

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Twenty First (21st) Annual General Meeting ("AGM") of the Company will be held at Maple & Cypress Room, Level C, One World Hotel, First Avenue Bandar Utama City Centre, 47800 Petaling Jaya, Selangor on Wednesday, 27 June 2018 at 10.30 a.m., or at any adjournment thereof for the purpose of considering and if thought fit, passing the following business with or without modifications:

AGENDA

ORDINARY BUSINESS

- | | |
|---|------------------------------------|
| 1. To receive the Audited Financial Statements for the financial year ended 31 December 2017 together with the Reports of the Directors and the Auditors thereon. | Please refer to Explanatory Note 1 |
| 2. To re-elect the following Directors who retire in accordance with Article 92 of the Company's Articles of Association and being eligible, offers themselves for re-election:- | |
| 2.1 Capt. Tony Tan Han (Chen Han) | Resolution 1 |
| 2.2 Leong Fook Heng | Resolution 2 |
| 3. To approve the payment of Directors' Fee up to an amount of RM438,000.00 for the period from 27 June 2018 until the conclusion of the next AGM of the Company. | Resolution 3 |
| 4. To approve the payment of Directors' Benefits to the Non-Executive Directors up to an amount of RM122,400.00 for the period from 27 June 2018 until the conclusion of the next AGM of the Company. | Resolution 4 |
| 5. To re-appoint Messrs. Moore Stephens Associates PLT as Auditors of the Company for the financial year ending 31 December 2018 and to authorise the Directors to fix their remuneration. | Resolution 5 |

SPECIAL BUSINESS

To consider and if thought fit, to pass the following resolutions:

- | | |
|--|--------------|
| 6. Authority to Issue Shares Pursuant to Section 75 and 76 of the Companies Act, 2016 | Resolution 6 |
| <p>"THAT subject always to the Act, the Articles of Association of the Company and approvals from Bursa Malaysia Securities Berhad and any other Governmental/Regulatory Authorities, where such approval is necessary, authority be and is hereby given to the Directors of the Company, pursuant to Sections 75 and 76 of the Act, to allot shares in the Company at any time and upon such terms and conditions and for such purposes as the Directors of the Company may, in their absolute discretion, deem fit, provided that the aggregate number of shares to be issued pursuant to this resolution does not exceed 10% of the total number of issued shares (excluding treasury shares) of the Company for the time being AND THAT the Directors of the Company be and are hereby empowered to obtain the approval for the listing of and quotation for the additional shares so issued on the Bursa Malaysia Securities Berhad AND THAT such authority shall continue to be in force until the conclusion of the next AGM of the Company."</p> | |
| 7. PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE | Resolution 7 |

"THAT subject to the provision of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad, the Group be and is hereby authorised to enter into and give effect to the recurrent related party transactions of a revenue or trading nature with the related parties as set out in the Circular to Shareholders dated 27 April 2018 provided that such transactions and/or arrangement are:

- (i) necessary for the day-to-day operations;
- (ii) are undertaken in the ordinary course of business in arms's length commercial terms which are not more favourable to the Related Parties than those generally available to the public; and
- (iii) are not detrimental to the minority shareholders of the Company.

AND THAT such approval, shall continue to be in force until:

- (i) the conclusion of the next Annual General Meeting ("AGM") of the Company, at which time it will lapse, unless by a resolution passed at such AGM, the authority is renewed; or
- (ii) the expiration of the period within which the next AGM of the Company after the date it is required to be held pursuant to Section 340(2) of the Companies Act, 2016 ("Act") (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or
- (iii) revoked or varied by resolution passed by the shareholders of the Company in general meeting, whichever is earlier.

AND THAT the Directors be and are hereby authorised to complete and do all such acts and things (including executing all such documents as may be required) as they may consider expedient or necessary to give effect to the Proposed Renewal of Shareholders' Mandate.

- | | |
|--|--|
| 8. To transact any other business of which due notice shall have been given in accordance with the Companies Act 2016 and the Company's Articles of Association. | |
|--|--|

By Order of the Board

WAN HASLINDA WAN YUSOFF (MAICSA 7055478)
SANGAR NALLAPPAN (MACS 01413)
Company Secretaries

Port Klang
Dated : 27 April 2018

Notes:-

1. A member of the Company who is entitled to attend and vote at this AGM is entitled to appoint a proxy/proxies, and in the case of a corporation, a duly authorised representative to attend and vote in its stead.
2. A proxy may but need not be a member of the Company. Where a member appoints more than one (1) proxy, he shall specify the proportions of his shareholdings to be represented by each proxy.
3. Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), the exempt authorised nominee may appoint any number of proxy (no limit) in respect of each omnibus account it holds.
4. 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 attorney duly authorised in writing.
5. The original signed instrument appointing a Proxy or the Power of Attorney or other Authority, if any, under which it is signed or a notarially certified copy of that Power or Authority must be deposited at the office of the **Share Registrar of the Company i.e at Tricor Investor & Issuing House Services Sdn Bhd, Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi 59200 Kuala Lumpur, Wilayah Persekutuan not less than 48 hours before the time for holding the meeting** or at adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 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.
Paragraph 8.31A (1) of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad requires all resolutions set out in the Notice of 21st AGM to be put to vote by poll.
6. For the purpose of determining a member who shall be entitled to attend and vote at the Meeting, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd in accordance with Section 341(1) of the SICDA to issue a General Meeting Record of Depositors. **Only a depositor whose name appears on the Record of Depositors as at 21 June 2018 shall be entitled to attend the said meeting or appoint proxies to attend and vote in his stead.**

EXPLANATORY NOTES TO THE AGENDA:-

Item 1 of the Agenda

This item is meant for discussion only. The provisions of Section 340 (1) of the Companies Act, 2016 require that the audited financial statements and the Reports of the Directors and Auditors thereon be laid before the Company at its Annual General Meeting. As such this Agenda item is not a business which requires a resolution to be put to vote by Shareholders.

Item 3 and 4 of the Agenda – Ordinary Resolution 3 & 4

Section 230 (1) of the Companies Act 2016, provides amongst others, that "the fees" of the Directors and "any benefits" payable to the Directors shall be approved at a general meeting. In this respect, the Board agreed that the shareholders' approval shall be sought at the 21st AGM on the Directors' fees and benefit in two (2) separate resolutions. The payment of the Directors' Fees for the period from 27 June 2018 until the conclusion of the next AGM of the Company will only be made if the proposed resolution 3 has been approved at the 21st AGM of the Company.

In determining the estimated total amount of Directors' Benefit, the Board had considered various factors which include amongst others, the number of scheduled and Special Board meetings, scheduled and Special Board Committee meetings as well as the number of Non-Executive Directors (NEDs) involved in these meetings.

The estimated sum of RM122,400.00 is for Directors' Benefits for the period from 27 June 2018 until the conclusion of the next AGM of the Company. The payment of the directors' benefit will be made on monthly basis and/or as and when incurred if the Proposed Resolution 4 has been passed at the 21st AGM. The Board is of the view that it is fair and equitable for the Directors to be paid on a monthly basis and/or as and when incurred, given that they have duly discharged their duties and responsibilities and provided their services to the Company throughout the said period.

Item 6 of the Agenda – Ordinary Resolution 6

Authority to Issue Shares pursuant to Sections 75 and 76 of the Companies Act, 2016

The Company had in its 20th AGM held on 19 June 2017, obtained its Shareholders' approval for the renewal of the general mandate for issuance of shares pursuant to Section 75 & 76 of the Companies Act, 2016 (the Act). The Company did not issue any new ordinary shares pursuant to this mandate as at the date of this Notice.

The proposed Ordinary Resolution No: 6 is a renewal of the mandate to issue shares under Section 75 and 76 of the Companies Act 2016. If passed, it will allow the Directors of the Company, from the date of the above Annual General Meeting, authority to issue and allot shares from the unissued capital of the Company but not exceeding 10% of the issued share capital of the Company. This authority, unless revoked or varied at a general meeting, will expire at the conclusion of the next Annual General Meeting of the Company.

A renewal for the said mandate is sought to avoid any delay and cost involved in convening such a general meeting. Should the mandate be exercised, the Directors will utilise the proceeds raised for funding current and/or future investment projects, working capital, acquisition, issuance of shares as settlement of purchase consideration and/or such other applications they may in their absolute discretion deem fit.

Item 7 of the Agenda – Ordinary Resolution 7

Proposed Renewal of Shareholders' Mandate

The proposed resolution, if passed, will empower the Company and its subsidiaries ("TDM Group") to enter into recurrent related party transactions of a revenue or trading nature which are necessary for Straits Group's day-to-day operations, subject to the transactions being in the ordinary course of business and on terms which are not more favourable to the related parties than those generally available to the public and are not, in the Company's opinion, detrimental to the minority shareholders of the Company.

Please refer to the Circular to Shareholders dated 27 April 2018 for further information.