

**NOTICE IS HEREBY GIVEN** that the THIRTEENTH ANNUAL GENERAL MEETING of the Company will be held at Emerald Room, Level 2, The Katerina Hotel, 8 Jalan Zabadah, 83000 Batu Pahat, Johor Darul Takzim on Friday, 26 May 2017 at 2:00 p.m. for the following purposes:-

## AGENDA

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| 1. To receive the Audited Financial Statements for the financial year ended 31 December 2016 together with the Reports of the Directors and the Auditors thereon.                     | <b>Please refer to Explanatory Note 1</b> |
| 2. To approve the payment of Directors' Fees of RM379,500 for the financial year ended 31 December 2016.  | <b>Resolution 1</b>                       |
| 3. To approve the payment of Directors' Fees of RM379,500 for the financial year ending 31 December 2017.   | <b>Resolution 2</b>                       |
| 4. To approve the payment of Directors' benefits up to an amount of RM16,800 to the Non-Executive Directors from 1 January 2017 until the next Annual General Meeting of the Company. | <b>Resolution 3</b>                       |
| 5. To re-elect Mr. Lim Chun Yow who retires pursuant to Article 92 of the Company's Articles of Association, and being eligible, has offered himself for re-election.                 | <b>Resolution 4</b>                       |
| 6. To re-elect Mr. Tan Hock Hin who retires pursuant to Article 92 of the Company's Articles of Association, and being eligible, has offered himself for re-election.                 | <b>Resolution 5</b>                       |
| 7. To re-appoint Messrs. Crowe Horwath as Auditors of the Company for the ensuing year and to authorise the Directors to fix their remuneration.                                      | <b>Resolution 6</b>                       |

## As Special Business

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

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| 8. <b>ORDINARY RESOLUTION<br/>AUTHORITY TO ISSUE SHARES PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT, 2016</b><br>"THAT subject always to the Companies Act, 2016 ("the Act"), the Articles of Association of the Company, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and the approvals of the relevant governmental/regulatory authorities, where such approval is required, the Directors be and are hereby authorised and empowered pursuant to Sections 75 and 76 of the Act, to issue and allot shares in the Company to such persons, at any time, and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion, deem fit provided that the aggregate number of shares to be issued does not exceed ten per centum (10%) of the total number of issued shares of the Company for the time being; AND THAT the Directors be and also empowered to obtain the approval for the listing of and quotation for the additional shares so issued on Bursa Malaysia Securities Berhad AND THAT such authority shall continue in force until the conclusion of the next Annual General Meeting of the Company." | <b>Resolution 7</b> |
| 9. <b>ORDINARY RESOLUTION<br/>PROPOSED RETENTION OF MR. LIM KIM HOCK AS INDEPENDENT NON-EXECUTIVE DIRECTOR</b><br>"THAT Mr. Lim Kim Hock be and is hereby retained as an Independent Non-Executive Director of the Company and to hold office until the conclusion of the next Annual General Meeting pursuant to the Malaysian Code on Corporate Governance 2012."  | <b>Resolution 8</b> |

10. To transact any other ordinary business for which due notice has been given.

## BY ORDER OF THE BOARD

**CHUA SIEW CHUAN (MAICSA 0777689)**

**TAN LEY THENG (MAICSA 7030358)**

Company Secretaries

Batu Pahat, Johor Darul Takzim

Date: 28 April 2017

## Notes:

- In respect of deposited securities, only members whose names appear in the Record of Depositors on 12 May 2017 ("General Meeting Record of Depositors") shall be eligible to attend the Meeting.
- A member of the Company who is entitled to attend and vote at the Meeting is entitled to appoint one (1) or more proxies to attend and vote in his stead. A proxy may but need not be a member of the Company and a member may appoint any person to be his/her proxy without limitation. A proxy appointed to attend and vote at the Meeting shall have the same rights as the member to speak at the Meeting.
- Where a member appoints two (2) or more proxies, the appointment shall be invalid unless he specifies the proportion of his shareholdings to be represented by each proxy.
- Where a member is an authorised nominee as defined under the Securities Industry (Central Depository) Act, 1991, it may appoint more than 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 is an exempt authorised nominee as defined under the Securities Industry (Central Depository) 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 instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or if the appointor is a corporation, either under the corporation's seal or under the hand of an officer or attorney duly authorised.
- The instrument appointing a proxy shall be deposited at the Company's Registered Office at 5A, Jalan Wawasan 2, Kawasan Perindustrian Sri Gading, 83300 Batu Pahat, Johor Darul Takzim not less than 48 hours before the time appointed of holding the above Meeting.

## EXPLANATORY NOTES

1. **Item 1 of the Agenda – Audited Financial Statements for the financial year ended 31 December 2016 and the Reports of the Directors and Auditors thereon**

This Agenda item 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 the shareholders for the Audited Financial Statements. Hence, this agenda is not put forward to the shareholders for voting.

2. **Ordinary Resolutions 1, 2 and 3**

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 shall be approved at a general meeting.

In this respect, the Board wishes to seek shareholders' approval for the following payments to Directors at the Thirteenth Annual General Meeting in three (3) separate resolutions as below:-

- Resolution 1** on payment of Directors' Fees totalling RM379,500 in respect of the financial year ended 31 December 2016.
- Resolution 2** on payment of Directors' Fees totalling RM379,500 in respect of the financial year ending 31 December 2017.  
This resolution is to facilitate payment of Directors' fees on current financial year basis. In the event the Directors' fees proposed is insufficient due to enlarged Board size, approval will be sought at the next Annual General Meeting for additional fees to meet the shortfall.
- Resolution 3** on payment of Directors' benefits of up to RM16,800 in respect of meeting allowances payable for attendance of Board and/or Board Committee meetings by the Non-Executive Directors with effect from 1 January 2017 until the next Annual General Meeting.

3. **Ordinary Resolution 7**

### Authority to issue shares pursuant to Sections 75 and 76 of the Act

The above Resolution 7 is for the purpose of seeking a renewal of the general mandate to empower the Directors of the Company pursuant to Sections 75 and 76 of the Act, from the date of the above Meeting, to issue and allot shares in the Company at any time to such persons in their absolute discretion without convening a general meeting provided that the aggregate number of the shares issued does not exceed ten per centum (10%) of the total number of issued shares of the Company for the time being. The general mandate, unless revoked or varied at general meeting, will expire at the next Annual General Meeting of the Company.

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

The Company had been granted a mandate by its shareholders at the Twelfth Annual General Meeting of the Company held on 20 May 2016 ("Previous Mandate"). As at the date of this Notice, no new shares were issued pursuant to the Previous Mandate and hence, no proceeds were raised therefrom.

4. **Ordinary Resolution 8**

### Proposed retention of Mr. Lim Kim Hock as Independent Non-Executive Director

Mr. Lim Kim Hock was appointed as Independent Non-Executive Director of the Company on 22 February 2008 and has therefore, served the Board for a cumulative term of more than nine (9) years.

In accordance with the Malaysian Code on Corporate Governance 2012, the Board of Directors of the Company, after having assessed the independence of Mr. Lim Kim Hock, regarded him to be independent, based amongst others, the following justifications and recommends that Mr. Lim Kim Hock be retained as Independent Non-Executive Director of the Company:-

- the aforementioned Independent Director has fulfilled the criteria under the definition of Independent Director pursuant to the Main Market Listing Requirements of Bursa Malaysia Securities Berhad;
- the aforementioned Independent Director is able to exercise independent judgement and act in the best interests of the Company;
- the aforementioned Independent Director has consistently demonstrated his independence and professionalism and effectively contributed and added value to the Company through Board Committees he serves vis-a-vis the Audit, Remuneration and Nominating Committees as well as the Board; and
- there are significant advantages to be gained from a long-serving Independent Director who has many years of experience with incumbent knowledge of the Company and the Group's activities and corporate history, he is able to provide invaluable contributions with independence in his role as Independent Non-Executive Director.