



金 兴 工 业 有 限 公 司 KIM HIN INDUSTRY BERHAD

Registration No.: 197301003569 (18203-V)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Fifty-First Annual General Meeting ("51st AGM") of KIM HIN INDUSTRY BERHAD ("Kim Hin" or "the Company") will be held at Kim Hin Industry Berhad's Conference Room, 4 ½ Mile, Kung Phin Road, Off Penrissen Road, 93250 Kuching, Sarawak, Malaysia on Thursday, 30 May 2024 at 2.00 p.m. for the following businesses:

AGENDA

As Ordinary Business:

- To receive the Audited Financial Statements for the financial year ended 31 December 2023 together with the Reports of Directors and Auditors thereon.
- Mr. Yong Lin Lin who retires pursuant to Clause 118 of the Constitution of the Company, has expressed his intention not to seek re-appointment. Hence, he will retire at the close of the 51st AGM of the Company.
- To re-elect the following Directors who shall retire by rotation pursuant to Clause 118 of the Constitution of the Company and, being eligible, offer themselves for re-election:
 - Dato' John Chua Seng Chai; and
 - Mdm. Pauline Getrude Chua Hui Lin
- To re-elect the following Directors who shall retire pursuant to Clause 117 of the Constitution of the Company and, being eligible, offer themselves for re-election:
 - Dato Sim Kheng Boon; and
 - Mr. Kho Soon Kheng
- To approve the payment of Directors' fees amounting to RM267,000 for the financial year ended 31 December 2023.
- To approve the payment of Directors' fees and Directors' meeting allowances up to RM330,000 for the financial year ending 31 December 2024.
- To re-appoint Messrs. Ernst & Young PLT as Auditors of the Company until the conclusion of the next Annual General Meeting and to authorise the Board of Directors to fix their remuneration.

[Please refer to
Explanatory Note No. 1]
[Please refer to
Explanatory Note No. 2]

(Ordinary Resolution 1)
(Ordinary Resolution 2)

(Ordinary Resolution 3)
(Ordinary Resolution 4)

(Ordinary Resolution 5)
(Ordinary Resolution 6)
(Ordinary Resolution 7)

As Special Business

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

- Authority to allot and issue shares pursuant to Section 75 and Section 76 of the Companies Act 2016 and approval for the waiver of statutory pre-emptive rights of the shareholders of the Company

(Ordinary Resolution 8)

"THAT pursuant to Sections 75 and 76 of the Companies Act 2016, the Directors be and are hereby empowered to issue and allot shares in the Company, at any time to such persons and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion, deem fit, provided that the aggregate number of shares to be issued does not exceed ten percent (10%) of the issued share capital of the Company for the time being and that the Directors be and are also empowered to obtain the approval for the listing of and quotation for the additional shares so issued on the Bursa Malaysia Securities Berhad and that such authority shall continue in force until the conclusion of the next Annual General Meeting of the Company, subject always to the Companies Act 2016, the Constitution of the Company and approval of all relevant regulatory bodies being obtained for such allotment and issue.

AND THAT pursuant to Section 85 of the Companies Act 2016 read together with Clause 15 of the Constitution of the Company, approval be and is hereby given to waive the statutory pre-emptive rights of the shareholders of the Company to be offered new shares of the Company ranking equally to the existing issued shares arising from any issuance of the new shares in the Company pursuant to Sections 75 and 76 of the Act."

- Proposed renewal of shareholders' mandate for recurrent related party transactions of a revenue or trading nature ("Shareholders' Mandate")

(Ordinary Resolution 9)

"THAT subject always to the Listing Requirements of Bursa Malaysia Securities Berhad, approval be hereby given to the Company and/or its subsidiaries ("Kim Hin Group") to enter into any of the categories of related party transactions which are recurrent, of a revenue or trading nature and are necessary for the day-to-day operations of Kim Hin Group as outlined in Section 3.2 of the Circular to Shareholders dated 30 April 2024 ("Circular"), with the specific related parties mentioned therein subject further to the followings:

THAT approval be and is hereby given to the Company and its subsidiaries to enter into any of the category of recurrent related party transactions of a revenue or trading nature as set out in the Circular to shareholders dated 30 April 2024 with the specific related parties mentioned therein which are necessary for Kim Hin Group's day-to-day operations subject further to the following :

- the transactions are in the ordinary course of business and are on normal commercial terms which are not more favourable to the related parties than those generally available to the public and not to the detriment of the minority shareholders; and
- disclosure is made in the annual report for the breakdown of the aggregate value of the transactions conducted pursuant to the Shareholders' Mandate during the financial year where the aggregate value is equal to or more than the threshold prescribed under paragraph 10.09(1) of the Main Market Listing Requirements, and amongst others, based on the following information:-

- the type of the recurrent related parties transactions made; and
- the names of the related parties involved in each type of the recurrent related parties transactions made and their relationship with the Company.

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

- the conclusion of the next annual general meeting ("AGM") of the Company, at which time it will lapse, unless by an ordinary resolution passed at the meeting, the authority is renewed;
- the expiration of the period within which the next AGM of the Company after that date is required to be held pursuant to Section 340(2) of the Companies Act 2016 ("the Act") [but must not extend to such extension as may be allowed pursuant to Section 340(4) of the Act]; or
- revoked or varied by resolution passed by the shareholders in general meeting, whichever is the earlier.

AND THAT the Board of Directors of the Company be and is hereby authorised to complete and do all such acts and things (including executing all such documents as may be required) as they may consider expedient or necessary to give effect to the specified Proposed Shareholders' Mandate.

AND THAT the estimated value given on the recurrent related party transactions specified in Appendix 1 of the Circular being provisional in nature, the Board of Directors of the Company be hereby authorised to agree to the actual amount or amounts thereof provided always that such amount or amounts comply with the review procedures set out in Section 3.5 of the Circular."

- To transact any other business which may be transacted at an AGM of which due notice shall have been given in accordance with the Companies Act 2016 and the Company's Constitution.

By Order of the Board of Directors,

Jong Oi Jen
MAICSA 7069482
SSM Practising Certificate No. 202008002165
Company Secretary
Kuching, Sarawak
Dated: 30 April 2024

Explanatory Notes to Ordinary Business:

- Agenda 1 – Audited Financial Statements

The Audited Financial Statements are for discussion only as they do not require shareholders' approval pursuant to Section 340(1)(a) of the Companies Act 2016. Hence, this Agenda item will not be put forward for voting.

- Retirement and Re-election of Directors pursuant to Clause 117 and Clause 118

Clause 117 of the Company's Constitution provides that the Directors shall have power at any time to appoint any other person to be a Director, either to fill a casual vacancy or as an addition to the existing Board, but so that the total number of Directors shall not at any time exceed the maximum number fixed by or in accordance with this Constitution. Any Director so appointed shall hold office only until the conclusion of the next annual general meeting and shall be eligible for re-election at such meeting. A Director retiring under this Clause shall not be taken into account in determining the Directors or the number of Directors to retire by rotation at such meeting.

Clause 118 of the Company's Constitution provides that an election of directors shall take place each year. At the first annual general meeting of the Company, all the Directors shall retire from office, and at the annual general meeting in every subsequent year, one-third (1/3) of the Directors for the time being or, if their number is not three (3) or a multiple of three (3), then the number nearest to one-third (1/3) shall retire from office and be eligible for re-election PROVIDED ALWAYS that all Directors including Managing Director shall retire from office at least once every three (3) years but shall be eligible for re-election. A retiring Director shall retain office until the close of the general meeting at which he retires.

Agenda 2

Mr. Yong Lin Lin who retires pursuant to Clause 118 of the Constitution of the Company, has expressed his intention not to seek re-appointment. Hence, he will retire at the close of the 51st AGM of the Company.

Ordinary Resolutions 1 to 4:

The Board of Directors through the Nomination Committee, assessed the retiring Directors, namely Dato' John Chua Seng Chai and Mdm. Pauline Getrude Chua Hui Lin who retire pursuant to Clause 118, and Dato Sim Kheng Boon and Mr. Kho Soon Kheng, who retire pursuant to Clause 117 (collectively referred as "Retiring Directors") and recommended their re-election, based on the following justifications:

- they met the criteria as prescribed under Paragraph 2.20A of the Main Market Listing Requirements of Bursa Securities on character, experience, integrity, competence and time commitment to effectively discharge their roles as Directors;
- they met the fit and proper criteria pursuant to the Company's Directors' Fit and Proper Policy; and
- those who are Independent Directors remain independent.

- Ordinary Resolutions 5 and 6 – Directors' fees and benefits

Section 230(1) of the Companies Act 2016 provides that the fees of directors and benefits payable to the directors of a listed company shall be approved at a general meeting.

The proposed Directors' fees and Directors' meeting allowances are as below:

(a) Directors' fees for the year 2023 amounting to	RM267,000
(b) Directors' fees for the year 2024 up to	RM300,000
(c) Directors' meeting allowances for the year 2024 up to	RM 30,000

The details of the Directors' fees for the financial year ended 31 December 2023, are as disclosed in the Corporate Governance Report for the financial year ended 31 December 2023.

Explanatory Notes to Special Business:

- Ordinary Resolution 8 - Authority to allot shares pursuant to Section 75 and Section 76 of the Companies Act 2016 and approval for the waiver of statutory pre-emptive rights of the shareholders of the Company.

The Proposed Resolution 8, if passed,

- will give authority to the Directors of the Company, from the date of the above Annual General Meeting, to issue and allot shares to such persons in their absolute discretion without convening a general meeting provided the aggregate number of shares issued does not exceed 10% of the issued share capital of the Company for the time being. This authority, unless revoked or varied at a general meeting, will expire at the conclusion of the next Annual General Meeting of the Company.
- will approve the waiver of statutory pre-emptive rights of the shareholders of the Company to be offered new shares of the Company ranking equally to the exiting issued shares arising from any issuance of new shares in the Company pursuant to Sections 75 and 76 of the Act.

As at the date of this Notice, no new shares in the Company were issued pursuant to the mandate granted to the Directors at the 50th Annual General Meeting and which will lapse at the conclusion of the 51st Annual General Meeting.

The General Mandate sought will enable the Directors of the Company to issue and allot shares, including but not limited to further placing of shares, for purposes of funding investment(s), repayment of borrowings, working capital and/or acquisition(s).

- Ordinary Resolution 9- Shareholder Mandate for recurrent related party transactions

Paragraph 10.09 of the Main Market Listing Requirements states that with regard to related party transactions which are recurrent, of a revenue or trading nature and which are necessary for day-to-day operations ("RRPT"), a public listed company may seek a shareholder mandate.

The proposed Resolution 9, if passed, will authorise the Company and each of its subsidiaries to enter into RRPT with the mandated related parties as identified in Section 3.2 of the Circular dated 30 April 2024 ("Circular"), which are necessary for the Kim Hin Group's day-to-day operations, provided that such transactions are in the ordinary course of business and are on normal commercial terms which are not more favourable to the related parties than those generally available to the public and not detrimental to the interest of the minority shareholders. By obtaining the Shareholder Mandate, the necessity to convene separate meetings from time to time to seek shareholders' approval as and when such RRPT occur would not arise. This would reduce substantial administrative time and costs associated with the convening of such meetings without compromising on the corporate objectives of Kim Hin Group or adversely affecting the business opportunities available to Kim Hin Group.

Notes

- Only Depositors whose names appear in the General Meeting Record of Depositors as at 23 May 2024 be regarded as Members and shall be entitled to attend, speak and vote at the 51st AGM.
- A member entitled to attend and vote at the meeting is entitled to appoint a proxy or proxies to attend and vote in his/her place. A proxy need not be a member of the Company. Where a holder appoints two or more proxies, he/she shall specify the proportion of his/her shareholdings to be represented by each proxy.
- 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.
- A corporation which is a member may by resolution of its directors authorise such person as it thinks fit to act as its representative at the meeting pursuant to Section 333 of the Companies Act 2016 and the form of proxy must be executed under its Common Seal or under the hand of an officer or attorney duly authorised.
- The instrument appointing a proxy shall be in writing under the hand of the appointer or of his/her attorney, and the person so appointed may attend and vote at the meeting at which the appointer is entitled to vote.
- The instrument appointing a proxy or representative must be deposited at the registered office at 4 ½ Mile, Kung Phin Road, Off Penrissen Road, 93250 Kuching, Sarawak, Malaysia not less than forty-eight (48) hours before the time for holding the meeting.
- Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all resolutions set out in this Notice will be put to vote by way of poll.
- Registration will start at 1:00 p.m. at Kim Hin Industry Berhad's Conference Room, 4 ½ Mile, Kung Phin Road, Off Penrissen Road, 93250 Kuching, Sarawak, Malaysia on Thursday, 30 May 2024.