

## NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN THAT THE TWENTY-FIFTH (25<sup>TH</sup>) ANNUAL GENERAL MEETING OF DENKO INDUSTRIAL CORPORATION BERHAD, WILL BE HELD AT THE CONFERENCE ROOM, NO. 20 JALAN HASIL DUA, 81200 TAMPOI, JOHOR BAHRU, JOHOR ON MONDAY, 22 SEPTEMBER 2014 AT 11:00 AM FOR THE FOLLOWING PURPOSES:**

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### A G E N D A

#### Ordinary Business

1. To receive the Audited Financial Statements for the financial year ended 31 March, 2014 and the Reports of the Directors and Auditors thereon.  
*(Please refer to Explanatory Note 7 (a) (i))*
2. To approve the Directors' fees for the financial year ended 31 March, 2014. *Resolution 1*
3. To re-elect the retiring Directors in accordance with the Company's Articles of Association:-
  - (i) Dato' ONG Soon Ho - Article 102 *Resolution 2*
  - (ii) Dato' Eddie ONG Choo Meng - Article 102 *Resolution 3*
4. To re-appoint Messrs Crowe Horwath as Auditors of the Company and to authorise the Directors to fix their remuneration. *Resolution 4*

#### Special Business

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

5. **ORDINARY RESOLUTION** *Resolution 5*  
**- AUTHORITY TO ISSUE AND ALLOT SHARES PURSUANT TO SECTION 132D OF THE COMPANIES ACT, 1965**  

"That pursuant to Section 132D of the Companies Act, 1965 and the Articles of Association of the Company, the Directors be and hereby authorised to allot and to issue shares in the Company, from time to time, 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 total issued share capital of the Company for the time being and that such authority shall continue in force until the conclusion of the next Annual General Meeting of the Company."
6. **ORDINARY RESOLUTION** *Resolution 6*  
**- CONTINUING IN OFFICE AS INDEPENDENT NON-EXECUTIVE DIRECTOR**  

"THAT approval and authority be and is hereby given to Mr. Thoolasy Das Ponniah who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine (9) years to continue to act as Senior Independent Non-Executive Director of the Company."
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)**  
**GOH ANNE (MIA NO. 36898)**  
Company Secretaries

Johor Bahru  
Dated: 29 August 2014

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### 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 15 September 2014. Only members whose names 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. 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.
4. 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.
5. 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.
6. 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.
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 No. 5**

**– Authority to Issue and Allot Shares Pursuant to Section 132D of the Companies Act, 1965**

The proposed Resolution No. 5, 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 total 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.

The Company did not issue any shares under the mandate granted to the Directors at the last Annual General Meeting of the Company held on 23 September 2013 and which will lapse at the conclusion of the 25<sup>th</sup> Annual General Meeting of the Company.
    - (ii) **Resolution No. 6**

**- Continuing in Office as Independent Non-Executive Director**

The Nominating Committee has assessed the independence of Mr. Thoolasy Das Ponniah who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine (9) years and recommended him to continue to act as Senior Independent Non-Executive Director of the Company based on the following justifications:-

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- (a) *his vast experience in the accounting and finance industry would enable him to provide the Board with a diverse set of experience, expertise and independent judgement to better manage and run the Group;*
- (b) *he has exercised his due care during his tenure as an Independent Non-Executive Director of the Company and has carried out his professional duties in the interest of the Company and the shareholders.*

*Thus, the proposed Ordinary Resolution No. 6 if passed, will approve and authorise Mr. Thoolasy Das Ponniah to continue to act as Senior Independent Non-Executive Director of the Company.*