

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Sixtieth (60th) Annual General Meeting of **KLUANG RUBBER COMPANY (MALAYA) BERHAD** will be held at Penang Langkawi Meeting Room, Block 1, Level 3A, Hotel Jen Puteri Harbour Johor, Persiaran Puteri Selatan, Puteri Harbour, 79000 Iskandar Puteri, Johor Darul Takzim, Malaysia on Thursday, 28 November 2019 at 12:00 p.m. to transact the following businesses:

Agenda

ORDINARY BUSINESS

- To receive the Audited Financial Statements for the financial year ended 30 June 2019 together with the Directors' and Auditors' Reports thereon.
- To declare and approve the payment of a Single Tier First and Final Dividend of 1 sen per share for the financial year ended 30 June 2019.
- To declare and approve the payment of a Single Tier Special Dividend of 5 sen per share for the financial year ended 30 June 2019.
- To approve the payment of Directors' fees and benefits of up to RM 500,000 for the financial year ending 30 June 2020.
- To re-elect the following Directors who retire by rotation in accordance with the Company's Constitution:
 - Mr. Chew Khat Khiam Albert - Clause 22.4 of the Constitution
 - Mr. Lee Chung-Shih Justin - Clause 22.4 of the Constitution
- To re-appoint Messrs Ernst & Young as Auditors of the Company and authorise the Directors to fix their remuneration.

SPECIAL BUSINESS

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

7. ORDINARY RESOLUTION:

CONTINUATION OF MR. LEE SOO HOON AS INDEPENDENT NON-EXECUTIVE DIRECTOR

"THAT Mr. Lee Soo Hoon 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".

8. ORDINARY RESOLUTION:

AUTHORITY TO DIRECTORS TO ALLOT SHARES PURSUANT TO SECTION 75 AND 76 OF THE COMPANIES ACT 2016

"THAT pursuant to Section 75 and 76 of the Companies Act, 2016 and subject to the approval of the relevant governmental / regulatory authorities (if any), the Directors be and are hereby authorised to allot shares in the Company, from time to time, at such price, upon such terms and conditions and for such purposes and to such person or person whomsoever as the Directors may, in their absolute discretion deem fit provided that the aggregate number of shares to be allotted does not exceed ten percent (10%) of the total number of issued shares of the Company for the time being AND THAT the Directors be and hereby also empowered to obtain approval for the listing of and quotation for the additional shares to be allotted on the Bursa Malaysia Securities Berhad AND THAT such authority shall continue to be in force until the conclusion of the next Annual General Meeting of the Company after the approval was given or at the expiry of the period within which the next Annual General Meeting is required to be held after the approval was given, whichever is earlier, unless such approval is revoked or varied by a resolution of the Company at a general meeting."

9. ORDINARY RESOLUTION:

PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR SHARE BUY-BACK AUTHORITY

"THAT subject always to the Companies Act 2016 ("Act"), the provisions of the Constitution of the Company, Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("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 amount 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 Malaysia") 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 purchased and/or held does not exceed ten percent (10%) of the total number of issued shares of the Company as quoted on Bursa Malaysia as at the point of purchase;
- an amount of funds not exceeding the retained profits of the Company based on the latest audited financial statements and/or the latest management accounts (where applicable) at the time of purchase(s) will be allocated by the Company for the purchase of its own shares; and
- the Directors of the Company may decide either to retain the shares purchased as treasury shares or cancel the shares or retain part of the shares so purchased as treasury shares and cancel the remainder or to resell the shares or distribute the shares as dividends or to deal with the treasury shares in the manner allowed by the Act.

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

- the conclusion of the next Annual General Meeting ("AGM") 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;
- the expiration of the period within which the next AGM of the Company is required by law to be held; or
- revoked or varied by ordinary resolution passed by the shareholders of the Company in general meeting;

whichever occurs first but shall not 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 Listing Requirements and any other relevant authorities.

AND THAT authority be and is hereby given to the Directors of the Company to take all such steps as necessary or expedient to implement, finalise and give full effect to the Proposed Share Buy-Back Authority with full power to assent to any conditions, modifications, variations and/or amendments (if any) as may be imposed by the relevant authorities with the Act, the provisions of the Constitution of the Company and the requirements and/or guidelines of Bursa Malaysia for the Main Market and all other relevant governmental and/or regulatory authorities."

10. ORDINARY RESOLUTION:

PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE ENTERED INTO WITH THE NYALAS RUBBER ESTATES LIMITED ("PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE")

"THAT pursuant to Paragraph 10.09 of the Bursa Malaysia Main Market Listing Requirements, approval be and is hereby given to the Company to enter into and give effect to recurrent related party transactions of a revenue and trading nature with **The Nyalas Rubber Estates Limited**, as set out in Sections 2.4 and 2.5 of Part B of the Circular to Shareholders dated 30 October 2019 which are necessary for their day-to-day operations, in the ordinary course of business made on arm's length basis and on normal commercial terms which are not more favourable to the related party than those generally available to the public and are not detrimental to the minority shareholders of the Company; AND THAT the authority conferred by this Mandate shall commence immediately upon the passing of this Resolution and is subject to annual renewal. In this respect, the authority shall continue to be in force until:

- the conclusion of the next Annual General Meeting ("AGM") of the Company following this AGM at which time the authority will lapse unless the Authority is renewed by a resolution passed at such AGM;

- the expiration of the period within which the next AGM after that date, is required to be held pursuant to Section 340(2) of the Companies Act, 2016 (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Companies Act, 2016); or

- revoked or varied by resolution passed by the shareholders in a general meeting;

whichever is earlier,

AND FURTHER THAT the Directors of the Company be and are hereby authorised to do all such acts and things (including executing all such documents as may be required) as they may consider expedient or necessary to give full effect to the Proposed Renewal of Shareholders' Mandate."

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

NOTICE OF DIVIDEND ENTITLEMENT AND PAYMENT DATES

NOTICE IS ALSO HEREBY GIVEN THAT the Single Tier First and Final Dividend of 1 sen per share, Single Tier Special Dividend of 5 sen per share in respect of the financial year ended 30 June 2019, if approved at the forthcoming 60th Annual General Meeting of the Company, will be paid on 6 January 2020 to depositors registered in the Record of Depositors at the close of business on 12 December 2019.

A depositor shall qualify for entitlement only in respect of :-

- Shares transferred into the Depositors Securities Account before 4.00 p.m. on 12 December 2019 in respect of ordinary transfers; and

Shares bought on the Bursa Malaysia Securities Berhad on a cum entitled basis according to the Rules of the Bursa Malaysia Securities Berhad.

**BY ORDER OF THE BOARD
KLUANG RUBBER COMPANY (MALAYA) BERHAD**

SANTHI A/P SAMINATHAN (MAICSA No.7069709)
CHEN YEW TING (MAICSA No.0869733)

Company Secretaries
Johor Bahru

30 October 2019

Notes :

- For the purpose of determining members' eligibility to attend this meeting, the Company shall be requesting Bursa Malaysia Depository Sdn. Bhd, in accordance with Clause 19.6 of the Company's Constitution and Section 341(1) of the Securities Industry (Central Depositories) Act, 1991 to issue a General Meeting Record of Depositor as at 20 November 2019. Only members whose names appear therein shall be entitled to attend this meeting or appoint proxy(ies) to attend and vote on his/her behalf.
- A member entitled to attend and vote at the meeting may appoint not more than two (2) proxies to attend and vote in his/her stead. A proxy need not be a Member of the Company and there shall be no restriction as to the qualification of the proxy. Where a member appoints more than 1 proxy, the appointments shall be invalid unless he/she specifies the proportions of his/her holdings to be represented by each proxy.
- In the case of a corporation, the proxy should be executed under its Common Seal or under the hand of the officer of attorney of the corporation duly authorised in writing on its behalf.
- Where a member is an authorized nominee as defined under the Securities Industry (Central Depositories) Act, 1991, it may appoint at least one proxy 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 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 its holds.
- The proxy form and the Power of Attorney or other authority (if any) under which it is signed, or notary certified copy thereof must be lodged at Share Registrar's Office of the Company at 11th Floor, Menara Symphony, No.5, Jalan Professor Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia not less than 24 hours before the time of the meeting.
- Pursuant to Paragraph 8.29(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all the resolutions set out in the Notice of AGM shall be put to vote by poll.
- Explanatory Note:**

(a) **Ordinary Business**

(i) **Item 1 of the Agenda**

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

(b) **Special Business**

(i) **Item 7 of the Agenda**

**Resolution No. 7
Continuation of Mr. Lee Soo Hoon as Independent Non-Executive Director**

Mr Lee Soo Hoon has served as Independent Non-Executive Directors ("INED") of the Company for a cumulative term of more than nine (9) years. He has met the independence guidelines as set out in Chapter 1 of the Main Market Listing Requirements. Therefore, the Board of Directors consider him to be independent and believes that he should be retained as Independent Non-Executive Director based on the justifications as set out in Appendix A on page 7 of the Annual Report 2019.

(ii) **Item 8 of the Agenda**

**Resolution No. 8
Authority to Directors to Allot Shares Pursuant to Sections 75 and 76 of the Companies Act 2016**

This is the renewal of the mandate obtained from the members at the last Annual General Meeting held on 29 November 2018 ("the previous Mandate"). There were no shares issued under the previous Mandate and hence no proceeds raised.

The proposed Resolution 8, if passed, would provide flexibility to the Company to undertake fund raising exercise including but not limited to further placement of shares for purpose of funding current and/or future investment projects, working capital, repayment of bank borrowings, acquisitions and/or for allotment of shares as settlement of purchase consideration by the issuance of shares in the Company to such persons at any time as the Directors may deem fit provided that the aggregate number of shares to be issued pursuant to the mandate does not exceed ten percent (10%) of the total number of issued shares of the Company for the time being, without having to convene a general meeting. This authority, unless revoked or varied by the Company in a general meeting will expire at the conclusion on the next Annual General Meeting of the Company or at the expiry of the period within which the next Annual General Meeting is required to be held after the approval was given, whichever is earlier.

(ii) **Item 9 of the Agenda**

**Resolution No. 9
Proposed Renewal of Shareholders' Mandate for Share Buy-Back Authority**

The proposed Resolution 9, if passed, will empower the Company to purchase and/or hold up to ten percent (10%) of the total number of issued shares of the Company. The mandate shall continue to be in force until the date of the next Annual General Meeting of the Company unless earlier revoked or varied by an ordinary resolution passed by the shareholders of the Company in general meeting and is subject to annual renewal. Further information on this resolution is set out in Part A of the Circular to shareholders dated 30 October 2019, which is dispatched together with the Annual Report 2019 of the Company.

(iv) **Item 10 of the Agenda**

**Resolution No. 10
Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature**

The proposed Resolution 10, if passed, will renew the mandate for the Company to enter into recurrent related party transactions of a revenue or trading in nature with the related parties as specified in Section 2.4 and 2.5 of Part B of the Circular to shareholders dated 30 October 2019, which is dispatched together with the Annual Report 2019 of the Company. The mandate shall continue to be in force until the conclusion of the next Annual General Meeting of the Company unless earlier revoked or varied by resolution passed by the shareholders in general meeting and is subject to annual renewal.