



Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the Twenty-Third Annual General Meeting of the Members of the Company will be held at the Theobroma Conference Room, First Floor, Hotel Emas, Jalan Utara, 91000 Tawau, Sabah on Thursday, 22nd June 2017 at 9.00 a.m. to transact the following:-

AGENDA

- To receive the Audited Financial Statements for the year ended 31 January 2017 together with the Reports of the Directors and Auditors thereon. **(Refer to Note 8)**
- To approve the payment of Directors' fees amounting to RM36,000 and benefits for the financial year ended 31 January 2017. **(Resolution 1)**
- To approve the payment of Directors' fees not exceeding the amount RM54,000 and any benefits payable for the financial year ending 31 January 2018. **(Resolution 2)**
- To re-elect Mr. Tham Vui Vun who retires by rotation as a Director of the Company pursuant to Article 93 of the Company's Articles of Association. **(Resolution 3)**
- To re-elect Mr. Fung Hiuk Bing who retires as a Director of the Company pursuant to Article 94 of the Company's Articles of Association. **(Resolution 4)**
- To re-appoint Messrs Ernst & Young as Auditors of the Company 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 modification, the following resolutions as Ordinary Resolutions respectively:-

7. ORDINARY RESOLUTION

Continuation in office for Mr. Tham Vui Vun as Independent Non-Executive Director

"THAT subject to the passing of Resolution 3, Mr. Tham Vui Vun who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine (9) years to continue his office as an Independent Non-Executive Director of the Company until the conclusion of the next Annual General Meeting in accordance to the Malaysian Code on Corporate Governance 2012 " **(Refer to Note 9)** **(Resolution 6)**

8. ORDINARY RESOLUTION

Approval For Issuance Of New Ordinary Shares Pursuant To Section 76 Of The Companies Act, 2016

"THAT, subject always to the Companies Act 2016, the Articles of Association of the Company and approvals of the relevant authorities, the Directors be and are hereby empowered pursuant to Section 76 of the Companies Act 2016 to allot and issue new ordinary shares in the Company, from time to time and upon such terms and conditions and for such purposes and to such persons whomsoever as the Directors may, in their absolute discretion deem fit and expedient in the interest of the Company, provided that the aggregate number of shares issued pursuant to this resolution does not exceed 10% of the issued shares for the time being of the Company AND THAT the Directors of the Company be and are hereby empowered to obtain the approval for the listing and quotation for the additional shares so issued on the Bursa Malaysia Securities Berhad and such authority shall continue to be in force until the conclusion of the next Annual General Meeting of the Company, or at the expiry of the period within which the next Annual General Meeting of the Company is required by law to be held, whichever is the earlier." **(Resolution 7)**

9. ORDINARY RESOLUTION

Proposed Renewal Of Shareholders' Mandate For Existing Recurrent Related Party Transactions

"THAT subject to the Companies Act 2016, the Memorandum and Articles of Association of the Company and Bursa Malaysia Securities Berhad Main Market Listing Requirements, approval be and is hereby given to the Company and its subsidiaries to enter into the recurrent related party transactions of a revenue or trading nature as set out in Section 3.2 of the circular to shareholders dated 29 May 2017 [hereinafter referred to as "the Circular"] with the related parties mentioned therein be and is hereby renewed provided that:

- the transactions are in the ordinary course of business and on normal commercial terms which are not more favourable to the related parties than those generally available to the public and are not to the detriment of the minority shareholders of the Company; and
- disclosure of the breakdown of the aggregate value of the recurrent related party transactions conducted during the financial year will be made in the annual report based on the following information:
 - the type of recurrent transactions made; and
 - the names of the related parties involved in each type of the recurrent transactions made and their relationship with the Company.

AND THAT the authority granted by such renewed mandate is subject to annual renewal and shall continue to be in force until :

- the conclusion of the next Annual General Meeting of the Company following the forthcoming Annual General Meeting at which the Proposed Renewal of Shareholders' Mandate for Existing Recurrent Related Party Transactions will be tabled; or
- the expiration of the period within which the next Annual General Meeting of the Company is required to be held pursuant to Section 340(2) of the Companies Act 2016 (but shall not extend to such extensions as may be allowed pursuant to Section 340(4) of the Companies Act 2016); or
- revoked or varied by resolution passed by the shareholders in general meeting;

whichever is the earlier.

AND THAT the Directors of the Company be and are hereby authorised to complete and do such acts and things to give full effect to the transactions contemplated and/or authorised by this resolution."

- To transact any other business for which due notice has been given in accordance with the Company's Articles of Association and the Companies Act, 2016.

BY ORDER OF THE BOARD

NG KOK WAH (MIA 16956)
Company Secretary

Tawau, Sabah.
Dated this 29 May 2017

NOTES:-

General Meeting of Record of Depositors

- Only members whose names appear in the Record of Depositors as at 15 June 2017, issued by Bursa Malaysia Depository Sdn. Bhd, will be entitled to attend, vote and speak at the meeting or appoint proxy(ies) to attend, vote and speak on their behalf.

Appointment of Proxy

- A proxy may but need not be a member of the Company and there is no restriction as to the qualification of a proxy. Provided that, having appointed a proxy or an attorney to attend in his stead, if such member personally attends the meeting, his proxy or attorney shall be precluded from attending such meeting.
- A member shall be entitled to appoint not more than two (2) proxies to attend and vote at the same meeting and where a member appoints more than one proxy, the appointment shall be invalid unless he specifies the proportions of his holdings to be represented by each proxy.
- 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) as defined under the Securities Industry Central Depositories Act, 1991, there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
- If the appointor is a corporation, the proxy form must be executed under its Common Seal or under the hand of its attorney.
- To be valid the duly completed proxy form must be deposited at the Registered office of the Company at 318, Teck Guan Regency, Jalan St. Patrick, Off Jalan Belunu, 91000 Tawau, Sabah, not less than 48 hours before the time fixed for holding the Meeting.

Voting by Poll

- Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all resolutions set out in the Notice of Annual General Meeting will be put to vote by way of poll.

Explanatory Note on Ordinary Business

- The audited financial statements are laid in accordance with Section 340(1)(a) of the Companies Act 2016 for discussion only under Agenda 1. They do not require shareholders' approval and hence, will not be put for voting.

Explanatory Notes on Special Business

- Ordinary Resolution (Resolution 6)

Mr. Tham Vui Vun had served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine (9) years. The Board holds the view that he remains objective and independent in carrying out his role and responsibility as a member of the Board and Board Committees. The length of his service does not interfere with his ability and exercise of independent judgment as Independent Director. Therefore, the Board has recommended that the approval of the shareholders be sought for him to continue to act in the capacity as the Independent Non-Executive Director of the Company.

- Ordinary Resolution (Resolution 7)

The Ordinary Resolution proposed under Resolution 7 of the Agenda is a renewal of the General Mandate for the Directors to issue and allot shares pursuant to Section 76 of the Companies Act 2016. The Ordinary Resolution proposed is in line with the Company's expansion plan, which may involve the issuance of new shares (other than bonus or rights issues) for purposes of funding investments, working capital and /or acquisitions. Under the Companies Act 2016, the Directors would have to call for a general meeting to approve the issuance of new shares even though the number of shares involved is less than 10% of the issued shares of the Company for the time being. In order to avoid any delay and costs involved in convening a general meeting, it is thus considered appropriate to seek shareholders' approval for the Directors to issue shares (other than bonus or rights issues) in the Company up to an aggregate amount not exceeding 10% of the issued shares of the Company for the time being and also empower the Directors to obtain approval from the Bursa Malaysia Securities Berhad for the listing of and quotation for the additional shares so issued.

This authority, unless revoked or varied at a general meeting, will expire at the next Annual General Meeting of the Company, or at the expiry of the period within which the next Annual General Meeting of the Company is required by law to be held, whichever is the earlier. As at the date of this notice, no new shares of the Company were issued pursuant to the mandate granted to the Directors at the last Annual General Meeting held on 24 June 2016 and which will lapse at the conclusion of the forthcoming Annual General Meeting and the Directors of the Company do not intend to raise funds from the general mandate sought last year.

- Ordinary Resolution (Resolution 8)

The proposed resolution is in relation to Renewal of Shareholders' Mandate for Existing Recurrent Related Party Transactions and which are necessary for the day-to-day operations of the Company. If approved by the shareholders, it will empower the Company to conduct transactions of revenue or trading nature with the parties related to the Company. Please refer to the Circular to Shareholders dated 29 May 2017 for more information.