

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the 27th Annual General Meeting of the Company will be held at Kelawai Room, Level 1, Evergreen Laurel Hotel Penang, No. 53, Persiaran Gurney, 10250 Penang on 28 July 2017 at 10.30 a.m. for the following purposes:-

AGENDA

ORDINARY BUSINESS

1. To receive the Company's Audited Financial Statements for the year ended 28 February 2017 together with the Reports of Directors and Auditors thereon.
2. To re-elect the following Directors who retire in accordance with Article 84 of the Articles of Association of the Company, and being eligible have offered themselves for re-election:-
 - (a) Mr. Fong Wern Sheng (Resolution 1)
 - (b) En. Omar Bin Mohamed Said (Resolution 2)
3. To approve the Directors' Fees and Other Benefits of RM32,900 for the financial year ended 28th February 2017. (Resolution 3)
4. To approve the Directors' Fees and Other Benefits Payables of RM33,450 for the financial year ending 28th February 2018. (Resolution 4)
5. To re-appoint Messrs KPMG PLT as Auditors to hold office until the conclusion of the next Annual General Meeting and to authorise the Directors to fix their remuneration. (Resolution 5)

SPECIAL BUSINESS

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

6. **Authority to Issue Shares Pursuant to Section 75 of the Companies Act 2016** (Resolution 6)

"That, subject always to the Companies Act 2016 ("the Act") and the Articles of Association of the Company and approvals of the Bursa Malaysia Securities Berhad ("Bursa Securities") and other relevant Governmental or regulatory authorities, where such approvals are necessary, the Directors be and are hereby given full authority, pursuant to Section 75 of the Act to issue and allot shares in the capital of the Company at any time upon such terms and conditions and for such purposes as the Directors may, in their discretion, deem fit, provided that the aggregate number of the shares to be issued pursuant to this resolution does not exceed ten per centum (10%) of the issued and paid-up 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 ("AGM") of the Company."
7. **Continuing in Office as Independent Non-Executive Directors**
 - (a) To retain the Mr. Sia Taik Hian, who has served for more than nine (9) years as Independent Non-Executive Director of the Company, pursuant to Recommendation 3.3 of the Malaysian Code on Corporate Governance 2012 (the "Code"). (Resolution 7)
 - (b) Subject to the passing of Resolution 2, to retain the En. Omar Bin Mohamed Said, who has served for more than nine (9) years as Independent Non-Executive Director of the Company, pursuant to Recommendation 3.3 of the Code. (Resolution 8)
8. To transact any other ordinary business for which due notice has been given in accordance with the Act.

NOTICE IS HEREBY GIVEN that for purpose of determining a member who shall be entitled to attend this 27th AGM, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd, in accordance with the Article 62(3) 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 Depositors as at 21 July 2017. Only a depositor whose name appears on the Record of Depositors as at 21 July 2017 shall be entitled to attend the said meeting or appoint proxies to attend and/or vote on his/her behalf.

By Order of the Board

Ch'ng Lay Hoon
Company Secretary

Penang
30 June 2017

NOTES:

- i) A member of the Company entitled to attend, speak and vote at this meeting is entitled to appoint a proxy to attend and vote in his place.
- ii) Where a member appoints more than one (1) proxy [but not more than two (2)], the appointment shall be invalid unless he specifies the proportions of his holdings to be represented by each proxy.
- iii) The instrument appointing a proxy shall be in writing under the hand of the appointor or his attorney duly authorised in writing, or if the appointor is a corporation, either under its common seal or under the hand of its officer or attorney duly authorised.
- iv) Where a member of the Company is an exempt authorized nominee which holds ordinary shares in the Company for multiple beneficial owners in one (1) 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.
- v) All forms of proxy must be deposited at the Company's registered office at Suite 12A, Level 12, Menara Northam, No. 55, Jalan Sultan Ahmad Shah, 10050 Penang, not less than forty-eight (48) hours before the time stipulated for holding the meeting or adjournment thereof.

Explanatory Note On Special Business

Resolution 6

The proposed resolution is in relation to authority to allot shares pursuant to Section 75 of the Act, and if passed, will give a renewed mandate to the Directors of the Company, from the date of above AGM, authority to issue and allot shares in the Company up to and not exceeding in total ten per centum (10%) of the issued share capital of the Company for the time being, for such purposes as the Directors consider would be in the interest of the Company ("General Mandate"). This General Mandate, unless revoked or varied at a general meeting of the Company, will expire at the conclusion of the next AGM of the Company or the period within which the next AGM of the Company is required by law to be held whichever is the earlier.

As at the date of this Notice, no new shares in the Company were issued pursuant to the mandate granted to the Directors of the Company at the 26th AGM held on 22 July 2016 and which will lapse at the conclusion of the 27th AGM.

At this juncture, there is no decision to issue new shares. However, should the need arise to issue new shares the General Mandate would avoid any delay and costs in convening a general meeting of the Company to specifically approve such issue of share. If there should be a decision to issue new shares after the General Mandate is obtained, the Company would make an announcement in respect of the purpose and utilization of the proceeds arising from such issue.

Resolution 7 & 8

The Board of Directors via the Nominating Committee assessed the independence of Mr. Sia Taik Hian and En. Omar Bin Mohammed Said, who has served on the Board as Independent Non-Executive Directors of the Company for a cumulative of more than nine (9) years and the Board has recommended that the approval of the shareholders be sought to re-appoint Mr. Sia Taik Hian and En. Omar Bin Mohammed Said, based on the following justifications:-

- (a) They have met the criteria the independence guidelines set out in Chapter 1 of the Main Market Listing Requirements of Bursa Securities and therefore able to give independent opinion to the Board;
- (b) Being directors for more than nine (9) years have enabled them to contribute positively during deliberations/discussions at meetings as they are familiar with the operations of the Company and possess tremendous knowledge of the Company's operations;
- (c) They have the caliber, qualifications, experiences and personal qualities to challenge management in an effective and constructive manner; and
- (d) They have contributed sufficient time and exercised due care during their tenure as Independent Non-Executive Directors and carried out their fiduciary duties in the interest of the Company and minority shareholders.