



NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Forty Fourth (44th) Annual General Meeting ("AGM") of the Company will be held at Bunga Melati, 7th Floor, Ramada Plaza Melaka, Jalan Bendahara, 75100 Melaka on Wednesday, May 24, 2017 at 10.30 a.m. for the following purposes:

AS ORDINARY BUSINESS:

- To receive the audited financial statements for the year ended December 31, 2016 together with the Reports of the Directors and Auditors thereon. (Please refer to Explanatory Note on Agenda 1)
- To approve the payment of Non-Executive Directors' ("NEDs") fees for the year ended December 31, 2016 amounting to RM88,000 (2015: RM126,000). (Resolution 1)
- To ratify and approve the payment of the NEDs' benefits up to an amount of RM233,100 from January 31, 2017 until the next AGM of the Company. (Resolution 2)
- To re-elect Mr. Low Chan Tian who is retiring under Article 103 of the Company's Articles of Association. (Resolution 3)
- To re-elect Mr. Heng Fu Joe who is retiring under Article 103 of the Company's Articles of Association. (Resolution 4)
- To re-appoint retiring Auditors, Messrs SJ Grant Thornton as Auditors of the Company for the financial year ending December 31, 2017 and to authorise the Directors to fix their remuneration. (Resolution 5)

AS SPECIAL BUSINESS:

To consider and, if thought fit, to pass the following resolutions:

- Ordinary Resolution**
Retention of Mr. P. James Edwin A/L Louis Pushparatnam as Independent Non-Executive Director
"THAT, Mr. P. James Edwin A/L Louis Pushparatnam who has served as an Independent Non-Executive Director of the Company for more than nine (9) years be and is hereby retained as an Independent Non-Executive Director of the Company and to hold office until the conclusion of the next AGM pursuant to the Malaysian Code on Corporate Governance 2012 ("MCCG 2012")." (Resolution 6)
- Ordinary Resolution**
Authority to Issue and Allot Shares Pursuant to Section 75 of the Companies Act 2016
"THAT, subject to the provisions of Section 75 of the Companies Act 2016 and the approval of the relevant authorities, the Directors be and are hereby authorised from time to time to issue and allot ordinary shares in the Company upon such terms and conditions and at such times as may be determined by the Directors to be in the interest of the Company provided always that the aggregate number of shares to be issued pursuant to this resolution shall not exceed ten percent (10%) of the total number of issued shares for the time being of the Company." (Resolution 7)
- Ordinary Resolution**
Proposed Renewal of Share Buy-Back Authority
"THAT, subject always to Section 127 of the Companies Act 2016 ("the Act"), rules, regulations and orders made pursuant to the Act, provisions of the Company's Memorandum and Articles of Association and the requirements of Bursa Malaysia Securities Berhad ("Bursa Malaysia") and any other relevant authority, the Company be and is hereby authorised to purchase such amount of ordinary shares in the Company as may be determined by the Directors of the Company from time to time through Bursa Malaysia upon such terms and conditions as the Directors may deem fit, necessary and expedient in the interest of the Company PROVIDED THAT:
(a) the total aggregate number of ordinary shares in the Company which may be purchased and/or held by the Company shall not exceed ten percent (10%) of the total number of issued shares of the Company as quoted on Bursa Malaysia as at the point of purchase, subject to a restriction that the issued share capital of the Company does not fall below the applicable minimum share capital requirement of Bursa Malaysia's Listing Requirements;
(b) the maximum funds to be allocated by the Company for the purpose of purchasing the shares shall not exceed the Company's latest audited retained earnings;
(c) the authority conferred by this resolution will commence immediately upon passing of this ordinary resolution and will continue to be in force until:
(i) the conclusion of the next AGM at which time it shall lapse unless by ordinary resolution passed at the meeting, the authority is renewed, either unconditionally or subject to conditions; or
(ii) the expiration of the period within which the next AGM after that date is required by law to be held; or
(iii) revoked or varied by ordinary resolution passed by the shareholders of the Company in a general meeting;
whichever occurs first;
AND THAT, the Directors of the Company be and are hereby authorised to cancel all the shares and any part thereof so purchased or to retain all the shares so purchased as treasury shares (of which may be distributed as dividends to shareholders and/or resold on Bursa Malaysia and/or subsequently cancelled), or to retain part of the shares so purchased as treasury shares and cancel the remainder, and in any other manner as prescribed by the Act, rules, regulations and orders made pursuant to the Act, Bursa Malaysia's Listing Requirements and any other relevant authorities for the time being in force.
AND THAT, the Directors of the Company be and are hereby authorised to take all such steps as are necessary or expedient to implement, finalise or to effect the aforesaid share buy-back with full powers to assent to any conditions, modifications, variations and/or amendments, as may be required or imposed by the relevant authorities and to do all such acts and things (including executing all documents) as the Directors may deem fit and expedient in the best interest of the Company." (Resolution 8)
- To transact any other business for which due notice shall have been given

By order of the Board

Ms. Tan Gaik Hong, MIA 4621
Secretary
Melaka
Dated: April 28, 2017

NOTES:

- For the purpose of determining a member who shall be entitled to attend, participate, speak and vote at this 44th AGM, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd in accordance with Article 67(b) of the Company's Articles of Association and Section 34(1) of the Securities Industry (Central Depositories) Act 1991, to issue a General Meeting Record of Depositors as at May 17, 2017. Only a depositor whose name appears on the Record of Depositors as at May 17, 2017 shall be entitled to attend, participate, speak and vote at the said meeting or appoint proxies to attend, participate, speak and vote on his/her behalf.
- A member entitled to attend, participate, speak and vote at the meeting is entitled to appoint up to two (2) proxies to attend, participate, speak and vote in his/her stead. A proxy need not be a member of the Company.
- Where a member appoints two (2) proxies, he/she shall specify the proportion of his/her shareholdings to be represented by each proxy.
- A member of the Company who is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991 may appoint at least one (1) proxy in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.
- 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 (1) securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorized nominee may appoint in respect of each omnibus account it holds.
- The instrument appointing a proxy shall be in writing under the hand of the appointor or of his/her attorney duly authorised in writing. If the appointor is a corporation, the Form of Proxy must be executed under its Common Seal or under the hand of its officer or duly authorised attorney.
- The instrument appointing a proxy must be deposited at the Registered Office of the Company, Kompleks Daibochi Plastic, Lot 3 & 7 Air Keroh Industrial Estate, Phase IV, 75450 Melaka not less than twenty-four (24) hours before the time appointed for holding the meeting.
- Pursuant to Paragraph 8.29A(1) of Bursa Malaysia's Listing Requirements, all the Resolutions set out in this Notice will be put to vote by poll.

EXPLANATORY NOTES

AGENDA 1

This Agenda is meant for discussion only as the provision of Section 340(1)(a) of the Companies Act 2016 does not require a formal approval of shareholders for the Audited Financial Statements. Hence, Agenda 1 is not put forward for voting.

ORDINARY BUSINESS

(i) Resolutions 1 and 2

Section 230(1) of the Companies Act 2016 provides amongst others, that "the fees" of the Directors and "any benefits" payable to the Directors of a listed company and its subsidiaries shall be approved at a general meeting.

- Resolution 1 - The NEDs' fees were approved by the Board to be recommended to the shareholders for approval.
- Resolution 2 - The NEDs' benefits comprise the meeting allowance, monthly allowance, yearly Audit Committee ("AC") allowance and benefit-in-kind to the Chairman. The benefits for the NEDs are as follows:

Nature of benefits	Chairman	Non-Executive Directors
Meeting allowance		
- per meeting		
> Board	RM 500	RM 400
> Board Committees	RM 500	RM 400
Monthly allowance	RM 6,500	RM 3,000
Yearly allowance	RM 5,000	RM 3,000
Benefit-in-kind	Motor vehicle	Not applicable

The estimated amount of RM233,100 is derived from the total number of scheduled Board and Board Committees' meetings held/to be held from January 31, 2017 until the next AGM in 2018, monthly allowances from January 31, 2017 until April 2018, yearly AC allowance and benefit-in-kind to the Chairman.

(ii) Resolution 3 and 4

Article 103 of the Company's Articles of Association provides that one third (1/3) of the Directors of the Company for the time being shall retire by rotation at an AGM of the Company. The Directors shall retire from office at least once in three (3) years but shall be eligible for re-election. The profiles of the Directors who are standing for re-election and information on the assessments undertaken by the Nomination Committee are stated on page 21, Section 7.19 of the Corporate Governance Statement in this Annual Report.

(iii) Resolution 5

The AC and the Board have considered the re-appointment of Messrs SJ Grant Thornton as Auditors of the Company based on the AC's Policy on the Suitability and Independence of the external auditors. Both the AC and the Board are satisfied with the suitability and independence of the external auditors and recommend the re-appointment of Messrs SJ Grant Thornton as Auditors of the Company. Please refer to pages 43 and 44, Section 2.3(a) of the Audit Committee Report in this Annual Report for the assessment undertaken by the AC.

SPECIAL BUSINESS

(i) Resolution 6

The proposed ordinary resolution 6, if passed, will allow Mr. P. James Edwin A/L Louis Pushparatnam ("Mr. James Edwin") to be retained and to continue acting as an Independent Non-Executive Director of the Company and to hold office until the conclusion of the next AGM of the Company in line with Recommendation 3.3 of the MCCG 2012.

Having considered the Nomination Committee's assessment, the Board firmly believes that Mr. James Edwin's independence is not affected by his tenure on the Board as he continues to exercise sound independent business judgement and demonstrates objectivity in the discharge of his fiduciary duties. Mr. James Edwin has the experience, calibre, qualifications and personal qualities to engage/challenge Management in a constructive manner to ensure that there is effective check and balance during Board deliberations and decision making. His extensive legal experience and understanding of the Group's business enables him to participate actively and contribute valuable insights at Board and Board Committee meetings. He maintains a professional relationship with Board members, is independent from Management and free from any business and other relationship which could interfere with his independent judgement or the ability to act in the best interest of the Company.

The Board values continuity and stability and is confident that Mr. James Edwin's integrity, proven commitment, diligence and competence will continue to add value to the Group.

Accordingly, the Board, strongly recommends retaining Mr. James Edwin as an Independent Non-Executive Director of the Company. Please refer to page 23, Sections 9.3 and 9.4 of the Corporate Governance Statement in this Annual Report for the detailed justifications.

Note: Mr. James Edwin abstained from all deliberations in relation to his retention as an Independent Non-Executive Director of the Company.

(ii) Resolution 7

The proposed Resolution 7, if passed, will give a renewed mandate to the Directors of the Company, from the date of the forthcoming AGM, to allot and issue ordinary shares from the unissued capital of the Company pursuant to Section 75 of the Companies Act 2016.

As at the date of the Notice, no new shares in the Company were issued pursuant to the mandate granted to the Directors at the last AGM held on May 26, 2016 which will lapse at the conclusion of the forthcoming AGM.

The Board continues to consider opportunities to broaden the operating base and earnings potential of the Company. If any of the expansion proposals involves the issuance of new shares, the Directors would have to convene a general meeting to approve the issuance of new shares.

In order to avoid any delay and costs involved in convening a general meeting to approve such issuance of shares, it is considered appropriate that the Directors be empowered, as proposed in Resolution 7, to allot and issue shares in the Company, up to an amount not exceeding in aggregate ten percent (10%) of the total number of issued shares of the Company for the time being. This authority, unless revoked or varied at a general meeting, will expire at the conclusion of the next AGM of the Company.

(iii) Resolution 8

The proposed Ordinary Resolution 8, if passed, will empower the Company to purchase and/or hold up to ten per centum (10%) of total number of issued shares of the Company. This authority unless revoked or varied by the Company at a general meeting will expire at the next AGM. Please refer to the Statement to Shareholders dated April 28, 2017 which is despatched together with the Annual Report 2016 for further information.

Statement Accompanying Notice of Annual General Meeting

(pursuant to Paragraph 8.27(2) of Bursa Malaysia's Listing Requirements)

As at the date of this notice, there are no individuals who are standing for election as Directors (excluding the above Directors who are standing for re-election) at this forthcoming AGM.