



**NOTICE OF ANNUAL GENERAL MEETING**

**NOTICE IS HEREBY GIVEN THAT THE THIRTEENTH ANNUAL GENERAL MEETING ("13<sup>TH</sup> AGM") OF BENALEC HOLDINGS BERHAD ("BENALEC" OR "COMPANY") WILL BE HELD AT BALLROOM SELANGOR 3, DORSETT GRAND SUBANG HOTEL, JALAN SS12/1, 47500 SUBANG JAYA, SELANGOR DARUL EHSAN ON WEDNESDAY, 28 NOVEMBER 2018 AT 10.00 A.M. FOR THE FOLLOWING PURPOSES:**

**AGENDA**

**ORDINARY BUSINESS**

- To receive the Audited Financial Statements of the Company for the financial year ended 30 June 2018 and the Reports of the Directors and Auditors thereon. **Please refer to Note A**
- To approve the payment of Directors' fees of RM540,000 to the Non-Executive Directors for the financial year ended 30 June 2018. **Ordinary Resolution 1**
- To approve the payment of Directors' benefits of up to RM42,625 to the Non-Executive Directors for the period from 28 November 2018 until the next Annual General Meeting. **Ordinary Resolution 2**
- To re-elect Datuk Aznam bin Mansor, a Director who is retiring by rotation pursuant to Article 108 of the Company's Constitution and being eligible, has offered himself for re-election. **Ordinary Resolution 3**
- To re-elect Mr Wong Yoke Nyen, a Director who is retiring by rotation pursuant to Article 108 of the Company's Constitution and being eligible, has offered himself for re-election. **Ordinary Resolution 4**
- To re-appoint Messrs BDO as Auditors of the Company for the ensuing year and to authorise the Directors to fix their remuneration. **Ordinary Resolution 5**

**SPECIAL BUSINESS**

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

- Authority to issue shares pursuant to Sections 75 and 76 of the Companies Act 2016 **Ordinary Resolution 6**  
"THAT, pursuant to Sections 75 and 76 of the Companies Act 2016 ("the Act") and the Constitution of the Company and subject to the approvals from Bursa Malaysia Securities Berhad ("Bursa Securities") and other relevant government/regulatory authorities, where such approval is necessary, the Directors of the Company be and are hereby empowered pursuant to Sections 75 and 76 of the Act to issue shares in the Company at any time until the conclusion of the next Annual General Meeting ("AGM") and upon such terms and conditions and for such purposes as the Board of Directors may, in their absolute discretion, deem fit provided that the aggregate number of shares to be issued during the preceding 12 months does not exceed 10% of the total number of the issued shares (excluding treasury shares) of the Company for the time being AND THAT the Board of Directors be and are also empowered to obtain approval for the listing of and quotation for the additional shares so issued on Bursa Securities."

- Proposed Renewal of the Share Buy-Back Authority for the Company to Purchase its own shares of up to Ten Percent of the Total Number of Issued Shares of the Company **Ordinary Resolution 7**  
"THAT, subject always to the Act, the provisions of the Constitution of the Company, the Main Market Listing Requirements of Bursa Securities and the approvals of all relevant governmental and/or regulatory authorities, the Company be and is hereby authorised, to the fullest extent permitted by law, to purchase such amount of ordinary shares in the Company as may be determined by the Directors of the Company from time to time through Bursa Securities upon such terms and conditions as the Directors may deem fit and expedient in the interest of the Company provided that:-

- the aggregate number of shares purchased does not exceed ten percent (10%) of the total number of issued shares of the Company as quoted on Bursa Securities as at the point of purchase;
- the maximum funds to be allocated by the Company for the purpose of purchasing its shares shall not exceed the total retained earnings of the Company at the time of the purchase(s); and
- the Directors of the Company may decide to:-
  - retain the shares purchased as treasury shares for distribution as dividend to the shareholders and/or resale on the market of Bursa Securities and/or for cancellation subsequently; and/or
  - cancel the shares so purchased; and/or
  - retain part of the shares so purchased as treasury shares and cancel the remainder in the manner as allowed by the Act.

THAT such authority shall commence upon passing of this resolution and shall continue to be in force until:-

- the conclusion of the next AGM of the Company following the forthcoming AGM at which such resolution was passed at which time it will lapse, unless by ordinary resolution passed at that meeting, the authority is renewed, either unconditionally or subject to conditions; or
- the expiration of the period within which the next AGM of the Company after the date is required by law to be held; or
- revoked or varied by ordinary resolution passed by the shareholders in general meeting; whichever occurs first.

AND THAT authority be and is hereby given unconditionally and generally to the Directors of the Company to take all such steps as are necessary or expedient (including without limitation, the opening and maintaining of central depository account(s) under the Securities Industry (Central Depositories) Act, 1991, and the entering into of all other agreements, arrangements and guarantee with any party or parties) to implement, finalise and give full effect to the aforesaid purchase 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 with the fullest power to do such acts and things thereafter (including without limitation, the cancellation or retention as treasury shares of all or any part of the purchased shares) in accordance with the Act, the provisions of the Constitution of the Company and the Main Market Listing Requirements of Bursa Securities and/or guidelines of Bursa Securities and all other relevant governmental and/or regulatory authorities."

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

By Order of the Board of  
**BENALEC HOLDINGS BERHAD**

**WONG WAI FOONG** (MAICSA 7001358)

**LIM WEI LEE** (MAICSA 7064249)

Company Secretaries

Kuala Lumpur

Date: 30 October 2018

**Notes:**

- A member of the Company entitled to attend and vote at the general meeting is entitled to appoint a proxy or attorney or in the case of a corporation, to appoint a representative to attend and vote in his place. A proxy may but need not be a member of the Company and a member may appoint any person to be his proxy.
- A member shall not be entitled to appoint more than two (2) proxies to attend and vote at the same meeting. Where a member appoints two (2) proxies, the appointments shall be invalid unless he specifies the proportions of his holdings to be represented by each proxy. The instrument appointing a proxy shall be deemed to confer authority to demand or join in demanding a poll.
- The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, either under the corporation's seal or under the hand of an officer or attorney duly authorised.
- In the event a member duly executes the Proxy Form but does not name any proxy, such member shall be deemed to have appointed the Chairman of the meeting as his proxy.
- Any alterations in the Proxy Form must be initialled.
- To be valid, the Proxy Form duly completed must be deposited with the Share Registrar of the Company at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinci, 59200 Kuala Lumpur, Malaysia, or alternatively, the Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinci, 59200 Kuala Lumpur, Malaysia, not less than forty-eight (48) hours before the time for holding the meeting or adjourned meeting.
- Where a member is an authorised nominee as defined under the Securities Industry (Central Depositories) Act, 1991, it may appoint not more than two (2) proxies in respect of each Securities Account it holds 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 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.
- For the purpose of determining a member who shall be entitled to attend the AGM of the Company, the Company shall request Bursa Malaysia Depository Sdn Bhd, in accordance with Article 75(3) of the Company's Constitution and Section 34(1) of the Securities Industry (Central Depositories) Act, 1991 to issue a General Meeting Record of Depositors as at 19 November 2018. Only a depositor whose name appears therein shall be entitled to attend the said meeting or appoint a proxy to attend and/or vote on his stead.

**Explanatory Note on Ordinary Business**

**Note A – To receive Audited Financial Statement for the financial year ended 30 June 2018**

This agenda item is meant for discussion only as under the provision of Section 340(1)(a) of the Act, the audited financial statements does not require approval of the shareholders. Hence, this resolution is not put forward to the shareholders for voting.

**Ordinary Resolution 1 and 2 - To approve the payment of Directors' fees and benefits to the Non-Executive Directors**

Pursuant to Section 230(1) of the Act, any fees and any benefits payable to the Directors of a listed company and its subsidiaries shall be approved at a general meeting.

- The proposed Ordinary Resolution 1 is on the payment of Directors' fees of RM540,000 to Non-Executive Directors in respect of the financial year ended 30 June 2018. The Board has, at its meeting held in August 2018, approved for the Directors' fees to remain unchanged for the financial year ended 30 June 2018 in accordance with the remuneration structure as set out below:-

| Description        | Chairman (per year) | Members (per year) |
|--------------------|---------------------|--------------------|
| Monthly fixed fees | RM180,000           | RM180,000          |

- The Proposed Ordinary Resolution 2 is on the payment of Directors' benefits (excluding Directors' fees) of up to RM42,625 to the Non-Executive Directors from 28 November 2018 until the next AGM of the Company. The Company is seeking shareholders' approval on the benefits/emoluments payable to the Non-Executive Directors as set out below, as and when incurred:

| Description        | Chairman (per meeting)   | Members (per meeting) |
|--------------------|--|-----------------------|
| Meeting Allowances | RM1,000  | RM500                 |
| Other Benefits     | <ul style="list-style-type: none"> <li>Company car for Chairman</li> <li>Medical and insurance coverage</li> <li>Other claimable benefits</li> </ul> |                       |

**Explanatory Notes on Special Business**

**Ordinary Resolution 6 - Authority to issue shares pursuant to Sections 75 and 76 of the Act**

The proposed Ordinary Resolution 6 is the renewal of general mandate ("mandate") under Sections 75 and 76 of the Act and if passed, will provide flexibility to the Company to issue new securities without the need to convene separate general meeting to obtain its shareholders' approval so as to avoid incurring additional cost and time.

The purpose of this mandate is to provide flexibility to the Company to issue new shares without the need to convene a separate general meeting to obtain shareholders' approval so as to avoid incurring additional cost and time. This mandate is also meant for any possible fund raising exercise including but not limited to further placement of shares for purpose of funding current and/or future investment projects, working capital, repayment of bank borrowings, acquisitions and/or for issuance of shares as settlement of purchase consideration, which the Directors of the Company consider to be in the best interest of the Company. This authority will expire at the conclusion of the next AGM of the Company.

The mandate granted by the shareholders at the last AGM of the Company held on 22 November 2017 have been utilised via a private placement ("Private Placement") exercise of which the first (1<sup>st</sup>) tranche of Private Placement have been completed on 27 June 2018 where 20,000,000 new ordinary shares have been issued. The proceeds of RM5,000,000 raised from the first (1<sup>st</sup>) tranche of Private Placement exercise had been utilised in the following manner as at 3 October 2018:-

| Details of utilisation of Private Placement   | Total RM  |
|---|-----------|
| Proceeds from Private Placement               | 5,000,000 |
| Utilisations:-                                |           |
| Land reclamation projects                     | 1,056,000 |
| Working capital requirements                  | 3,866,000 |
| Expenses in relation to the Private Placement | 78,000    |
| As at 3 October 2018                          | 5,000,000 |

**Ordinary Resolution 7 - Proposed Renewal of the Share Buy-Back Authority for the Company to Purchase its own shares of up to Ten Percent of the total number of Issued Shares of the Company**

The proposed Ordinary Resolution 7, if passed, will empower the Directors to purchase the Company's shares through Bursa Securities up to ten percent (10%) of the total number of issued shares of the Company for the time being. This authority will expire at the conclusion of the next AGM unless earlier revoked or varied by ordinary resolution passed by shareholders at a general meeting.

For further information on this resolution, please refer to the Share Buy-back Statement dated 30 October 2018 which is despatched together with the Annual Report 2018.

**STATEMENT ACCOMPANYING NOTICE OF ANNUAL GENERAL MEETING**

(Pursuant to Paragraph 8.27(2) and Appendix 8A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad)

- Details of individuals who are standing for election as Directors.  
No individual is seeking election as a Director (excluding the Directors who are standing for re-election or re-appointment) at the Thirteenth Annual General Meeting ("13<sup>th</sup> AGM") of the Company.
- Statement relating to general mandate for issue of securities in accordance with Paragraph 6.03(3) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.  
Details of the general mandate to allot shares in the Company pursuant to Sections 75 and 76 of the Companies Act 2016 are set out in Explanatory Notes on Special Business of the Notice of the 13<sup>th</sup> AGM in this Annual Report.