



KOTRA

KOTRA INDUSTRIES BERHAD

(497632-P)

(Incorporated in Malaysia under the Companies Act 1965)

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the 17th Annual General Meeting (AGM) of the Company will be held at the Auditorium Hall, Kotra Pharma Technology Centre, No. 2, Jalan TTC 12, Cheng Industrial Estate, 75250 Melaka on Wednesday, 23 November 2016 at 3:30p.m. for the following purposes:-

AGENDA

- To receive the Audited Financial Statements for the financial year ended 30 June 2016 together with the Reports of the Directors and Auditors thereon. **Please refer to Note A (Resolution 1)**
 - To approve the payment of Directors' fees for the financial year ended 30 June 2016.
 - To re-elect the Director, Piong Teck Min who retires pursuant to Article 97(1) of the Company's Articles of Association, being eligible, has offered himself for re-election. **(Resolution 2)**
 - To re-appoint Crowe Horwath as Auditors of the Company until the conclusion of the next AGM and to authorise the Directors to fix their remuneration. **(Resolution 3)**
- AS SPECIAL BUSINESS**
- To consider and if thought fit, to pass the following resolutions as Special/Ordinary Resolutions of the Company:-

Special Resolution

Proposed Amendments to the Articles of Association

That the following proposed amendments to the Articles of Association of the Company be hereby approved:- **(Resolution 4)**

Article No.	Existing Provision	Amended Provision
158	The directors shall from time to time in accordance with Section 169 of the Act cause to be prepared and laid before the Company in general meeting such profit and loss accounts, balance sheets and report as are referred to in the section. The interval between the close of a financial year of the Company and the issue of an annual audited accounts, the directors' and auditors reports shall not exceed four (4) months. A copy of each such documents (including other documents required by law to be annexed thereto) shall together with the notice of the annual general meeting be sent to every member of, and to every holder of debentures of the Company under the provisions of the Act or of these Articles. The requisite number of copies of each such document as may be required by the Exchange shall at the same time be likewise sent to the Exchanged Provided that this Article shall not require a copy of these documents to be sent to any person of whose address the Company is not aware but any member to whom a copy of these documents has not been sent shall be entitled to receive a copy free of charge on application at the Office.	<p>158(i) The directors shall from time to time in accordance with Section 169 of the Act cause to be prepared and laid before the Company in general meeting such profit and loss accounts, balance sheets and report as are referred to in the section or such period as may be prescribed by the Listing Requirements. The interval between the close of a financial year of the Company and the issue of an annual audited accounts, the directors' and auditors reports shall not exceed four (4) months. A copy of each such documents (including other documents required by law to be annexed thereto) shall together with the notice of the annual general meeting be sent to every member of, and to every holder of debentures of the Company under the provisions of the Act or of these Articles. The requisite number of copies of each such document as may be required by the Exchange shall at the same time be likewise sent to the Exchanged Provided that this Article shall not require a copy of these documents to be sent to any person of whose address the Company is not aware but any member to whom a copy of these documents has not been sent shall be entitled to receive a copy free of charge on application at the Office.</p> <p>(ii) Subject to compliance with the requirements of Bursa Malaysia Securities Berhad and any other relevant laws and regulations, if any, the Company may issue its annual report in CD-ROM or in such other electronic format and if a member requires a printed form of the annual report, the Company shall send such document to the member within four (4) Market Days from the date of receipt of the member's verbal or written request.</p>

AND THAT the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds and things as are necessary and/or expedient in order to give full effect to the Proposed Amendment with full powers to assent to any conditions, modifications and/or amendments as may be required by any relevant authorities.

Ordinary Resolution

Authority to Issue and Allot Shares pursuant to Section 132D of the Companies Act, 1965

(Resolution 5)

That subject always to the approvals of the relevant authorities and pursuant to Section 132D of the Companies Act, 1965, the Directors be and are hereby authorised to issue and allot ordinary shares in the Company at any time, upon such terms and conditions, for such purposes and to such person(s) as the Directors may in their discretion deem fit provided that the aggregate number of ordinary shares to be issued does not exceed ten per centum (10%) of the total issued share capital of the Company at the time of issue and that such authority shall continue to be in force until the conclusion of the next Annual General Meeting of the Company.

Ordinary Resolution

Proposed Renewal of Shareholders' Mandate for Existing Recurrent Related Party Transactions of a Revenue or Trading Nature

(Resolution 6)

That pursuant to paragraph 10.09 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the Company and/or its subsidiary companies (the Group) be and are hereby authorised to enter into and give effect to recurrent related party transactions of a revenue or trading nature as set out in Section 2.3.2(a) of the Circular to Shareholders dated 28 October 2016, which are necessary for the Group's day-to-day operations in the ordinary course of business, on terms not more favorable than those generally available to the public and not detrimental to the minority shareholders of the Company.

That such approval shall continue to be in force until:

- the conclusion of the next Annual General Meeting (AGM) of the Company, at which time it will lapse, unless authority is renewed by a resolution passed at the next AGM;
- the expiration of the period within which the next AGM is required to be held pursuant to Section 143(1) of the Companies Act, 1965 (the Act) (but shall not extend to such extension as may be allowed pursuant to Section 143(2) of the Act); or
- revoked or varied by resolution passed by the shareholders of the Company in a general meeting, before the next AGM; whichever is the earlier.

And that the Directors of the Company be authorised to act for and on behalf of the Company, to take all such steps and execute all necessary documents as they may consider expedient or deem fit in the best interest of the Company to give effect to the transactions contemplated and/or authorised by this resolution.

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

By Order of the Board

Chua Siew Chuan (MAICSA 0777689)

Mak Chooi Peng (MAICSA 7017931)

Sean Ne Teo (LS 0008058)

Company Secretaries

Melaka

28 October 2016

NOTE:

- The Agenda item is meant for discussion only as the provision of Section 169(1) of the Companies Act, 1965 does not require a formal approval of the shareholders for the Audited Financial Statements. Hence, this Agenda item is not put forward for voting.

Proxy:

- In respect of deposited securities, only members whose names appear in the Record of Depositors on 15 November 2016 ("General Meeting Record of Depositors") shall be eligible to attend, speak and vote at the Meeting.
- A member entitled to attend and vote at the Meeting is entitled to appoint more than one proxy to attend and vote in his stead. A proxy may but does not need to be a member of the Company and the provisions of Section 149 (1)(b) of the Companies Act, 1965 need not be complied with. Where a member appoints more than one proxy, the appointments shall be invalid unless he specifies the proportions of his shareholdings to be represented by each proxy. A proxy appointed to attend and vote at the Meeting shall have the same rights as the member to speak at the Meeting. Notwithstanding this, a member entitled to attend and vote at the Meeting is entitled to appoint any person as his proxy to attend and vote instead of the member at the Meeting. There shall be no restriction as to the qualifications of the proxy.
- In the case of a corporate member, the instrument appointing a proxy must be either under its common seal or under the hand of its officer or attorney duly authorised.
- Where a member of the Company is an exempt authorised nominee 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 instrument appointing a proxy must be deposited at the Registered Office of the Company at No. 60-1, Jalan Lagenda 5, Taman 1 Lagenda, 75400 Melaka not less than 48 hours before the time for holding the Meeting or at any adjournment thereof.

Retirement of Directors:

- Enck Azhar bin Hussain and Mr. P'ng Beng Hoe have expressed their intention to retire at the conclusion of the 17th AGM. Hence, they will retain office until the close of the 17th AGM.

Explanatory Notes:

- Resolution 4 The Proposed Amendments to the Articles of Association of the Company ("Proposed Amendment") is to streamline the Company's Articles of Association to be aligned with the amendments made to Bursa Malaysia Securities Berhad Main Market Listing Requirements, as well as to enhance administrative efficiency.
- Resolution 5, if passed, will empower the Directors of the Company to issue and allot not more than 10% of the Company's total issued share capital speedily without having to convene a general meeting. This authority will, unless revoked or varied by the Company in general meeting, expire at the conclusion of the next annual general meeting of the Company. Instances for which the Company may issue new shares within this general mandate include but not limited to the purpose(s) of raising fund through private placement for investments, working capital and/or acquisitions. This general mandate sought by the Company is to renew the general mandate granted to the Directors at the 16th AGM held on 26 November 2015 to issue shares pursuant to Section 132D of the Companies Act, 1965. As at the date of this Notice, no new shares in the Company were issued pursuant to the mandate granted to the Directors at the last AGM held on 26 November 2015 which will lapse at the conclusion of the forthcoming 17th AGM.
- Resolution 6 is to renew the Shareholders' Mandate granted by the shareholders of the Company at the 16th AGM held on 26 November 2015. The proposed Shareholders' Mandate will enable the Group to enter into the Recurrent Related Party Transactions of a Revenue or Trading Nature which are necessary for the Group's day-to-day operations, subject to the transactions being in the ordinary course of business and on normal commercial terms which are not more favourable to the related parties than those generally available to the public and are not to the detriment of the minority shareholders of the Company. Further information on the proposed Resolution 6 is set out in the Circular to Shareholders dated 28 October 2016.