

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN THAT the Fiftieth Annual General Meeting (“**50th AGM**”) of the Company will be held at Millennium Ballroom 1 (Level 1), Le Méridien Putrajaya, Lebuhr IRC, IOI Resort City, 62502 Putrajaya, Malaysia on Friday, 25 October 2019 at 10:00 am for the following purposes:

AGENDA

- 1 To receive the Audited Financial Statements for the financial year ended 30 June 2019 and the Reports of the Directors and Auditors thereon.
- 2 To approve the payment of a final single tier dividend of 4.5 sen per ordinary share for the financial year ended 30 June 2019. **Resolution 1**
- 3 To re-elect the following Directors retiring by rotation pursuant to Article 101 of the Company’s Constitution:
 - i) Tan Sri Peter Chin Fah Kui **Resolution 2**
 - ii) Lee Yeow Seng **Resolution 3**
- 4 To consider and if thought fit, to pass the following Ordinary Resolution:

“THAT the payment of Directors’ fees (inclusive of Board Committees’ fees) of RM1,085,389 for the financial year ending 30 June 2020 payable quarterly in arrears after each month of completed service of the Directors during the financial year be and is hereby approved.” **Resolution 4**
- 5 To approve the payment of Directors’ benefits (other than Directors’ fees) of up to RM280,000 for the period from 25 October 2019 until the next Annual General Meeting. **Resolution 5**
- 6 To re-appoint Messrs BDO PLT, the retiring Auditors for the financial year ending 30 June 2020 and to authorise the Audit and Risk Management Committee to fix their remuneration. **Resolution 6**
- 7 As special business, to consider and if thought fit, to pass the following Ordinary/Special Resolution(s):
 - 7.1 **Ordinary Resolution – Continuing in Office as an Independent Non-Executive Director**

“THAT authority be and is hereby given to Datuk Karownikaran @ Karunakaran a/l Ramasamy, who will be attaining a cumulative term of more than nine (9) years on 17 January 2020 as an Independent Non-Executive Director of the Company, to continue to act as an Independent Non-Executive Director of the Company until the conclusion of the next Annual General Meeting of the Company.” **Resolution 7**
 - 7.2 **Ordinary Resolution – Authority to Directors to allot and issue shares pursuant to Section 76 of the Companies Act 2016**

“THAT pursuant to Section 76 of the Companies Act 2016, the Directors be and are hereby authorised with full powers to allot and issue shares in the Company from time to time and upon such terms and conditions and for such purposes as they may deem fit subject always to the approval of the relevant authorities being obtained for such issue and provided that the aggregate number of shares to be issued pursuant to this resolution does not exceed ten percent (10%) of the issued share capital for the time being of the Company and that such authority shall continue in force until the conclusion of the next Annual General Meeting of the Company and that the Directors be and are also empowered to obtain the approval from Bursa Malaysia Securities Berhad for the listing of and quotation for the additional shares so issued.” **Resolution 8**

7.3 Ordinary Resolution – Proposed Renewal of Existing Share Buy-Back Authority

“THAT subject to compliance with applicable laws, regulations and the approval of all relevant authorities, approval be and is hereby given to the Company to utilise up to the aggregate of the Company’s latest audited retained earnings, to purchase, from time to time during the validity of the approval and authority under this resolution, such number of ordinary shares in the Company as may be determined by the Directors of the Company from time to time through Bursa Malaysia Securities Berhad (“**Bursa Securities**”) upon such terms and conditions as the Directors may deem fit and expedient in the interest of the Company provided that the aggregate number of shares to be purchased and/or held by the Company pursuant to this resolution does not exceed ten percent (10%) of the issued share capital of the Company at the time of purchase (“**Proposed Purchase**”);

THAT at the discretion of the Directors of the Company, the shares of the Company to be purchased are to be cancelled and/or retained as treasury shares and distributed as dividends or resold on Bursa Securities;

THAT the Directors of the Company be and are hereby empowered generally to do all acts and things to give effect to the Proposed Purchase with full powers to assent to any condition, modification, revaluation, variation and/or amendment (if any) as may be imposed by the relevant authorities and/or do all such acts and things as the Directors may deem fit and expedient in the best interest of the Company;

AND THAT such authority shall commence immediately upon passing of this resolution until:

- i) the conclusion of the next Annual General Meeting of the Company at which time the authority shall lapse unless by ordinary resolution passed at a general meeting, the authority is renewed either unconditionally or subject to conditions;
- ii) the expiration of the period within which the next Annual General Meeting after that date is required by law to be held; or
- iii) revoked or varied by ordinary resolution of the shareholders of the Company in a general meeting,

whichever is the earlier but not so as to 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 Main Market Listing Requirements of Bursa Securities or any other relevant authorities.”

Resolution 9

7.4 Ordinary Resolution – Proposed Renewal of Shareholders’ Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature

“THAT subject always to the provisions of the Companies Act 2016 (the “**Act**”), the Constitution of the Company, Main Market Listing Requirements of Bursa Malaysia Securities Berhad or other regulatory authorities, approval be and is hereby given to the Company and/or its subsidiaries to enter into recurrent related party transactions of a revenue or trading nature which are necessary for day-to-day operations involving the interests of Directors, major shareholders or persons connected to the Directors and/or major shareholders of the Company and its subsidiaries (“**Related Parties**”), as detailed in Part B(I), Section 4 of the Circular to Shareholders of the Company dated 27 September 2019 (“**Shareholders’ Mandate**”) subject to the following:

- i) the transactions are carried out in the ordinary course of business 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; and
- ii) disclosure is made in the annual report of the aggregate value of transactions conducted pursuant to the Shareholders’ Mandate during the financial year.

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THAT authority conferred by this resolution will commence immediately upon the passing of this resolution and shall continue to be in force until:

- i) the conclusion of the next Annual General Meeting of the Company, at which time it will lapse, unless renewed by a resolution passed by the shareholders of the Company in a general meeting;
- ii) the expiration of the period within which the next Annual General Meeting of the Company after that date it is required to be held pursuant to Section 340(2) of the Act (*but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Act*); or
- iii) revoked or varied by resolution passed by the shareholders of the Company in a general meeting, whichever is the earlier,

AND THAT the Directors of the Company be and are hereby authorised to complete and do all such acts and things as they may consider expedient or necessary to give effect to the Shareholders' Mandate."

Resolution 10

7.5 Ordinary Resolution - Proposed Gratuity Payment to Former Executive Chairman of the Company

"THAT approval be and is hereby given for the Company to pay a gratuity amounting to RM27.36 million to the late Tan Sri Dato' Lee Shin Cheng in recognition of his 38 years of service and contribution to IOI Group.

AND THAT authority be and is hereby given to the Directors of the Company to take all such actions as they may consider necessary to give full effect to this resolution."

Resolution 11

7.6 Special Resolution - Proposed Amendments to the Constitution of the Company

"THAT approval be and is hereby given to alter or amend the whole of the existing Constitution of the Company by the replacement thereof with a new Constitution of the Company as set out in Part B(II) of the Circular to Shareholders of the Company dated 27 September 2019 with immediate effect AND THAT the Directors and Company Secretary of the Company be and are hereby authorised to do all acts and things and take all such steps as may be considered necessary to give full effect to the foregoing."

**Special
Resolution**

8 To transact any other business of which due notice shall have been given.

NOTICE OF FINAL DIVIDEND ENTITLEMENT AND PAYMENT

NOTICE IS HEREBY GIVEN THAT subject to the approval of the shareholders at the 50th AGM, a final single tier dividend of 4.5 sen per ordinary share for the financial year ended 30 June 2019 will be payable on 22 November 2019 to shareholders whose names appear in the Record of Depositors and Register of Members of the Company at the close of business on 11 November 2019.

A depositor shall qualify for entitlement only in respect of:

- a) Shares transferred into the depositor's securities account before 4:30 p.m. on 11 November 2019 in respect of transfers; and
- b) Shares deposited into the depositor's securities account before 12:30 p.m. on 7 November 2019 (in respect of shares which are exempted from mandatory deposit); and
- c) Shares bought on Bursa Securities on a cum entitlement basis according to the Rules of Bursa Securities.

By Order of the Board,

Vincent Tan Choong Khiang
Secretary (MAICSA 7018448)

Putrajaya
27 September 2019

Notes:

- 1 Items 1 to 7.5 above are proposed as ordinary resolutions except item 7.6 as special resolution. For any of the ordinary resolutions listed above to be passed at the 50th AGM, more than half the votes cast must be in favour of the resolutions. Special resolution requires at least three quarter of the votes cast to be in favour.

Voting on all resolutions to be proposed at the 50th AGM will be by way of a poll. The Board believes a poll is more representative of shareholders' voting intentions because shareholders' votes are counted according to the number of shares held.

- 2 A shareholder may appoint any person to be his proxy and there shall be no restriction as to the qualification of the proxy.
- 3 An instrument appointing a proxy must be in writing under the hand of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, either under seal or under the hand of an officer or attorney duly authorised.
- 4 Subject to Note 5 below, a shareholder shall not be entitled to appoint more than two (2) proxies to attend and vote at the same meeting. If a shareholder appoints two (2) proxies to attend at the same meeting, the instrument of proxy must specify the proportion of his shareholdings to be represented by each proxy and only one (1) of those proxies is entitled to vote on show of hands.
- 5 Where a shareholder of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities 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. An exempt authorised nominee refers to an authorised nominee defined under the Securities Industry (Central Depositories) Act 1991 ("SICDA") which is exempted from compliance with the provisions of Section 25A(1) of the SICDA.
- 6 An instrument appointing a proxy may specify the manner in which the proxy is to vote in respect of a particular resolution and, where an instrument of proxy so provides, the proxy is not entitled to vote on the resolution except as specified in the instrument.
- 7 An instrument appointing a proxy must be deposited at **Boardroom Corporate Services Sdn Bhd**, Level 6, Symphony House, Pusat Dagangan Dana 1, Jalan PJU 1A/46, 47301 Petaling Jaya, Selangor Darul Ehsan, Malaysia not less than 48 hours before the time for holding the 50th AGM or any adjournment thereof.
- 8 Only shareholders whose names appear in the Record of Depositors and Register of Members as at **18 October 2019** shall be eligible to attend the 50th AGM or appoint proxy to attend and vote on his behalf.
- 9 Any corporation which is a shareholder can appoint one (1) or more corporate representatives who may exercise on its behalf all of its power as a shareholder in accordance with the Companies Act 2016 (the "Act").
- 10 By submitting the proxy form, the shareholder accepts and agrees to the collection, use and disclosure of the shareholder's personal data by the Company (or its agents or service providers) for the purpose of preparation and compilation of documents relating to the 50th AGM (including any adjournment thereof).
- 11 **To receive Audited Financial Statements for the financial year ended 30 June 2019**

This Agenda item is meant for discussion only as under the provision of Section 340(1) of the Act, the audited financial statements do not require a formal approval of the shareholders. Hence, this resolution will not put forward for voting.

The 2019 Annual Report (which includes the Financial Report, the Directors' Report and the Independent Auditors' Report) will be presented to the meeting. Shareholders can access a copy of the 2019 Annual Report at IOI Corporation Berhad's website, www.ioigroup.com.

The Chairman will give shareholders an opportunity to ask questions about, and make comments on, the financial statements and reports and IOI Group's performance.

Shareholders will also be given an opportunity to ask the representative(s) of the Company's Auditors, BDO PLT ("BDO PLT"), questions relevant to audit matters, including the Auditors' Report.

12 Final single-tier dividend

On 15 August 2019, the Board had considered the amount of final dividend and decided to recommend the same for the shareholders' approval. The Directors of the Company are satisfied that the Company will be solvent as it will be able to pay its debts as and when the debts become due within twelve (12) months immediately after the payment is made on 22 November 2019 in accordance with the solvency requirements under Sections 132(2) and (3) of the Act.

13 Re-election of Directors

Tan Sri Peter Chin Fah Kui and Lee Yeow Seng, who retire in accordance with Article 101 of the Company's Constitution, are standing for re-election as Directors of the Company and being eligible, have offered themselves for re-election at the 50th AGM.

The Company's Constitution states that at each AGM of the Company, one-third (1/3) of the Directors or if their number is not three (3) or a multiple of three (3), then the number nearest to one-third (1/3) must retire from office, provided always that all Directors shall retire from office once at least in each three (3) years, but shall be eligible for re-election and it further states that a Director appointed by the Board shall hold office until the conclusion of the next AGM of the Company and shall be eligible for re-election.

Each of the Directors standing for re-election has undergone a performance evaluation and has demonstrated that he remains committed to the role and continues to be an effective and valuable member of the Board. The Board has also conducted assessment on the independence of the Independent Director who is seeking for re-election and is satisfied that the Independent Director has complied with the independence criteria applied by the Company and continue to bring independent and objective judgement to the Board deliberation.

Detailed profile of each Director, including their career history, competencies and experience can be found from pages 72 to 74 of the 2019 Annual Report.

14 Directors' fees and benefits payable

The Governance, Nominating and Remuneration Committee ("GNRC") and the Board have reviewed the Directors' fees after taking into account fee levels and trends for similar positions in the market and time commitment required from the Directors, as well as the recommendation from the independent consultant who has carried out the review of Directors' remuneration in FY2018. The payment of Directors' fees (inclusive of Board Committees' fees) for FY2020 shall be payable quarterly in arrears after each month of completed service of the Directors during the financial year.

The Directors' benefits (other than Directors' fees and Board Committees' fees) comprise attendance allowances and insurance coverage. In determining the estimated total amount of Directors' benefits, the Board has considered various factors, among others, the estimated number of meetings for the Board and its Committees and estimated proportionate paid and payable insurance premium.

15 Re-appointment of Auditors

The Company's Auditors, BDO, a conventional partnership, has successfully converted its status to a limited liability partnership pursuant to Section 29 of the Limited Liability Partnerships Act 2012. They are now registered under the name of BDO PLT with Audit Firm number remained unchanged as AF 0206.

BDO PLT must offer themselves for re-appointment at each AGM at which Audited Financial Statements are presented. The performance and effectiveness of the BDO PLT has been evaluated by the Audit and Risk Management Committee ("ARMC"), which included an assessment of the Auditors' independence and objectivity, which has recommended to the Board that BDO PLT be re-appointed and its remuneration be determined by the ARMC. The representatives of BDO PLT will be present at the 50th AGM.

16 Explanatory Notes on Special Businesses

i) Continuing in Office as an Independent Non-Executive Director

Ordinary Resolution 7 is to seek approval from the shareholders for Datuk Karownikaran @ Karunikaran a/l Ramasamy ("Datuk Karunikaran") to continue in office as an Independent Non-Executive Director ("INED") of the Company.

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Notes: (continued)

The GNRC had on 12 September 2019 assessed the independence of Datuk Karunakaran, who will be attaining a cumulative term of more than nine (9) years on 17 January 2020 as an Independent Non-Executive Director of the Company. The Board recommended that the approval of the shareholders be sought to retain Datuk Karunakaran as an INED as he possesses the following attributes necessary in discharging his roles and functions as an INED of the Company:

- a) He has met the criteria under the definition of Independent Director pursuant to Chapter 1 of the Main Market Listing Requirements of Bursa Securities;
- b) He has vast experience in different sector of industries and as such could provide the Board with a diverse set of experience, expertise and independent judgment;
- c) He consistently challenges the management in an effective and constructive manner;
- d) He actively expresses his views and participates in Board deliberations and decision making in an objective manner; and
- e) His length of service on the Board does not in any way interfere with his fiduciary duties in exercising due care in the best interest of the Company and minority shareholders.

ii) Authority to Directors to allot and issue shares pursuant to Section 76 of the Act

Ordinary Resolution 8 is to seek a renewal of the general mandate which was approved at the 49th AGM of the Company held on 26 October 2018 and which will lapse at the conclusion of the forthcoming 50th AGM to be held on 25 October 2019.

The general mandate, if approved, 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 future investment project(s) and acquisition(s) and for strategic reasons. In order to eliminate any delay and costs in convening a general meeting to specifically approve such issuance of shares, it is considered appropriate that the Directors be empowered, as proposed under the Ordinary Resolution 8, to allot and issue shares in the Company up to an amount not exceeding in total ten percent (10%) of the issued share capital of the Company for the time being. This authority, unless revoked or varied at a general meeting, will expire at the conclusion of the next AGM of the Company.

The Company did not issue any new shares pursuant to Section 76 of the Act under the general mandate which was approved at the 49th AGM of the Company.

The Directors currently have no intention of issuing new shares, or of granting rights to subscribe for or to convert any security into shares, except in connection with the Company's executive share option scheme.

iii) Proposed Renewal of Existing Share Buy-Back Authority

Ordinary Resolution 9 is to seek a renewal of the authority granted at the 49th AGM of the Company held on 26 October 2018 and which will lapse at the conclusion of the forthcoming 50th AGM to be held on 25 October 2019. The resolution authorises the Company to make market purchases of its own ordinary shares as permitted by the Act.

The Board seeks authority to purchase up to ten percent (10%) of the Company's issued share capital, should market conditions and price justify such action.

The Directors only intend to use this authority to make such purchases if to do so could be expected to lead to an increase in net asset value per share for the remaining shareholders and would be in the best interests of the Company generally, having due regard to appropriate gearing levels, alternative investment opportunities and the overall financial position of the Company.

Any purchases of ordinary shares would be by means of market purchases through the Bursa Securities. Any shares purchased under this authority may either be cancelled or held as treasury shares by the Company. Treasury shares may subsequently be cancelled or sold for cash. The Company did not purchase any ordinary shares during FY2019.

Please refer to explanatory information in the Share Buy-Back Statement dated 27 September 2019.

iv) Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature ("Proposed Shareholders' Mandate")

Ordinary Resolution 10 is to seek approval from the shareholders for renewal of the shareholders' mandate granted by the shareholders of the Company at the 49th AGM held on 26 October 2018. The Proposed Shareholders' Mandate will enable the Company and its subsidiaries to enter into any of the recurrent related party transactions of a revenue or trading nature which are necessary for the day-to-day operations involving the interest of Directors, major shareholders or persons connected to the Directors and/or major shareholders of the Company and its subsidiaries ("**Related Parties**"), subject to the transactions being in the ordinary course of business 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. This authority unless revoked or varied at a general meeting, will expire at the conclusion of the next 50th AGM of the Company.

The details of the proposal are set out in Part B(I) of the Circular to Shareholders dated 27 September 2019.

v) Proposed Gratuity Payment to the Former Executive Chairman of the Company

The late Tan Sri Dato' Lee Shin Cheng had indicated his intention to retire from his office as the Executive Chairman of the Company effective from 3 June 2019. The retirement of the former Executive Chairman was announced to Bursa Securities and the staff of the Group on 31 May 2019. The late Tan Sri Dato' Lee was appointed to the Board of the Company on 21 July 1981. He was subsequently appointed as "Managing Director" on 1 July 1988. On 25 October 1999, he was re-designated to Executive Chairman.

The proposed gratuity was in recognition of the late Tan Sri Dato' Lee's commitment, dedication and contribution to IOI Group, and as a gesture of appreciation for the late Tan Sri Dato' Lee's 38 years of service with the Group. The proposed gratuity payment of RM27.36 million is computed at 1.5 months for every year of service (i.e. 38 years) in the Group, based on his last drawn monthly salary of RM480,000, which is a one-off payment from the Company which, if approved by shareholders, will be paid in cash funded entirely from the internally generated funds of IOI Group in early November 2019. The approval of the shareholders of the Company at the 50th AGM is required for the proposed gratuity pursuant to Section 230(1) of the Act.

Upon the Board's (excluded the interested Directors) recommendation on the proposed gratuity subsequent to the issuance of financial statements, the estate of the late Tan Sri Dato' Lee has decided to voluntarily waive the bonus entitlement for FY2019.

vi) Proposed Amendments to the Constitution of the Company

The proposed amendments to the existing Memorandum & Articles of Association (Constitution) of the Company ("**Proposed Amendments**") are made mainly for the following purposes:

- a) To streamline and ensure compliance with the relevant provisions of the Act and Main Market Listing Requirements of Bursa Securities; and
- b) To provide clarity and consistency throughout in order to facilitate and further enhance practicality and administrative efficiency.

Under Section 36 of the Act, amendments to the Constitution can be made if duly passed by a Special Resolution. In view of the substantial amendments to the Constitution, the Board proposed that the existing Constitution be amended by the Company in its entirety by the replacement thereof with a new Constitution which incorporated all the Proposed Amendments as set out in Part B(II) of the Circular to Shareholders dated 27 September 2019. In view of the above, the shareholders' approval is sought for the Proposed Amendments.

The Proposed Amendments shall take effect once the Special Resolution has been passed by a majority of not less than seventy-five per centum (75%) of such shareholders who are entitled to vote and do vote in person or by proxy at the 50th AGM.