



# 合成工業有限公司 HUP SENG INDUSTRIES BERHAD

(Company No. 226098-P) (Incorporated in Malaysia)

## Notice of 26<sup>th</sup> Annual General Meeting

**NOTICE IS HEREBY GIVEN THAT** the Twenty-Sixth Annual General Meeting ("AGM") of Hup Seng Industries Berhad ("the Company") will be held at Mezzanine Floor, The Katerina Hotel, 8, Jalan Zabedah, 83000 Batu Pahat, Johor Darul Ta'zim on Tuesday, 15 May 2018 at 11.00 a.m. for the following purposes:-

### AGENDA

#### ORDINARY BUSINESS

- To receive the Audited Financial Statements for the financial year ended 31 December 2017 together with the Directors' and Auditors' Report thereon. **RESOLUTION 1**
- To approve the payment of Directors' fees and benefits of RM1,893,681 for the financial year ended 31 December 2017. **RESOLUTION 2**
- To approve the payment of Directors' benefits in accordance with Section 230(1) of the Companies Act 2016 up to an amount of RM80,598 from 15 May 2018 until the next AGM of the Company. **RESOLUTION 3**
- To re-elect the following Directors who retire in accordance with Article 76 of the Company's Articles of Association and being eligible, offer themselves for re-election:-  
(i) Mr. Kerk Chiew Siong **RESOLUTION 4**  
(ii) Puan Mazrina Binti Arifin **RESOLUTION 5**  
(iii) Puan Norita Binti Ja'afar **RESOLUTION 6**
- To re-appoint Messrs Ernst & Young as Auditors of the Company until the conclusion of the next AGM and authorise the Directors to fix their remuneration. **RESOLUTION 7**

#### AS SPECIAL BUSINESS

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

#### 6. CONTINUING IN OFFICE AS INDEPENDENT NON-EXECUTIVE DIRECTOR

- "THAT subject to the passing of Resolution 5, approval be and is hereby given to Puan Mazrina Binti Arifin, who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than twelve (12) years, to continue to act as an Independent Non-Executive Director of the Company until the conclusion of the next AGM of the Company." **RESOLUTION 8**
- "THAT subject to the passing of Resolution 6, approval be and is hereby given to Puan Norita Binti Ja'afar, who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than twelve (12) years, to continue to act as an Independent Non-Executive Director of the Company until the conclusion of the next AGM of the Company." **RESOLUTION 9**

- To transact any other business of which due notice shall have been given.

**FURTHER NOTICE IS HEREBY GIVEN** that for the purpose of determining a member who shall be entitled to attend this Twenty-Sixth AGM, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd to issue a Record of Depositors as at 9 May 2018 ("General Meeting Record of Depositors") and only a Depositor whose name appears on the General Meeting Record of Depositors as at 9 May 2018 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

LEE WAI NGAN (LS00184)  
CHAN TOYE YING (LS00185)  
Company Secretaries

Kuala Lumpur  
17 April 2018

#### NOTES:

- A member entitled to attend and vote at the AGM is entitled to appoint a proxy or proxies to attend and vote in his stead. A proxy may but need not be a member of the Company and there shall be no restriction as to the qualification of the proxy. A proxy appointed to attend and vote at a meeting of the Company shall have the same rights as the member to speak at the meeting.
- A member shall be entitled to appoint more than one (1) proxy (subject always to a maximum of two (2) proxies at each meeting) to attend and vote at the same meeting.
- Where a member appoints more than one (1) proxy (subject always to a maximum of two (2) proxies at each meeting) the appointment shall be invalid unless he specifies the proportions of his holdings to be represented by each proxy.
- Where a member of the Company is an exempt authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991 ("SICDA") 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 authorised nominee may appoint in respect of each omnibus account it holds. Where a member is an authorised nominee as defined under SICDA, it may appoint 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.
- The instrument appointing a proxy shall be in writing under the hand of the appointer or his attorney duly authorised in writing or if such appointer is a corporation under its common seal or by signature in accordance with section 66(2) of the Companies Act 2016.
- The instrument appointing a proxy must be deposited at the Registered Office, Plaza 138, Suite 18.03, 18th Floor, 138 Jalan Ampang, 50450 Kuala Lumpur not less than forty-eight (48) hours before the time appointed for holding the AGM or any adjournment thereof.

#### EXPLANATORY NOTES ON ORDINARY AND SPECIAL BUSINESSES

##### (i) Resolution 3 – Directors' Remuneration

Section 230(1) of the Act requires that the fees of the Directors and any benefits payable to the Directors of a listed company and its subsidiaries shall be approved at a general meeting. Pursuant thereto, shareholders' approval will be sought at this AGM for the payment of benefits payable to Directors for the period from 15 May 2018 up to the next AGM. The estimated amount of Directors' Remuneration for the period from 15 May 2018 up to the next AGM amounts to RM80,598. The remuneration comprise meeting allowance and overseas trip. In the event that the proposed Directors' benefits payable are insufficient due to an enlarged size of the board of directors, approval will be sought at the next AGM for additional Directors' benefits to meet the shortfall.

##### (ii) Resolutions 8 and 9 – Continuing in office as Independent Non-Executive Directors

The Ordinary Resolutions proposed under Item No. 6 (Resolutions 8 & 9) of the Notice of AGM relate to the approval by shareholders for the named directors to continue in office as Independent Non-Executive Directors. The Nominating Committee and the Board have assessed the independence of each of the directors who has served as Independent Non-Executive Directors of the Company for a cumulative term of more than twelve (12) years. The Board is satisfied that each of these directors has met the independence guidelines as set out in Chapter 1 of the Main Market Listing Requirements. The length of their service does not interfere with their ability and exercise of independent judgement as Independent Directors. Therefore, the Board has recommended that the approval of the shareholders be sought through a two-tier voting process for the continuing of office of Puan Mazrina Binti Arifin and Puan Norita Binti Ja'afar as Independent Non-Executive Directors of the Company.