

**NOTICE IS HEREBY GIVEN** that the TWENTY FIRST ANNUAL GENERAL MEETING of the Company will be held at EG INDUSTRIES BERHAD, Lot 102, Jalan 4, Bakar Arang Industrial Estate, 08000 Sungai Petani, Kedah on Thursday, 27 December 2012 at 11:30 a.m. for the following purposes:-

## **AGENDA**

### **As Ordinary Business:-**

1. To receive the Audited Financial Statements for the year ended 30 June 2012 and the Reports of the Directors and the Auditors thereon. Resolution 1
2. To approve the payment of Directors' Fees of RM98,000.00 for the year ended 30 June 2012. Resolution 2
3. To re-elect the following directors retiring in accordance with Article 98(1) of the Company's Articles of Association :-
  - (a) MS. TAI LEE KEOW Resolution 3
  - (b) MR. TAI YEONG SHENG Resolution 4
4. To re-elect the following director retiring in accordance with Article 105 of the Company's Articles of Association :-  
MR. LIM SZE YAN Resolution 5
5. To re-elect the following director retiring under Section 129 of the Companies Act, 1965 :-  
MR. TAI KEIK HOCK Resolution 6
6. To re-appoint MESSRS KPMG as auditors and to authorize the Directors to fix their remuneration. Resolution 7

### **As Special Business:-**

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

7. Ordinary Resolution - Authority for Directors to issue and allot shares in the Company pursuant to Section 132D of the Companies Act, 1965 Resolution 8

"THAT subject to the Companies Act, 1965, the Articles of Association of the Company and the approvals of the Bursa Malaysia Securities Berhad and other relevant governmental/regulatory authorities, the Directors be and are hereby empowered pursuant to Section 132D of the Companies Act, 1965, to issue shares in the Company from time to time at such price, upon such terms and conditions, for such purposes 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 issued pursuant to this resolution does not exceed 10% of the issued 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 of the Company."

8. Ordinary Resolution - Proposed Renewal of Authority for the Purchase by the Company of its own ordinary shares of up to 10% of the issued and paid-up share capital ("Share Buy Back") Resolution 9

"THAT, subject to the approval of the relevant authorities, approval be and is hereby given to the Company to acquire its own shares of RM1.00 each of up to 10% of its issued and paid-up share capital from the market of Bursa Malaysia Securities Berhad, as may be determined by the Directors of the Company from time to time, in the manner set out in the Circular to the Company's shareholders dated 5 December 2012. The aggregate number of shares purchased pursuant to this resolution does not exceed ten percent (10%) of the issued and paid-up share capital of the Company which amount to 75,016,600 ordinary shares of RM1.00 each as at 9 November 2012 and an amount not exceeding the share premium reserve of RM15,170,314 based on the latest audited accounts as at 30 June 2012 and the latest unaudited management accounts as at 30 September 2012 of the Company.

THAT such authority shall commence upon the passing of this resolution and shall continue to be in force until :

- (a) the conclusion of the next AGM at which time the authority will lapse, unless by an ordinary resolution passed at the next AGM, the authority is renewed; or
- (b) the expiration of the period within which the next AGM after that date is required by law to be held; or
- (c) revoked or varied by an ordinary resolution of the Company's shareholders in a general meeting,

whichever occurs the earliest, but not so as to prejudice the completion of purchase(s) by the Company before the aforesaid expiry date;

AND THAT the Directors of the Company be and are hereby authorized to take all such steps and do all acts and deeds and to execute, sign and deliver on behalf of the Company all necessary documents to give full effect to and for the purpose of completing or implementing the Share Buy Back in the manner set out in the Circular, which would include the maximum funds to be allocated by the Company for the purpose and that following completion of the Share Buy Back, the power to cancel or retain as treasury shares, any or all of the shares so purchased, resell on Bursa Malaysia Securities Berhad or distribute as dividends to the Company's shareholders or subsequently cancel, any or all of the treasury shares, with full power to assent to any condition, revaluation, modification, variation and/or amendment in any manner as may be required by any relevant authority or otherwise as they seem fit in the best interest of the Company."

9. Special Resolution - Proposed Amendments To Articles of Association of the Company Resolution 10

"THAT, the deletions, alteration, modifications and additions to the Company's Articles of Association as set out in Appendix III of the Circular to Shareholders dated 5 December 2012 be approved."

10. To transact any other business for which due notice shall have been given in accordance with the Company's Articles of Association and the Companies Act, 1965.

By Order of the Board

CHAI CHURN HWA (MAICSA 0811600)

Company Secretary

Penang

5 December 2012

## NOTES:

1. In respect of deposited securities, only members/shareholders whose names appear in the Record of Depositors on 19 December 2012 (General Meeting Record of Depositors) shall be entitled to attend, speak and vote at the 21<sup>st</sup> Annual General Meeting or appoint proxy/proxies to attend and vote/or vote on his/her behalf .
2. A member of the Company who is entitled to attend and vote at this meeting is entitled to appoint a proxy, and in the case of a corporation, a duly authorized representative to attend and vote in his stead. A proxy may but need not be a member of the Company.

The instrument appointing a proxy shall be in writing under the hand of the appointer or if such appointer is a corporation, either under its Common Seal or under the hand of an officer or attorney duly authorized.

A member who appoints two or more proxies shall specify the proportion of his shareholdings to be represented by each proxy.

The instrument appointing a proxy must be deposited at the Registered Office of the Company at Suite 18.01, 18<sup>th</sup> Floor, MWE Plaza, No. 8, Lebuq Farquhar, 10200 Penang not less than forty-eight (48) hours before the time fixed for holding this meeting or at any adjournment thereof.

3. Explanatory notes on Special Business

### Ordinary Resolutions

#### Resolution 8

- Authority for Directors to issue and allot shares in the Company pursuant to Section 132D of the Companies Act, 1965

The ordinary resolution 8 proposed under Agenda No. 7, is a renewal of the previous year mandate and if passed, will authorize the Directors of the Company to issue shares up to a maximum ten per cent (10%) of the issue share capital of the company for the time being for such purposes as the Directors consider would be in the interest of the Company. This authority unless revoked or varied by the Company at a general meeting will expire at the next Annual General Meeting.

The renewal of this mandate would provide flexibility to the Company for any possible fund raising exercise, including but not limited to further placing of shares, for purpose of funding future investment projects, working capital and/or acquisitions. This authority is to avoid any delay and cost involved in convening a general meeting to approve such issuance of shares. The Company did not exercise the mandate under Section 132D of the Companies Act, 1965 given by the shareholders at the Twentieth Annual General Meeting held on 29 December 2011.

#### Resolution 9

- Proposed Renewal of Authority for the Share Buy Back

The Share Buy Back will enable the Company to utilize its surplus financial resources to purchase its own shares, when appropriate, and at prices which the Board views as favourable. In addition, the Share Buy Back is also expected to stabilize the supply and demand of the Company's shares in the open market and thereby supporting its fundamental value. Please refer to the Circular to Shareholders dated 5 December 2012.

### Special Resolution

#### Resolution 10

- Proposed Amendments to Articles of Association of the Company

The proposed adoption of the Special Resolution will bring the Company's Articles of Association to be aligned with the amendments made to the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.