



LAY HONG BERHAD
(Company No. 107129-H)
(Incorporated in Malaysia under the Companies Act, 1965)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Extraordinary General Meeting of Lay Hong Berhad ("LHB" or the "Company") will be held at Studio III & IV, Lobby, Premiere Hotel, Bandar Bukit Tinggi, 1/KS6 Jalan Langat, 41200 Klang, Selangor, on Monday, 18 May 2015 at 11.00 a.m., for the purpose of considering and if thought fit, passing with or without modification, the following resolutions:

ORDINARY RESOLUTION 1

PROPOSED PRIVATE PLACEMENT OF UP TO 7,624,000 NEW ORDINARY SHARES OF RM1.00 EACH IN LHB ("LHB SHARES") ("PLACEMENT SHARES"), REPRESENTING UP TO APPROXIMATELY FIFTEEN PERCENT (15%) OF THE EXISTING ISSUED AND PAID-UP SHARE CAPITAL OF LHB (EXCLUDING TREASURY SHARES, IF ANY) ("PROPOSED PRIVATE PLACEMENT")

"THAT, approval be and is hereby given to the Board of Directors of the Company ("Board") to allot and issue up to 7,624,000 Placement Shares at an issue price to be determined based on the five (5)-day volume weighted average market price of LHB Shares immediately preceding the date on which the price of the Placement Shares will be fixed with a discount of not more than ten percent (10%) or at par value, whichever is higher, to such persons and at such time as the Board deem fit, for such purpose and utilisation of proceeds as disclosed in the Circular to Shareholders dated 23 April 2015.

THAT the Placement Shares, shall upon allotment and issue, rank *pari passu* in all respects with the existing LHB Shares, save and except that the Placement Shares shall not be entitled to any dividends, rights, allotments and/or other distributions, the entitlement date of which is prior to the date of allotment and issuance of the Placement Shares.

AND THAT the Board be and is hereby authorised to do all acts and things as they may consider necessary or expedient in the best interest of the Company with the full powers to assent to any conditions, modifications, variations and/or amendments as may be required, or imposed by the relevant authorities, and to take all steps and to enter into all such agreements, arrangements, undertakings, indemnities, transfer, assignments and guarantees with any party or parties and to carry out any other matters as may be required to implement, finalise and give full effect to the Proposed Private Placement."

ORDINARY RESOLUTION 2

PROPOSED ESTABLISHMENT OF NEW SHARE ISSUANCE SCHEME OF UP TO FIFTEEN PERCENT (15%) OF THE ISSUED AND PAID-UP SHARE CAPITAL OF THE COMPANY (EXCLUDING TREASURY SHARES, IF ANY) AT ANY POINT IN TIME FOR ELIGIBLE DIRECTORS AND EMPLOYEES OF LHB AND ITS SUBSIDIARY COMPANIES ("LHB GROUP") (EXCLUDING DORMANT SUBSIDIARIES) AFTER THE EXPIRY OF THE EXISTING EXECUTIVE SHARE OPTION SCHEME ("PROPOSED SIS")

"THAT subject to the provisions of the Companies Act, 1965, approval be and is hereby given for the Company and the Directors of the Company to:

- (a) establish and administer the Proposed SIS which involves the granting of options to all eligible persons of LHB Group including Directors of LHB Group (excluding dormant subsidiaries) who meet the criteria of eligibility for participation of the Proposed SIS ("Eligible Persons") as set out in the Bylaws, a draft of which is set out in Appendix I of the circular to shareholders dated 23 April 2015 ("Bylaws");
- (b) allot and issue from time to time such number of new LHB Shares as may be required to be issued pursuant to the exercise of the options under the Proposed SIS ("SIS Shares") provided that the aggregate number of LHB Shares to be allotted and issued shall not exceed fifteen percent (15%) of the issued and paid-up share capital of the Company (excluding treasury shares, if any) at any one time during the duration of the scheme;
- (c) make necessary applications, and to do all things necessary at the appropriate time or times, to Bursa Malaysia Securities Berhad ("Bursa Securities") for the listing of and quotation for the new LHB Shares which may from time to time be allotted and issued pursuant to the Proposed SIS and such new LHB Shares will, upon issuance, allotment and full payment, rank *pari passu* in all respects with the then existing issued and paid-up shares of the Company save and except that the new LHB Shares will not be entitled to any dividends, rights, allotments or any other distributions, the entitlement date of which is prior to the date of allotment and issuance of such new LHB Shares; and
- (d) modify and/or amend the Proposed SIS from time to time provided that such modifications and/or amendments are effected in accordance with the Bylaws relating to modifications and/or amendments and to do all such acts and to enter into all such transactions, arrangements and agreements as may be necessary or expedient in order to give full effect to the Proposed SIS;

AND THAT the Directors of the Company be and are hereby authorised to give effect to the Proposed SIS with full power to modify and/or amend the Bylaws from time to time as may be required or deemed necessary in accordance with the provisions of the Bylaws relating to amendments and/or modifications and to assent to any condition, variation, modification and/or amendment as may be necessary or expedient and/or imposed by and/or agreed with the relevant authorities."

ORDINARY RESOLUTION 3

PROPOSED GRANTING OF SIS OPTIONS TO DATO' DR. ABDUL AZIZ BIN MANGKAT

"THAT, subject to the passing of Ordinary Resolution 2 above, the Directors of the Company be and are hereby authorised, at any time and from time to time during the existence of the Proposed SIS, to offer and grant to Dato' Dr. Abdul Aziz Bin Mangkat, being the Independent Non-Executive Chairman of the Company, options to subscribe for such number of SIS Shares to be issued (as adjusted or modified from time to time pursuant to the Bylaws) pursuant to the Proposed SIS, provided that the allocation to any eligible participant who, either singly or collectively through person connected with him/her, holds twenty percent (20%) or more of the issued and paid-up share capital of the Company (excluding treasury shares, if any), does not exceed ten per cent (10%) of the SIS Shares, and subject always to such terms and conditions of the Proposed SIS as may, from time to time, be modified, varied and/or amended in accordance with the provisions of the Bylaws.

AND THAT approval be and is hereby given to the Board to allot and issue such number of SIS Shares credited as fully paid-up to Dato' Dr. Abdul Aziz Bin Mangkat pursuant to the exercise of such options."

ORDINARY RESOLUTION 4

PROPOSED GRANTING OF SIS OPTIONS TO YAP HOONG CHAI

"THAT, subject to the passing of Ordinary Resolution 2 above, the Directors of the Company be and are hereby authorised, at any time and from time to time during the existence of the Proposed SIS, to offer and grant to Yap Hoong Chai, being the Group Managing Director of the Company, options to subscribe for such number of SIS Shares to be issued (as adjusted or modified from time to time pursuant to the Bylaws) pursuant to the Proposed SIS, provided that the allocation to any eligible participant who, either singly or collectively through person connected with him/her, holds twenty percent (20%) or more of the issued and paid-up share capital of the Company (excluding treasury shares, if any), does not exceed ten per cent (10%) of the SIS Shares, and subject always to such terms and conditions of the Proposed SIS as may, from time to time, be modified, varied and/or amended in accordance with the provisions of the Bylaws.

AND THAT approval be and is hereby given to the Board to allot and issue such number of SIS Shares credited as fully paid-up to Yap Hoong Chai pursuant to the exercise of such options."

ORDINARY RESOLUTION 5

PROPOSED GRANTING OF SIS OPTIONS TO YEAP WENG HONG

"THAT, subject to the passing of Ordinary Resolution 2 above, the Directors of the Company be and are hereby authorised, at any time and from time to time during the existence of the Proposed SIS, to offer and grant to Yeap Weng Hong, being the Executive Director of the Company, options to subscribe for such number of SIS Shares to be issued (as adjusted or modified from time to time pursuant to the Bylaws) pursuant to the Proposed SIS, provided that the allocation to any eligible participant who, either singly or collectively through person connected with him/her, holds twenty percent (20%) or more of the issued and paid-up share capital of the Company (excluding treasury shares, if any), does not exceed ten per cent (10%) of the SIS Shares, and subject always to such terms and conditions of the Proposed SIS as may, from time to time, be modified, varied and/or amended in accordance with the provisions of the Bylaws.

AND THAT approval be and is hereby given to the Board to allot and issue such number of SIS Shares credited as fully paid-up to Yeap Weng Hong pursuant to the exercise of such options."

ORDINARY RESOLUTION 6

PROPOSED GRANTING OF SIS OPTIONS TO YAP CHOR HOW

"THAT, subject to the passing of Ordinary Resolution 2 above, the Directors of the

Company be and are hereby authorised, at any time and from time to time during the existence of the Proposed SIS, to offer and grant to Yap Chor How, being the Executive Director of the Company, options to subscribe for such number of SIS Shares to be issued (as adjusted or modified from time to time pursuant to the Bylaws) pursuant to the Proposed SIS, provided that the allocation to any eligible participant who, either singly or collectively through person connected with him/her, holds twenty percent (20%) or more of the issued and paid-up share capital of the Company (excluding treasury shares, if any), does not exceed ten per cent (10%) of the SIS Shares, and subject always to such terms and conditions of the Proposed SIS as may, from time to time, be modified, varied and/or amended in accordance with the provisions of the Bylaws.

AND THAT approval be and is hereby given to the Board to allot and issue such number of SIS Shares credited as fully paid-up to Yap Chor How pursuant to the exercise of such options."

ORDINARY RESOLUTION 7

PROPOSED GRANTING OF SIS OPTIONS TO NG KIM TIAN

"THAT, subject to the passing of Ordinary Resolution 2 above, the Directors of the Company be and are hereby authorised, at any time and from time to time during the existence of the Proposed SIS, to offer and grant to Ng Kim Tian, being the Executive Director of the Company, options to subscribe for such number of SIS Shares to be issued (as adjusted or modified from time to time pursuant to the Bylaws) pursuant to the Proposed SIS, provided that the allocation to any eligible participant who, either singly or collectively through person connected with him/her, holds twenty percent (20%) or more of the issued and paid-up share capital of the Company (excluding treasury shares, if any), does not exceed ten per cent (10%) of the SIS Shares, and subject always to such terms and conditions of the Proposed SIS as may, from time to time, be modified, varied and/or amended in accordance with the provisions of the Bylaws.

AND THAT approval be and is hereby given to the Board to allot and issue such number of SIS Shares credited as fully paid-up to Ng Kim Tian pursuant to the exercise of such options."

ORDINARY RESOLUTION 8

PROPOSED GRANTING OF SIS OPTIONS TO YEAP FOCK HOONG

"THAT, subject to the passing of Ordinary Resolution 2 above, the Directors of the Company be and are hereby authorised, at any time and from time to time during the existence of the Proposed SIS, to offer and grant to Yeap Fock Hoong, being the Non-Independent Non-Executive Director of the Company, options to subscribe for such number of SIS Shares to be issued (as adjusted or modified from time to time pursuant to the Bylaws) pursuant to the Proposed SIS, provided that the allocation to any eligible participant who, either singly or collectively through person connected with him/her, holds twenty percent (20%) or more of the issued and paid-up share capital of the Company (excluding treasury shares, if any), does not exceed ten per cent (10%) of the SIS Shares, and subject always to such terms and conditions of the Proposed SIS as may, from time to time, be modified, varied and/or amended in accordance with the provisions of the Bylaws.

AND THAT approval be and is hereby given to the Board to allot and issue such number of SIS Shares credited as fully paid-up to Yeap Fock Hoong pursuant to the exercise of such options."

ORDINARY RESOLUTION 9

PROPOSED GRANTING OF SIS OPTIONS TO CHENG CHIN HONG

"THAT, subject to the passing of Ordinary Resolution 2 above, the Directors of the Company be and are hereby authorised, at any time and from time to time during the existence of the Proposed SIS, to offer and grant to Cheng Chin Hong, being the Independent Non-Executive Director of the Company, options to subscribe for such number of SIS Shares to be issued (as adjusted or modified from time to time pursuant to the Bylaws) pursuant to the Proposed SIS, provided that the allocation to any eligible participant who, either singly or collectively through person connected with him/her, holds twenty percent (20%) or more of the issued and paid-up share capital of the Company (excluding treasury shares, if any), does not exceed ten per cent (10%) of the SIS Shares, and subject always to such terms and conditions of the Proposed SIS as may, from time to time, be modified, varied and/or amended in accordance with the provisions of the Bylaws.

AND THAT approval be and is hereby given to the Board to allot and issue such number of SIS Shares credited as fully paid-up to Cheng Chin Hong pursuant to the exercise of such options."

ORDINARY RESOLUTION 10

PROPOSED GRANTING OF SIS OPTIONS TO GAN LIAN PENG

"THAT, subject to the passing of Ordinary Resolution 2 above, the Directors of the Company be and are hereby authorised, at any time and from time to time during the existence of the Proposed SIS, to offer and grant to Gan Lian Peng, being the Independent Non-Executive Director of the Company, options to subscribe for such number of SIS Shares to be issued (as adjusted or modified from time to time pursuant to the Bylaws) pursuant to the Proposed SIS, provided that the allocation to any eligible participant who, either singly or collectively through person connected with him/her, holds twenty percent (20%) or more of the issued and paid-up share capital of the Company (excluding treasury shares, if any), does not exceed ten per cent (10%) of the SIS Shares, and subject always to such terms and conditions of the Proposed SIS as may, from time to time, be modified, varied and/or amended in accordance with the provisions of the Bylaws.

AND THAT approval be and is hereby given to the Board to allot and issue such number of SIS Shares credited as fully paid-up to Gan Lian Peng pursuant to the exercise of such options."

ORDINARY RESOLUTION 11

PROPOSED GRANTING OF SIS OPTIONS TO TAN OOI JIN

"THAT, subject to the passing of Ordinary Resolution 2 above, the Directors of the Company be and are hereby authorised, at any time and from time to time during the existence of the Proposed SIS, to offer and grant to Tan Ooi Jin, being the Independent Non-Executive Director of the Company, options to subscribe for such number of SIS Shares to be issued (as adjusted or modified from time to time pursuant to the Bylaws) pursuant to the Proposed SIS, provided that the allocation to any eligible participant who, either singly or collectively through person connected with him/her, holds twenty percent (20%) or more of the issued and paid-up share capital of the Company (excluding treasury shares, if any), does not exceed ten per cent (10%) of the SIS Shares, and subject always to such terms and conditions of the Proposed SIS as may, from time to time, be modified, varied and/or amended in accordance with the provisions of the Bylaws.

AND THAT approval be and is hereby given to the Board to allot and issue such number of SIS Shares credited as fully paid-up to Tan Ooi Jin pursuant to the exercise of such options."

By Order of the Board

LIM KING HUA (MAICSA 0796613)
LIM KUI SUANG (MAICSA 0783327)
WONG KEO ROU (MAICSA 7021435)
Company Secretaries

Selangor Darul Ehsan
Date: 23 April 2015

Notes:

1. Every member entitled to attend and vote at the meeting is entitled to appoint a proxy or attorney (or in case of a corporation, to appoint a representative) to attend and vote in his/her stead.
2. A member may appoint up to two (2) proxies to attend the same meeting provided that he specifies the proportion of his shareholding to be represented by each proxy.
3. 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.
4. The instrument appointing a proxy will not be treated as valid unless the instrument and the power of attorney or other authority (if any) under which the instrument is signed or a notarially certified copy of that power or authority, is or are deposited at the registered office of the Company, not less than 48 hours before the time for holding the meeting or 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.
5. Where a member is an exempt authorised nominee which holds ordinary shares on the Company for multiple beneficial owners in one securities account ("Omnibus Account") there shall be no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
6. In respect of deposited securities, only members whose names appear on the Record of Depositors on 8 May 2015, shall be eligible to attend the meeting or appoint proxy(ies) to attend and/or vote on his behalf.