



LUSTER INDUSTRIES BHD (156148-P)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Twenty-Seventh Annual General Meeting of the Company will be held at Park Avenue Hotel, E-1, Jalan Indah Dua, Taman Sejati Indah, 08000 Sungai Petani, Kedah Darulaman, Malaysia on Monday, 23 June 2014 at 11:00 a.m. for the following purposes:-

AGENDA

- To receive the Directors' Report and Audited Financial Statements for the financial year ended 31 December 2013 together with the Auditors' Report thereon.
Please refer to the Explanatory Notes
 - To approve the payment of Directors' fees of RM300,000 for the financial year ended 31 December 2014. **Resolution 1**
 - To re-elect Mr Lim See Chea who retire in accordance with Article 133 of the Company's Articles of Association. **Resolution 2**
 - To re-elect Mr Lim See Hua who retire in accordance with Article 133 of the Company's Articles of Association. **Resolution 3**
 - To re-elect Mr Lau Theng Chim who retire in accordance with Article 133 of the Company's Articles of Association. **Resolution 4**
 - To appoint Messrs Grant Thornton as Auditors of the Company in place of the retiring Auditors, Messrs Grant Thornton and to authorise the Directors to fix their remuneration. **Resolution 5**
- As special business :
- To consider and if thought fit, to pass with or without modifications the following as Ordinary Resolution:-
- AUTHORITY TO ISSUE SHARES**
"THAT pursuant to Section 132D of the Companies Act, 1965, and subject to the approvals of the relevant Governmental and/or regulatory authorities, the Directors be and are hereby empowered to issue shares in the Company, at such 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 issued pursuant to this resolution in any one financial year does not exceed 10% of the issued share capital of the Company for the time being and that the Directors be and are 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 continue to be in force until the conclusion of the next Annual General Meeting of the Company." **Resolution 6**
 - To transact any other business of which due notices shall have been given in accordance with the Companies Act, 1965.

By Order of the Board,

Chee Wai Hong (BC/C/1470)
Hing Poe Pyng (MAICSA 7053526)
Company Secretaries
Penang
Date: 30 May 2014

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 shall not apply to the Company. A member shall be entitled to appoint up to (2) proxies to attend and vote at the same meeting. Where a member appoints two (2) or more proxies, the appointments shall be invalid unless he specifies the proportions of his holdings to be represented by each proxy.
- Where a Member of the Company is an exempt authorised nominee which hold ordinary shares in the Company for multiple beneficial owner 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 its holds.
An exempt authorised nominee refers to an authorised nominee defined under the Securities Industry (Central Depositories) Act 1991 ("Central Depositories Act") which is exempted from compliance with the provisions of subsection 25A(1) of Central Depositories Act.
- The proxy form must be duly completed and deposited at the Registered Office of the Company, 51-13-A Menara BHL Bank, Jalan Sultan Ahmad Shah, 10050 Penang not less than forty-eight (48) hours before the time appointed for holding the meeting.
- If the appointor is a corporation, this form must be executed under its Common Seal or under the hand of its attorney.
- For purpose of determining who shall be entitled to attend this meeting, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd to make available to the Company pursuant to Article 80(3) of the Articles of Association of the Company and Paragraph 7.16(2) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, a Record of Depositors ("ROD") as at 13 June 2014 and only a Depositor whose name appears on such ROD shall be entitled to attend, speak and vote at this meeting or appoint proxy to attend and/or speak and/or vote in his/her behalf.

Explanatory Notes

Item 1 of the Agenda

To receive the Audited Financial Statements for the financial year ended 31 December 2013 together with the Reports of the Directors and Auditors thereon.

This item is meant for discussion only as the provision of Section 169(1) of the Companies Act, 1965 does not require shareholders' approval for the audited financial statements. Therefore, this item will not be put forward for voting.

Explanatory Notes on Special Business

Resolution 6 – Authority to issue shares

Renewal of authority to allot and issue shares pursuant to Section 132D of the Companies Act, 1965

Subject to exceptions provided in the Companies Act, 1965, the Directors would have to call for a general meeting to approve the issue of new shares even though the number involved is less than 10% of the issued capital.

In order to avoid any delay and costs involved in convening a general meeting to approve such issue of shares, it is thus considered appropriate that the Directors be empowered to issue shares in the Company, up to an amount not exceeding in total 10% of the issue share capital of the Company for the time being, for such purpose as they consider would be in the interest of the Company.

The Company has not issued any new shares pursuant to Section 132D of the Companies Act, 1965 under the general authority which was approved at the Twenty-Sixth AGM held on 28 June 2013 and which will lapse at the conclusion of the Twenty-Seventh AGM to be held on 23 June 2014. A renewal of this authority is being sought at the Twenty-Seventh AGM under proposed Resolution 6.

The renewal mandate if granted will provide flexibility to the Company for the allotment of shares for the purpose of fund raising activities including but not limited to further placing of shares, for purpose of funding future investment project(s), working capital, acquisition(s) and/or settlement of banking facility(ies).