



NOTICE OF NINETEENTH ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Nineteenth Annual General Meeting of the Company will be convened and held at Sabah Oriental Hotel, Level 2, Nipah Room, Lorong Kemajuan, Kota Kinabalu, Sabah on Tuesday, 15 December 2015 at 2.00 p.m. to transact the following business:

AGENDA

- To receive the Audited Financial Statements for the financial year ended 30 June 2015 together with the Reports of the Directors and Auditors thereon.
- To approve the payment of Directors' Fees amounting to RM135,750.00 in respect of the financial year ended 30 June 2015. **Resolution 1**
 - To approve the payment of Directors' Fees amounting to RM135,750.00 in respect of the financial year ending 30 June 2016. **Resolution 2**
- To re-elect the retiring Directors pursuant to Article 86 of the Company's Articles of Association and being eligible, offer themselves for re-election:
 - Mr Kwan Tack Chiong **Resolution 3**
 - Mr Ooi Jit Huat **Resolution 4**
- To re-appoint Messrs PKF as the Company's Auditors and to authorise the Board of Directors to fix their remuneration. **Resolution 5**

Special Business

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

- Ordinary Resolution** **Resolution 6**
- Proposed renewal of authority to issue shares pursuant to Section 132D of the Companies Act, 1965

"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 empowered, 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 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 total issued share capital of the Company for the time being AND THAT the Directors be and are hereby empowered to obtain the approval for the listing of and quotation for the additional shares so issued on Bursa Malaysia Securities Berhad AND THAT such authority shall continue in force until the conclusion of the next Annual General Meeting of the Company."

- Ordinary Resolution** **Resolution 7**
- Proposed renewal of authority for the Company to purchase its own shares representing up to 10% of its issued and paid-up share capital

"THAT subject always to compliance with the Companies Act, 1965 ("the Act"), the Articles of Association of the Company, the Listing Requirements of Bursa Securities Malaysia Berhad ("Bursa Securities") or any other regulatory authorities and all other applicable rules, regulations, guidelines or approval for the time being in force or as may be amended from time to time, the Directors of the Company be and are hereby authorised to make purchases of ordinary shares of RM0.10 each in the Company's issued and paid-up ordinary share capital as may be determined by the Directors of the Company from time to time through Bursa Securities upon such terms and conditions as the Directors may deem fit, necessary and expedient in the interest of the Company, provided that:

- the aggregate number of ordinary shares which may be purchased and/or held by the Company as treasury shares shall not exceed 10% of the total issued and paid-up ordinary share capital of the Company at any point in time of the said purchase(s);
- the maximum funds to be allocated by the Company for the purpose of purchasing its shares shall not exceed the total retained earnings and share premium of the Company at the time of the said purchase(s); and
- the authority conferred by this resolution shall commence immediately upon the passing of this ordinary resolution and shall continue to be in force until:

- the conclusion of the next annual general meeting of the Company following the general meeting at which such resolution was passed at which time it shall lapse unless by ordinary resolution passed at that meeting, the authority is renewed, either unconditionally or subject to conditions;
- the expiration of the period within which the next annual general meeting after that date is required by law to be held; or
- revoked or varied by ordinary resolution passed by the shareholders of the Company in a general meeting, whichever is earlier;

AND THAT upon completion of the purchase by the Company of its own shares, the Directors of the Company be and are hereby authorised to deal with the shares purchased in their absolute discretion in the following manner:

- cancel all the shares so purchased; and/or
- retain the shares so purchased in treasury for distribution as dividend to the shareholders or resell on the market of Bursa Securities; and/or
- retain part thereof as treasury shares and cancel the remainder;

and in any other manner as prescribed by the Act, rules and regulations made pursuant to the Act and the Listing Requirements of Bursa Securities and any other relevant authorities for the time being in force;

AND THAT authority be and is hereby given to the Directors of the Company to take all such steps as are necessary and to enter into any agreements and arrangements with any party or parties to implement, finalized and give full effect to the aforesaid with full powers to assent to any conditions, modifications, variations and/or amendments as may be imposed by the relevant authorities."

- Ordinary Resolution** **Resolution 8**
- Proposed Retention of Independent Director Mr Kwan Tack Chiong

"THAT Mr Kwan Tack Chiong be and is hereby retained as an Independent Director of the Company until the conclusion of the next annual general meeting in accordance with the Recommendation 3.3 of the Malaysian Code on Governance 2012."

- Ordinary Resolution** **Resolution 9**
- Proposed Retention of Independent Director Mr Ooi Jit Huat

"THAT Mr Ooi Jit Huat be and is hereby retained as an Independent Director of the Company until the conclusion of the next annual general meeting in accordance with the Recommendation 3.3 of the Malaysian Code on Governance 2012."

- To transact any other business that may be transacted at an Annual General Meeting, due notice of which shall have been previously given in accordance with the Companies Act, 1965 and the Company's Articles of Association.

BY ORDER OF THE BOARD

Katherine Chung Mei Ling
(MAICSA 7007310)
Company Secretary

Sandakan

23 November 2015

Notes:

- A member of the Company who is entitled to attend and vote at this meeting is entitled to appoint a proxy to attend and vote on his/her behalf. A proxy may but need not be a Member of the Company and the provision of Section 149(1)(b) of the Companies Act, 1965 shall not apply to the Company.
- A Member shall not be entitled to appoint more than 2 proxies to attend and vote at the same meeting and that such appointment shall be invalid unless he specifies the proportions of his shareholdings to be represented by each proxy.
- In the case of a corporate member, the instrument appointing a proxy shall either under its Common Seal or under the hand of an officer or attorney duly authorised.
- Where a Member 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 authorized nominee may appoint in respect of each omnibus account it holds.
- To be valid, this form duly completed must be deposited at the Registered Office of the Company at Lot 5, 1st Floor, Block No. 4, Bandar Indah, Mile 4, Jalan Utara, P. O. Box 2848, 90732 Sandakan, Sabah not less than 48 hours before the time for holding the meeting or any adjournment thereof.
- Only a depositor whose name appears on the Record of Depositors as at 10 December 2015 shall be regarded as member of the Company entitled to attend, speak and vote at the Nineteenth Annual General Meeting or appoint proxy/proxies to attend and vote on his/her behalf.
- EXPLANATORY NOTE ON SPECIAL BUSINESS

Ordinary Resolution (Resolution 6)

The proposed Resolution 6 is the renewal of general mandate for the authority to issue shares pursuant to Section 132D of the Companies Act, 1965 for the shareholders to consider and approve at forthcoming Annual General Meeting. The Resolution 6 if passed, will give the Directors of the Company, from the date of the above general meeting, authority to issue and allot shares from the unissued capital of the Company for such purpose as the Directors may deem fit and in the interest of the Company provided it does not exceed 10% of the issued share capital of the Company for the time being. This authority, unless revoked and varied at a general meeting, will expire at the conclusion of the next Annual General Meeting of the Company.

The purpose of this general mandate is to provide flexibility to the Company to issue new shares without the need to seek shareholders' approval at separate general meeting and hence saving of additional cost and time. This general mandate is for possible fund-raising exercises and placement of shares for purpose of funding future investment projects, working capital or acquisition.

As at the date of this Notice, the Company did not issue any new shares pursuant to the mandate granted to the Directors at the Eighteenth Annual General Meeting held on 15 December 2014 and hence no proceeds were raised.

Ordinary Resolution (Resolution 7)

The proposed Resolution 7 is to renew the shareholders' mandate for share buy-back by the Company, if passed, will empower the Directors to purchase the Company's shares up to 10% of the issued and paid-up capital of the Company at any point of time. This authority, unless revoked or varied at a general meeting, will expire at the conclusion of the next annual general meeting of the Company.

Ordinary Resolution (Resolutions 8 and 9)

The proposed Resolutions 8 and 9, if passed, will retain Mr Kwan Tack Chiong and Mr Ooi Jit Huat as Independent Directors of the Company to fulfill paragraph 3.04 of the Main Market Listing Requirements and in line with the Recommendation 3.3 of the Malaysian Code of Corporate Governance 2012.

As at the date of this Notice, Mr Kwan Tack Chiong and Mr Ooi Jit Huat have served the Company for more than Fourteen (14) years. Accordingly they have satisfied with the test of independence based on guidelines set out in the Main Market Listing Requirements. The Board, therefore, would like to recommend Mr Kwan Tack Chiong and Mr Ooi Jit Huat be retained as Independent Directors for the following reasons:

- their networking, working experience and familiarization with the business operations will provide a check and balance to the Executive Directors and management team of the Company; and
- they have devoted sufficient time to carry out their duties and responsibilities as Independent Directors and act in the interest of the Company and shareholders through active participation in deliberations with independent judgement free from being influenced by the operational management.