



NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT an Extraordinary General Meeting of Lii Hen Industries Bhd. ("LHIB" or "Company") will be held at Classic 1, Ballroom, Classic Hotel, 69, Jalan Ali, 84000 Muar, Johor Darul Takzim on 30 September 2015 at 11.30 a.m., for the purpose of considering and, if thought fit, passing with or without modifications, the following resolutions:

ORDINARY RESOLUTION 1

PROPOSED BONUS ISSUE OF UP TO 30,000,000 NEW ORDINARY SHARES OF RM1.00 EACH IN LHIB ("LHIB SHARE(S)") ("BONUS SHARE(S)") TO BE CREDITED AS FULLY PAID-UP, ON THE BASIS OF ONE BONUS SHARE FOR EVERY TWO EXISTING LHIB SHARES HELD BY THE ENTITLED SHAREHOLDERS OF LHIB ON AN ENTITLEMENT DATE TO BE DETERMINED AT A LATER DATE ("PROPOSED BONUS ISSUE");

"THAT subject to the approvals of all relevant regulatory authorities being obtained, approval be and is hereby given to the Board of Directors of LHIB ("Board") to capitalise the sum of up to RM30 million from the Company's share premium and retained profits accounts and to apply the same for the purpose of issuing such Bonus Shares to be credited as fully paid-up to all shareholders of the Company whose names appear in the Record of Depositors as at 5.00 p.m. on an entitlement date to be determined and announced at a later date by the Board, on the basis of one (1) Bonus Share for every two (2) existing LHIB Shares held in the Company;

THAT the Bonus Shares shall upon allotment and issuance, rank *pari passu* in all respects with the then existing LHIB Shares, save and except that they shall not be entitled to any dividends, rights, allotments and/or any other distributions which are declared, made or paid, the entitlement date of which is prior to the date of allotment and issuance of the Bonus Shares;

THAT any fractional entitlement that may arise under the Proposed Bonus Issue shall be dealt with in such manner as the Board, in its sole and absolute discretion and right, deems fit, expedient and in the best interest of the Company;

AND THAT the Board be and is hereby authorised to do all acts and things, and to sign, execute and deliver on behalf of the Company all relevant documents as may be necessary or expedient in order to implement, give effect to and complete the Proposed Bonus Issue with full power to assent to any conditions, modification, variation and/or amendment as the Board may deem fit, necessary and/or expedient in the interests of the Company or as may be imposed or permitted by any relevant authority."

ORDINARY RESOLUTION 2

PROPOSED SHARE SPLIT INVOLVING THE SUBDIVISION OF EVERY ONE LHIB SHARE HELD BY THE ENTITLED SHAREHOLDERS OF LHIB AFTER THE PROPOSED BONUS ISSUE INTO TWO ORDINARY SHARES OF RM0.50 EACH IN LHIB ("SUBDIVIDED SHARE(S)") ON AN ENTITLEMENT DATE TO BE DETERMINED AT A LATER DATE ("PROPOSED SHARE SPLIT");

"THAT subject to the passing of the Ordinary Resolution 1 and Special Resolution 1 as well as the approvals of all relevant regulatory authorities being obtained, approval be and is hereby given to the Board to subdivide each ordinary share of RM1.00 each of the Company (existing and Bonus Shares), held by registered shareholders of LHIB whose names appear in the Record of Depositors as at 5.00 p.m. on an entitlement date to be determined and announced at a later date by the Board, into two (2) fully paid-up ordinary shares of RM0.50 each;

THAT the Subdivided Shares shall, upon allotment and issuance, rank *pari passu* in all respects with each other; save and except that they shall not be entitled to any dividends, rights, allotments and/or any other distributions which are declared, made or paid, the entitlement date of which is prior to the date of allotment and issuance of the Subdivided Shares.

THAT any fractional entitlement that may arise under the Proposed Share Split shall be dealt with in such manner as the Board, in its sole and absolute discretion and right, deems fit, expedient and in the best interest of the Company;

AND THAT the Board be and is hereby authorised to do all acts and to sign, execute and deliver on behalf of the Company all relevant documents as may be necessary or expedient in order to implement, give effect to and complete the Proposed Share Split with full power to assent to any condition, modification, variation and/or amendment as the Board may deem fit, necessary and/or expedient in the interests of the Company or as may be imposed or permitted by any relevant authority."

SPECIAL RESOLUTION 1

PROPOSED AMENDMENT TO THE MEMORANDUM AND ARTICLES OF ASSOCIATION OF LHIB ("M&A") TO FACILITATE THE IMPLEMENTATION OF THE PROPOSED SHARE SPLIT ("PROPOSED M&A AMENDMENT").

"THAT subject to the passing Ordinary Resolution 2 as well as approvals of all relevant regulatory authorities (if required) being obtained, the existing Clause 5 of the Memorandum of Association and the existing Clause 3 of the Articles of Association of the Company to be respectively amended to the following for the purpose of facilitating the implementation of the Proposed Share Split:

(i) Clause 5 of the Memorandum of Association

The authorised share capital of the Company is RM100,000,000 (Malaysian Currency) divided into 200,000,000 ordinary shares of RM0.50 each. The shares in the original or any increased capital may be divided into several classes and there may be attached thereto respectively any preferential, deferred or other special rights, privileges, conditions or restrictions as to dividends, capital, voting or otherwise.

(ii) Clause 3 of the Articles of Association

The authorised capital of the Company at the date of the adoption of these Articles is Ringgit Malaysia ONE HUNDRED MILLION (RM100,000,000-00) divided into ordinary shares of Ringgit Malaysia Fifty Cents (RM0.50) each AND THAT the Board be and is hereby authorised to do all acts and things, and to sign, execute and deliver on behalf of the Company all relevant documents as may be necessary or expedient in order to implement, give effect to and complete the Proposed M&A Amendment with full power to assent to any conditions, modification, variation and/or amendment as the Board may deem fit, necessary and/or expedient in the interests of the Company or as may be imposed or permitted by any relevant authority."

By Order of the Board

Tan Wang Giap (MACS 00523)
Company Secretary
Muar, Johor Darul Takzim

Notes:

- In respect of deposited securities, only members whose names appear in the Record of Depositors as at 23 September 2015 (General Meeting Record of Depositors) shall be entitled to attend, speak and vote at this EGM or appoint proxies to attend, speak and vote on their behalf.
- A proxy may but need not be a member of the Company, an advocate, an approved company auditor or a person approved by the Registrar of Companies and the provisions of Section 149(1)(b) of the Companies Act, 1965 shall not apply to the Company.
- A member entitled to attend and vote at the EGM is entitled to appoint one (1) but not more than two (2) proxies to attend and vote in his stead. Where a member appoints two (2) proxies, the appointment shall be invalid unless the member specifies the proportions of his holding to be represented by each proxy.
- Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories) Act, 1991, it may appoint at least one (1) proxy but not more than two (2) proxies in respect of each securities account it holds which is credited with ordinary shares of the Company. The appointment of two (2) proxies, shall be invalid unless the authorised nominee specifies the proportions of its holding 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 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. The appointment of two (2) or more proxies in respect of any particular omnibus account shall be invalid unless the exempt authorised nominee specifies the proportion of its shareholding to be represented by each proxy.
- The instrument appointing a proxy in the case of any individual shall be in writing under the hand of the appointor or his attorney duly authorised in writing and in the case of a corporation under its common seal or under the hand of an officer or attorney duly authorised.
- To be valid the proxy form must be duly completed and deposited at the Registered Office of the Company, 67, 3rd Floor, Jalan Ali, 84000 Muar, Johor Darul Takzim, not less than forty eight (48) hours before the time for holding the meeting.