

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the 28th Annual General Meeting ("28th AGM") of Kia Lim Berhad will be held at The Katerina Hotel, 8, Jalan Zabadah, 83000 Batu Pahat, Johor Darul Takzim on Tuesday, 30 May 2023 at 12.00 noon to transact the following businesses.

AGENDA

ORDINARY BUSINESS

1. To receive the Audited Financial Statements for the year ended 31 December 2022 together with the Directors' and Auditors' Report thereon. Refer to Note (a)
2. To approve the payment of Directors' fees amounting to RM35,000 per annum for the Non-Executive Chairman, RM20,000 per annum for each of the Non-Executive Directors ("NEDs"), and RM17,400 per annum for each of the Executive Directors ("EDs") in respect of the financial year ending 31 December 2023. Resolution 1
Refer to Note (b)
3. To approve the proposed payment of Non-Executive Directors' ("NEDs") benefits of up to RM28,800 for the financial year ending 31 December 2023 and up to the date of the next AGM of the Company. Resolution 2
Refer to Note (b)
4. To re-elect the following Directors who retire in accordance with Article 90 of the Company's Constitution and being eligible, offer themselves for re-election:-
 - a) Mr Loh Chee Kan Resolution 3
Refer to Note (c)
 - b) Datuk Ng Yeng Keng @ Ng Ka Hiat Resolution 4
Refer to Note (c)
5. To re-elect Mr Vincent Wong Soon Choy who retires in accordance with Article 97 of the Company's Constitution and being eligible, offers himself for re-election. Resolution 5
Refer to Note (c)
6. To re-appoint Messrs Ernst & Young PLT as Auditors of the Company and authorise the Directors to fix their remuneration. Resolution 6
Refer to Note (d)
7. To transact any other business appropriate to an AGM, due notice of which shall have been previously given in accordance with the Act and the Company's Constitution.

By Order of the Board

SANTHI A/P SAMINATHAN
MAICA No.: 7069709
SSM PC No.: 201908002933
Company Secretary

Dated: 28 April 2023

NOTES:

1. A member entitled to attend and vote at the Meeting is entitled to appoint a proxy or proxies to attend and vote in his stead. The proxy need not be a Member of the Company. There shall be no restriction as to the qualification of the proxy. A proxy appointed to attend and vote at a meeting of a company shall have the same rights as the member to speak at the meeting.
2. A member shall be entitled to appoint more than one (1) proxy (subject always to a maximum of two (2) proxies at each meeting) to attend and vote at the same meeting.
3. Where a member appoints more than one (1) proxy (subject always to a maximum of two (2) proxies at each meeting) the appointment shall be invalid unless he specifies the proportions of his holdings to be represented by each proxy.
4. Where a member of the Company is an exempt authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991 ("SICDA") 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 accounts it holds. Where a member is an authorised nominee as defined under SICDA, it may appoint one (1) proxy in respect of each Securities Account it holds with ordinary shares of the Company standing to the credit of the said Securities Account.
5. The instrument appointing a proxy shall be in writing under the hand of the appointer or his attorney duly authorised in writing or if such appointer is a corporation under its common seal or the hand of its attorney.
6. The instrument appointing a proxy must be deposited at Suite 9D, Level 9, Menara Ansar, 65 Jalan Tus, 80000 Johor Bahru, Johor not less than forty-eight (48) hours before the time appointed for holding the Meeting or any adjournment thereof.

Personal Data Privacy:

By submitting the duly executed proxy form, the member and his/her proxy consent to the Company and/or its agents/service providers to collect, use and disclose the personal data therein in accordance with the Personal Data Protection Act 2010, for the purpose of the 28th AGM of the Company and any adjournment thereof.

EXPLANATORY NOTES:

- (a) This Agenda item is meant for discussion only as the provision of Section 340(1) (a) of the Companies Act, 2016 does not require a formal approval of the shareholders and hence, it is not put forward for voting.
- (b) Directors' fees and benefits

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 agreed that the shareholders' approval shall be sought at 28th AGM on the Directors' remuneration tabled in Resolution 1 and 2.

Directors' fees

The Board decided that the Directors' fees for financial year ("FY") ending 31 December 2023 be maintained as the previous FY subject to the performance of the Company and the current global economy. The detailed Directors' fees for FY ended 31 December 2022 are contained in page 20 of Corporate Governance Overview Statement in the Annual Report.

Benefits payable to Directors

The benefits payable to Directors comprised the allowance and other emoluments payable to the Chairman and members of the Board of the Company and its subsidiaries.

The Directors' current and proposed remuneration structure is detailed as below:

Remuneration for Directors of the Company	2022 Amount (RM)	2023 Proposed Amount (RM)
Fee for Chairman	35,000	35,000
Fee for each Independent Non-Executive Director	20,000	20,000
Fee for each Executive Director	15,000	15,000
Fee for each Executive Director of subsidiary company	1,200	1,200
Meeting Allowance per meeting*	800	800

* Only for NEDs

Payment of benefits to the Directors will be made by the Company as and when incurred, after they have discharged their responsibilities and rendered their services to the Company for the FY ending 31 December 2023, based on the proposed benefits, if the proposed Resolution 2 is passed at the 28th AGM.

- (c) Re-election of Directors who retire in accordance with Articles 90 and 97 of the Company's Constitution.

Article 90 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.

For the purpose of determining the eligibility of the Directors to stand for re-election at the 28th AGM, the Nomination Committee ("NC") has considered the following:

- (1) The assessment of the individual Director's level of contribution to the Board through each of their skills, experience and strength in qualities; and

- (2) The level of independence demonstrated by each of the NEDs, and their ability to act in the best interests of the Company in decision-making, to ensure that they are independent of management and free from any business or other relationship which could materially interfere with the exercise of their independent judgement or the ability to act in the best interests of the Company.

In line with the Malaysian Code on Corporate Governance 2021 ("MCCG 2021") and Paragraph 2.20A of the Main Market Listing Requirements ("MMLR"), the Board had, through the NC, conducted an assessment of independence of the NEDs, and also other criteria i.e. character, integrity, competence, experience and time commitment in effectively discharging their respective roles as Directors of the Company. The Directors were assessed based on performance criteria set in the areas of Board dynamics and participation, competency and capability, independence and objectivity, probity and personal integrity, contribution and performance together with their ability to make analytical inquiries and offer advice and guidance. Each of the NEDs has also provided his/her annual declaration/confirmation of independence bi-annually of 2022.

The Board accepted the NC's recommendation that the Directors who retire in accordance with Articles 90 and 97 of the Company's Constitution are eligible to stand for re-election. All these retiring Directors had abstained from deliberations and decisions on their own eligibility to stand for re-election at the relevant Board meeting.

- (d) Re-appointment of Auditors

Pursuant to Section 273(b) of the Act, the term of office of the present Auditors, Messrs Ernst & Young PLT, shall lapse at the conclusion of this AGM unless they are re-appointed by the shareholders to continue in office. Messrs Ernst & Young PLT, have indicated their willingness to continue their service until the conclusion of next AGM. The re-appointment of Messrs Ernst & Young PLT as Auditors has been considered against the relevant criteria prescribed by Paragraph 15.21 of the MMLR. This proposed Resolution 6, if passed, will also give the Directors of the Company, the authority to determine the remuneration of the Auditors.

STATEMENT ACCOMPANYING NOTICE OF ANNUAL GENERAL MEETING

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

There are no individuals who are standing for election as Directors at the forthcoming 28th AGM of the Company other than the Directors standing for re-election.

The profiles of the Directors are stated on pages 7 and 8 of the Annual Report 2022.