

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Forty-Eighth (48th) Annual General Meeting (“48th AGM and/or “AGM”) of Hexza Corporation Berhad will be held at the Pusing Hall, Level 3, Kinta Riverfront Hotel & Suites, Jalan Lim Bo Seng, 30000 Ipoh, Perak Darul Ridzuan on Saturday, 25th November 2017 at 11.00 a.m.

AGENDA

As ORDINARY BUSINESS:	ORDINARY RESOLUTION (Please refer to Note 2)
1. To receive the Audited Financial Statements for the financial year ended 30 th June 2017, together with the Directors’ and Auditors’ Reports thereon.	1
2. To approve the payment of a first and final single-tier dividend of 5.0 sen per share in respect of the financial year ended 30 th June 2017.	2
3. To approve the payment of Directors’ fees of RM365,000 for the financial year ended 30 th June 2017 (2016: RM331,670).	3
4. To approve the payment of Directors’ benefits to Non-Executive Directors up to an amount of RM316,000 from 31 st January 2017 until the next AGM of the Company.	4
5. To re-elect Mr. Ooi Ying Hong, who retires in accordance with Article 78 of the Company’s Articles of Association, as a Director of the Company.	5
6. To re-appoint the following Directors, who retire at the conclusion of the Forty-Eighth (48 th) AGM of the Company, as Directors of the Company:	6
(i) Dr. Foong Weng Cheong	7
(ii) Dato’ Richard Ong Guan Seng	8
(iii) Datuk Dr. Foong Weng Sum	9
7. To re-appoint Messrs Deloitte PLT as Auditors of the Company to hold office until the conclusion of the next AGM and to authorise the Directors to fix their remuneration.	10
As SPECIAL BUSINESS , to consider and, if thought fit, pass the following ordinary resolutions:	
8. Retention of Independent Non-Executive Directors	
8.1 That subject to his re-appointment as a Director of the Company under Ordinary Resolution 6, Dato’ Richard Ong Guan Seng who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine (9) years be retained, to continue to act as an Independent Non-Executive Director of the Company.	11
8.2 That Mr. Leong Keng Yuen, who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine (9) years be retained, to continue to act as an Independent Non-Executive Director of the Company.	12
8.3 That Tuan Haji Mohd Jali @ Mohd Jalil Bin Sany, who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine (9) years be retained, to continue to act as an Independent Non-Executive Director of the Company.	13

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9. Authority to allot and issue shares in general pursuant to Section 75 of the Companies Act, 2016

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“THAT subject to the Companies Act, 2016 and the Company’s Articles of Association and approvals from Bursa Malaysia Securities Berhad, Securities Commission and other relevant governmental or regulatory authorities, the Directors be and are hereby empowered pursuant to Section 75 of the Companies Act, 2016 to allot and issue shares in the Company from time to time upon such terms and conditions and for such purposes as the Directors may in their discretion deem fit provided that the aggregate number of shares to be issued pursuant to this resolution does not exceed 10% of the total issued shares of the Company for the time being AND THAT the Directors of the Company be and are hereby empowered to obtain the approval for the listing of and quotation for the additional shares so issued on Bursa Malaysia Securities Berhad AND FURTHER THAT such authority shall continue to be in force until the conclusion of the Annual General Meeting of the Company held next after the approval was given or at the expiry of the period within which the next Annual General Meeting is required to be held after the approval was given, whichever is the earlier.”

10. To transact any other business of which due notice shall have been given in accordance with the Companies Act, 2016.

NOTICE OF DIVIDEND ENTITLEMENT AND PAYMENT DATE

NOTICE IS ALSO HEREBY GIVEN that the first and final single-tier dividend of 5.0 sen per share in respect of the financial year ended 30th June 2017, if approved by the shareholders, will be paid on 8th December 2017 to depositors who are registered in the Record of Depositors at the close of business on 29th November 2017.

A Depositor shall qualify for entitlement to the dividend only in respect of:

- a. Shares transferred into the Depositor’s Securities Account before 4.00 p.m. on 29th November 2017 in respect of ordinary transfers; and
- b. Shares bought on Bursa Malaysia Securities Berhad on a cum entitlement basis according to the Rules of Bursa Malaysia Securities Berhad.

By Order of the Board
CHAN YOKE YIN (MAICSA 7043743)
CHAN EOI LENG (MAICSA 7030866)
Chartered Secretaries

Ipoh, Perak Darul Ridzuan, Malaysia
27th October 2017

Notes:

1. PROXY

Only members whose names appear on the Record of Depositors as at 15th November 2017 shall be entitled to attend the AGM or appoint proxies in his/her stead or in the case of a corporation, a duly authorised representative to attend and to vote in his/her stead.

A member, other than an exempt authorised nominee is entitled to appoint one (1) or two (2) proxies to attend and vote instead of him/her. A proxy may but need not be a member of the Company.

Where a member appoints two (2) proxies, the appointments shall be invalid unless he/she specifies the proportions of him/her holdings to be represented by each proxy.

NOTICE OF ANNUAL GENERAL MEETING (continued)

Where a member of the Company is an Exempt Authorised Nominee which holds ordinary shares in the Company in an 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 but the proportion of holdings to be represented by each proxy must be specified.

The instrument appointing a proxy shall be in writing under the hand of the appointer or his/her attorney duly authorised in writing or if the appointer is a corporation, either under the corporation's seal or under the hand of an officer or attorney duly authorised. If under the hand of attorney/authorised officer, the Power of Attorney or Letter of Authorisation must be attached.

The instrument appointing a proxy must be deposited with the Company Secretaries, 55A Medan Ipoh 1A, Medan Ipoh Bistari, 31400 Ipoh, Perak Darul Ridzuan, Malaysia not less than forty-eight (48) hours before the time appointed for holding the Meeting. Faxed or emailed copies are not acceptable.

For verification purposes, members and proxies are required to produce their original identity card at the registration counter. No person will be allowed to register on behalf of another person even with the original identity card of that other person.

Personal Data Privacy – By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the AGM and/or any adjournment thereof, a member of the Company hereby agree and consent that any of your personal data in our possession shall be processed by us in accordance with the Personal Data Protection Act 2010. Further, you hereby warrant that relevant consent has been obtained by you for us to process any third party's personal data in accordance with the said Act.

2. AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30TH JUNE 2017

Agenda 1 is meant for discussion only as Section 340(1) of the Companies Act, 2016 only requires the Audited Financial Statements to be laid before the Company at the AGM and not shareholders' approval. Hence, Agenda 1 will not be put forward for voting.

3. FIRST AND FINAL SINGLE-TIER DIVIDEND

Section 131 of the Companies Act, 2016 states that a company may only make a distribution to the shareholders out of profits of the company available if the company is solvent. The Board of Directors having considered the available profits has decided to recommend the proposed first and final single-tier dividend for the shareholders' approval.

The Board of Directors is satisfied that the Company will be solvent as it will be able to pay its debts as and when the debts become due within twelve (12) months immediately after the distribution is made.

4. DIRECTORS' FEES AND BENEFITS

Section 230(1) of the Companies Act, 2016 provides amongst others, that "fees" of the Directors and "any benefits" payable to Directors of a listed company and its subsidiaries shall be approved at a general meeting. Pursuant thereto, shareholders' approval is sought for these payments in two (2) separate resolutions as follows:

Ordinary Resolution 2 : Payment of Directors' fees in respect of the financial year ended 30th June 2017.

Ordinary Resolution 3 : Payment of Directors' benefits for the period from 31st January 2017 until the next AGM.

Based on the Remuneration Committee's recommendation, the Board decided that the Directors' fees in respect of the financial year ended 30th June 2017 shall remain unchanged.

The Directors' benefits payable to the Non-Executive Directors for the period from 31st January 2017 until the next AGM of the Company are calculated based on the current composition of the Board and Board Committees and the number of meetings scheduled for the Board and Board Committees.

5. A) RE-ELECTION OF DIRECTOR

Mr. Ooi Ying Hong is standing for re-election as Director of the Company and being eligible has offered himself for re-election at this 48th AGM.

B) ORDINARY RESOLUTIONS 5, 6 AND 7 - RE-APPOINTMENT OF DIRECTORS

Dr. Foong Weng Cheong, Dato' Richard Ong Guan Seng and Datuk Dr. Foong Weng Sum are above 70 years of age and pursuant to the resolutions passed at the 47th AGM held on 19th November 2016, they would be retiring at the forthcoming AGM.

Section 129 of the Companies Act 1965, requires a Director who reach 70 years of age to retire annually but there is no age limit under the new Companies Act, 2016. Hence, Directors who have reached 70 years of age no longer needs to retire annually but will be subject to retirement by rotation pursuant to the Company's Articles and Association.

The Board has therefore recommended the re-appointment of Dr. Foong Weng Cheong, Dato' Richard Ong Guan Seng and Datuk Dr. Foong Weng Sum as Directors of the Company at the forthcoming 48th AGM to hold office until their retirement in accordance with the Company's Articles of Association.

The Board has via the Nominating Committee conducted an assessment on the effectiveness and contributions of the above retiring Directors including their skills, experience, competency and commitments, and has recommended for them to be re-elected/re-appointed to the Board.

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6. RE-APPOINTMENT OF AUDITORS

The Audit Committee ("AC") has carried out an assessment of the suitability and independence of the external auditors, Deloitte PLT and was satisfied with the suitability of Deloitte PLT based on the quality of audit, performance, competency and sufficiency of resources the external audit team provided to the Group. The AC in its assessment also found Deloitte PLT to be sufficiently objective and independent.

The Board therefore approved the AC's recommendation that the re-appointment of Deloitte PLT as external auditors of the Company be put forward for the shareholders' approval at the 48th AGM.

7. RETENTION OF INDEPENDENT NON-EXECUTIVE DIRECTORS

The proposed Resolutions 9, 10 & 11, if passed, will enable the named Directors to continue to hold office as Independent Non-Executive Directors notwithstanding that they have served a cumulative term of more than nine (9) years.

In line with the Malaysian Code on Corporate Governance, the Board on the recommendation of the Nominating Committee who has carried out an assessment of the Directors has recommended that Dato' Richard Ong Guan Seng, Mr. Leong Keng Yuen and Tuan Haji Mohd Jali @ Mohd Jalil Bin Sany who have served as Directors of the Company for a cumulative term of more than nine (9) years, be retained as Independent Non-Executive Directors of the Company based on the following justifications:

- (i) They have fulfilled the criteria under the definition of Independent Director pursuant to the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.
- (ii) They each remain independent and actively participate in board discussions and provide an independent and objective voice on the Board.
- (iii) They have in depth knowledge of the Company's business operations and they are committed to devote sufficient time and attention to the Company.
- (iv) They act in the best interest of all shareholders and will provide the check and balance to the Board.

8. AUTHORITY TO ALLOT AND ISSUE SHARES IN GENERAL PURSUANT TO SECTION 75 OF THE COMPANIES ACT, 2016

The proposed Resolution 12, if passed, will empower the Directors of the Company, from the date of the above AGM until the next AGM to allot and issue shares in the Company up to an amount not exceeding in total ten per centum (10%) of the total issued shares of the Company ("Share Mandate") for the time being for such purposes as the Directors consider would be in the interests of the Company. 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.

The general mandate sought for allotment and issue of shares is a renewal of the general mandate sought in the preceding year. As at the date of Notice, no new shares in the Company were issued pursuant to the mandate granted to the Directors at the Forty-Seventh (47th) AGM held on 19th November 2016 and hence no proceeds were raised therefrom. The general mandate 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.

STATEMENT ACCOMPANYING NOTICE OF ANNUAL GENERAL MEETING

The details of Directors standing for re-election and re-appointment are set out in the Profile of Directors and the details of their interests in the securities of the Company are disclosed in this Annual Report.