



## Notice of Annual General Meeting

**NOTICE IS HEREBY GIVEN THAT THE THIRTY-SECOND ANNUAL GENERAL MEETING OF LAY HONG BERHAD (COMPANY NO. 107129-H) WILL BE HELD AT THE BALLROOM III, GROUND FLOOR, PREMIERE HOTEL, BANDAR BUKIT TINGGI 1/KS6, JALAN LANGAT, 41200 KLANG, SELANGOR ON WEDNESDAY, 28 SEPTEMBER 2016 AT 11.30 A.M. FOR THE FOLLOWING PURPOSES:-**

### ORDINARY BUSINESS

- To receive the Audited Financial Statements for the financial year ended 31 March 2016 together with the Reports of the Directors and Auditors thereon. **Note 1**
- To approve the payment of a Final Single Tier Dividend of 5 sen per ordinary share for the financial year ended 31 March 2016. **Ordinary Resolution 1**
- To approve Directors' Fees for the year ended 31 March 2016. **Ordinary Resolution 2**
- To re-elect the following Directors who are retiring under Article 71 of the Company's Articles of Association:-
  - Yeap Fock Hoong **Ordinary Resolution 3**
  - Yap Chor How **Ordinary Resolution 4**
  - Ng Kim Tian **Ordinary Resolution 5**
- To re-elect Mr Hideki Fujii who is retiring under Article 72 of the Company's Articles of Association. **Ordinary Resolution 6**
- To consider and if thought fit, to pass the following Ordinary Resolution in accordance with Section 129 (6) of the Companies Act, 1965:- **Ordinary Resolution 7**
  - "THAT pursuant to Section 129(6) of the Companies Act, 1965, Mr Cheng Chin Hong who is over the age of 70 years and retires pursuant to Section 129(2) of the Companies Act, 1965, be and is hereby re-appointed as a Director of the Company to hold office until the next Annual General Meeting."
- 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 8**

### AS SPECIAL BUSINESS

To consider and, if thought fit, pass the following Ordinary Resolutions with or without modifications or amendments:-

- Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions ("RRPTs")**  
"THAT pursuant to paragraph 10.09 of the Main Market Listing Requirement of Bursa Malaysia Securities Berhad, approval be and is hereby given to the Company and/or its subsidiary companies ("Lay Hong Group") to enter into and give effect to specified Recurrent Related Party Transactions of a revenue or trading nature and with classes of those related parties as specified in the Circular to Shareholders dated 29 July 2016 subject further to the following:-
  - 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;
  - That the transactions are made on an arm's length basis and on normal commercial terms; and
  - 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.
  - 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.
- Proposed Renewal of Authority for Directors 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 10**

### NOTICE OF DIVIDEND ENTITLEMENT AND PAYMENT

**NOTICE IS ALSO HEREBY GIVEN THAT** subject to the approval of the shareholders at the forthcoming 32<sup>nd</sup> Annual General Meeting, a Final Single Tier Dividend of 5 sen per share will be paid on 3 November 2016 to the shareholders whose names appear in the Record of Depositors at the close of business on 14 October 2016.

A depositor shall qualify for entitlement only in respect of:-

- shares transferred to the Depositor's Securities Account before 4.00 pm on 14 October 2016 in respect of ordinary transfers; and
- shares bought on Bursa Malaysia Securities Berhad on a cum entitlement basis according to the Rules of Bursa Malaysia Securities Berhad.

### BY ORDER OF THE BOARD

**JENNY WONG CHEW BOEY**  
(MAICSA 7006120)

Company Secretary

Selangor Darul Ehsan

Date: 29 July 2016

### NOTES

- 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.
- 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.
- 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.
- 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.
- 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.
- In respect of deposited securities, only members whose names appear on the Record of Depositors on 20 September 2016, shall be eligible to attend the meeting or appoint proxy(ies) to attend and/or vote on his behalf.

### EXPLANATORY NOTES ON SPECIAL BUSINESS

- Proposed Shareholders' Mandate For Recurrent Related Party Transactions ("RRPTs") (Resolution 9)**  
The proposed Resolution 9, 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 Circular to Shareholders dated 29 July 2016, which is despatched together with the Company's Annual Report 2016, for more information.
- Authority To Issue Shares pursuant To Section 132D of the Companies Act, 1965 (Resolution 10)**  
The proposed Resolution 10, 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 10, 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.

As at 20 January 2016, the Company had fully executed the Mandate given by the shareholders at the last Annual General Meeting held on 14 September 2015 by issuing 5,250,000 new ordinary shares at RM5.81 each in the Company pursuant to private placements. The proceeds amounting to RM30,502,500 arising from the issuance of 5,250,000 new ordinary shares is mainly for working capital requirements of the Group.

The utilization of proceeds from the above private placement is as follows:-

Descriptions	Amount Approved (RM'000)	Utilisation as at 30 June 2016 (RM'000)	Balance Unutilised (RM'000)
Working Capital	30,310	30,310	0
Share issue expenses	193	193	0
Total	30,503	30,503	0

The total proceeds of RM30.5 million from private placement of shares, completed on 20 January 2016 were fully utilized for working capital and defrayed the private placement expenses.

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).