

# DENKO INDUSTRIAL CORPORATION BERHAD (190155-M)

(Incorporated in Malaysia)

## NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT THE TWENTY-THIRD (23<sup>RD</sup>) ANNUAL GENERAL MEETING OF DENKO INDUSTRIAL CORPORATION BERHAD, WILL BE HELD AT THE CONFERENCE ROOM, NO. 20 JALAN HASIL SATU, KAWASAN PERINDUSTRIAN JALAN HASIL, 81200 JOHOR BAHRU, JOHOR ON MONDAY, 24 SEPTEMBER 2012 AT 11:00 AM FOR THE FOLLOWING PURPOSES:

---

### A G E N D A

#### Ordinary Business

1. To receive the Audited Financial Statements for the financial year ended 31 March, 2012 and the Reports of the Directors and Auditors thereon. *Please refer to Explanatory Note 6 (a) (i)*
2. To approve the Directors' fees totaling RM157,000 for the financial year ended 31 March, 2012. *Resolution 1*
3. To re-elect the retiring Directors in accordance with the Company's Articles of Association:-
  - (i) Mr. Thoolasy Das Ponniah - Article 102 *Resolution 2*
  - (ii) Dato' Ong Soon Ho - Article 109 *Resolution 3*
  - (iii) Mr. Yoong Nim Chor - Article 109 *Resolution 4*
4. To re-appoint Messrs BDO as Auditors of the Company and to authorise the Directors to fix their remuneration. *Resolution 5*

#### Special Business

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

5. **AUTHORITY TO ISSUE SHARES PURSUANT TO SECTION 132D OF THE COMPANIES ACT, 1965** *Resolution 6*

That subject always to the Companies Act, 1965, the Articles of Association of the Company and the approvals of the relevant authorities, the Directors be and are hereby authorised, pursuant to Section 132D of the Companies Act, 1965, to allot and issue shares in the Company, from time to time 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 10 per centum of the issued share capital of the Company for the time being AND THAT authority shall continue in force until the conclusion of the next Annual General Meeting of the Company.

## NOTICE OF ANNUAL GENERAL MEETING – cont'd

### 6. PROPOSED MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF REVENUE OR TRADING NATURE

*Resolution 7*

THAT the Company and its subsidiaries shall be mandated to enter into the category of Recurrent Transactions of a revenue or trading nature which are necessary for their day-to-day operations and with those Related Parties as specified in Section 2.3 of the Circular dated 30 August, 2012 subject further to the following:

- (a) the transactions are in the ordinary course of business and are on terms not more favourable than those generally available to the public and are made on an arm's length basis and on normal commercial terms and are not detrimental to the shareholders; and
- (b) disclosure is made in the Annual Report of a breakdown of the aggregate value of transactions conducted pursuant to the Shareholders' Mandate during the financial year, amongst others, based on the following information
  - (i) the type of the Recurrent Transactions made; and
  - (ii) the name of the Related Parties involved in each type of the Recurrent Transactions made and their relationship with the Company
- (c) that the shareholders' mandate shall continue in force until:
  - (i) the date of the next annual general meeting of the Company at which such mandate was passed, at which time it will lapse, unless by a resolution passed at the meeting, the authority is renewed;
  - (ii) the expiration of the period within which the next annual general meeting after that date is required to be held pursuant to section 143(1) of the Companies Act 1965 (but shall not extend to such extension as may be allowed pursuant to section 143(2) of the Companies Act 1965; or
  - (iii) revoked or varied by resolution passed by the shareholders on general meeting; whichever is the earlier; and

FURTHER THAT the Directors and/or any of them be and are hereby authorised to complete and do all such acts and things including executing such documents as may be required to give effect to the transactions contemplated and/or authorised by this Ordinary Resolution.

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

#### **BY ORDER OF THE BOARD,**

**WOO MIN FONG (MAICSA 0532413)**  
**WONG CHEE YIN (MAICSA 7023530)**  
**TAN QUOK EOW (MIA 22571)**  
Company Secretaries

Johor Bahru  
Dated: 30 August 2012

**Notes:**

1. For the purpose of determining members' eligibility to attend this meeting, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd, in accordance with Article 67(2) of the Company's Articles of Association and Section 34(1) of the Securities Industry (Central Depositories) Act, 1991 to issue a General Meeting Record of Depositor as at 18 September 2012. Only members whose name appear therein shall be entitled to attend this meeting or appoint proxy(ies) to attend and vote on his/her behalf.
2. A member entitled to attend and vote at the meeting may appoint a proxy to vote in his stead. A proxy may but need not be a member of the Company and the provisions of Section 149(1)(b) of the Companies Act, 1965 shall not apply to the Company. Where a member appoints more than 1 proxy, the appointments shall be invalid unless he specifies the proportions of his holdings to be represented by each proxy.
3. The proxy form and the Power of Attorney or other authority (if any) under which it is signed or notarily certified copy thereof must be lodged at the Registered Office, Suite 1301, 13<sup>th</sup> Floor, City Plaza, Jalan Tebrau, 80300 Johor not less than 48 hours before the time appointed for the Meeting.
4. In the case of a corporation, this proxy should be executed under its Common Seal or under the hand of officer or attorney of the corporation duly authorised in writing on its behalf.
5. Where a member is an authorized nominee as defined under the Securities Industry (Central Depositories) Act, 1991, it may appoint at least 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.
6. 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.
7. Explanatory Note:
  - (a) Ordinary Business
    - (i) **Item 1 of Agenda**

This item is meant for discussion only as the provision of Section 169(1) of the Companies Act, 1965 does not require a formal approval of the shareholders for the Audited Financial Statements. Hence, this Agenda is not put forward for voting.
  - (b) Special Business
    - (i) **Resolution 6**

**- Authority to Allot and Issue Shares Pursuant to Section 132D of the Companies Act, 1965**  
The proposed Resolution No. 6, if passed, is a new General Mandate to empower the Directors to issue and allot shares up to an aggregate amount not exceeding ten per centum (10.0%) of the issued share capital of the Company for the time being, for the purpose as the Directors consider would be in the interest of the Company. This authority unless revoked or varied at a general meeting will expire at the next Annual General Meeting. With this authority, the Company will be able to raise capital from the equity market in a shorter period of time and the cost to be incurred will also be lower as the need to convene an Extraordinary General Meeting will be dispensed with.

The General Mandate will provide flexibility to the Company for any possible fund raising activities including but not limited to further placing of shares, for the purpose of funding future investment project (s) working capital and /or acquisition.
    - (ii) **Resolution 7**

**- Proposed Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature**  
The proposed Ordinary Resolution 7 under Agenda 6 if passed, will authorise the Company and each of its subsidiary companies to enter into recurrent related party transactions of a revenue or trading nature in their ordinary course of business. This authority, unless revoked or varied by the shareholders of the Company at a general meeting, will expire at the conclusion of the next annual general meeting of the Company.