



NOTICE OF TWENTY-FIRST ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Twenty-First (21st) Annual General Meeting of the Company will be convened and held at The Pacific Sutera Hotel, Level 3, Function Room 8, 1 Sutera Harbour Boulevard, Sutera Harbour, 88100 Kota Kinabalu, Sabah on Friday, 3 November 2017 at 9.00 a.m. to transact the following business:

AGENDA

1. To receive the Audited Financial Statements for the financial year ended 30 June 2017 together with the Reports of the Directors and Auditors thereon.
Please refer to Explanatory Note 1
 2. To approve the payment of Directors' fees and other benefits for an amount of not exceeding RM206,000 payable to the Directors of the Company for the financial year ending 30 June 2018. **Resolution 1**
 3. To re-elect the Director, Mr Lim Nyuk Foh who retires pursuant to Article 86 of the Company's Articles of Association and being eligible, has offered himself for re-election. **Resolution 2**
 4. To re-elect the Director, Dr Roslan Bin A Ghaffar who retires pursuant to Article 93 of the Company's Articles of Association and being eligible, has offer himself for re-election. **Resolution 3**
 5. To re-appoint Messrs. PKF as the Company's Auditors until the conclusion of the next Annual General Meeting and to authorise the Directors to fix their remuneration. **Resolution 4**
 6. **As Special Business**
To consider and if thought fit, with or without any modification, to pass the following resolutions:
 - (a) **Ordinary Resolution**
 - **Authority To Issue and Allot Shares Pursuant To Sections 75 and 76 Of The Companies Act, 2016** **Resolution 5**
"THAT subject always to the Companies Act, 2016 ("the Act"), the Articles of Association of the Company and approvals from Bursa Malaysia Securities Berhad ("Bursa Securities") and any other governmental / regulatory authorities, the Directors of the Company be and are hereby empowered, pursuant to Sections 75 and 76 of the Act, to issue and allot shares in the capital of the Company from time to time at such price and upon such terms and conditions, for such purposes and to such person or persons whomsoever the Directors may in their absolute discretion deem fit provided always that the aggregate number of shares issued pursuant to this resolution does not exceed ten per centum (10%) of the total number of issued shares of the Company for the time being; AND THAT the Directors be and are also empowered to obtain the approval for the listing of and quotation for the additional shares so issued on Bursa Securities; AND FURTHER THAT such authority shall commence immediately upon the passing of this resolution and continue to be in force until the conclusion of the next Annual General Meeting ("AGM") of the Company."
 - (b) **Ordinary Resolution**
 - **Proposed Renewal of Share Buy-Back Authority for the Company to Purchase of its Own Ordinary Shares** **Resolution 6**
"THAT subject always to the Act, the Articles of Association of the Company, the Listing Requirements of Bursa Securities and all other applicable laws, guidelines, rules and regulations, the Company be and is hereby authorised to purchase such amount of ordinary shares in the Company as may be determined by the Directors of the Company from time to time through Bursa Securities as the Directors may deem fit and expedient in the interest of the Company, provided that:-
 - i) the aggregate number of shares purchased or held as treasury shares does not exceed 10% of the total issued and paid-up share capital of the Company as quoted on Bursa Securities as at the point of purchase;
 - ii) the maximum fund to be allocated by the Company for the purpose of purchasing the shares be backed by an equivalent amount of retained profits; and
 7. To transact any other ordinary business for which due notice have been given.
- iii) the Directors of the Company may decide either to retain the shares purchased as treasury shares, or cancel the shares, or retain part of the shares so purchased as treasury shares and cancel the remainder, or to resell the shares, or distribute the shares as dividends;
AND THAT the authority conferred by this resolution will commence after the passing of this ordinary resolution and will continue to be in force until:-
 - i) the conclusion of the next AGM at which time it shall lapse unless by ordinary resolution passed at the meeting, the authority is renewed, either unconditionally or subject to conditions; or
 - ii) the expiration of the period within which the next AGM of the Company is required by law to be held; or
 - iii) revoked or varied by ordinary resolution passed by the shareholders of the Company in a general meeting;whichever occurs first.
AND THAT the Directors of the Company be and are hereby authorised to take all such steps as are necessary or expedient to implement or to effect the purchase(s) of the shares with full power to assent to any condition, modification, variation and/or amendment as may be imposed by the relevant authorities and to take all such steps as they may deem necessary or expedient in order to implement, finalise and give full effect in relation thereto."
- (c) **Ordinary Resolution**
 - **Retention of Mr Kwan Tack Chiong as Independent Non-Executive Director** **Resolution 7**
"THAT approval be and is hereby given to retain Mr Kwan Tack Chiong as an Independent Non-Executive Director of the Company until the conclusion of the next AGM of the Company, who has served as an Independent Non-Executive Director of the Company for a cumulative term of office of more than nine (9) years in accordance with the Malaysian Code on Corporate Governance."
 - (d) **Ordinary Resolution**
 - **Retention of Mr Ooi Jit Huat as Independent Non-Executive Director** **Resolution 8**
THAT approval be and is hereby given to retain Mr Ooi Jit Huat as an Independent Non-Executive Director of the Company until the conclusion of the next AGM of the Company, who has served as an Independent Non-Executive Director of the Company for a cumulative term of office of more than nine (9) years in accordance with the Malaysian Code on Corporate Governance."

BY ORDER OF THE BOARD

TAN TONG LANG (MAICSA 7045482)
THIEN LEE MEE (LS0009760)
Company Secretaries

Sandakan
11 October 2017

Notes:

1. A member of the Company who is entitled to attend and vote at this meeting is entitled to appoint proxy/proxies to attend, speak and vote in his/her stead. A proxy may but need not be a member of the Company.
2. A member shall not be entitled to appoint not more than two (2) proxies to attend the same meeting and such appointment shall be invalid unless he/she specifies the proportions of his/her shareholdings to be represented by each proxy
3. In the case of corporate member, the instrument appointing a proxy shall either under his Common Seal or under the hand of an officer or attorney duly authorised.
4. Where a member of the Company is an authorised nominee as defined in 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 (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.
6. 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 seal or under the hand of an officer or attorney duly authorised.
7. To be valid, this form duly completed must be deposited at the Company's Registered Office at 1st Floor, Lot 5, Block No.4, Bandar Indah, Mile 4, Jalan Utara, P.O. Box 2848, 90732, Sandakan, Sabah, Malaysia, not less than forty-eight (48) hours before the time for holding the meeting or any adjournment thereof.
8. Only a depositor whose name appears on the Record of Depositors as at 23 October 2017 shall be regarded as member of the Company entitled to attend, speak and vote at the Extraordinary General Meeting or appoint proxy/proxies to attend and vote on his/her behalf.
9. Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all the Resolutions set out in this Notice will be put to vote by poll.

Explanatory Notes:

1. **Audited Financial Statements for the financial year ended 30 June 2017**
The Agenda No. 1 is meant for discussion only as Section 340(1) (a) of the Companies Act, 2016 provide that the audited financial statements are to be laid in the general meeting and do not require a formal approval of the shareholders. Hence, this Agenda item is not put forward for voting.
2. **Resolution 5 – Authority To Issue and Allot Shares Pursuant To Sections 75 and 76 Of The Companies Act, 2016**
The proposed adoption of the Ordinary Resolution No. 5, if passed, will empower the Directors of the Company to issue and allot new shares at any time to such persons, in their absolute discretion, deem fit ("General Mandate"), provided that the number of shares issued pursuant to this General Mandate, when aggregated with the nominal value of any such shares issued during the preceding twelve (12) months, does not exceed 10% of the total issued share capital of the Company at the time of issue. This renewed General Mandate, unless revoked or varied at a general meeting, will expire at the conclusion of the next AGM of the Company.
With this renewed General Mandate, the Company will be able to raise funds expeditiously for the purpose of funding future investment, working capital and/or acquisition(s) at any time without convening a general meeting as it would be both costs and time consuming to organise a general meeting.
As at the date of this Notice, the Company issued 64,203,342 new ordinary shares at issue price of RM0.105 per share by way of private placement pursuant to the General Mandate granted to the Directors at the 20th Annual General Meeting held on 30 November 2016 and which will lapse at the conclusion of the 21st AGM.
3. **Resolution 6 - Proposed Renewal of Share Buy-Back Authority for the Company to Purchase of its Own Ordinary Shares**
Resolution 6, if passed, will provide the mandate for the Company to buy back its own shares up to a limit of 10% of the issued share capital of the Company ("Proposed Share Buy-Back Renewal"). Detailed information on the Proposed Share Buy-Back Renewal is set out under Statement to Shareholders dated 6 October 2017 which is despatched together with the Company's Annual Report 2017.
4. **Resolutions 7 and 8 – Retention as Independent Non-Executive Directors of the Company pursuant to the Malaysian Code on Corporate Governance ("MCCG")**
Resolutions 7 & 8 are proposed pursuant to Recommendation 3.3 of the Malaysian Code of Corporate Governance and if passed, will allow Mr Kwan Tack Chiong and Mr Ooi Jit Huat to be retained and continue to act as an Independent Non-Executive Director of the Company. The full details of the Board's justifications for their retention are set out in the Statement on Corporate Governance in the Company's Annual Report 2017.

STATEMENT ACCOMPANYING NOTICE OF ANNUAL GENERAL MEETING

(pursuant to Paragraph 8.27(2) of Main Market Listing Requirements of Bursa Malaysia Securities Berhad)

Further details of Directors who are standing for re-election and retention as Directors

The profiles of the Directors who are standing for re-election and re-appointment at the 21st AGM are set out in the Directors' Profile on pages 10 to 11 of the Annual Report 2017.

No individual seeking for election as a Director other than the Directors are seeking for re-election and retention as a Director at the 21st AGM.