

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN THAT the Twentieth (20th) Annual General Meeting of the members of the Company will be held at the Eugenia Room, Ground Floor, Sime Darby Convention Centre, 1A, Jalan Bukit Kiara 1, 60000 Kuala Lumpur on Friday, 26 May 2017, at 10.30 a.m. for the purpose of transacting the following businesses: -

- To receive the Audited Financial Statements for the year ended 31 December 2016 together with the Reports of the Directors and Auditors thereon.
- To approve the payment of a final dividend of 1.5sen per ordinary share in respect of the year ended 31 December 2016.

Resolution 1

- To approve the payment of Directors' fees of RM376,598/- (2015 - RM380,480/-) in respect of the year ended 31 December 2016.

Resolution 2

- To approve the payment of Directors' benefits up to an amount of RM100,000/- from 01 January 2017 until the next Annual General Meeting of the Company.

Resolution 3

- To re-elect the following Directors who retire pursuant to the Company's Articles of Association and, being eligible, offer themselves for re-election: -

- | | |
|-------------------------------------|-------------|
| (a) Mr. Choong Kai Fatt | Article 100 |
| (b) Datuk Zainun Aishah binti Ahmad | Article 100 |
| (c) Dato' Koh Hong Sun | Article 105 |

Resolution 4

Resolution 5

Resolution 6

- To appoint Baker Tilly Monteiro Heng as Auditors of the Company in place of the retiring Auditors, KPMG PLT, and to authorise the Directors to fix their remuneration.

Resolution 7

Notice of nomination from a shareholder pursuant to the Companies Act 2016, a copy of which is set out and marked "Appendix A", has been received by the Company for nomination of Baker Tilly Monteiro Heng who have given their consent to act, for appointment as Auditors and of the intention to propose the following Ordinary Resolution:-

"That Baker Tilly Monteiro Heng be and are hereby appointed as Auditors of the Company in place of the retiring Auditors, KPMG PLT, and to hold office until the conclusion of the next Annual General Meeting at a remuneration to be determined by the Directors."

As Special Business:-

To consider and, if thought fit, to pass the following Ordinary Resolutions:-

7. Ordinary Resolution

Authority to issue shares pursuant to Section 75 of the Companies Act 2016

Resolution 8

"THAT subject always to the Companies Act 2016, Articles of Association of the Company, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa") and approvals of any other relevant governmental/regulatory bodies where such approval is required, the Directors be and are hereby authorised and empowered pursuant to Section 75 of the Companies Act 2016, to allot and issue shares in the Company, to such persons, at any time 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 issued does not exceed ten percent (10%) of the total number of issued shares for the time being of the Company AND THAT the Directors be and are also empowered to obtain the approval for the listing of and quotation for the additional shares so issued on Bursa AND THAT such authority shall continue in force until the conclusion of the next Annual General Meeting ("AGM") of the Company after the approval was given or at the expiry of the period within which the next AGM is required to be held after the approval was given, whichever is earlier.

8. Ordinary Resolution

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

Resolution 9

THAT, subject to the provisions of the Main Market Listing Requirements of Bursa, approval be and is hereby given for the Proposed New Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature ("New Shareholders' Mandate") for the Company and/or its subsidiary companies ("the Group") to enter into and to give effect to the category of Recurrent Related Party Transactions of a Revenue or Trading nature from time to time with the Related Party as specified in Section 2.4 Part A of the Circular to Shareholders dated 28 April 2017 provided that such transactions are:-

- recurrent transactions of a revenue or trading nature;
- necessary for the day-to-day operations;
- undertaken in the ordinary course of business and at arm's length basis and on normal commercial terms which are not more favourable to the Related Parties than those generally available to the public; and
- are not prejudicial to the minority shareholders of the Company

THAT such approval shall continue to be in force until: -

- the conclusion of the next AGM of the Company following this AGM at which the New Shareholders' Mandate is passed, at which time it will lapse unless the authority is renewed by a resolution passed at the next AGM;
- the expiration of the period within which the next AGM to be held pursuant to Section 340(2) of the Act (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or
- is revoked or varied by resolution passed by shareholders in a general meeting,

whichever is earlier.

AND THAT the Directors be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) as they may consider expedient or necessary to give effect to this resolution."

9. Ordinary Resolution

Proposed Renewal of Authority for Share Buy-Back

Resolution 10

"THAT, subject to compliance with Section 127 of the Companies Act 2016, the Memorandum and Articles of Association of the Company, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa") and all other applicable laws, regulations, the Company be and is hereby authorised to allocate an amount not exceeding the total available retained profits of the Company for the purpose of and to purchase such amount of ordinary shares in the Company ("Proposed Purchase") as may be determined by the Directors of the Company from time to time through Bursa as the Directors may deem fit in the interest of the Company provided that the aggregate number of shares purchased and/or held pursuant to this resolution does not exceed ten percent (10%) of the total number of issued shares of the Company as quoted on Bursa as at the point of purchase;

AND THAT upon completion of the purchase by the Company of its own shares, the Directors are authorised to retain the shares as treasury shares or cancel the shares or retain part of the shares so purchased as treasury shares and cancel the remainder AND THAT the Directors are further authorised to resell the treasury shares on Bursa or distribute the treasury shares as dividends to the Company's shareholders or to deal with the treasury shares in the manners as allowed by the Act;

AND THAT the Directors be and are hereby empowered to carry out the above immediately upon the passing of this resolution and from the date of the passing of this resolution until:

- the conclusion of the next AGM of the Company following at which time the authority shall lapse unless by an ordinary resolution passed at the meeting, the authority is renewed, either unconditionally or subject to conditions; or
- the expiration of the period within which the next AGM is required by law to be held; or
- revoked or varied by ordinary resolution passed by the shareholders at a General Meeting,

whichever occurs first but not to prejudice the completion of purchase(s) by the Company before the aforesaid expiry date and in any event, in accordance with the provision of the Listing Requirements and any other relevant authorities. AND THAT authority be and is hereby given to Directors of the Company to take all steps as are necessary and/or to do all such acts and things as the Directors deem fit and expedient in the interest of the Company to give full effect to the Proposed Purchase with full powers to assent to any condition, modification, revaluation, variation and/or amendment (if any) as may be imposed by the relevant authorities."

10. Ordinary Resolution

Continuing in Office as Independent Non-Executive Director

Resolution 11

"THAT authority be and is hereby given to Mr. Leou Thiam Lai who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine (9) years, to continue to act as an Independent Non-Executive Director of the Company."

11. Ordinary Resolution

Continuing in Office As Independent Non-Executive Director

Resolution 12

"THAT authority be and is hereby given to Datuk Zainun Aishah binti Ahmad who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine (9) years, to continue to act as an Independent Non-Executive Director of the Company."

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

BY ORDER OF THE BOARD,

ANDREA HUONG JIA MEI (MIA 36347)

Company Secretary
Kuala Lumpur
28 April 2017

Notes:

- A member of the Company entitled to attend and vote at this meeting is entitled to appoint up to two (2) proxies to attend and vote instead of him/her. Where a member appoints two (2) proxies, the appointment shall be invalid unless he/she specifies the proportions of his/her shareholdings to be represented by each proxy. There shall be no restriction as to the qualification of the proxy.
- Where a member of the Company is an exempt authorised nominee ("EAN") as defined under the Securities Industry (Central Depositories) 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 EAN may appoint in respect of each omnibus account it holds.
- In the case of a corporate body, the proxy appointed must be in accordance with the Memorandum and Articles of Association, and the instrument appointing a proxy shall be given under the Company's Common Seal or under the hand of an officer or attorney duly authorised.
- The Form of Proxy must be deposited at the Share Registrar's Office, Symphony Share Registrars Sdn. Bhd., Pusat Dagangan Dana 1, Jalan PUJ Dana 1, Jalan PUJ 1A/46, 47301 Petaling Jaya, Selangor not less than forty-eight (48) hours before the time set for the meeting or any adjournment thereof.
- Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all the Resolutions set out in this Notice will be put to vote by poll.
- General Meeting Record of Depositors**
For purposes of determining who shall be entitled to attend this meeting, the Company shall be requesting the Bursa Malaysia Depository Sdn. Bhd. to make available to the Company pursuant to Article 54(C) of the Articles of Association of the Company and Paragraph 7.16(2) of the Main Market Listing Requirements of Bursa ("LR"), a Record of Depositors as at 19 May 2017 and a Depositor whose name appears on such Record of Depositors shall be entitled to attend this meeting or appoint proxy to attend and/or vote in his stead.
- Explanatory Notes on Ordinary and Special Business:**

- Audited Financial Statements for financial year ended 31 December 2016

The audited financial statements are for discussion only under Agenda 1, as it does not require shareholders' approval under the provision of Section 340(1)(a) of the Companies Act 2016. Hence, this item in the agenda is not put forward for voting by shareholders of the Company.

- Director's Benefits Payable

Pursuant to Section 230 (1) of the Companies Act 2016, the fees and benefits payable to the Directors of the Company will have to be approved by the shareholders at a general meeting. The total estimated amount of Director's benefit payable is calculated based on the number of scheduled Board's and Board's Committee Meeting from 1 January 2017 until the next AGM.

This authority, unless revoked or varied by the Company in a general meeting will expire at the conclusion of the next AGM of the Company.

- Resolution pursuant to Section 75 of the Companies Act 2016

Resolution No. 8 is to seek a renewal of the general mandate for the issue of new ordinary shares pursuant to Section 75 of the Companies Act 2016 which was approved by shareholders at the last year's AGM ("the previous mandate"). As the date of this Notice, the Company did not allot any shares pursuant to the previous mandate.

The proposed Resolution No. 8, if passed, will empower the Directors of the Company to issue and allot new shares in the Company at any time and for such purposes as the Directors considered would be in the interests of the Company up to an aggregate not exceeding ten percent (10%) of the total number of issued shares of the Company without convening a general meeting. This authority, unless revoked or varied at a general meeting will expire at the conclusion of the next AGM or at the expiry of the period within which the next AGM is required to be held after the approval was given, whichever is earlier.

The renewed mandate 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 investment project(s), working capital and/or acquisition.

- Proposed New Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature

Resolution No. 9, if passed, will authorise the Company and/or its subsidiaries to enter into recurrent related party transactions with related parties in the ordinary course of business which are necessary for the Group's day-to-day operations and are on terms not more favourable to the related parties than those generally available to the public and shall lapse at the conclusion of the next AGM unless authority for its renewal is obtained from the shareholders of the Company at a General Meeting. For further information, please refer to Part A of the Circular to Shareholders dated 28 April 2017, which is circulated together with this Annual Report.

- Resolution pursuant to Proposed Renewal of Authority for Share Buy-Back

Resolution No. 10, if passed, will empower the Company to purchase and/or hold up to ten percent (10%) of the issued shares of the Company. This authority will, unless revoked or varied by the Company in General Meeting, expire at the next AGM. For further information, please refer to Part B of the Circular to Shareholders dated 28 April 2017 which is circulated together with this Annual Report.

- Resolution Nos. 11 & 12

In line with Recommendation 3.3 of the Malaysian Code on Corporate Governance 2012, the Nomination Committee ("NC") has assessed the independence of Mr. Leou Thiam Lai and Datuk Zainun Aishah binti Ahmad, who have served as Independent Non-Executive Directors of the Company for a cumulative term of more than nine (9) years, and upon its recommendation, the Board of Directors has assessed and recommended them to continue to act as Independent Non-Executive Directors of the Company based on the following justifications:-

- Mr. Leou Thiam Lai and Dato' Zainun Aishah binti Ahmad have fulfilled the criteria under the definition of Independent Director as stated in the LR of Bursa, and hence, they would be able to provide an element of objectivity, independent judgment and balance to the Board.
- Mr. Leou Thiam Lai is a Chartered Accountant of the Malaysian Institute of Accountants, a fellow member of the Chartered Association of Certified Accountants (UK) and a fellow member of the Chartered Tax Institute of Malaysia and thus, he is able to fulfil the financial expertise requisite under the LR in relation to the composition of the Audit and Risk Management Committee. Being the Chairman of the Audit and Risk Management Committee, his knowledge, skills and experience in finance and audit would enable him to ensure the effectiveness of the Audit and Risk Management Committee in providing independent, objective and effective oversight to the Board.
- Datuk Zainun Aishah binti Ahmad, aged 70, Malaysian, was appointed to the Board on 1 August, 2007. She is the Chairman of the Nomination Committee and a member of the Audit and Risk Management Committee and Remuneration Committee. She was with Malaysia Industrial Development Authority ("MIDA") for thirty-five (35) years whereby she holds key position as the Director General of MIDA for nine (9) years and Deputy-Director General for eleven (11) years. With thirty-five (35) years of experience in various key position in MIDA, she would be able to provide constructive opinions and exercise independent judgement.
- Their length of service on the Board of more than nine (9) years does not in any way interfere with their exercise of objective judgment or their ability to act in the best interests of the Company and Group. In fact, Mr. Leou Thiam Lai and Datuk Zainun Aishah binti Ahmad, having been with the Company for more than nine (9) years, are familiar with the Group's business operations and has devoted sufficient time and commitment to their role and responsibilities as Independent Directors for informed and balance decision making.
- Both have exercised due care and sufficient time during their tenure as Independent Non-Executive Directors of the Company and have discharged their duties with reasonable skill and competence, bringing independent judgement and depth into the Board's decision making in the interest of the Company and its shareholders.

Resolution Nos. 11 & 12 if passed, will authorise Mr. Leou Thiam Lai and Datuk Zainun Aishah binti Ahmad to continue in office as Independent Non-Executive Directors of the Company until the conclusion of the next AGM of the Company.