

NOTICE OF FORTY-FIFTH (45TH) ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Forty-Fifth (45th) Annual General Meeting (“**AGM**”) of Kenanga Investment Bank Berhad (“**the Company**”) will be held at Taming Sari Grand Ballroom, The Royale Chulan Kuala Lumpur, 5, Jalan Conlay, 50450 Kuala Lumpur, Wilayah Persekutuan, Malaysia on Thursday, 30 May 2019 at 11.00 a.m. to transact the following businesses:

AS ORDINARY BUSINESS

- To receive the Audited Financial Statements for the Financial Year Ended 31 December 2018 together with the Reports of the Directors and Auditors thereon.
- To re-elect the following Directors who retire by rotation in accordance with Article 75 of the Company's Articles of Association and being eligible, offer themselves for re-election:
 - Dato' Richard Alexander John Curtis;
 - Ismail Harith Merican; and
 - Luk Wai Hong, William.
- To approve the payment of Directors' fees totalling RM3,185,041.10 in respect of the Financial Year Ended 31 December 2018.
- To approve the payment of benefits payable to the Non-Executive Chairman, Non-Executive Deputy Chairman and Non Executive Directors up to an amount of RM1,100,000 from 31 May 2019 until the next AGM of the Company.
- To re-appoint Messrs. Ernst & Young as Auditors of the Company for the Financial Year Ending 31 December 2019 and to authorise the Board of Directors to determine their remuneration.

**Ordinary Resolution 1
Ordinary Resolution 2
Ordinary Resolution 3****Ordinary Resolution 4****Ordinary Resolution 5****Ordinary Resolution 6****AS SPECIAL BUSINESS****6. Authority to Directors to Issue Shares**

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

“**THAT** subject always to the Companies Act 2016, the Company's Articles of Association and approvals of the relevant governmental/ regulatory authorities, the Board of Directors be and is hereby authorised pursuant to Section 75 and Section 76 of the Companies Act 2016, to issue shares in the Company at any time to such persons and upon such terms and conditions and for such purposes as the Board of Directors may, in its absolute discretion, deem fit, provided that the aggregate number of shares to be issued does not exceed ten percent (10%) of the total number of issued shares of the Company for the time being and the Board of Directors be and is also empowered to obtain the approval from Bursa Malaysia Securities Berhad for the listing of and quotation for the additional shares so issued **AND THAT** such authority shall commence immediately upon the passing of this Resolution and continue to be in force until the conclusion of the next AGM of the Company.”

Ordinary Resolution 7**7. Proposed Renewal of Share Buy-Back Authority**

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

“**THAT** subject to the provisions of the Companies Act 2016, the Memorandum and Articles of Association of the Company, Bursa Malaysia Securities Berhad's Main Market Listing Requirements and the approvals of all relevant governmental and/ or regulatory authorities, the Company be and is hereby authorised to purchase such number of ordinary shares of the Company (“**Proposed Renewal of Share Buy-Back Authority**”) as may be determined by the Board of Directors of the Company from time to time through Bursa Malaysia Securities Berhad, upon such terms and conditions as the Board of Directors may deem fit in the interest of the Company, provided that:

- The aggregate number of shares to be purchased pursuant to this Resolution does not exceed ten percent (10%) of the total number of issued shares for the time being of the Company and compliance with the public shareholding spread requirements as stipulated in Paragraph 8.02(1) of Bursa Malaysia Securities Berhad's Main Market Listing Requirements or other requirements as may be determined by Bursa Malaysia Securities Berhad from time to time;
- The maximum funds to be allocated by the Company for the Proposed Renewal of Share Buy-Back Authority shall not exceed the Company's latest audited retained profits of RM513,675,590 as at 31 December 2018;
- The authority conferred by this Resolution shall commence immediately upon the passing of this Ordinary Resolution and shall continue to be in force until:
 - the conclusion of the next AGM of the Company at which time it will lapse, unless by Ordinary Resolution passed at the AGM, the authority is renewed either unconditionally or subject to conditions; or
 - the expiration of the period within which the next AGM after that date is required by law to be held; or
 - revoked or varied by Ordinary Resolution passed by the shareholders of the Company in a general meeting, whichever occurs first; but not so as to prejudice the completion of the purchase of its own shares by the Company before the aforesaid expiry date and, in any event, in accordance with the provisions of Bursa Malaysia Securities Berhad's Main Market Listing Requirements or any other relevant authorities;
- Upon the purchase by the Company of its own shares, the Board of Directors be and is hereby authorised to:
 - cancel the shares so purchased;
 - retain the shares so purchased as Treasury Shares;
 - retain part of the shares so purchased as Treasury Shares and cancel the remainder;
 - distribute the Treasury Shares as share dividends to shareholders;
 - resell the Treasury Shares or any of the said shares in accordance with Bursa Malaysia Securities Berhad's Main Market Listing Requirements;
 - transfer the Treasury Shares, or any of the said shares for the purposes of or under an employee's share scheme;
 - transfer the Treasury Shares, or any of the said shares as purchase consideration;
 - cancel the Treasury Shares or any of the said shares; or
 - sell, transfer or otherwise use the Treasury Shares for such other purposes as the Minister may by order prescribe.

Ordinary Resolution 8

AND THAT the Board of Directors of the Company be and is hereby authorised to take all steps as are necessary or expedient to implement or to effect the Proposed Renewal of Share Buy-Back Authority with full power to assent to any condition, modification, variation and/or amendment as may be imposed by the relevant authorities and to take all such steps as may deem necessary or expedient in order to implement, finalise and give full effect in relation thereto.”

8. Proposed Adoption of New Constitution of the Company

To consider and if thought fit, to pass the following Special Resolution:

“**THAT** approval be and is hereby given to alter or amend the whole of the existing Memorandum and Articles of Association of the Company by the replacement thereof with a new Constitution of the Company as set out in Part B of the Circular to Shareholders dated 30 April 2019 with immediate effect **AND THAT** the Board of Directors of the Company be and is hereby authorised to assent to any conditions, modifications and/ or amendments as may be required by relevant authorities, and to do all acts and things and take all such steps as may be considered necessary to give full effect to the foregoing.”

- To transact any other business of the Company for which due notice shall have been received in accordance with the Companies Act 2016.

Special Resolution**BY ORDER OF THE BOARD****NORLIZA ABD SAMAD**

MAICSA 7011089
Group Company Secretary

Kuala Lumpur
30 April 2019

Notes:**1. Proxy**

- Only members whose names appear in the Record of Depositors as at 24 May 2019 shall be entitled to attend, speak and vote at this AGM.
- A member of the Company entitled to attend, participate, speak and vote at this AGM is entitled to appoint up to two (2) proxies to attend, participate, speak and vote in his place. There shall be no restriction as to the qualification of the proxy.
- A member who is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, may appoint at least one (1) proxy but 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 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 (1) 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 appointments shall be invalid unless he specifies the proportion of his shareholdings to be represented by each proxy.
- 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 its common seal or under the hand of an officer or attorney duly authorised.
- Duly completed Proxy Form must be deposited at the office of the Company's share registrar, Boardroom Share Registrars Sdn Bhd (Formerly known as Symphony Share Registrars Sdn Bhd) at Level 6, Symphony House, Pusat Dagangan Dana 1, Jalan PJU 1A/46, 47301 Petaling Jaya, Selangor Darul Ehsan, Malaysia by Wednesday, 29 May 2019 at 11.00 a.m. (twenty-four (24) hours before the time appointed for holding the AGM).

2. Audited Financial Statements for the Financial Year Ended 31 December 2018

The Audited Financial Statements are laid in accordance with Section 340(1)(a) of the Companies Act 2016 for discussion only under Agenda 1. They do not require shareholders' approval and hence, will not be put for voting.

3. Ordinary Resolutions 1 to 3 - Re-election of Directors who retire in accordance with Article 75 of the Company's Articles of Association (“AA”)

Article 75 of the AA 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. Pursuant thereto, three (3) Directors of the Company, namely Dato' Richard Alexander John Curtis, Ismail Harith Merican and Luk Wai Hong, William, shall retire in accordance with Article 75 of the AA. The profiles of Dato' Richard Alexander John Curtis, Ismail Harith Merican and Luk Wai Hong, William can be found in the 2018 Annual Report of the Company.

4. Directors' Remuneration

Section 230(1) of the Companies Act 2016 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 Board of Directors agreed that the shareholders' approval shall be sought at the Forty-Fifth (45th) AGM on the Directors' remuneration in two (2) separate resolutions as follows:

- Ordinary Resolution 4** on payment of Directors' fees in respect of the Financial Year Ended 31 December 2018; and
- Ordinary Resolution 5** on payment of Directors' benefits from 31 May 2019 to the next AGM in 2020 (“**Current Period**”).

5. Directors' Fees

The payment of the fees to the Non-Executive Chairman, Non-Executive Deputy Chairman and Non-Executive Directors (“**NEDs**”) in respect of the Financial Year Ended 31 December 2018 will only be paid if the proposed **Ordinary Resolution 4** is passed at the Forty-Fifth (45th) AGM pursuant to Section 230(1)(b) of the Companies Act 2016.

6. BENEFITS PAYABLE TO THE NEDs

- The benefits payable to the NEDs comprise the allowances and other emoluments payable to the Chairman, Deputy Chairman and members of the Board of Directors of the Company, the Board of Directors of subsidiaries and Board Committees.
- The current Directors' remuneration framework of the Company is as set out below.

Description	Chairman	Deputy Chairman	Board Members
Benefits (applicable to the Company only)	Golf club membership, leave passage, driver, car, medical benefits and other claimable benefits	Golf club membership, car, medical benefits and other claimable benefits	Medical benefits

Type of Meeting	Chairman	NED/Member
Board of Directors	RM2,000	RM2,000
General Meeting	RM2,000	RM2,000
Board Committees	RM2,000	RM2,000

- Payment of the benefits to the NEDs of the Company and its subsidiaries is made on a monthly basis and/ or as and when incurred if the proposed Ordinary Resolution 5 is passed at the Forty-Fifth (45th) AGM. The Board of Directors is of the view that it is just and equitable for the NEDs to be paid the Directors' Remuneration (excluding Directors' fees) on a monthly basis and/ or as and when incurred, particularly after discharging their responsibilities and rendering their services to the Company and its subsidiaries throughout the Current Period.

7. Ordinary Resolution 6 - Re-appointment of Auditors

The Board of Directors had at its meeting on 31 January 2019 approved the recommendation of the Audit Committee on the re-appointment of Messrs. Ernst & Young as Auditors of the Company to be further recommended to the shareholders for approval, after having considered several factors including the adequacy of experience and resources of the firm and the professional staff assigned to the audit. Pursuant to Section 67(2) of the Financial Services Act 2013, BNM had, on 19 March 2019, approved the Company's application for the re-appointment of Messrs. Ernst & Young as Auditors of the Company.

8. Special Business**8.1 Ordinary Resolution 7 - Authority to Directors to Issue Shares**

The proposed Ordinary Resolution 7 is a renewal of the general mandate pursuant to Section 75 and Section 76 of the Companies Act 2016 obtained from shareholders of the Company at the previous AGM held on 23 May 2018 and, if passed, will give powers to the Board of Directors to issue ordinary shares in the share capital of the Company up to an aggregate amount not exceeding ten percent (10%) of the total number of issued shares of the Company for the time being. This general mandate, unless revoked or varied at a general meeting, will expire at the next AGM.

The general mandate from shareholders is to provide the Company the flexibility to undertake any share issuance during the financial year without having to convene a general meeting. The rationale for this proposed mandate is to allow for possible share issue and/ or fund raising exercises including placement of shares for the purpose of funding current and/ or future investment project, working capital and/ or acquisitions, as well as in the event of any strategic opportunities involving equity deals which may require the Company to allot and issue new shares on urgent basis and thereby reducing the administrative time and costs associated with the convening of additional shareholders' meeting(s). In any event, the exercise of the mandate is only to be undertaken if the Board of Directors considers it to be in the best interest of the Company.

The general mandate obtained from the shareholders of the Company at the previous AGM held on 23 May 2018 had not been utilised and hence, no proceed was raised therefrom.

8.2 Ordinary Resolution 8 - Proposed Renewal of Share Buy-Back Authority

The proposed Ordinary Resolution 8, if passed, will empower the Board of Directors to allocate an amount not exceeding the retained profits of the Company for the purpose of and to purchase such amount of ordinary shares in the Company from time to time on the market of Bursa Malaysia Securities Berhad upon such terms and conditions as the Board of Directors may deem fit in the interest of the Company provided that the aggregate number of shares purchased pursuant to this Resolution does not exceed ten percent (10%) of the total number of issued shares of the Company for the time being.

The shareholders' mandate for the Proposed Renewal of Share Buy-Back Authority is subject to renewal on an annual basis.

Further information on the Proposed Renewal of Share Buy-Back Authority is set out in the Share Buy-Back Statement dated 30 April 2019 which is dispatched together with the Annual Report of the Company for the Financial Year Ended 31 December 2018.

8.3 Special Resolution - Proposed Adoption of New Constitution of the Company

The proposed amendments to the existing Memorandum and Articles of Association of the Company are made mainly for the following purposes:

- To ensure compliance with the amended Main Market Listing Requirements of Bursa Malaysia Securities Berhad which was issued on 29 November 2017; and
- To provide clarity and consistency with the amendments arising from the enforcement of the Companies Act 2016 effective 31 January 2017.

In view of the above, the shareholders' approval is sought for the Company to alter or amend the whole of the existing Memorandum and Articles of Association of the Company by replacement thereof with a new Constitution of the Company as set out in Part B of the Circular to Shareholders dated 30 April 2019 in accordance with Section 36(1) of the Companies Act 2016.

The Circular to Shareholders on the Proposed Adoption of New Constitution of the Company which is dispatched together with the Annual Report of the Company for the Financial Year Ended 31 December 2018, shall take effect once the proposed Special Resolution has been passed by a majority of not less than seventy-five percent (75%) of such members who are entitled to vote and do vote in person or by proxy at the forthcoming Forty-Fifth (45th) AGM.

9. Abstention from Voting

- Any NED referred to in Ordinary Resolutions 1, 2 and 3 who is a shareholder of the Company will abstain from voting on the resolution in respect of his re-election at the Forty-Fifth (45th) AGM. In this respect, Dato' Richard Alexander John Curtis, who is a shareholder of the Company, will abstain from voting on Ordinary Resolution 1.
- Any NEDs of the Company who are the shareholders of the Company will abstain from voting on Ordinary Resolution 4 and Ordinary Resolution 5 concerning the Directors' fees and Directors' benefits at the Forty-Fifth (45th) AGM. In this respect, Dato' Richard Alexander John Curtis and Luigi Fortunato Ghirardello, who are shareholders of the Company, will abstain from voting on Ordinary Resolution 4 and Ordinary Resolution 5.

10. Poll Voting

Pursuant to Paragraph 8.29A (1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all the resolutions set out in this Notice will be put to vote by poll.

11. Publication of AGM Notice on the Company's Website

Pursuant to Section 320 of the Companies Act 2016, the Notice of the Company's Forty-Fifth (45th) AGM is also available on the Company's website at www.kenanga.com.my throughout the period beginning from the date of notice until the conclusion of the Forty-Fifth (45th) AGM.

STATEMENT ACCOMPANYING NOTICE OF FORTY-FIFTH (45TH) ANNUAL GENERAL MEETING**NAMES OF DIRECTORS STANDING FOR RE-ELECTION**

The Directors who are retiring pursuant to Article 75 of the Articles of Association of the Company and seeking re-election at the forthcoming AGM are as follows:

- Dato' Richard Alexander John Curtis;
- Ismail Harith Merican; and
- Luk Wai Hong, William.

Details of the above Directors are set out in the Directors' Profiles section of the 2018 Annual Report of the Company.