



REX INDUSTRY BERHAD (282664-K)
(Incorporated in Malaysia)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Nineteenth Annual General Meeting of the Company will be held at Balau Room, Level 2, Sunway Hotel Seberang Jaya, No. 11, Lebuhraya Duta, Pusat Bandar Seberang Jaya, Seberang Jaya, 13700 Prai, Penang on Wednesday, 26 June 2013 at 10.00 a.m.

AGENDA

As Ordinary Business

- To receive the Audited Financial Statements for the year ended 31 December 2012 together with the Reports of the Directors and Auditors thereon.
(Ordinary Resolution 1)
- To approve the payment of Directors' fees of RM180,283 for the year ended 31 December 2012.
(Ordinary Resolution 2)
- To re-elect the following Directors who retire pursuant to Article 64 of the Company's Articles Association.
(Ordinary Resolution 3)
 - Mr. Lee Hee Thiam
(Ordinary Resolution 4)
 - Mr. Lee Chak Hiang
(Ordinary Resolution 5)
 - Ms. Lee Siew Boy
- To consider and if thought fit, to pass the following resolution pursuant to Section 129(6) of the Companies Act, 1965:
"That Dato' Abdul Rashid Bin Ismail, a director who retires in compliance with Section 129(2) of the Companies Act, 1965 after having attained the age of seventy (70) years, be and is hereby re-appointed as a director of the Company to hold office until the next Annual General Meeting."
(Ordinary Resolution 6)
- To re-appoint Messrs. KPMG as Auditors of the Company for the ensuing year and to authorise the Directors to fix their remuneration.
(Ordinary Resolution 7)

As Special Business

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

- Proposed Retention of Independent Directors**
 - "That subject to the passing of Ordinary Resolution 6, Dato' Abdul Rashid Bin Ismail who has served the Board as an Independent Non-Executive Director of the Company for a cumulative term of more than nine (9) years be and is hereby retained as an Independent Non-Executive Director of the Company pursuant to Malaysian Code on Corporate Governance 2012 ("MCCG 2012")."
(Ordinary Resolution 8)
 - "That Ms. Tang Yin Kham who has served the Board as an Independent Non-Executive Director of the Company for a cumulative term of more than nine (9) years be and is hereby retained as an Independent Director of the Company pursuant to MCCG 2012."
(Ordinary Resolution 9)
 - "That Encik Mohd Faisal Izzan Bin Abdul Latiff who has served the Board as an Independent Non-Executive Director of the Company for a cumulative term of more than nine (9) years be and is hereby retained as an Independent Non-Executive Director of the Company pursuant to MCCG 2012."
(Ordinary Resolution 10)
- Authority under Section 132D of the Companies Act, 1965 for the Directors to allot and issue Shares**

"THAT pursuant to Section 132D of the Companies Act, 1965, the Articles of Association of the Company and subject to the approval of all the relevant government and/or regulatory authorities, the Board of Directors of the Company be and are hereby authorised to issue and allot from time to time such number of ordinary shares of the Company upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion, deem fit, PROVIDED ALWAYS THAT the aggregate number of ordinary shares to be issued pursuant to this resolution does not exceed 10% of the total issued share capital of the Company for the time being AND THAT the Directors 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 ("Bursa Securities") AND THAT such authority shall continue in force until the conclusion of the next Annual General Meeting ("AGM") of the Company or the expiration of the period within which the next AGM is required by law to be held or revoked/varied by resolution passed by the shareholders in general meeting whichever is the earlier."
(Ordinary Resolution 11)
- To transact any other business of which due notice shall have been given.

By order of the Board

GOH BOON KAN (MAICSA 7052970)

Company Secretary
Penang

Date: 3 June 2013

Notes:-

- 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 ("the Act") shall not apply to the Company.
- For a proxy to be valid, the proxy form duly completed must be deposited at the registered office of the Company at the Plot 125, Jalan Perindustrian Bukit Minyak 5, 14100 Simpang Ampat, Seberang Perai Tengah, Penang not less than fortyeight (48) hours before the time fixed for holding the meeting or any adjournment thereof.
- A member shall be entitled to appoint up to two (2) proxies to attend and to vote at the same meeting, provided that the provisions of Section 149(1)(c) of the Act are complied with.
- Where a member appoints up to two (2) proxies, the appointment shall be invalid unless he/she specifies the proportions of his/her holdings to be represented by each proxy.
- Where a member is an authorised 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.
- If the appointor is a corporation, this form must be executed under its Common Seal or under the hand of its attorney.

EXPLANATORY NOTES ON SPECIAL BUSINESS

Proposed Ordinary Resolution 8, 9 and 10

The proposed resolutions if passed, will allow Dato' Abdul Rashid Bin Ismail, Ms. Tang Yin Kham, and Encik Mohd Faisal Izzan Bin Abdul Latiff to be retained and continue acting as Independent Directors to fulfil the requirement of Paragraph 3.14 of Bursa Malaysia Securities Berhad Main Market Listing Requirements.

Dato' Abdul Rashid Bin Ismail, Ms. Tang Yin Kham and Encik Mohd Faisal Izzan Bin Abdul Latiff were appointed as Independent Non-Executive Directors of the Company on 26 August 1995, 11 March 1996 and 22 April 1996 respectively and have reached cumulative nine (9) years term limit recommended by the MCCG 2012.

In accordance with Recommendation 3.3 of the MCCG 2012, the Board of Directors of the Company, after having assessed the independence of Dato' Abdul Rashid Bin Ismail, Ms. Tang Yin Kham and Encik Mohd Faisal Izzan Bin Abdul Latiff regarded them to be independent based amongst others, the following justifications and recommends that they be retained as Independent Non-Executive Directors of the Company.

- The Board of Directors is of the opinion that they are important Independent Non-Executive Directors of the Board in view of their many years on the Board with incumbent knowledge of the Company, proven commitment, experience and competence to effectively advise and oversee management in their role as Independent Non-Executive Directors.
- They actively participate in Board deliberations and decision making in an objective manner.
- They do not have any conflict of interest with the Company and have not entered into contract(s) especially material contract(s) with the Company and/or its subsidiary companies and;

Proposed Ordinary Resolution 11

The proposed resolution is a renewal of the general authority for the Directors to issue shares pursuant to Section 132D of the Companies Act, 1965. If passed, it will empower the Directors of the Company, from the conclusion of this Annual General Meeting to allot and issue shares in the Company up to and not exceeding in total ten per centum (10%) of the issued and paid-up capital of the Company for the time being for such purposes as they consider would be in the interests of the Company. This authority will expire at the next Annual General Meeting of the Company, unless revoked or varied at a general meeting.

As at the date of this Notice, the Company has not issued any new shares under the general authority which was approved at the Eighteenth Annual General Meeting held on 29 June 2012 and which will lapse at the conclusion of the Nineteenth Annual General Meeting to be held on 26 June 2013.

The general authority to issue shares will allow the Company to take advantage of any strategic opportunities, including but not limited to, issuance of new shares for purpose of funding investment project(s), working capital and/or acquisitions which require new shares to be allotted and issued speedily and would also save the cost involved in convening a general meeting to approve such issuance of shares.