

NOTICE OF MEETING

Notice is hereby given that the Forty-Seventh Annual General Meeting of Kuala Lumpur Kepong Berhad (“KLK” or “Company”) will be held at WEIL Hotel, Ballroom 1, Level 6, 292 Jalan Sultan Idris Shah, 30000 Ipoh, Perak, Malaysia on Tuesday, 18 February 2020 at 11.00 a.m. for the following purposes:

AGENDA

As Ordinary Business

1. To receive the Audited Financial Statements for the year ended 30 September 2019 and the Directors’ and Auditors’ reports thereon.
2. To re-elect the following Directors who retire by rotation in accordance with Article 119 of the Company’s Constitution:
 - (i) R. M. Alias **(Ordinary Resolution 1)**
 - (ii) Dato’ Lee Hau Hian **(Ordinary Resolution 2)**
 - (iii) Tan Sri Azlan Bin Mohd Zainol **(Ordinary Resolution 3)**
3. To approve the payment of Directors’ fees for the year ended 30 September 2019 amounting to RM1,881,667 (2018: RM1,970,258). **(Ordinary Resolution 4)**
4. To approve the payment of Directors’ benefits (other than Directors’ fees) for the period from the Forty-Seventh Annual General Meeting to the Forty-Eighth Annual General Meeting to be held in 2021. **(Ordinary Resolution 5)**
5. To re-appoint Messrs. BDO PLT as Auditors of the Company for the financial year ending 30 September 2020 and to authorise the Board of Directors to fix their remuneration. **(Ordinary Resolution 6)**

As Special Business

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

6. **PROPOSED RENEWAL OF AUTHORITY TO BUY BACK ITS OWN SHARES BY THE COMPANY** **(Ordinary Resolution 7)**

“THAT authority be given to the Company to buy back an aggregate number of shares in the Company (“Authority to Buy Back Shares”) as may be determined by the Directors from time to time through Bursa Malaysia Securities Berhad upon such terms and conditions as the Directors may deem fit and expedient in the best interest of the Company provided that at the time of purchase, the aggregate number of shares which may be purchased and/or held by the Company as treasury shares pursuant to this resolution does not exceed ten percent (10%) of the issued and paid-up share capital of the Company and that the maximum funds to be allocated for the Authority to Buy Back Shares shall not exceed the latest audited retained profits of the Company;

THAT the shares purchased by the Company pursuant to Authority to Buy Back Shares may be dealt with by the Directors in all or any of the following manner:

- (a) distribute the shares as share dividends to the shareholders; or
- (b) resell the shares or any of the shares on Bursa Malaysia Securities Berhad; or
- (c) transfer the shares or any of the shares for the purposes of or under an employees’ shares scheme; or
- (d) transfer the shares or any of the shares as purchase consideration; or
- (e) cancel the shares or any of the shares; or
- (f) sell, transfer or otherwise use the shares for such other purposes as allowed by the Companies Act 2016.

NOTICE OF MEETING

AND THAT the Directors be and are hereby empowered to do all such acts and things to give full effect to the Authority to Buy Back Shares with full powers to assent to any conditions, modifications, revaluations, variations and/or amendments (if any) as may be imposed by the relevant authorities AND THAT such Authority shall commence upon passing of this ordinary resolution and will expire at the conclusion of the next Annual General Meeting (“AGM”) of the Company following the passing of this ordinary resolution or the expiry of the period within which the next AGM is required by law to be held (unless earlier revoked or varied by ordinary resolution of the shareholders of the Company in general meeting) but not so as to prejudice the completion of a purchase by the Company before the aforesaid expiry date and, in any event, in accordance with the provisions of the guidelines issued by Bursa Malaysia Securities Berhad or any other relevant authority.”

7. **PROPOSED RENEWAL OF SHAREHOLDERS’ MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE** (Ordinary Resolution 8)

“THAT approval be given to the Company and/or its subsidiary companies to enter into recurrent transactions of a revenue or trading nature with related parties which are necessary for the Company’s and/or its subsidiaries’ day-to-day operations and carried out in the ordinary course of business on normal commercial 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 as set out in the Appendix I of the Company’s Circular to Shareholders dated 31 December 2019 (“the Mandate”);

AND THAT the Directors be and are hereby empowered 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 Mandate, with full powers to assent to any conditions, modifications, revaluations, variations and/or amendments (if any) as may be imposed by the relevant authorities AND THAT the Mandate shall commence upon passing of this ordinary resolution and will expire at the conclusion of the next Annual General Meeting (“AGM”) of the Company following the passing of this ordinary resolution or the expiry of the period within which the next AGM is required by law to be held but shall not extend to such extension as may be allowed pursuant to section 340(4) of the Companies Act 2016 (unless earlier revoked or varied by ordinary resolution of the shareholders of the Company in general meeting).”

8. **PROPOSED RENEWAL OF THE AUTHORITY FOR DIRECTORS TO ALLOT AND ISSUE NEW ORDINARY SHARES IN THE COMPANY (“KLK SHARES”) IN RELATION TO THE DIVIDEND REINVESTMENT PLAN THAT PROVIDES THE SHAREHOLDERS OF THE COMPANY THE OPTION TO ELECT TO REINVEST THEIR CASH DIVIDEND ENTITLEMENTS IN NEW SHARES (“DRP”)** (Ordinary Resolution 9)

“THAT pursuant to the DRP approved by the shareholders at the Annual General Meeting (“AGM”) held on 13 February 2018 and subject to the approval of the relevant authorities (if any), approval be and is hereby given to the Company to allot and issue such number of KLK Shares pursuant to the DRP until the conclusion of the next AGM, upon such terms and conditions and to such persons as the Directors may, in their absolute discretion, deem fit and in the best interest of the Company PROVIDED THAT the issue price of the said KLK Shares shall be fixed by the Directors at not more than ten percent (10%) discount to the adjusted five (5)-day volume weighted average market price (“VWAMP”) of KLK shares immediately prior to the price-fixing date, which VWAMP shall be adjusted ex-dividend before applying the aforementioned discount in fixing the issue price;

AND THAT the Directors be and are hereby authorised to do all such acts and enter into all such transactions, arrangements and agreements as may be necessary or expedient in order to give full effect to the DRP with full power to assent to any conditions, modifications, variations and/or amendments (if any) as may be imposed or agreed to by any relevant authorities or consequent upon the implementation of the said conditions, modifications, variations and/or amendments, as they, in their absolute discretion, deem fit and in the best interest of the Company.”

NOTICE OF MEETING

9. To transact any other business of which due notice shall have been given in accordance with the Companies Act 2016.

By Order of the Board
YAP MIOW KIEN
Company Secretary

Ipoh, Perak
Malaysia.

31 December 2019

Notes:

(1) Members Entitled to Attend

Only members whose names appear on the Register of Members or General Meeting Record of Depositors as at 11 February 2020 will be entitled to attend, speak and vote at the meeting.

(2) Appointment of Proxy

- (a) A member of the Company entitled to attend and vote at the 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 shall not be entitled to appoint more than two (2) proxies to attend at the same meeting. Where a member appoints two (2) proxies, the appointments shall be invalid unless he specifies the proportion of his holdings to be represented by each proxy.
- (b) Where the proxy form is executed by a corporation, it must be either under its seal or under the hand of its officer or attorney duly authorised.
- (c) If a member having appointed a proxy to attend a general meeting attends such meeting in person, the appointment of such proxy shall be null and void in respect of such meeting and his proxy shall not be entitled to attend such meeting.
- (d) Where a member of the Company is an authorised nominee as defined in the Securities Industry (Central Depositories) Act, 1991 ("SICDA"), it may appoint not more than two (2) proxies in respect of each securities account it holds in ordinary shares of the Company standing to the credit of the said securities account.
- (e) Where a member of the Company is an exempt authorised nominee 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. An exempt authorised nominee refers to an authorised nominee defined under SICDA which is exempted from compliance with the provisions of Subsection 25A(1) of SICDA.
- (f) Where a member or the authorised nominee appoints two (2) proxies, or where an exempt authorised nominee appoints two (2) or more proxies, the proportion of shareholdings to be represented by each proxy must be specified in the instrument appointing the proxies.
- (g) The instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed and authorised must be deposited at the Registered Office of the Company, Bangunan Mayban Trust Ipoh, Level 9, No. 28, Jalan Tun Sambanthan, 30000 Ipoh, Perak, Malaysia, not less than twenty-four (24) hours before the time appointed for the taking of the poll.

(3) Voting by Poll

Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all the resolutions set out in this Notice shall be put to vote by poll.

(4) Explanatory Notes on Ordinary Businesses:

(i) Agenda 1 – Audited Financial Statements

This item is meant for discussion only as under section 340(1) of the Companies Act 2016, the Audited Financial Statements are to be laid at the Annual General Meeting and do not require a formal approval of the shareholders. Hence, this matter will not be put forward for voting.

NOTICE OF MEETING

- (ii) Section 230(1) of the Companies Act 2016 provides amongst others, that the Directors' fees and any benefits payable to the Directors of the Company and its subsidiaries shall be approved at a general meeting. In this respect, the Board agreed that the members' approval shall be sought at this Forty-Seventh Annual General Meeting on the Directors' remuneration in two (2) separate resolutions as below:

Ordinary Resolution 4 – Payment of Directors' Fees to the Non-Executive Directors

Payment of Directors' fees in respect of the financial year 2019 is as below:

	BOARD (RM) PER ANNUM	AUDIT AND RISK COMMITTEE (RM) PER ANNUM	OTHER BOARD COMMITTEES (RM) PER ANNUM
Non-Executive Chairman	480,000	30,000	20,000
Non-Executive Director/Member	240,000	25,000	15,000

Ordinary Resolution 5 – Payment of Directors' Benefits (excluding Directors' Fees)

The Directors' Benefits (excluding Directors' Fees) for the period from the Forty-Seventh Annual General Meeting to the Forty-Eighth Annual General Meeting to be held in 2021 comprise:

TYPE OF BENEFIT/ALLOWANCE	AMOUNT
Meeting Allowance (Board and Committees)	RM2,000 per meeting
Travelling (Overseas) Allowance	RM1,000 per day
Other Benefits	<ul style="list-style-type: none"> • Company car, petrol and driver • Discounts for purchase of Group/Company products • Business travel, medical, insurance coverage, and other claimables and reimbursables for the purpose of enabling the Directors to perform their duties

(5) Explanatory notes on Special Businesses:

(i) Ordinary Resolution 7 – Proposed Renewal of Authority to Buy Back Shares

Ordinary Resolution 7 proposed under Item 6 of the Agenda, if passed, will empower the Directors of the Company to buy back the Company's own shares through Bursa Malaysia Securities Berhad at any time within the time period stipulated by utilising the funds allocated out of the audited retained profits of the Company.

(ii) Ordinary Resolution 8 – Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature ("Proposed Shareholders' Mandate")

Ordinary Resolution 8 proposed under Item 7 of the Agenda, if passed, will enable the Group to enter into Recurrent Related Party Transactions of a Revenue or Trading Nature in the ordinary course of business which are necessary for the Group's day-to-day operations and on normal commercial 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.

The procurement of the Proposed Shareholders' Mandate would reduce substantially administrative time, effort and expenses associated with the convening of separate general meetings to seek shareholders' approval as and when potential Recurrent Related Party Transactions arise.

(iii) Ordinary Resolution 9 – Proposed Renewal of Authority for Directors to Allot and Issue KLK Shares in relation to Dividend Reinvestment Plan

The shareholders had, at the Forty-Fifth Annual General Meeting held on 13 February 2018, approved the authority for the Directors to allot and issue KLK Shares in relation to Dividend Reinvestment Plan ("DRP") and such authority will expire at the conclusion of this Annual General Meeting.

Ordinary Resolution 9 proposed under Item 8 of the Agenda, if passed, will give authority to the Directors to allot and issue KLK Shares pursuant to the DRP in respect of any dividends declared, and such authority shall expire at the conclusion of the next Annual General Meeting of the Company.

The authority given for Ordinary Resolutions 7, 8 and 9 mentioned above unless revoked or varied at a general meeting, will expire at the conclusion of the next Annual General Meeting of the Company. Further information on Ordinary Resolutions 7 and 8 is set out in the Circular to Shareholders of the Company dated 31 December 2019 which is available on the Company's website, www.klk.com.my.