

## NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that the 31st Annual General Meeting of KFC Holdings (Malaysia) Bhd will be held at Level 3, Wisma KFC, No. 17 Jalan Sultan Ismail, 50250 Kuala Lumpur on Wednesday, 27 April 2011 at 11.30 am for the following purposes:

### AGENDA

1. To receive and adopt the Audited Financial Statements of the Company for the year ended 31 December 2010 and the Reports of the Directors and Auditors thereon. **Resolution 1**
2. To approve the payment of Directors' fees in respect of the financial year ended 31 December 2010. **Resolution 2**
3. (a) To re-elect the following Directors retiring pursuant to Article 89 of the Company's Articles of Association:
  - (i) Tan Sri Dato' Dr Yahya bin Awang **Resolution 3**
  - (ii) Kua Hwee Sim **Resolution 4**
- (b) To re-elect the following Director retiring pursuant to Article 96 of the Company's Articles of Association:
  - (i) Kamaruzzaman bin Abu Kassim **Resolution 5**
4. To re-appoint Messrs KPMG as Auditors of the Company and to authorise the Directors to fix their remuneration. **Resolution 6**
5. As special business:

To consider and, if thought fit, to pass the following resolutions:-

  - (a) **Ordinary Resolution – Authority to allot and issue shares pursuant to Section 132D of the Companies Act 1965 (the "Act")**

"THAT subject always to the Act, Articles of Association of the Company and approvals from the Bursa Malaysia Securities Berhad and other governmental or regulatory authorities, where such approvals shall be necessary, full authority be and is hereby given to the Directors pursuant to Section 132D of the Act from time to time to issue and allot ordinary shares from the unissued share capital of the Company upon such terms and conditions and at such times as may be determined by the Directors of the Company to be in the interest of the Company provided always that the aggregate number of shares to be issued pursuant to this Resolution shall not exceed 10 percent of the issued share capital for the time being of the Company."

**Resolution 7**

## (b) Ordinary Resolution – Proposed Renewal of Share Buy-Back Authority

‘THAT subject to the Companies Act 1965 (the ‘Act’), rules, regulations and orders made pursuant to the Act, provisions of the Company’s Memorandum and Articles of Association and the Listing Requirements of Bursa Malaysia Securities Berhad (‘Bursa Securities’) and any other relevant authorities, the Company be and is hereby authorized to purchase and/or hold such amount of ordinary shares of RM0.50 each in the Company’s issued and paid-up share capital (‘Proposed Share Buy-Back Authority’) through Bursa Securities upon such terms and conditions as the Directors may deem fit in the interest of the Company provided that:-

- (a) the aggregate number of shares so purchased and/or held pursuant to this ordinary resolution (‘Purchased Shares’) does not exceed ten percent (10%) of the total issued and paid-up share capital of the Company at any one time; and
- (b) the maximum amount of funds to be allocated for the Purchased Shares shall not exceed the aggregate of the retained profits and/or share premium of the Company;

‘AND THAT the Directors be and are hereby authorised to decide at their discretion either to retain the Purchased Shares as treasury shares (as defined in Section 67A of the Act) and/or cancel the Purchased Shares and/or to retain the Purchased Shares as treasury shares for distribution as share dividends to the shareholders of the Company and/or be resold through Bursa Securities in accordance with the relevant rules of Bursa Securities and/or cancelled subsequently and/or to retain part of the Purchased Shares as treasury shares and/or cancel the remainder and to deal with Purchased Shares in such other manner as may be permitted by the Act, rules, regulations, guidelines, requirements and/or orders of Bursa Securities and any other relevant authorities for the time being in force.’

‘AND THAT the Directors be and are hereby empowered to do all acts and things (including the opening and maintaining of a central depositories account(s) under the Securities Industry (Central Depositories) Act, 1991) and to take such steps and to enter into and execute all commitments, transactions, deeds, agreements, arrangements, undertakings, indemnities, transfers, assignments, and/or guarantees as they may deem fit, necessary, expedient and/or appropriate in the best interest of the Company in order to implement, finalise and give full effect to the Proposed Share Buy-Back Authority with full powers to assent to any conditions, modifications, variations (if any) as may be imposed by the relevant authorities.’

‘AND FURTHER THAT the authority conferred by this ordinary resolution shall be effective immediately upon passing of this ordinary resolution and shall continue in force until the conclusion of the next Annual General Meeting (‘AGM’) of the Company or the expiry of the period within which the next AGM of the Company is required by law to be held (whichever is earlier), unless earlier revoked or varied by ordinary resolution of the shareholders of the Company in general meeting, but shall not prejudice the completion of purchase(s) by the Company before that aforesaid expiry date and in any event in accordance with provisions of the Listing Requirements and other relevant authorities.’

Resolution 8



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- (c) Ordinary Resolution – Proposed Renewal of Existing Shareholders' Mandate and additional mandate for KFC Holdings (Malaysia) Bhd ("KFCH") and its subsidiaries ("KFCH Group") to enter into Recurrent Related Party Transactions of a Revenue or Trading Nature with Related Parties ("Proposed Shareholders' Mandate")

‘THAT authority be and is hereby given in line with Paragraph 10.09 of the Listing Requirements of the Bursa Malaysia Securities Berhad ('Bursa Securities'), for the Company, its subsidiaries or any of them to enter into any of the transactions falling within the types of the Recurrent Related Party Transaction, particulars of which are set out in the Circular to Shareholders dated 4 April 2011, with the Related Parties as described therein, provided that such transactions are of revenue and/or trading nature, which are necessary for the day-to-day operations of the Company and/or its subsidiaries, within the ordinary course of business of the Company and/or its subsidiaries, made on an arm's length basis and on normal commercial terms which those generally available to the public and are not detrimental to the minority shareholders of the Company;

AND THAT such authority shall commence immediately upon the passing of this Ordinary Resolution until-

- (i) the conclusion of the next Annual General Meeting ('AGM') of the Company following the general meeting at which the ordinary resolution for the Proposed Shareholders' Mandate for the Recurrent Related Party Transactions is passed, at which time it shall lapse, unless the authority is renewed by a resolution passed at the next AGM; or
- (ii) the expiration of the period within which the next AGM after the date it is required by law to be held; or
- (iii) revoked or varied by ordinary resolution passed by the shareholders of the Company at a general meeting of the Company,

whichever is earlier.

AND FURTHER THAT the Directors of the Company be 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 Proposed Shareholders' Mandate. Resolution 9

- (d) Special Resolution – Proposed Amendments to the Company's Articles of Association

‘THAT the Articles of Association of the Company be and are hereby amended in the manner as set out in Part C of the Circular to Shareholders dated 4 April 2011 AND THAT the Directors of the Company be and are hereby authorized to give effect to the said amendments, alteration, modification and deletion to the Articles of Association of the Company as may be required by any relevant authorities as they deem fit, necessary or expedient in order to give full effect to the Proposed Amendments to the Company's Articles of Association.’ Resolution 10

6. To transact any other ordinary business of which due notice shall have been given.

BY ORDER OF THE BOARD

MOHD ZAM BIN MUSTAMAN (LS 0009020)  
IDHAM JIHADI BIN ABU BAKAR, ACIS (MAICSA 7007381)  
Company Secretaries

Kuala Lumpur  
4 April 2011



**NOTES:**

1. A member of the Company entitled to attend and vote at the above Annual General Meeting ("AGM") may appoint a Proxy to attend and vote in his stead. A Proxy may but need not be a member of the Company. If the proxy is not a member of the Company, the proxy shall be an advocate or an approved company auditor or person approved by the Companies Commission of Malaysia.
2. If the member is a corporation, the Proxy Form must be executed under its common seal or the hand of its duly authorised officer or attorney. If the Proxy Form is signed under the hand of an officer duly authorised, it should be accompanied by a statement reading "signed as authorised officer under an Authorisation Document which is still in force, no notice of revocation having been received". If the Proxy Form is signed under the attorney duly appointed under a power of attorney, it should be accompanied by a statement reading "signed under a Power of Attorney which is still in force, no notice of revocation having been received". A copy of the Authorisation Document or the Power of Attorney, which should be valid in accordance with the laws of the jurisdiction in which it was created and is exercised, should be enclosed with the Proxy Form.
3. A member of the Company may appoint more than two (2) proxies to attend the AGM. Where a member of the Company appoints two (2) or more proxies, the appointment shall be invalid unless the member specifies the proportion of his shareholdings to be represented by each proxy.
4. Any alteration made in this form should be initialed by the person who signs it.
5. The Proxy Form and the Power of Attorney or other authority, if any, under which it is signed or a notarially certified copy of that power of authority must be deposited at Tricor Investor Services Sdn Bhd, Level 17, The Gardens North Tower, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur, not less than forty-eight (48) hours before the time for holding the meeting or any adjournment thereof.

**EXPLANATORY NOTES ON SPECIAL BUSINESS****1. Resolution Pursuant to Section 132D of the Companies Act 1965**

The Ordinary Resolution proposed under item 5(a), if passed, will give the Directors of the Company, from the date of the above General Meeting, authority to issue and allot ordinary shares from the unissued share capital of the Company being for such purposes as the Directors consider would be in the interest of the Company. This authority will, unless revoked or varied at a General Meeting, expire at the conclusion of the next Annual General Meeting of the Company.

The Company had, at the 30th Annual General Meeting held on 29 April 2010, obtained its shareholders' approval for the general mandate for issuance of shares pursuant to Section 132D of the Companies Act, 1965 ("the Act"). The Company did not issue any new shares pursuant to this mandate obtained as at the date of this notice. The Ordinary Resolution 7 proposed under item 5(a) of the Agenda is a renewal of the general mandate for issuance of shares by the Company under Section 132D of the Act. At this juncture, there is no decision to issue new shares. If there should be a decision to issue new shares after the general mandate is obtained, the Company will make an announcement in respect of the purpose and utilisation of proceeds arising from such issue.

The authority will provide flexibility to the Company for any possible fund raising activities, including but not limited to further placing of shares, for purpose of funding future investment project(s), working capital and/or acquisitions.

**2. Resolution pursuant to the Proposed Renewal of Share Buy-Back Authority**

This resolution proposed under item 5(b) will empower the Directors of the Company to purchase the Company's shares up to ten percent (10%) of the issued and paid-up share capital of the Company by utilising the funds allocated which shall not exceed the total retained earnings and share premium of the Company. This authority will, unless revoked or varied at a General Meeting, expire at the conclusion of the next Annual General Meeting of the Company.

Further information on the Proposed Renewal of Share Buy-Back Authority are set out in the Circular to Shareholders of the Company which is dispatched together with the Company's Annual Report for the year ended 2010.

**3. Resolution pursuant to the Proposed Shareholders' Mandate**

This resolution proposed under item 5(c) will enable KFCH Group to enter into any recurrent transactions of a revenue or trading nature which are necessary for the KFCH Group's day-to-day operations, subject to the transactions being in the ordinary course of business, made at arm's length and on normal commercial terms and are not to the detriment of the minority shareholders of the Company.

Further information on the Proposed Shareholders' Mandate are set out in the Circular to Shareholders of the Company which is dispatched together with the Company's Annual Report for the year ended 2010.

**4. Resolution pursuant to the Proposed Amendments to the Company's Articles of Association**

The Special Resolution proposed under item 5(d), if passed, will give authority to the Directors to amend the Company's Articles of Association in order to be in line with the new Listing Requirements of Bursa Malaysia Securities Berhad, prevailing statutory and regulatory requirements as well as to update the Articles of Association of the Company. Further explanatory notes on Resolution 10 are set out in the Circular to Shareholders dated 4 April 2011 attached to the Annual Report for the year ended 31 December 2010.

## STATEMENT ACCOMPANYING NOTICE OF ANNUAL GENERAL MEETING

### 1. DIRECTORS WHO ARE STANDING FOR RE-ELECTION AT THE ANNUAL GENERAL MEETING

(a) The Directors retiring by rotation pursuant to Article 89 of the Articles of Association are:-

- (i) Tan Sri Dato' Dr Yahya bin Awang
- (ii) Kua Hwee Sim

(b) The Director retiring by rotation pursuant to Article 96 of the Articles of Association is:-

- (i) Kamaruzzaman bin Abu Kassim

The details of the directors seeking re-election are set out in the Directors' Profiles which appear on pages 50 to 58 of the Annual Report.

### 2. DETAILS OF ATTENDANCE AT BOARD MEETINGS HELD IN THE FINANCIAL YEAR ENDED 31 DECEMBER 2010

There were six (6) Board Meetings held during the financial year ended 31 December 2010 and the following are the details of the Board attendance:-

Name of Directors	No. of Meetings Attended
1. Kamaruzzaman bin Abu Kassim (appointed on 12 January 2011)	—
2. Ahamad bin Mohamad	5/6
3. Jamaludin bin Md Ali	6/6
4. Datuk Ismee bin Ismail	3/6
5. Kua Hwee Sim	6/6
6. Datin Paduka Siti Sa'diah binti Sheikh Bakir	6/6
7. Tan Sri Dato' Dr Yahya bin Awang	5/6
8. Hassim bin Baba	6/6

### 3. THE 31st ANNUAL GENERAL MEETING WILL BE HELD AT LEVEL 3, WISMA KFC, NO. 17 JALAN SULTAN ISMAIL, 50250 KUALA LUMPUR ON WEDNESDAY, 27 APRIL 2011 AT 11.30 am.