

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the **THIRTY-SECOND ANNUAL GENERAL MEETING** ("32nd AGM") of the Company will be held at the Registered Office of the Company at Lot 6, Block 44, Leboh Tiga, 90000 Sandakan, Sabah on **Friday, 10 July 2020 at 10.00 a.m.** to transact the following businesses:-

AS ORDINARY BUSINESS

- To receive the Audited Financial Statements for the financial year ended 31 December 2019 and the Reports of the Directors and Auditors thereon. [Please refer to Explanatory Note 1]
- To re-elect Mr Lee Kok Toong @ Lee Ming Heng, who retires as a Director by rotation pursuant to Article 79 of the Company's Constitution. Ordinary Resolution 1
- To approve the payment of Directors' fees of RM60,000.00 for the financial year ended 31 December 2019. Ordinary Resolution 2
- To approve the payment of Directors' remuneration (excluding Directors' fees) to the Independent Non-Executive Directors up to an amount of RM180,000 from 1 June 2020 to the next AGM of the Company. Ordinary Resolution 3
- To re-appoint Messrs Ernst & Young PLT as Auditors of the Company and to authorise the Directors to fix their remuneration. Ordinary Resolution 4

AS SPECIAL BUSINESS, to consider and if thought fit, to pass the following Resolutions:

- Continuation in office as Independent Non-Executive Directors
"THAT approval be and is hereby given to the following Directors who have served as Independent Non-Executive Directors of the Company for a cumulative term of more than nine years, to continue to act as Independent Non-Executive Directors of the Company until the conclusion of the next AGM of the Company:
(a) Mr Tan Kung Ming Ordinary Resolution 5
(b) Ms Teo Gim Suan Ordinary Resolution 6
[Please refer to Explanatory Note 3]
- Authority for Directors to issue and allot Shares pursuant to Sections 75 & 76 of the Companies Act 2016
"THAT subject always to the Companies Act 2016 ("Act"), the Constitution of the Company and the approvals of the relevant governmental/regulatory authorities, the Directors be and are hereby empowered, pursuant to Sections 75 & 76 of the Act, to issue shares in the Company from time to time to such parties and upon such terms and conditions and for such purposes as the Directors may deem fit 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 at the time of the passing of this resolution, that the Directors be and are also empowered to obtain approval from Bursa Malaysia Securities Berhad for the listing of and quotation for additional shares so issued and that such authority shall continue in force until the conclusion of the next Annual General Meeting of the Company". Ordinary Resolution 7
- Proposed Renewal of the Shareholders' Mandate For Recurrent Related Party Transactions Of A Revenue Or Trading Nature
"THAT subject to compliance with all applicable laws, regulations and guidelines, a mandate be and is hereby given to the Company and its subsidiaries to enter into recurrent transactions of a revenue or trading nature with related parties as set out in the Circular to Shareholders dated 12 June 2020, which are necessary for the day-to-day operations and not more favourable to the related parties than those generally available to the public and are not to the detriment of the minority shareholders and that authority conferred by this resolution shall commence immediately upon the passing of this resolution; AND THAT such mandate shall continue in force until:-
(a) the conclusion of the next Annual General Meeting ("AGM") of the Company, at which time it will lapse, unless by a resolution passed at that meeting, the authority is renewed;
(b) the expiration of the period within which the next AGM after the date it is required to be held pursuant to Section 340(2) of the Companies Act 2016 ("the Act"), [but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Act]; or
(c) revoked or varied by resolution passed by the shareholders in an AGM or Extraordinary General Meeting; whichever is the earlier
AND THAT the breakdown of the aggregate value of the recurrent related party transactions made during the financial year will be disclosed in the Company's Annual Report based on the following information:-
(a) the type of the recurrent related party transactions made; and
(b) the names of the related parties involved in each type of the recurrent related party transactions made and their relationship with the Company." Ordinary Resolution 8
- Proposed Amendments to the Constitution of the Company Special Resolution 1
"THAT the amendments to the Constitution of the Company as set out in Appendix 1 of the Circular to Shareholders dated 12 June 2020 be and are hereby approved."
- To transact any other business of the Company of which due notice has been given to the Company.

By Order of the Board

Liu Yee Ling @ Annie Liu (SSM PC No. 202008000225) (LS0001146)
Secretary**Sandakan**
12 June 2020**Notes:**

- A Depositor whose name appears in the Record of Depositors as at 30 June 2020 (General Meeting Record of Depositors) shall be regarded as a Member of the Company entitled to attend, speak and vote at this 32nd AGM of the Company or appoint a proxy to attend, speak and vote in his stead.
- A Member of the Company entitled to attend and vote at the meeting is entitled to appoint more than one (1) proxy to attend, speak and vote in his stead. Where a Member of the Company appoints two (2) proxies to attend and vote at the same meeting, such appointments shall be invalid unless he specifies the proportions of his shareholding to be represented by each proxy. A proxy may but need not be a Member of the Company.
- The instrument appointing a proxy shall be in writing under the hand of the appointor or his attorney duly authorised in writing, or if the appointor is a corporation, either under common seal or under the hand of an officer or attorney duly authorised.
- The proxy form for the 32nd AGM is available together with the Circular to Shareholders despatched to Members of the Company or at the Company's corporate website at <http://www.kretam.com>. The appointment of proxy(ies) may be made in the following manner:-
 - Hard copy**
The proxy form must be deposited at the Registered Office of the Company at Lot 6, Block 44, Leboh Tiga, 90000 Sandakan, Sabah not less than 48 hours before the time set for the meeting or any adjournment thereof; or
 - Electronic copy**
The proxy form must be received by the Company not less than 48 hours before the time set for the meeting or any adjournment thereof via –
Option 1 – Facsimile transmission (Fax number: 089-275111); or
Option 2 – Email (Email address: sec@kretam.com).
For either option used, the appointed proxy must deposit the original executed proxy form during registration on the day of the 32nd AGM for verification purposes.
- Where a Member of the Company is an exempt authorized 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 authorized nominee may appoint in respect of each omnibus account it holds.

Explanatory Notes:

- Audited Financial Statements For Financial Year Ended 31 December 2019**
The Agenda item is meant for discussion only as it does not require shareholders' approval under the provision of Section 340(1) of the Act and is therefore not put forward for voting.
- Ordinary Resolution 3 - Directors' Remuneration**
The Directors' remuneration (excluding Directors' Fees) is in respect of allowances and other emoluments payable to the Independent Non-Executive Directors. The estimated amount of RM180,000 is for the period from 1 June 2020 to the next AGM.
- Ordinary Resolutions 5 & 6 - Continuation In Office As Independent Non-Executive Directors**
In relation to the proposed Ordinary Resolutions 5 and 6, the Board has undertaken the necessary assessment and review, and would recommend to the shareholders of the Company for Mr Tan Kung Ming and Ms Teo Gim Suan, who each 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 based on the following justifications:
 - Mr Tan Kung Ming and Ms Teo Gim Suan continue to fulfil the criteria of an Independent Director in accordance with the Main Market Listing Requirements.
 - The tenure of their service has not impaired their independence as they have always acted independently of management and exercised impartial and objective judgments in Board deliberation.
 - They have discharged their responsibilities with integrity and competence in the best interest of the Company and its shareholders.
- Ordinary Resolution 7 - Authority To Directors To Issue Shares And Allot Shares Pursuant to Sections 75 & 76 of the Companies Act 2016**
The proposed Ordinary Resolution 7, if passed, will empower the Directors to issue shares up to an aggregate amount not exceeding 10% of the total number of issued shares of the Company for the time being, for such purposes as the Directors consider would be in the interest of the Company. This mandate is a renewal of the last mandate granted to the Directors at the 31st AGM held on 18 June 2019 and, unless revoked or varied at a general meeting, will expire at the conclusion of the next AGM. The renewal of this mandate will provide flexibility to the Company for any possible fund-raising activities, including but not limited to further placing of shares, for purpose of funding investment project(s), working capital and/or acquisitions.
As at the date of this notice, no new shares in the Company were issued pursuant to the last mandate.
- Ordinary Resolution 8 - Proposed Renewal Of The Shareholders' Mandate For Recurrent Related Party Transactions Of A Revenue Or Trading Nature**
Please refer to the Circular to Shareholders dated 12 June 2020 for further information.
- Special Resolution 1 - Proposed Amendments to the Constitution of the Company**
The proposed Special Resolution 1, if passed, will enhance administrative efficiency.
Further information of the Proposed Amendments to the Constitution of the Company is set out in the Circular to Shareholders dated 12 June 2020.

Precautionary Measures To Minimise Risk Of COVID-19

- Members of the Company are strongly encouraged to appoint the Chairman of the Meeting as proxy to vote in their stead.
- Registration will begin at 9.20 a.m. and the following measures will be taken:-
 - Attendees must wear masks to the meeting venue and keep the masks on throughout the meeting.
 - Body temperature screening and hand sanitizers will be provided to all attendees who have to complete a written declaration prior to entering the meeting venue.
 - Any person who has fever or exhibits cough, running nose or other symptoms of COVID-19 will be prohibited from attending the 32nd AGM.
 - Social distancing throughout the meeting must be strictly adhered to.
 - No refreshment will be served at the meeting.