



**KARYON INDUSTRIES BERHAD**  
(Company No. 612797-T)  
(Incorporated in Malaysia under the Companies Act, 1965)

**NOTICE OF ANNUAL GENERAL MEETING**

**NOTICE IS HEREBY GIVEN THAT** the 14<sup>th</sup> Annual General Meeting of **KARYON INDUSTRIES BERHAD** ("the Company") will be held at Ponderosa Golf & Country Resort Berhad, Hop Sing II, No. 3, Jalan Ponderosa 1, Taman Ponderosa, 81100 Johor Bahru, Johor, Malaysia on Wednesday, 6 September 2017 at 2.00 pm for the following purposes:

**AGENDA**

**ORDINARY BUSINESS:**

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| 1. To receive the Audited Financial Statements for the financial year ended 31 March 2017 and the Reports of the Directors and Auditors thereon.                                               | <b>Please refer to Explanatory Notes No. 1</b> |
| 2. To approve the payment of Directors' Fees for the financial year ended 31 March 2017.                                                                                                       | <b>Resolution 1</b>                            |
| 3. To approve the payment of Directors' benefits payable to the Directors of the Company up to RM100,000.00 from 1 April 2017 until the conclusion of the next Annual General Meeting in 2018. | <b>Resolution 2</b>                            |
| 4. To re-appoint Dr Chua Kee Lam who retires at the conclusion of this 14 <sup>th</sup> AGM, as a Director of the Company.                                                                     | <b>Resolution 3</b>                            |
| 5. To re-appoint Dr Tan Seng Leong who retires at the conclusion of this 14 <sup>th</sup> AGM, as a Director of the Company.                                                                   | <b>Resolution 4</b>                            |
| 6. To re-elect the following Directors who retire by rotation pursuant to Article 104 of the Articles of Association of the Company, constituting part of the Constitution of the Company:     |                                                |
| i. Mr Chua Ling Hong                                                                                                                                                                           | <b>Resolution 5</b>                            |
| ii. Mr Loh Fatt Chong                                                                                                                                                                          | <b>Resolution 6</b>                            |
| 7. To re-appoint Messrs BDO as Auditors of the Company for the financial year ending 31 March 2018 and to authorise the Directors to fix their remuneration.                                   | <b>Resolution 7</b>                            |

**SPECIAL BUSINESS:**

To consider and, if thought fit, to pass the following resolutions with or without modifications:

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| 8. <b>ORDINARY RESOLUTION 1<br/>CONTINUING IN OFFICE AS INDEPENDENT NON-EXECUTIVE DIRECTOR</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | <b>Resolution 8</b> |
| "THAT subject to the passing of Resolution 4, approval be and is hereby given to Dr Tan Seng Leong, 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 an Independent Non-Executive Director of the Company."                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                     |
| 9. <b>ORDINARY RESOLUTION 2<br/>AUTHORITY TO ALLOT SHARES PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT 2016 ("AUTHORITY TO ALLOT SHARES")</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | <b>Resolution 9</b> |
| "THAT pursuant to Sections 75 and 76 of the Companies Act 2016, and subject to the approval of the relevant governmental / regulatory authorities (if any), the Directors be and are hereby authorised to allot shares in the Company, from time to time, at such price, upon such terms and conditions and for such purpose and to such person or persons whomsoever as the Directors may in their absolute discretion deem fit provided that the aggregate number of shares to be allotted during the preceding 12 months does not exceed ten percent (10%) of the total number of issued shares (excluding treasury shares) of the Company for the time being AND THAT the Directors be and are hereby also empowered to obtain the approval for the listing of and quotation for the additional shares so allotted from Bursa Malaysia Securities Berhad AND THAT such authority shall continue to be in force until conclusion of the next annual general meeting of the Company after the approval was given or at the expiry of the period within which the next annual general meeting is required to be held after the approval was given, whichever is earlier, unless such approval is revoked or varied by a resolution of the Company at a general meeting." |                     |
| 10. To transact any other business for which due notice shall have been given.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                     |

BY ORDER OF THE BOARD  
**KARYON INDUSTRIES BERHAD**

**YONG MAY LI** (LS NO. 0000295)  
Company Secretary

Johor Bahru  
28 July 2017

**Notes:**

- A member entitled to attend and vote at this meeting is entitled to appoint not more than two (2) proxies to attend and vote in his/her stead. A proxy need not be a member of the Company and a member may appoint any person to be his/her proxy. There shall be no restriction as to the qualification of the proxy.
- Where a member of the Company who is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991 may appoint not more than two (2) proxies in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.
- Where a member of the Company is an exempt authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, 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 authorised nominee may appoint in respect of each omnibus account it holds.
- Where a member or authorised nominee appoints two (2) proxies, or where an exempt authorised nominee appoints two (2) or more proxies, the proportion of shareholding to be represented by each proxy must be specified in the instrument appointing the proxies.
- The instrument appointing a proxy, in the case of an individual shall be in writing under the hand of the appointor or his/her attorney duly authorised in writing and in the case of a corporation, either under seal or under the hand of an officer or attorney duly authorised.
- The instrument appointing a proxy must be deposited at the Registered Office of the Company situated at Suite 1301, 13<sup>th</sup> Floor, City Plaza, Jalan Tebrau, 80300 Johor Bahru, Johor Darul Takzim not less than forty eight (48) hours before the time appointed for holding the meeting or any adjourned meeting at which the person named in the instrument proposes to vote, or in the case of a poll, not less than twenty four (24) hours before the time appointed for the taking of the poll, and in default the instrument of proxy shall not be treated as valid.
- For the purpose of determining who shall be entitled to attend this meeting, the Company shall be requesting the Bursa Malaysia Depository Sdn. Bhd. to make available to the Company pursuant to Article 77 of the Articles of Association of the Company and Paragraph 7.16(2) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("MMLR"), a Record of Depositors as at 25 August 2017 and only a Depositor whose name appear on such Record of Depositors shall be entitled to attend this meeting.

**Explanatory Notes:**

**Ordinary Business:**

- Item 1 of the Agenda**  
This Agenda is meant for discussion only as an approval from Shareholders pursuant to the provisions of Sections 248(2) and 340(1) of the Companies Act 2016 is not required. Hence, this Agenda item is not put forward for voting by shareholders of the Company.
- Item 3 of the Agenda  
Resolution 2  
Directors' Benefit from 1 April 2017 until the conclusion of the next Annual General Meeting in 2018**  
The total estimated benefit payable comprised of meeting allowance for the Directors of the Company from 1 April 2017 until the conclusion of the next Annual General Meeting in 2018.

- Item 4 and 5 of the Agenda  
Resolutions 3 and 4  
Re-appointment of Directors**  
At the 13<sup>th</sup> Annual General Meeting ("AGM") of the Company held on 1 September 2016, Dr Chua Kee Lam and Dr Tan Seng Leong who are above the age of 70, were re-appointed as Directors of the Company pursuant to Section 129(6) of the Companies Act 1965 to hold office until the conclusion of the 14<sup>th</sup> AGM. Their term of office will end at the conclusion of the 14<sup>th</sup> AGM and they have offered themselves for re-appointment.  
The Nomination Committee and the Board of Directors had recommended their re-appointment at the forthcoming 14<sup>th</sup> AGM. The proposed Resolutions 3 and 4, if passed, will enable Dr Chua Kee Lam and Dr Tan Seng Leong to continue to act as Directors of the Company and they shall be subject to retirement by rotation at a later date.

- Item 8 of the Agenda  
ORDINARY RESOLUTION 1  
CONTINUING IN OFFICE AS INDEPENDENT NON-EXECUTIVE DIRECTOR**  
The Nomination Committee had assessed the independence of Dr Tan Seng Leong who has served on the Board as Independent Non-Executive Director of the Company for a cumulative term of more than nine (9) years. The Board holds the view that Dr Tan remains objective and independent in carrying out his role and responsibilities as a member of the Board and Board Committees. The length of his service does not interfere with his ability to exercise independent judgment as Independent Director. Therefore the Board has recommended that the approval of the shareholders be sought for him to continue to act as an Independent Non-Executive Director of the Company.  
Resolution 8 proposed under Agenda 8, if passed, Dr Tan Seng Leong will be re-appointed as Independent Non-Executive Director of the Company.

- Item 9 of the Agenda  
ORDINARY RESOLUTION 2  
AUTHORITY TO ALLOT SHARES PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT 2016 ("AUTHORITY TO ALLOT SHARES")**  
Resolution 9 proposed under Agenda 9 will give powers to the Directors to issue up to a maximum ten per centum (10%) of the issued share capital of the Company for the time being for such purposes as the Directors would consider in the best interest of the Company. This authority will commence from the date of this Annual General Meeting and unless earlier revoked and varied by the shareholders of the Company at a subsequent general meeting, expire at the next Annual General Meeting of the Company.  
The general mandate sought for issue of securities is a renewal of the mandate that was approved by the shareholders on 1 September 2016. The Company did not utilise the mandate that was approved last year. The purpose of this renewal of the general mandate is to provide flexibility to the Company to issue new securities without the need to convene separate general meeting to obtain its shareholders' approval so as to avoid incurring additional cost and time. The purpose of this general mandate is for possible fund raising exercise, including but not limited to further placement of shares for the purpose of funding current and/or future investment projects, working capital, repayment of bank borrowings, acquisitions and/or for issuance of shares as settlement of purchase consideration.