



NOTICE OF ANNUAL GENERAL MEETING

ASTINO BERHAD
(523085-X)

NOTICE IS HEREBY GIVEN that the 17th Annual General Meeting ("AGM") of ASTINO BERHAD ("the Company") will be held at Melati Room, Safra Country Club, Lot 2769, Mk 1, Jalan Todak, Bandar Seberang Jaya, 13700 Seberang Jaya Tengah, Penang on Friday, 19 January 2018 at 10.30 a.m. for the following purposes: -

A G E N D A **ORDINARY BUSINESS**

- To receive the Audited Financial Statements for the year ended 31 July 2017 and Reports of the Directors and Auditors thereon.
- To approve the payment of a final single tier dividend of 1.0 sen per ordinary share in respect of the financial year ended 31 July 2017. (Resolution 1)
- To re-elect the following Directors who retire in accordance with Article 95(1) of the Company's Articles of Association, and being eligible have offered themselves for re-election: - (Resolution 2)
3.1 Dr. Cheah Soo Jin (Resolution 3)
3.2 Mr. Khong Kam Hou (Resolution 4)
- To approve the payment of Directors' Fees and Other Benefits amounting RM115,000 for the financial year ended 31st July 2017. (Resolution 5)
- To approve the payment of Directors' Other Benefits amounting to RM29,500 from 1 August 2017 to 31 January 2019. (Resolution 5)
- To re-appoint Messrs Crowe Horwath, the retiring Auditors, and to authorise the Directors to fix their remuneration. (Resolution 6)

SPECIAL BUSINESS:-

Ordinary Resolutions

To consider and if thought fit, to pass (with or without modification) the following Ordinary Resolutions:-

- Authority to issue shares pursuant to Section 75 of the Companies Act 2016 (the "Act")** (Resolution 7)

"THAT subject always to the Act, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities"), the Company Articles of Association (Constitution) and approvals of any relevant governmental and/or any regulatory authorities, where such approval is required, the Directors be and are hereby empowered pursuant to Section 75 of the Act, to issue and allot shares in the capital of the Company at any time upon such terms and conditions and for such purposes and to such person(s) whomsoever as the Directors may in their absolute discretion deem fit, provided and expedient in the interest of the Company, provided that the aggregate number of the shares issued pursuant to this resolution does not exceed ten (10) per centum of the issued share capital of the Company for the time being and THAT the Directors be and are also empowered to obtain the approval from Bursa Securities for the listing of and quotation for the additional shares so issued and THAT such authority shall continue in force until the conclusion of the next AGM of the Company."

- Proposed Renewal of Share Buy-Back Authority** (Resolution 8)

"THAT, subject to the provisions of the Act, rules, regulations, orders and guidelines made pursuant to the Act, provisions of the Company's Memorandum and Articles of Association (Constitution), Bursa Securities' Main Market Listing Requirements and approvals of any relevant governmental and/or regulatory authorities, where such approval is required, the Directors be and are hereby authorised to utilize an amount not exceeding the Company's retained profits, to purchase such number of ordinary shares of the Company provided the ordinary shares so purchased shall [in aggregate with the treasury shares as defined under Section 127 of the Act ("Treasury Shares")] then still held by the Company] not exceed ten (10) per centum of the total issued and paid-up share capital of the Company for the time being AND THAT such authority shall commence upon the passing of this resolution until the conclusion of the next AGM of the Company unless earlier revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting AND THAT the Directors may cancel the ordinary shares so purchased or retain same as Treasury Shares and may distribute the Treasury Shares as share dividend or may resell same in a manner they deem fit and expedient as prescribed by the Act and the applicable regulations and guidelines of Bursa Securities and any other relevant authorities for the time being in force AND THAT authority be and is hereby given to the Directors to take such steps as are necessary or expedient to implement, finalise and to give effect to the aforesaid transactions with full power 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 and upon such terms and conditions as the Directors may in their discretion deem fit and expedient in the best interest of the Company in accordance the Act, regulations and guidelines."

- Proposed Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature** (Resolution 9)

"THAT, subject always to the compliance with Bursa Securities' Main Market Listing Requirements, the Company's Memorandum and Articles of Association (Constitution) and all other applicable laws, guidelines, rules and regulations, approval be and is hereby given to the Company and its subsidiaries ("Astino Group") to enter into any of the category of recurrent related party transactions of a revenue or trading nature as set out in Paragraph 2.4 of Part A of the Circular/Statement to Shareholders dated 30 November 2017 with the specific related parties mentioned therein ("Proposed Mandate") which are necessary for Astino Group's day-to-day operations on terms not more favourable to the related parties than those generally available to the public and are not detrimental to the minority shareholders of the Company. THAT such authority shall commence upon the passing of this resolution and shall continue to be in force until :-

- the conclusion of the next AGM of the Company following the AGM, at which time the Proposed Mandate will lapse, unless by a resolution passed at the next AGM, the mandate is renewed; or
- the expiration of the period within which the next AGM of the Company is required to be held pursuant to Section 340(1) of the Act (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or
- revoked or varied by resolution passed by the shareholders in general meeting; whichever is the earlier.

THAT authority be and is hereby given to the Directors of the Company to complete and do all such acts and things (including executing such documents as may be required) to give effect to such transactions contemplated and/or authorised by this Ordinary Resolution."

- Continuing Office As Independent Non-Executive Director** (Resolution 10)

"THAT, subject to the passing of Ordinary Resolution 2, to retain Dr. Cheah Soo Jin, who has served for more than nine (9) years as Independent Non-Executive Director of the Company, pursuant to Practice 4.3 of the Malaysian Code on Corporate Governance 2017."

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

NOTICE IS HEREBY GIVEN that for purpose of determining a member who shall be entitled to attend this 17th AGM, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd to issue a General Meeting Record of Depositors as at 12 January 2018. Only a depositor whose name appears on the Record of Depositors as at 12 January 2018 shall be entitled to attend the said meeting or appoint proxies to attend and/or vote on his/her behalf.

NOTICE OF DIVIDEND ENTITLEMENT

NOTICE IS ALSO HEREBY GIVEN that, subject to the approval of the shareholders at the 17th Annual General Meeting, the final single tier dividend of 1.0 sen per ordinary share in respect of the financial year ended 31 July 2017 will be paid on 21 March 2018 respectively to depositors registered in the Records of Depositors on 1 March 2018.

A depositor shall qualify for entitlement only in respect of:-

- Shares transferred into the depositor's securities account before 4.00 p.m. on 1 March 2018 in respect of transfers; and
- Shares bought on Bursa Securities on a cum entitlement basis according to the Rules of Bursa Securities.

By Order of the Board

Ch'ng Lay Hoon
MAICSA 0818580
Company Secretary
Penang

30 November 2017

NOTES:

Appointment of Proxy

A member entitled to attend, speak and vote at this meeting may appoint more than one (1) proxy, who need not be a member, to attend, speak and vote in his stead. Where a member appoints more than one (1) Proxy the appointment shall be invalid unless he specifies the proportion of his holdings to be represented by each proxy.

If the appointer is a corporation, the form of proxy must be executed under its Common Seal or under the hand of its officer or attorney duly authorised.

Where a member of the Company is an exempt authorized nominee 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 exempt authorized nominee may appoint in respect of each Omnibus Account it holds.

To be valid, the duly completed form of proxy must be deposited at the Company's registered office at Suite 12A, Level 12, Menara Northam, No. 55, Jalan Sultan Ahmad Shah, 10050 Penang, not less than forty-eight (48) hours before the time stipulated for holding the meeting or adjournment thereof.

Should you desire your proxy to vote on the resolutions set out in the Notice of Meeting, please indicate with a "X" in the appropriate space. If no specific direction as to voting is given, the Proxy will vote or abstain at his discretion.

Explanatory Notes On Special Business

Authority to Issue Shares (Resolution 7)

The proposed Resolution 7, if passed, will give a renewed mandate to the Directors of the Company, from the date of above AGM, authority to issue and allot shares in the Company up to and not exceeding in total ten (10) per centum of the issued share capital of the Company for the time being, for such purposes as the Directors would consider in the best interest of the Company. This authority, unless revoked or varied by the Company at a general meeting, will expire at the conclusion of the next AGM of the Company.

As at the date of this Notice, no new shares in the Company were issued pursuant to the mandate granted to the Directors of the Company at the 16th AGM held on 20 January 2017. The renewal of the general mandate is to provide flexibility to the Company to issue new shares without the need to convene separate general meeting to obtain its shareholders' approval so as to avoid incurring additional cost and time.

At this juncture, there is no decision to issue new shares. If there should be a decision to issue new shares after the general mandate is obtained, the Company would make an announcement in respect of the purpose and utilization of the proceeds arising from such issue.

Proposed Renewal of Share Buy-Back (Resolution 8)

The proposed Resolution 8, if passed, will provide the mandate for the Company to buy back its own shares up to a limit 10% of the total issued and paid-up share capital of the Company. The explanatory notes on Resolution 7 are set out in Part B of the Circular/Statement dated 30 November 2017 accompanying the Annual Report.

Proposed Mandate for Recurrent Related Party Transactions (Resolution 9)

The proposed Resolution 9, if approved, will enable the Astino's Group to enter into recurrent related party transactions of a revenue or trading nature with related parties in accordance with paragraph 10.09 of Bursa Securities' Main Market Listing Requirements. The explanatory notes on Resolution 8 are set out in Part A of the Circular/Statement to Shareholders dated 30 November 2017 accompanying the Annual Report.

Continuing in office as Independent Non-Executive Director (Resolution 10)

The Board of Directors via the Nominating Committee assessed the independence of Dr. Cheah Soo Jin, who has served on the Board as Independent Non-Executive Director of the Company for a cumulative of more than nine (9) years and the Board has recommended that the approval of the shareholders be sought to re-appoint Dr. Cheah Soo Jin as Independent Non-Executive Director, based on the following justifications:

- He has met the criteria the independence guidelines set out in Chapter 1 of the Main Market Listing Requirements of Bursa Securities and therefore able to give independent opinion to the Board;
- Being director for more than nine (9) years have enabled him to contribute positively during deliberations/discussions at meetings as he is familiar with the operations of the Company and possess tremendous knowledge of the Company's operations;
- He has the caliber, qualifications, experiences and personal qualities to challenge management in an effective and constructive manner; and
- He has contributed sufficient time and exercised due care during his tenure as Independent Non-Executive Director and carried out his fiduciary duties in the interest of the Company and minority shareholders.