

NOTICE OF THE THIRTY-THIRD ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Thirty-Third Annual General Meeting of the Company will be held at Tawau Room, Ground Floor, Menara Hap Seng, Jalan P. Ramlee, 50250 Kuala Lumpur on 8 June 2017 at 2.30 p.m. for the following business:

AGENDA

- To receive the Audited Financial Statements for the financial year ended 31 December 2016 together with the Directors' and Auditors' Reports thereon. *(Please refer Note 1)*
- To approve the payment of Directors' benefits. *Ordinary Resolution 1*
- To re-elect the following Directors who retire in accordance with the Company's Constitution:
 - Datuk Ng Bee Ken, retiring in accordance with Article 77 *Ordinary Resolution 2*
 - Mr. Pan Ding, retiring in accordance with Article 77 *Ordinary Resolution 3*
 - Dato' Soo Sze Ching, retiring in accordance with Article 84 *Ordinary Resolution 4*
- To appoint Auditors of the Company for the ensuing year and to authorise the Directors to fix their remuneration. *Ordinary Resolution 5*
- As Special Business to consider and if thought fit, to pass the following Ordinary Resolutions, with or without modifications:

PROPOSED RETENTION OF INDEPENDENT NON-EXECUTIVE CHAIRMAN

Ordinary Resolution 6

"THAT subject to the passing of Ordinary Resolution 2, Datuk Ng Bee Ken be and is hereby retained as the Independent Non-Executive Chairman of the Company and he shall continue to act as an Independent Non-Executive Director notwithstanding that he has been on the Board of the Company for a cumulative term of more than nine (9) years."

AUTHORITY TO ALLOT SHARES

Ordinary Resolution 7

"THAT subject always to the Companies Act 2016 ("Act") and the approvals of the relevant authorities, the Directors be and are hereby authorised pursuant to Section 75 of the Act, to allot shares in the Company at any time until the conclusion of the next Annual General Meeting 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 pursuant to this Resolution does not exceed 10% of the total number of issued shares of the Company for the time being."

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

BY ORDER OF THE BOARD

KANG SHEW MENG SEOW FEI SAN

Secretaries
Petaling Jaya

28 April 2017

Notes:

- Pursuant to the provisions of Section 340(1) of the Companies Act 2016 ("Act"), the Company is to lay at Annual General Meeting the Audited Financial Statements and no shareholders' approval on the Audited Financial Statements is required.
- Only depositors whose names appear in the Record of Depositors as at 31 May 2017 shall be regarded as members and entitled to attend, speak and vote at the Meeting.
- A member entitled to attend, speak and vote at the Meeting is entitled to appoint a proxy or proxies to attend, speak and vote on his / her behalf. A proxy may but need not be a member of the Company.
- A member may appoint up to two (2) proxies to attend the Meeting. Where a member appoints two (2) proxies, he / she shall specify the proportions of his / her holdings to be represented by each proxy.
- Where a member of the Company is an Authorised Nominee as defined under the Securities Industry (Central Depositories) Act, 1991, it may appoint at least one (1) proxy but not more than two (2) proxies 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 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 appointer or his attorney duly authorised in writing, or if the appointer is a corporation, either under its Common Seal or under the hand of its officer or attorney duly authorised.
- The instrument appointing a proxy must be deposited at the registered office of the Company at 802, 8th Floor, Block C, Kelana Square, Jalan SS7/26, 47301 Petaling Jaya, Selangor Darul Ehsan not less than forty-eight (48) hours before the time for holding the Meeting.
- Explanatory Notes:

Ordinary Resolution 1

Pursuant to Section 230(1) of the Act, 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. The shareholders had at the Twenty-Seventh Annual General Meeting approved payment of fees to Non-Executive Directors of not more than RM200,000.00 per annum. The Directors' fees paid to Non-Executive Directors for the financial year ended 31 December 2016 is the same as financial year ended 31 December 2015 of RM132,000.00 and is within the mandated amount of RM200,000.00 per annum. Hence, no approval is to be sought unless there is any change to the fees.

As for the Directors' benefits, shareholders' approval for the benefits payable for the period from 1 January 2017 until the conclusion of next Annual General Meeting of up to RM150,000 is being sought. The benefits payable to the Directors are made up of the following:

- Meeting allowance for each Board / Board Committee / general meeting attended at RM1,000 per meeting (for both Executive and Non-Executive Directors); and
- A sum of RM5,003 per annum per person for two (2) Directors of a sub-subsidiary of the Group, i.e. Top Textile (Suzhou) Co., Ltd. in relation to contribution for a defined contribution plan, medical, unemployment, workers compensation and maternity insurance schemes.

The Board will seek shareholders' approval at the next Annual General Meeting in the event the amount of Directors' benefits is insufficient due to an increase in Board / Board Committee meetings and/or increase in the amount of premium payable for Directors' insurance.

Ordinary Resolution 6

The Ordinary Resolution 6 is proposed pursuant to Recommendation of the Malaysian Code of Corporate Governance 2012 and if passed, will allow Datuk Ng Bee Ken to be retained and continue to act as Independent Non-Executive Chairman of the Company.

The full details of the Board's justifications for the retention of Datuk Ng Bee Ken are set out on page 26 of the Statement on Corporate Governance in the Annual Report 2016.

Ordinary Resolution 7

The Proposed Ordinary Resolution 7, if passed, will empower the Directors of the Company to allot not more than 10% of the total number of issued shares of the Company subject to approvals of all the relevant governmental and/or other regulatory bodies and for such purposes as the Directors consider would be in the interest of the Company. This authorisation will, unless revoked or varied by the Company in general meeting, expire at the next Annual General Meeting of the Company.

As at the date of printing of this Notice, no new shares in the Company were issued pursuant to the authority granted to the Directors at the Thirty-Second Annual General Meeting held on 26 May 2016 and which will lapse at the conclusion of the Thirty-Third Annual General Meeting.

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