

MALAKOFF CORPORATION BERHAD

Registration No. 200601011818 (731568-V)
(Incorporated in Malaysia)

NOTICE OF POSTPONED 14TH ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT THE POSTPONED 14TH ANNUAL GENERAL MEETING (“**AGM**”) OF MALAKOFF CORPORATION BERHAD (“**COMPANY**”) WILL BE HELD AS A FULLY VIRTUAL GENERAL MEETING AT BROADCAST VENUE AT BOARDROOM, LEVEL 7, BLOCK 4, PLAZA SENTRAL, JALAN STESEN SENTRAL 5, 50470 KUALA LUMPUR, MALAYSIA ON **TUESDAY, 9 JUNE 2020 AT 10.00 A.M.** FOR THE PURPOSE OF CONSIDERING AND, IF THOUGHT FIT, PASSING THE FOLLOWING RESOLUTIONS:

ORDINARY BUSINESS

1. “**THAT** the Audited Financial Statements of the Company for the financial year ended 31 December 2019 and the Directors’ Report and Auditors’ Report thereon be and are hereby received.”

(Please refer to Explanatory Note 1)

2. “**THAT** the following Directors who retire in accordance with Article 105 of the Company’s Constitution be and are hereby re-elected as the Directors of the Company:-

- (i) Datuk Ooi Teik Huat
- (ii) Datuk Rozimi Remeli”

Resolution 1
Resolution 2

(Please refer to Explanatory Note 2)

3. “**THAT** the payment of Directors’ fees up to an amount of RM1,230,000 to the Non-Executive Directors (“**NED**”) with effect from 24 April 2020 until the next AGM of the Company be and is hereby approved.”

Resolution 3

(Please refer to Explanatory Note 3)

4. “**THAT** the payment of the following Directors’ benefits to the NEDs be and is hereby approved:-

- i) Directors’ benefits up to an amount of RM1,250,000 to all NEDs with effect from 24 April 2020 until the next AGM of the Company; and
- ii) Directors’ benefits up to an amount of RM250,000 by the subsidiaries of the Company to the NEDs with effect from 1 January 2020 until the next AGM of the Company.”

Resolution 4

Resolution 5

(Please refer to Explanatory Note 3)

5. “**THAT** Messrs. KPMG PLT, who are eligible and have given their consent for re-appointment, be and are hereby re-appointed as Auditors of the Company until the conclusion of the next AGM, AND THAT the remuneration to be paid to them be fixed by the Board.”

Resolution 6

SPECIAL BUSINESS

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

6. Proposed Renewal of Authority for the Company to Purchase Its Own Shares Resolution 7

“THAT subject to provisions of the Companies Act 2016 (**“Act”**), the Constitution of the Company, the Main Market Listing Requirements (**“MMLR”**) of Bursa Malaysia Securities Berhad (**“Bursa Securities”**) and all prevailing laws, rules, regulations, orders, guidelines and requirements for the time being in force, approval and authority be and are hereby given to the Directors of the Company (**“Directors”**), to the extent permitted by law, to purchase such number of ordinary shares in the Company (**“Shares”**) as may be determined by the Directors from time to time through Bursa Securities upon such terms and conditions as the Directors may deem fit, necessary and expedient in the best interest of the Company, provided that:

- a) the maximum aggregate number of Shares purchased or held by the Company pursuant to this resolution shall not exceed 10% of the total number of issued shares of the Company at any point in time;
- b) the maximum amount of funds to be allocated by the Company for the purpose of purchasing its shares shall not exceed the amount of the retained profits of the Company at the time of purchase; and
- c) the authority conferred by this resolution shall be effective immediately after 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 the authority will lapse unless the authority is renewed by a resolution passed at that meeting, either conditionally or unconditionally;
 - (ii) the expiration of the period within which the next annual general meeting of the Company is required by law to be held; or
 - (iii) the authority is revoked or varied by ordinary resolution passed by the shareholders of the Company at a general meeting of the Company,

whichever occurs first;

THAT the Directors be and are hereby authorised to deal with the Shares so purchased, at their discretion, in the following manner:

- (i) cancel the Shares so purchased;
- (ii) retain the Shares so purchased as treasury shares; or
- (iii) retain part of the Shares so purchased as treasury shares and cancel the remainder of the Shares;

THAT where such Shares are held as treasury shares, the Directors be and are hereby authorised to deal with the treasury shares in their absolute discretion, in the following manner:

- (i) distribute the Shares as dividends to shareholders, such dividends to be known as “shares dividends”;
- (ii) resell the Shares or any of the Shares in accordance with the relevant rules of Bursa Securities;
- (iii) transfer the Shares or any of the Shares for the purposes of or under an employees’ share scheme;
- (iv) transfer the Shares or any of the Shares as purchase consideration;
- (v) cancel the Shares or any of the Shares; or
- (vi) sell, transfer or otherwise use the Shares for such other purposes as the Minister may by order prescribe;

AND THAT the Directors be and are hereby authorised and empowered to do all acts and things and to take all such steps as necessary or expedient (including opening and maintaining a Central Depository System account) and to enter into and execute, on behalf of the Company, any instrument, agreement and/or arrangement with any person, and with full power to assent to any condition, modification, variation and/or amendment as may be imposed by Bursa Securities or any relevant regulatory authority, and/or as may be required in the best interest of the Company and to take all such steps as the Directors may deem fit, necessary and expedient in the best interest of the Company in order to implement, finalise and give full effect to the purchase by the Company of its Shares.”

(Please refer to Explanatory Note 4)

7. Proposed Shareholders’ Mandate for Recurrent Related Party Transactions of A Revenue or Trading Nature (“Proposed Shareholders’ Mandate”) **Resolution 8**

“THAT subject to Paragraph 10.09 of the MMLR of Bursa Securities, the Company and its subsidiaries (“**Group**”) be and are hereby authorised to enter into recurrent related party transactions of a revenue or trading nature with the Related Parties as set out in Section 2.4 of the Circular to Shareholders dated 24 March 2020, PROVIDED THAT such transactions are necessary for the Group’s day-to-day operations and/or in the ordinary course of business of the Group and at arm’s length basis and 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 THAT such approval shall continue to be in force until:-

- (i) the conclusion of the next AGM of the Company following the general meeting at which this Ordinary Resolution shall be passed, at which time it will lapse, unless by a resolution passed at the general meeting, the authority conferred by this resolution is renewed;
- (ii) the expiration of the period within which the next AGM of the Company after the date it is required to be held pursuant to Section 340(2) of the Act (but shall not extend to such extensions 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 at a general meeting,

whichever is earlier;

AND THAT the Directors of the Company and its subsidiaries 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 transactions as authorised by this Ordinary Resolution.”

(Please refer to Explanatory Note 5)

8. To transact any other business of which due notice shall have been given in accordance with the Act and the Company’s Constitution.

NOTICE OF BOOK CLOSURE AND NOTICE OF DIVIDEND ENTITLEMENT AND PAYMENT

NOTICE IS ALSO HEREBY GIVEN THAT shareholders who are registered in the Record of Depositors at the close of business on 15 May 2020 shall be entitled to the final dividend which will be paid on 12 June 2020.

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

- a) Shares transferred into the Depositor's securities account before 4.00 p.m. on 15 May 2020 in respect of ordinary transfers; and
- b) Shares bought on Bursa Securities on a cum entitlement basis according to the Rules of Bursa Securities.

BY ORDER OF THE BOARD

Noor Raniz bin Mat Nor (MAICSA 7061903)

Sharifah Ashtura Jamalullail Syed Osman (LS0009113)

Company Secretaries

Kuala Lumpur

8 May 2020

Notes:

1. The Proxy Form, to be valid, must be deposited at the office of Boardroom Share Registrars Sdn Bhd, 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia not less than 48 hours before the time appointed for the meeting or any adjournment thereof. Alternatively, the Proxy Form can be deposited electronically through the Share Registrar's website, Boardroom Smart Investor Online Portal at <https://www.boardroomlimited.my/> before the proxy form lodgment cut-off time as mentioned above. ***The Proxy Form issued together with the Notice of Postponed 14th AGM dated 8 May 2020 shall supersede the Proxy Form circulated together with the Notice of the 14th AGM dated 24 March 2020.***
2. A member of the Company entitled to participate and vote at this meeting is entitled to appoint a proxy or proxies or attorney or other duly authorised representative to participate and vote at his stead. A member of the Company may appoint up to two (2) proxies to participate at the same meeting. Where a member of the Company appoints two (2) proxies, the appointment shall be invalid unless the member specifies the proportion of his shareholding to be represented by each proxy.
3. In case of a corporation, the Proxy Form should be under its common seal or under the hand of an officer or attorney duly authorised on its behalf. A proxy need not be a member of the Company and a member may appoint any person to be his proxy. The instrument appointing a proxy shall be deemed to confer authority to demand or join in demanding a poll.
4. In the case of joint holders, the signature of any one of them will suffice.
5. Where a member 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 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 more than one (1) proxy, the appointment shall be invalid unless it specifies the proportion of its shareholding to be represented by each proxy.
6. Only depositors whose names appear on the **Record of Depositors as at 1 June 2020** shall be entitled to register and participate in the meeting or appoint proxies to participate and/or vote on their behalf.
7. Unless voting instructions are indicated in the spaces provided in the Proxy Form, the proxy may vote as he/she thinks fit.
8. Members'/proxies' login to the virtual meeting portal will commence at 8.00 a.m. on the day of the meeting and shall remain open until the conclusion of the AGM or such time as may be determined by the Chairman of the meeting.

The Proxy Form that has been deposited to the Company's share registrars, Boardroom Share Registrars Sdn Bhd, prior to the Notice of Postponed 14th AGM dated 8 May 2020 shall remain valid unless a Revised Proxy Form superseding the previous Proxy Form is deposited to the Company's share registrars.

Explanatory Notes on Ordinary Business:-

1. Explanatory Note 1

Audited Financial Statements for the financial year ended 31 December 2019

This agenda item is meant for discussion only as provided under Section 340(1) of the Act and the Company's Constitution. The Audited Financial Statements do not require the shareholders' approval and hence, the matter will not be put forward for voting.

2. **Explanatory Note 2**

Re-election of Directors retiring in accordance with Article 105 of the Company's Constitution

The proposed ordinary resolutions 1 and 2 under Agenda 2 of the 14th AGM are to seek the shareholders' approval for the re-election of the Directors standing for re-election in accordance with the Company's Constitution.

In deliberating the re-election of the retiring Directors at the 14th AGM, the Board Nomination and Remuneration Committee had taken into consideration of the performance and contribution of each Director based on the annual Board assessment.

As per the Board assessment conducted for the financial year 2019, all the affected Directors met the performance criteria required for an effective and high performance Board. The Board, after having received the consent for re-election from Datuk Ooi Teik Huat and Datuk Rozimi Remeli, recommends the re-election of the said Directors at the 14th AGM.

3. **Explanatory Note 3**

NEDs' Remuneration

Section 230(1) of the Act stipulates that the fees and any benefits payable to the directors of a listed company and its subsidiaries shall be tabled at a general meeting for the shareholders' approval.

The proposed ordinary resolutions 3 to 5, if passed, will allow the payment of Directors' remuneration to the NEDs on a monthly basis and/or as and when incurred within the respective approval period after the NEDs have discharged their responsibilities and rendered their services to the Company and the subsidiaries.

- (i) Directors' remuneration payable by the Company to all NEDs comprises the following:-
- Directors' fees; and
 - Benefits such as Board Committee allowances, meeting allowances, annual leave passage and/or annual supplemental fees including benefits-in-kind to the Chairman.

The current Directors' remuneration payable to the NEDs are summarised in the table below:-

Board/Board Committees	Directors' fees/allowances (per member)		Meeting Allowances (per member)	
	Non-Executive Chairman ("NEC")/per month (RM)	NED/per month (RM)	NEC/per meeting (RM)	NED/per meeting (RM)
i) Board	30,000	7,500	2,500	2,500
ii) Board Audit Committee	4,000	2,500	2,500	2,500
iii) Board Nomination & Remuneration Committee	3,000	2,000	2,000	2,000
iv) Board Risk & Investment Committee	3,000	2,000	2,000	2,000
v) Board Procurement Committee	N/A	N/A	3,000	2,000

Items	Other benefits	
	NEC (RM)	Per NED (RM)
i) Annual leave passage & annual supplemental fees	25,000 per annum	25,000 per annum
ii) Benefits-in-kind (Board only)	up to 3,500 per month (as claimed)	N/A

(Note: each of the foregoing payments being exclusive of the others)

Since the listing of the Company in May 2015, there was no revision of Directors' remuneration for the NEDs. The Board is proposing a review of the existing Directors' fees for NEDs in 2020 to bring the Directors' fees in line with the market and to reward the NEDs with a fair remuneration for their greater responsibilities, commitments and contributions.

Furthermore, the review of the Directors' fees takes into consideration the added responsibilities and accountabilities of the NEDs due to the change in the status of the Company as a listed company and the dynamic of the current Group's businesses. A benchmarking exercise was carried out with several comparable public listed companies in determining the quantum of increase of Directors' fees for the NEDs.

The revision in the Directors' fees will ensure the retention of the NEDs whose skills, knowledge and experience are invaluable to the Company.

The proposed revision of Directors' fees from RM7,500 to RM9,000 per NED per month, to be effective from the conclusion of the 14th AGM, was deliberated by the Board Nomination and Remuneration Committee and duly approved by the Board for recommendation to the shareholders for approval at this AGM.

- (ii) Directors' benefits payable by the subsidiaries of the Company to the NEDs comprising fixed allowances, meeting allowances or any other benefits.

Explanatory Notes on Special Business:-

4. Explanatory Note 4 Proposed Renewal of Share Buy-Back Authority

The proposed resolution 7, if passed, will empower the Directors to purchase the Company's own shares of up to 10% of its total number of issued shares subject to Section 127 of the Act and any prevailing laws, rules, regulations, orders, guidelines and requirements issued by the relevant authorities at the time of the purchase(s).

Details of the proposed renewal of authority for the Company to purchase its own shares are set out in the Share Buy-Back Statement to Shareholders dated 24 March 2020 which is circulated together with the 2019 Annual Report of the Company.

5. Explanatory Note 5 Proposed Shareholders' Mandate for RRPTs

The proposed resolution 8, if passed, will empower the Company and its subsidiaries ("**Group**") to enter into recurrent related party transactions of a revenue or trading nature with the Related Parties as set out in Section 2.4 of the Circular to Shareholders dated 24 March 2020 which are necessary for the Group's day-to-day operations and/or in the ordinary course of business of the Group on normal commercial terms and to facilitate the conduct of the Group's business in a timely manner.

Details of the Proposed Shareholders' Mandate are set out in the Circular to Shareholders dated 24 March 2020 which is circulated together with the 2019 Annual Report of the Company.

6. Abstention from Voting

The Directors who are shareholders of the Company shall abstain from voting on the resolution in respect of their own re-election, resolutions concerning remuneration of the NEDs and the Proposed Shareholders' Mandate (applicable to interested directors only), at the 14th AGM.

STATEMENT ACCOMPANYING NOTICE OF THE POSTPONED 14TH AGM

(Pursuant to paragraph 8.27(2) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad)

The Directors retiring by rotation in accordance with Article 105 of the Company's Constitution and seeking for re-election are as follows:

1. Datuk Ooi Teik Huat (Non-Independent Non-Executive Director); and
2. Datuk Rozimi Remeli (Independent Non-Executive Director).

The profiles of the abovenamed Directors are stated in the Directors' Profile on page 19 and 21 of the Annual Report.