

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT THE FORTY SIXTH ("46TH") ANNUAL GENERAL MEETING ("AGM") OF KUMPULAN PERANGSANG SELANGOR BERHAD ("KPS BERHAD" OR "THE COMPANY") WILL BE CONDUCTED VIRTUALLY THROUGH LIVE STREAMING AND ONLINE VOTING VIA THE REMOTE PARTICIPATION AND ELECTRONIC VOTING ("RPEV") FACILITIES AT [HTTPS://MEETING.BOARDROOMLIMITED.MY](https://meeting.boardroomlimited.my) FROM THE BROADCAST VENUE AT KPS BERHAD CORPORATE OFFICE, 17TH FLOOR, PLAZA PERANGSANG, PERSIARAN PERBANDARAN, 40000 SHAH ALAM, SELANGOR DARUL EHSAN ON TUESDAY, 30 MAY 2023 AT 10.00 A.M. FOR THE FOLLOWING PURPOSES:

ORDINARY BUSINESS:

1. To receive the Audited Financial Statements for the financial year ended 31 December 2022 together with the Reports of the Directors and Auditors thereon. (Please refer to Explanatory Note 1)
2. To approve a single tier final dividend of 2.5 sen per share in respect of the financial year ended 31 December 2022. Please refer to Explanatory Note 2 (Ordinary Resolution 1)
3. To re-elect YBhg Datuk Syed Izuan bin Syed Kamarulbahrin ("Datuk Syed Izuan") who retires pursuant to Clause 78 of the Company's Constitution and who being eligible offer himself for re-election. Please refer to Explanatory Note 3 (Ordinary Resolution 2)
4. To re-elect the following Directors who retire pursuant to Clause 76(3) of the Company's Constitution and who being eligible offer themselves for re-election:
 - i. YBhg Dato' Ikmal Hijaz bin Hashim ("Dato' Ikmal") (Ordinary Resolution 3)
 - ii. Puan Norliza binti Kamaruddin ("Puan Norliza") (Ordinary Resolution 4)
5. To approve the payment of Directors' Remuneration to the Directors up to an amount of RM1,782,200 for the period immediately after the 46th AGM until the next AGM of the Company. Please refer to Explanatory Note 5 (Ordinary Resolution 5)
6. To re-appoint Messrs BDO PLT ("BDO") as Auditors of the Company for the financial year ending 31 December 2023 and to authorise the Directors to fix their remuneration. Please refer to Explanatory Note 6 (Ordinary Resolution 6)

SPECIAL BUSINESS:

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

7. Proposed Renewal of Existing Shareholders' Mandate for Recurrent Related Party Transactions ("RRPT") of a Revenue or Trading Nature with KPS and its Subsidiaries ("KPS Berhad Group")

Please refer to
Explanatory Note 7
(Ordinary Resolution 7)

"THAT subject always to the provisions of the Companies Act 2016 ("CA2016") and pursuant to Paragraph 10.09 of the Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad ("Bursa Securities"), KPS Berhad Group be and is hereby authorised to enter into and give effect to the RRPT of a revenue or trading nature with the related parties as set out in Section 2.3 of the Circular to Shareholders dated 20 April 2023 ("Related Parties") provided that such transactions and/or arrangements are:

- a. recurrent transactions of a revenue or trading nature;
- b. necessary for the day-to-day operations;
- c. undertaken in the ordinary course of business at arm's length basis and are on normal commercial terms and transaction prices which are not more favourable to the Related Parties than those generally available to the public;
- d. not detrimental to the minority shareholders of the Company;

("Proposed Shareholders' Mandate");

AND THAT such approval, shall continue to be in force until:

- a. the conclusion of the next AGM of the Company following the AGM at which the Proposed Shareholders' Mandate is passed, at which time it will lapse, unless the authority is renewed by a resolution passed at such AGM; or
- b. the expiration of the period within which the next AGM of the Company after that date is required to be held under Section 340(2) of the CA2016 (but must not extend to such extension as may be allowed pursuant to Section 340(4) of the CA2016); or
- c. revoked or varied by ordinary resolution passed by the shareholders of the Company in a general meeting;

whichever is earlier;

AND THAT the Directors of the Company be and are hereby authorised to complete and do all such acts, deeds and things to give effect to the aforesaid Proposed Shareholders' Mandate and transactions contemplated under this resolution."

ANY OTHER BUSINESS:

8. To transact any other business for which due notice has been given in accordance with the Constitution of the Company and the CA2016.

NOTICE OF DIVIDEND ENTITLEMENT AND PAYMENT DATE

NOTICE IS ALSO HEREBY GIVEN that a single tier final dividend of 2.5 sen per share, in respect of the financial year ended 31 December 2022 ("FY2022") if approved by shareholders at the 46th AGM, will be payable on 20 June 2023 to shareholders registered in the Records of Depositors at the close of business on 2 June 2023.

A depositor shall qualify for entitlement only in respect of:

- a. Shares transferred to the Depositor's Securities Account before 4.30 p.m. on 2 June 2023 in respect of ordinary shares.
- b. Shares bought on the Bursa Securities on a cum entitlement basis according to the Rules of the Bursa Securities.

By Order of the Board
KUMPULAN PERANGSANG SELANGOR BERHAD

SELFIA BINTI MUHAMMAD EFFENDI

Company Secretary
SSM PC No. 201908000999
MAICSA 7046782

Shah Alam
20 April 2023

EXPLANATORY NOTES ON ORDINARY AND SPECIAL BUSINESSES

1. Agenda Item No. 1 - Audited Financial Statements for the Financial Year Ended 31 December 2022

The Agenda item is meant for discussion only. The provisions of Sections 248(2) and 340(1)(a) of the CA2016 only require the Audited Financial Statements and the Reports of the Directors and Auditors thereon be laid before the Company at its AGM. As such, this Agenda item is not a business which requires a resolution to be put to vote by the Shareholders.

2. Agenda Item No. 2 - Final Dividend

With reference to Section 131 of the CA2016, a company may only make a distribution to the shareholders out of profits of the company available if the company is solvent. On 30 March 2023, the Board had considered the amount of dividend and decided to recommend the same for the shareholders' approval at the forthcoming 46th AGM.

3. Agenda Item No. 3 - Re-election of Directors pursuant to Clause 78 of the Company's Constitution

Clause 78 of the Company's Constitution provides amongst others, that the Board shall have the power to appoint any person to be a Director to fill a casual vacancy or as an additional Director to the existing Board, and that any Director so appointed shall hold office until the next following AGM and shall then be eligible for re-election.

Accordingly, Datuk Syed Izuan who was appointed on 15 August 2022 shall hold office until the conclusion of the 46th AGM and shall then be eligible for re-election pursuant to Clause 78 of the Company's Constitution.

The Nomination and Remuneration Committee ("NRC") has determined the eligibility of the Directors standing for re-election at the 46th AGM based on the performance of the Directors, taking into account the results of their latest Annual Board Evaluation ("ABE"), contribution in the areas of Board dynamics and participation, competency and capability, time commitment, independence and objectivity together with their ability to make analytical inquiries and offer advice and guidance.

Based on the recommendation of the NRC, the Board is satisfied with the performance, contributions and time commitment of Datuk Syed Izuan, an Independent Non-Executive Director ("INED") who retires by rotation in accordance with Clause 78 of the Company's Constitution and is eligible to stand for re-election based on the following justifications:

- Datuk Syed Izuan has more than twenty-nine (29) years experienced in finance and investment sectors. His areas of expertise are accounting, audit, financial reporting, investment analysis and advisory.
- He is observant as his communication skills commendable. Being a Chairman of the Board Audit Committee ("BAC"), he is meticulous and skilled in articulating his views and is able to grasp issues relevant to the integrity of the Group's financial reporting and audit process objectively.
- Datuk Syed Izuan's expansive experience brings further valuable insight to the Company from a financial and investment perspective, providing the right fit for the Board's dynamic given KPS Berhad's investment holding business nature. He also holds directorships in two (2) other public listed companies with investment holding businesses such as Sapura Industrial Berhad and Sedania Innovator Berhad, which proves he is knowledgeable and well-versed in the investment operational business.
- He fulfils the requirement of independence set out in the Bursa Securities MMLR and prescribed criteria under the Malaysian Code on Corporate Governance ("MCCG") and met the Fit and Proper Criteria set out in the Directors' Fit and Proper Policy of the Company.

The profile of the retiring Director is set out in the Board of Directors Profile on page 168 of the KPS Integrated Annual Report 2022 ("IAR2022").

4. Agenda Item No. 4 - Re-election of Directors who retire in accordance with Clause 76(3) of the Company's Constitution

Clause 76(3) of the Company's Constitution provides that one-third (1/3) of the Directors of the Company for the time being shall retire by rotation at an AGM of the Company. In determining the number of Directors who are to retire by rotation at the 46th AGM, two (2) out of seven (7) Directors are to retire in accordance with Clause 76(3) of the Company's Constitution.

The NRC has determined the eligibility of each of the Directors standing for re-election at the AGM based on the performance of the Directors, taking into account the results of their latest ABE, contribution in the areas of Board dynamics and participation, competency and capability, time commitment, independence and objectivity together with their ability to make analytical inquiries and offer advice and guidance.

Based on the recommendation of the NRC, the Board is satisfied with the performance, contributions and time commitment of the following Directors who retire by rotation in accordance with Clause 76(3) of the Company's Constitution and are eligible to stand for re-election based on the following justifications:

i. Re-election of Dato' Ikmal as INED

Dato' Ikmal has extensive experience in business management, corporate strategy, and sustainable development. His expertise in human capital development allows him to provide pragmatic counsel in succession planning, talent management, and remuneration benefits, while instilling a balanced working culture within the Group. His knowledge and experience in the subject matter have proven to have contributed positively to the performance of the NRC, for which he is Chair.

In his capacity as a Member of the Sustainability Board Committee ("SBC") and Board Investment Review Committee ("BIRC"), his oversight on curating an impactful sustainability and investment agenda has contributed to a successful sustainability journey within the KPS Berhad Group. In addition, his counsel on supporting community development growth has strengthened KPS Berhad's brand equity, in particular, its relations with the communities in which KPS Berhad Group does business. Besides, being a Director of KPS Berhad for more than five (5) years has enabled Dato' Ikmal to be well-versed with the KPS Berhad Group's corporate and business strategies as well as manufacturing operating environment, guiding it on the path of sustainable growth.

To this effect, through his oversight and counsel, he strikes the balance needed in managing work performance culture and complexity of the business, aligning them with business strategies and the long-term corporate objectives of KPS Berhad.

He fulfils the requirement of independence set out in the Bursa Securities MMLR and prescribed criteria under the MCCG and met the Fit and Proper Criteria set out in the Directors' Fit and Proper Policy of the Company.

ii. Re-election of Puan Norliza as INED

The recommendation to re-elect Puan Norliza is based on her vast experience in communication strategies, being a senior communications specialist with more than 30 years of experience in Malaysia and international markets. Her vast experience covers multiple sectors, including energy, finance, banking and telecommunications. She is proficient in various communications practices, including reputation management, strategic crisis communications, strategic planning, crisis communications, Environmental, Social and Governance ("ESG"), corporate social responsibility, branding, media relations and internal communications.

Puan Norliza's assertiveness and dynamism alongside her forte in a wide ambit of communications areas, ESG and social investments are suited for her role as the Chairman of the SBC of the Company. Her expertise has allowed her to provide guidance relating to public relations and investor relations, supporting KPS Berhad and its subsidiary companies to adopt more sustainable practices, which has led the Group committing to a long-term Sustainability Roadmap aiming at 45% reduction in greenhouse gas ("GHG") emissions by 2030 and eventually, carbon neutrality.

She has served as a Director of KPS Berhad for five (5) years and is conversant with the KPS Berhad Group strategies and business operations. She provides effective deliberations during the meeting and provides views to effectively run the business with minimum impact on the environment and ecosystem. This is in line with KPS Berhad's effort to embed sustainable development practices in KPS Berhad undertakings. Her counsel in these areas have been integral in helping KPS Berhad winning multiple recognitions and accolades for its sustainability and communication practices; such as the Malaysia Sustainability Awards and National Annual Corporate Report Awards ("NACRA") for four (4) and three (3) consecutive years, respectively.

She fulfils the requirement of independence set out in the Bursa Securities MMLR and prescribed criteria under the MCCG and met the Fit and Proper Criteria set out in the Directors' Fit and Proper Policy of the Company.

The above retiring Directors had abstained from deliberations and decisions on their own eligibility to stand for re-election at the relevant Board meeting.

The profiles of the retiring Directors are set out in the Board of Directors Profile on pages 164 to 165 of the IAR2022.

5. Agenda Item No. 5 - Directors' Remuneration

Section 230(1) of the CA2016 provides amongst others, that "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. In this respect, the shareholders' approval shall be sought at the 46th AGM on the Directors' remuneration under Ordinary Resolution 5 on payment of Directors' remuneration in respect of the period immediately after the 46th AGM to the next AGM of the Company ("Relevant Period").

The total amount of Director's remuneration payable to the Directors is estimated to be up to RM1,782,200 for the Relevant Period which will take effect from 30 May 2023 subject to the shareholders' approval and taking into account various factors including the number of scheduled meetings for the Board, Board Committees, Board of subsidiaries meetings, hours of time spent, complexity of the KPS Berhad business, individual's responsibilities, merit, qualification and competence of the Director while having regards to the Company's operating results and comparable market statistics.

Payment of Directors' remuneration to the Directors of the Company will be made by the Company on a monthly basis and/or as and when incurred effective 30 May 2023.

6. Agenda Item No. 6 - Re-appointment of Auditors

The BAC at its meeting held on 24 March 2023, undertook an annual assessment of the suitability, objectivity and independence of the external auditors, BDO, in accordance with the External Auditors Assessment Policy which was approved by the Board in March 2017 and subsequently revised on 27 November 2020.

In its assessment, the BAC was satisfied with the suitability of BDO based on the quality of audit, performance, competency, and sufficiency of resources the external audit team provided to the Group. The BAC was also satisfied in its review that the provision of audit and non-audit services by BDO to the Company for financial year ended 31 December 2022 did not in any way impair their objectivity and independence as external auditors of the Company.

The Board at its meeting held on 30 March 2023 approved the BAC's recommendation for the shareholders' approval to be sought at the 46th AGM on the re-appointment of BDO as external auditors of the Company for the financial year ending 31 December 2023 under Resolution 6.

7. Agenda Item No. 7 - Proposed Renewal of Existing Shareholders' Mandate for RRPT of a Revenue or Trading Nature

The proposed Ordinary Resolution 7, if passed, is primarily to renew its existing shareholders' mandate ("Mandate") by authorising the Company and/or its subsidiaries ("KPS Berhad Group") to enter into recurrent transactions with the related parties which are necessary for the day-to-day operations of the Group and are based on normal commercial terms and transaction prices that are not more favorable to the related parties than those generally made available to the public. The Mandate shall lapse at the conclusion of the next AGM unless the authority is renewed by a resolution passed at such general meeting.

For more details, please refer to the Circular to Shareholders dated 20 April 2023.

Notes:

IMPORTANT NOTICE

1. The Broadcast Venue is **strictly for the purpose of complying with Section 327(2) of the CA2016** which requires the Chairperson of the meeting to be present at the main venue of the meeting.

Shareholders **WILL NOT BE ALLOWED** to attend the 46th AGM in person at the Broadcast Venue on the day of the meeting.

Shareholders are to attend, speak (including posing questions to the Board via real time submission of typed texts) and vote (collectively, "participate") remotely at the 46th AGM via the RPEV facilities at <https://meeting.boardroomlimited.my>.

Please follow the procedures in the Administrative Guide for the 46th AGM and read Notes (2) to (13) below in order to participate remotely via RPEV facilities.

2. For the purpose of determining who shall be entitled to attend this 46th AGM, via RPEV facilities the Company shall be requesting Bursa Malaysia Depository Sdn Bhd to make available to the Company, a Record of Depositors as of 24 May 2023. Only members whose name appears on this Record of Depositors shall be entitled to attend this 46th AGM via RPEV facilities or appoint a proxy to attend, speak and vote on his/her/its behalf.
3. A member who is entitled to attend and vote at this 46th AGM via RPEV facilities is entitled to appoint a proxy or attorney or in the case of a corporation, to appoint a duly authorised representative to attend, participate, speak and vote in his place. A proxy may but need not be a member of the Company.
4. A member of the Company who is entitled to attend and vote at a General Meeting of the Company may appoint not more than two (2) proxies to attend, participate, speak and vote instead of the member at the 46th AGM via RPEV facilities.
5. If two (2) proxies are appointed, the entitlement of those proxies to vote on a show of hands shall be in accordance with the listing requirements of the stock exchange.
6. Where a member of the Company is an authorised nominee as defined in the Securities Industry (Central Depositories) Act 1991 ("Central Depositories Act"), 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.

7. Where a member of the Company 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 it holds. An exempt authorised nominee refers to an authorised nominee defined under the Central Depositories Act which is exempted from compliance with the provisions of Section 25A(1) of the Central Depositories Act.
8. Where a member appoints more than one (1) proxy, the proportion of shareholdings to be represented by each proxy must be specified in the instrument appointing the proxies.
9. The instrument appointing a proxy shall be in writing under the hand of the appointer or his attorney duly authorised in writing or if the appointer is a corporation either under seal or under the hand of an officer or attorney duly authorised. The appointment of a proxy may be made in hard copy form or by electronic form. If the appointment is made in hard copy form, the Proxy Form must be deposited with Boardroom Share Registrars Sdn Bhd ("Boardroom")'s Office at 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia, or alternatively, to submit your electronic Proxy Form via Boardroom Smart Investor Portal at <https://investor.boardroomlimited.com> not less than 48 hours before the time fixed for holding the meeting.
10. Please ensure ALL the particulars as required in the proxy form are completed, signed and dated accordingly.
11. Last date and time for lodging the proxy form is at 10.00 a.m on 28 May 2023.
12. Any authority pursuant to which such an appointment is made by a power of attorney must be deposited with Boardroom's Office at 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia, or alternatively, to submit your electronic Proxy Form via Boardroom Smart Investor Portal at <https://investor.boardroomlimited.com> not less than forty-eight (48) hours before the time appointed for holding the 46th AGM or adjourned general meeting at which the person named in the appointment proposes to vote. A copy of the power of attorney may be accepted provided that it is certified notarially and/or in accordance with the applicable legal requirements in the relevant jurisdiction in which it is executed.
13. For a corporate member who has appointed a representative, please deposit the **ORIGINAL** certificate of appointment with Boardroom's Office at 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia, or alternatively, submit your electronic Proxy Form via Boardroom Smart Investor Portal at <https://investor.boardroomlimited.com>. The certificate of appointment should be executed in the following manner:
 - i. If the corporate member has a common seal, the certificate of appointment should be executed under seal in accordance with the constitution of the corporate member.
 - ii. If the corporate member does not have a common seal, the certificate of appointment should be affixed with the rubber stamp of the corporate member (if any) and executed by:
 - a. at least two (2) authorised officers, of whom one shall be a director; or
 - b. any director and/or authorised officers in accordance with the laws of the country under which the corporate member is incorporated.