



**NOTICE OF ANNUAL GENERAL MEETING**

NOTICE IS HEREBY GIVEN THAT THE THIRTY-FIRST ANNUAL GENERAL MEETING OF LAY HONG BERHAD (COMPANY NO. 107129-H) WILL BE HELD AT THE BALLROOM 1, GROUND FLOOR, PREMIERE HOTEL, BANDAR BUKIT TINGGI 1/KS6, JALAN LANGAT, 41200 KLANG, SELANGOR ON MONDAY, 14 SEPTEMBER 2015 AT 11.30 AM FOR THE FOLLOWING PURPOSES:-

**ORDINARY BUSINESS**

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|--|-----------------------|
| 1. To receive the Audited Financial Statements for the financial year ended 31st March 2015 together with the Reports of the Directors and Auditors thereon.                                 | Note 1                |
| 2. To approve Directors' Fees for the year ended 31st March 2015.  | Ordinary Resolution 1 |
| 3. To re-elect the following Directors who are retiring under Article 71 of the Company's Articles of Association.   |                       |
| a) Mr Yap Hoong Chai   | Ordinary Resolution 2 |
| b) Mr Yeap Weng Hong   | Ordinary Resolution 3 |
| 4. To re-elect Mr Tan Ooi Jin who is retiring under Article 72 of the Company's Articles of Association.   | Ordinary Resolution 4 |
| 5. To re-appoint Messrs Ong Boon Bah & Co. as Auditors to hold office until the conclusion of the next Annual General Meeting of the Company at a remuneration to be fixed by the Directors. | Ordinary Resolution 5 |

**SPECIAL BUSINESS**

To consider and, if thought fit, adopt the following Ordinary Resolutions with or without amendment:-

**6. Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions ("RRPTs")**

"That subject always to the Listing Requirement of Bursa Malaysia Securities Berhad, approval be and is hereby given to the Company and/or its subsidiary companies to enter into the categories of recurrent transactions of a revenue or trading nature and with those Related Parties as specified in Section A of the Circular to Shareholders dated 21 August 2015 subject further to the following:-

- i. That the transactions are in the ordinary course of business and are on terms that are not more favourable to the Related Parties than those generally available to the public and are not detrimental to the minority shareholders of the Company;
- ii. That the transactions are made on an arm's length basis and on normal commercial terms; and
- iii. That disclosure shall be made in the Annual Report of a breakdown of the aggregate value of all transactions conducted pursuant to the Proposed Shareholders' Mandate during the financial year, based on the following information:-
  - the type of the Recurrent Related Party Transactions made; and
  - the names of the Related Parties involved in each type of the Recurrent Related Party Transactions entered into and their relationships with the Company.
- iv. That such approvals shall only continue to be in force until:-
  - the conclusion of the next Annual General Meeting ("AGM") of the Company following this AGM at which such mandate is passed, at which time it will lapse, unless by a resolution passed at such AGM whereby the authority is renewed;
  - the expiration of the period within which the next AGM of the Company after that date is required to be held pursuant to Section 143(1) of the Companies Act, 1965 ("CA") (but shall not extend to such extension as may be allowed pursuant to Section 143(2) of CA); or
  - revoked or varied by resolution passed by the shareholders in general meeting, whichever is earlier.

Ordinary Resolution 6

**7. Authority To Issue Shares Pursuant To Section 132D Of The Companies Act, 1965**

"That subject always to the Companies Act, 1965, and the approvals of the relevant governmental and/or 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 deem fit provided that the aggregate number of shares 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 to be in force until the conclusion of the next Annual General Meeting of the Company."

Ordinary Resolution 7

**BY ORDER OF THE BOARD**

Secretaries  
LIM KING HUA (MAICSA 0798613)  
LIM KUI SUANG (MAICSA 0783327)  
WONG KEO ROU (MAICSA 7021435)

Selangor Darul Ehsan  
Date: 21 August 2015

**NOTES**

1. Agenda No 1 is meant for discussion only. The provisions of Section 169 of the Companies Act, 1965 and the Articles of Association of the Company 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. Hence, this Agenda item is not a business which requires a resolution to be put to vote by shareholders.
2. Every member entitled to attend and vote at the Meeting is entitled to appoint a proxy or attorney (or in the case of a corporation, to appoint a representative) to attend and vote in his/her stead. 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.
3. 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.
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 September 2015, shall be eligible to attend the meeting or appoint proxy(ies) to attend and/or vote on his behalf.

**EXPLANATORY NOTES ON SPECIAL BUSINESS**

**7. Proposed Shareholders' Mandate For Recurrent Related Party Transactions ("RRPTs") (Resolution 6)**

The proposed Resolution 6, if passed, will authorize the Company and/or its subsidiary companies to enter into recurrent related party transactions of a revenue or trading nature. This authority will, unless revoked or varied by the Company in general meeting, expire at the next Annual General Meeting of the Company.

Please refer to the Section A of the Circular to Shareholders dated 21 August 2015, which is dispatched together with the Company's Annual Report 2015, for more information.

**8. Authority To Issue Shares pursuant To Section 132D of the Companies Act, 1965 (Resolution 7)**

The proposed Resolution 7, is proposed for the purpose of granting a renewed general mandate for issuance of shares by the Company under Section 132D of the Act. The Ordinary Resolution 7, if passed, will give the Directors of the Company authority to issue ordinary shares in the Company at any time in their absolute discretion without convening a General Meeting. The authorisation, unless revoked or varied by the Company at a General Meeting, will expire at the conclusion of the next AGM of the Company.

The Company had, at the 30th Annual General Meeting held on 22 September 2014, obtained its shareholders' approval for the general mandate for issuance of shares pursuant to Section 132D of the Companies Act, 1965 ("the Act"). The Company did not issue any new shares pursuant to this mandate obtained as at the date of this notice. The Ordinary Resolution 7 proposed under item 7 of the Agenda is a renewal of the general mandate for issuance of shares by the Company under Section 132D of the Act. At this juncture, there is no decision to issue new shares. If there should be a decision to issue new shares after the general mandate is obtained, an announcement will be made by the Company in respect of the purpose and utilisation of proceeds arising from such issue.

The general mandate if granted will provide flexibility to the Company for any possible fund raising activities, including but not limited to further placing of shares, for the purpose of funding future investment project(s), working capital and/or acquisition(s).