolution – Proposed Adoption of New Constitution of the Company**  
In view of the substantial amount of proposed amendments to the existing Memorandum and Articles of Association, the Board proposed to revoke the existing Memorandum and Articles of Association in its entirety and in place thereof, to adopt a new Constitution as set out in the Circular to Shareholders dated 31 July 2019 ("Proposed New Constitution").

This Resolution, if passed, will streamline the Company's Constitution with the new provisions of the Act and the amendments made to the Main Market Listing Requirements of Bursa Securities, as well as to enhance administrative efficiency.

The Proposed New Constitution shall take effect once it has been passed by a majority of not less than 75% of such members of the Company who are entitled to attend and vote, and do vote in person or by proxy at this AGM.

Please refer to the Circular to Shareholders dated 31 July 2019 for further information.

**STATEMENT ACCOMPANYING NOTICE OF TWENTY-THIRD ANNUAL GENERAL MEETING**

**NAMES OF DIRECTORS STANDING FOR RE-ELECTION**

- Ordinary Resolutions 3, 4 and 5 – Re-election of Directors**  
(a) Mr Hem Kan @ Chan Hong Kee, being the Director who is retiring pursuant to Article No. 124 of the Constitution of the Company and seeking for re-election at the forthcoming Twenty-Third AGM.  
(b) Directors who are retiring pursuant to Article No. 129 of the Constitution of the Company and seeking for re-election at the forthcoming Twenty-Third AGM are as follows:-  
(i) Mr Ng Boon Kang; and  
(ii) Mr Tan Loon Cheang.

Details of the above Directors are set out in the Directors' Profiles section appearing on pages 9 to 11 of the Company's Annual Report.