

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

**NOTICE IS HEREBY GIVEN THAT** the Twenty-Second Annual General Meeting ("22<sup>nd</sup> AGM") of Kumpulan Powernet Berhad ("the Company") will be held at **Banquet Hall, Level 1, Main Lobby, TPC Kuala Lumpur, 10 Jalan 1/70D, Off Jalan Bukit Kiara, 60000 Kuala Lumpur on 28 November 2019, Thursday at 10.00 a.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 Reports of the Directors and Auditors thereon.
- To approve the payment of under-provision of Directors' Fees of RM194,000 for the period from 1 July 2018 until the conclusion of the 22<sup>nd</sup> AGM.
- To approve the payment of under-provision of Directors' benefits of RM51,000 for the period from 1 July 2018 until the conclusion of the 22<sup>nd</sup> AGM.
- To approve the payment of Directors' fees of up to RM582,000 for the period from the conclusion of the 22<sup>nd</sup> AGM until the next Annual General Meeting of the Company.
- To approve the payment of Directors' benefits of up to RM153,000 for the period from the conclusion of the 22<sup>nd</sup> AGM until the next Annual General Meeting of the Company.
- To re-elect the following Directors who retire pursuant to Article 105 of the Articles of Association of the Company:-
  - Mr Tan Yee Hou
  - Dato' Dr Ir. Mohd Abdul Karim Bin Abdullah
  - Encik Mustakim Bin Mat Nun
- To re-appoint Messrs Aljafree Salihin Kuzaimi PLT as Auditors of the Company and to authorise the Directors to fix their remuneration.

*[Please refer to Explanatory Note 1 on Ordinary Business]*

**(Ordinary Resolution 1)**  
*[Please refer to Explanatory Note 2 on Ordinary Business]*

**(Ordinary Resolution 2)**  
*[Please refer to Explanatory Note 2 on Ordinary Business]*

**(Ordinary Resolution 3)**  
*[Please refer to Explanatory Note 2 on Ordinary Business]*

**(Ordinary Resolution 4)**  
*[Please refer to Explanatory Note 2 on Ordinary Business]*

**(Ordinary Resolution 5)**  
*[Please refer to Explanatory Note 3 on Ordinary Business]*

**(Ordinary Resolution 6)**  
**(Ordinary Resolution 7)**

**(Ordinary Resolution 8)**

**Special Business**

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

**8. Ordinary Resolution**
**Authority to Allot and Issue Shares**

"THAT subject always to the Companies Act 2016 ("Act"), the Articles of Association of the Company, Bursa Malaysia Securities Berhad ("Bursa Securities") Main Market Listing Requirements and the approvals of the relevant governmental/regulatory authorities (if any), the Directors be and are hereby authorised pursuant to Sections 75 and 76 of the Act, 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 persons whomsoever as the Directors may in their absolute discretion deem fit provided that the aggregate number of shares issued during the preceding 12 months pursuant to this resolution does 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 Directors be and are hereby also empowered to obtain the approval for the listing of and quotation for the additional shares so issued from Bursa Securities 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 the Company at a general meeting."

**(Ordinary Resolution 9)**

*[Please refer to Explanatory Note 1 on Special Business]*

**9. Special Resolution**
**Proposed Alteration of the Existing Memorandum and Articles of Association by Replacing with a New Constitution ("Proposed Alteration")**

"THAT the existing Memorandum and Articles of Association of the Company be hereby altered by replacing with a new Constitution as set out in the Annexure A attached herewith with effect from the date of passing of this special resolution.

AND 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)**  
*[Please refer to Explanatory Note 2 on Special Business]*

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

**BY ORDER OF THE BOARD**

**Wong Wai Foong (MAICSA 7001358)**

**Yap Sit Lee (MAICSA 7028098)**

Company Secretaries

Kuala Lumpur

30 October 2019

**Notes:**
**APPOINTMENT OF PROXY**

- A member entitled to attend and vote at the meeting is entitled to appoint a proxy/proxies and vote in his/her stead. A proxy need not be a member of the Company.
- A member may appoint up to two (2) proxies to attend and vote in his stead except where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, it may appoint at least one (1) proxy but not more than two (2) proxies in respect of each securities account held by it 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 as defined under the Securities Industry (Central Depositories) Act 1991 which holds ordinary shares in the Company for multiple beneficial owners in one (1) 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, he shall specify the proportion of his shareholdings to be represented by each proxy.
- The instrument appointing a proxy shall be in writing signed by the appointor or his attorney duly authorised in writing, or if the appointor is a corporation, either under its common seal or signed by an officer or attorney so authorised.
- The instrument appointing a proxy must be deposited at the office of the Company's Share Registrar located at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur not less than 48 hours before the time for holding the meeting or at any adjournment thereof.
- Only members whose names appear in the Record of Depositors as at 20 November 2019 will be entitled to attend, speak and vote at the meeting or appoint proxy(ies) to attend, speak and vote on their behalf.

**EXPLANATORY NOTES ON ORDINARY BUSINESS**
**1. Audited Financial Statements for the financial year ended 30 June 2019**

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

**2. Ordinary Resolutions 1, 2, 3 and 4: Payment of Directors' Fees and benefits**

Pursuant to Section 230(1) of the Act, 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.

The Directors' fees proposed under Ordinary Resolution 1 is to meet the under-provision in Directors' fees approved by the shareholders in the Twenty-First Annual General Meeting ("21<sup>st</sup> AGM") held on 21 December 2018 due to changes in the Board of Directors ("Board") and revision in the Directors' fees. The shareholders at the 21<sup>st</sup> AGM held on 21 December 2018 approved the Directors' fees of up to RM50,000 for the period from 1 July 2018 until the conclusion of the 22<sup>nd</sup> AGM.

The Directors' benefits proposed under Ordinary Resolution 2 is to meet the under-provision in Directors' benefits approved by the shareholders in the 21<sup>st</sup> AGM held on 21 December 2018 due to additional Board meetings held and revision in meeting allowance for Directors. The shareholders at the 21<sup>st</sup> AGM held on 21 December 2018 approved the Directors' benefits of up to RM9,500 for the period from 1 July 2018 until the conclusion of the 22<sup>nd</sup> AGM.

The proposed Ordinary Resolution 3 is to facilitate the payment of directors' fees from the conclusion of the 22<sup>nd</sup> AGM up to the next Annual General Meeting of the Company, calculated based on the size of the current Board.

The proposed Ordinary Resolution 4 for the directors' benefits such as meeting allowances payable to the directors is calculated based on the current board size and the number of scheduled meetings for the period from the conclusion of the 22<sup>nd</sup> AGM up to the next Annual General Meeting.

In the event the proposed amount of directors' fees and/or benefits are insufficient (e.g. due to more meetings or enlarged Board size), approval will be sought at the next Annual General Meeting for the under-provision.

**3. Ordinary Resolutions 5 to 7: Re-election of Directors**

Mr Tan Yee Hou, Dato' Dr Ir. Mohd Abdul Karim Bin Abdullah and Encik Mustakim Bin Mat Nun are standing for re-election as Directors of the Company and being eligible, have offered themselves for re-election at the 22<sup>nd</sup> AGM.

Mr Fong Wai @ Foong Kai Ming and Dato' Haji Roshidi Bin Haji Hashim who are retiring pursuant to Article 100 and Article 105 of the Articles of Association of the Company respectively as Directors of the Company at the forthcoming 22<sup>nd</sup> AGM, have indicated to the Company that they would not be seeking re-election at the 22<sup>nd</sup> AGM. Therefore, Mr Fong Wai @ Foong Kai Ming and Dato' Haji Roshidi Bin Haji Hashim shall retire as Directors at the conclusion of the 22<sup>nd</sup> AGM.

**EXPLANATORY NOTES ON SPECIAL BUSINESS**
**1. Ordinary Resolution 9: Authority to allot and issue shares**

The proposed Resolution 9 is the renewal of the mandate obtained from the members at the 21<sup>st</sup> AGM. As at the date of this Notice, the Company did not allot any shares pursuant to the mandate granted to the Directors at the previous 21<sup>st</sup> AGM held on 21 December 2018 as there were no requirements for such fund raising activities.

The proposed Resolution 9, if passed, would provide flexibility to the Directors to undertake fund raising activities, including but not limited to placement of shares for the purpose of funding the Company's future investment project(s), working capital and/or acquisition(s) at any time as the Directors may deem fit provided that the aggregate number of shares issued pursuant to the mandate does not exceed ten per centum (10%) of the total number of issued shares (excluding treasury 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 of 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.

**2. Special Resolution: Proposed Alteration**

This proposed Special Resolution, if passed, will enable the Company to alter its existing Memorandum and Articles of Association 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 Securities 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 which is circulated together with the Notice of 22<sup>nd</sup> AGM as contained in the Annual Report 2019.