

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Fifteenth Annual General Meeting of the Company will be held Exec Boardroom, Level 2, Renaissance Johor Bahru Hotel, 2, Jalan Permas 11, Bandar Baru Permas Jaya, 81750 Masai, Johor Darul Takzim, Malaysia on Tuesday, 15 May 2018 at 10:00 a.m. for the following purposes:-

AGENDA

- To receive the Audited Financial Statements for the financial year ended 31 December 2017 together with the Reports of the Directors and the Auditors thereon. **(Note A)**
- To approve the payment of Directors' fees and Directors' benefits to the Directors of the Company payable for the financial year ended 31 December 2017. **(Resolution 1)**
- To approve the payment of Directors' fees and Directors' benefits to the Directors of the Company payable from 1 January 2018 until the next Annual General Meeting of the Company. **(Resolution 2)**
- To re-elect Chan Choong Kong, who is due to retire pursuant to Article 121 of the Company's Articles of Association, and being eligible, has offered himself for re-election. **(Resolution 3)**
- To re-elect Chew Hoy Ping, who is due to retire pursuant to Article 126 of the Company's Articles of Association, and being eligible, has offered himself for re-election. **(Resolution 4)**
- To re-appoint Messrs. Crowe Horwath as Auditors of the Company until the conclusion of the next Annual General Meeting and to authorise the Directors to fix their remuneration. **(Resolution 5)**
- AS SPECIAL BUSINESS**
To consider and, if thought fit, to pass the following Ordinary Resolutions with or without modifications:-

ORDINARY RESOLUTION 1

- AUTHORITY TO ISSUE SHARES

"**THAT**, subject 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 and/or regulatory authorities, where such approval is required, the Directors be and are hereby empowered pursuant to the Act, to issue and allot shares in the capital of 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 pursuant to this resolution does not exceed ten per centum (10%) of the total number of issued shares of the Company for the time being and 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 Malaysia Securities Berhad; and that such authority shall commence immediately upon the passing of this resolution and shall continue to be in force until the conclusion of the next Annual General Meeting of the Company."

(Resolution 6)

ORDINARY RESOLUTION 2

- RETENTION OF MR. TEE BOON HIN AS AN INDEPENDENT NON-EXECUTIVE DIRECTOR

"**THAT** Mr. Tee Boon Hin who has served the Board as an Independent Non-Executive Director of the Company for a cumulative term of nine (9) years be and is hereby retained as an Independent Non-Executive Director of the Company in accordance with the Malaysian Code on Corporate Governance 2017."

(Resolution 7)

ORDINARY RESOLUTION 3

- PROPOSED RENEWAL OF SHAREHOLDERS' MANDATES FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE

"**THAT** subject to the provisions of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("**Listing Requirements**"), approval be and is hereby given to the Company and its subsidiaries ("**Ge-Shen Group**") to enter into any of the transactions falling within the types of recurrent related party transactions of a revenue or trading nature of the Ge-Shen Group with specified classes of Related Parties (as defined in the Listing Requirements and as specified in Section 2.1.4 of the Company's Circular/Statement to Shareholders dated 16 April 2018) which are necessary for the day to day operations and are in the ordinary course of business and are carried out at arms' length basis on normal commercial terms of the Ge-Shen Group on terms not more favourable to the Related Parties than those generally available to the public and are not, in the Company's opinion, detrimental to minority shareholders of the Company and that such approval shall continue to be in force until:

- the conclusion of the next Annual General Meeting ("**AGM**") of the Company at which time it will lapse, unless by a resolution passed at the meeting, the authority is renewed;
- the expiration of the period within which the next AGM of the Company after that date it is required to be held pursuant to Section 340(2) of the Companies Act 2016 ("**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 of the Company in general meeting,

whichever is the earlier;

AND THAT the Board of Directors of the Company be and is hereby authorised to do all acts, deeds, things and execute all necessary documents as they may consider necessary or expedient in the best interest of the Company with full power to assent to any conditions, variations, modifications and/or amendments in any manner as may be required or permitted under relevant authorities and to deal with all matters in relations thereto and to take such steps and do all acts and things in any manner as they may deem necessary or expedient to implement, finalise and give full effect to the transactions contemplated and/or authorised by this Ordinary Resolution."

(Resolution 8)

ORDINARY RESOLUTION 4

- PROPOSED RENEWAL OF AUTHORITY FOR SHARE BUY-BACK

"**THAT** subject to the compliance with Section 127 of the Companies Act 2016 ("**the Act**") and all other applicable laws, rules and regulations, approval be and is hereby given to the Company, to purchase such amount of ordinary shares in the Company as may be determined by the Directors of the Company from time to time through Bursa Malaysia Securities Berhad ("**Bursa Securities**") as the Directors may deem fit and expedient in the interest of the Company provided that the aggregate number of ordinary shares to be purchased and/or held by the Company pursuant to this resolution does not exceed 10% of the existing total number of issued shares of the Company including the shares previously purchased and retained as Treasury Shares (if any) and the maximum funds to be allocated by the Company for the purpose of purchasing its own shares shall not exceed the total retained profits of the Company based on the latest audited financial statements and/or the latest unaudited financial statements (where applicable) available at the time of the purchase, upon such terms and conditions as set out in the Circular/Statement to Shareholders dated 16 April 2018.

THAT such authority shall commence immediately upon the passing of this Ordinary Resolution and until the conclusion of the next Annual General Meeting ("**AGM**") of the Company or the expiry of the period within which the next AGM is required by law to be held unless revoked or varied by Ordinary Resolution in the general meeting of the Company but so as not to prejudice the completion of a purchase made before such expiry date, in any event in accordance with the provisions of Bursa Securities Main Market Listing Requirements and any other relevant authorities.

THAT authority be and is hereby given to the Directors of the Company to decide in their absolute discretion to retain the ordinary shares in the Company so purchased by the Company as Treasury Shares and/or to cancel them and/or to resell them and/or to distribute them as share dividends in such manner as may be permitted and prescribed by the provisions of the Bursa Securities Main Market Listing Requirements and any other relevant authorities.

AND THAT authority be and is hereby given to the Directors of the Company to take all such steps as are necessary to enter into any agreements, arrangements and guarantees with any party or parties to implement, finalise and give full effect to the aforesaid with full powers to assent to any conditions, modifications, revaluations, variations and/or amendments (if any) as may be imposed by the relevant authorities and to do all such acts and things as the Directors may deem fit and expedient in the interests of the Company."

(Resolution 9)

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

By Order of the Board

Chua Siew Chuan (MAICSA 0777689)

Mak Chooi Peng (MAICSA 7017931)

Company Secretaries

Kuala Lumpur

16 April 2018

Explanatory Notes to Special Business:

- Resolutions 1 to 2

Pursuant to Section 230(1) of the Companies Act 2016 which came into force on 31 January 2017, the fee of the Directors and any benefits payable to the Directors of a listed company and its subsidiaries shall be approved by the shareholders at a general meeting. In this respect, Ordinary Resolution 1 and Ordinary Resolution 2, if approved, will allow the Company to pay Directors' fees and any benefits to the Directors for the financial year ended 31 December 2017 and from 1 January 2018 until next year Annual General Meeting of the Company respectively.

The proposed Directors' benefits payable comprise meeting allowances of RM1,000.00 per meeting.

The total estimated amount of Directors' benefits payable is calculated based on the estimated number of Board and Board Committee meetings from 1 January 2018 until the next Annual General Meeting of the Company.

The payment of meeting allowance to the Directors will be made by the Company as and when incurred. The Board is of the view that it is fair and equitable for the Directors to be paid the meeting allowance, given that they have fully discharged their responsibilities and provided their services to the Company for the said period.

- Resolution 6

The Company wishes to renew the mandate on the authority to issue shares pursuant to the Companies Act 2016 at the Fifteenth Annual General Meeting of the Company (hereinafter referred to as the "**General Mandate**"). The Company had been granted a general mandate by its shareholders at the Fourteenth Annual General Meeting of the Company held on 11 May 2017 (hereinafter referred to as the "**Previous Mandate**").

The Previous Mandate granted by the shareholders had not been utilised and hence no proceed was raised therefrom.

The purpose to seek the General Mandate is to provide flexibility to the Company for allotment of shares for any possible fund raising activities for the purpose of funding working capital without convening a general meeting as it would be both time and cost-consuming to organise a general meeting.

- Resolution 7

Mr. Tee Boon Hin was appointed as an Independent Non-Executive Director of the Company on 20 April 2009 and therefore, has served the Board for a cumulative term of nine (9) years. The Board of Directors of the Company through the Nomination and Remuneration Committee, after having assessed the independence of Mr. Tee Boon Hin, regards him to be independent based amongst others, the following justifications and recommends that Mr. Tee Boon Hin be retained as an Independent Non-Executive Director of the Company:-

- he fulfilled the criteria of the definition of Independent Director as stated in the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and had expressed his willingness to continue in office as an Independent Non-Executive Directors of the Company;
- his vast experience would enable him to provide the Board with a diverse set of experience, expertise and independent judgement to better manage and run the Group;
- he has served the Company as an Independent Non-Executive Director for a cumulative term of nine (9) years during which he had acted in good faith and in the best interests of the Company, exercising his independent judgement during deliberations and decision making during the Company's meetings and was familiar with the Company's business operations; and
- he has proven to be a reliable Independent Non-Executive Director with his professionalism aptitude and outlook of business perspective, devoted sufficient time and attention to his professional obligations for informed and balance decision making and had also exercised due care during his tenure in the best interests of the Company and the shareholders.

- Resolution 8

The proposed adoption of Ordinary Resolution 3 is intended to renew the Shareholders' Mandates granted by the shareholders of the Company at the Fourteenth Annual General Meeting of the Company held on 11 May 2017. The Proposed Renewal of the Existing Shareholders' Mandates will enable the Company and/or its subsidiaries to enter into recurrent related party transactions to facilitate transactions in the normal course of business of the Company and/or its subsidiaries which are transacted from time to time with the specified classes of related parties, provide that they are carried out on an arm's length basis and on normal commercial terms and are not prejudicial to the shareholders on terms no more favourable to the related parties than those generally available to the public and are not to detriment of the minority shareholders of the Company.

Please refer to the Circular/Statement to Shareholders dated 16 April 2018 for further information.

- Resolution 9

The Ordinary Resolution 4 is intended to allow the Company to purchase its own shares up to 10% of the total number of issued shares in the ordinary share capital of the Company at any time within the time period stipulated in the Bursa Malaysia Securities Berhad Main Market Listing Requirements.

Please refer to the Circular/Statement to Shareholders dated 16 April 2018 for further information.

Notes:

- This Agenda item is meant for discussion only as the provision of Section 340(1)(a) of the Companies Act 2016 ("**the Act**") does not require a formal approval from the shareholders for the Audited Financial Statements. Hence, this Agenda item is not put forward for voting.
- In respect of deposited securities, only members whose names appear in the Record of Depositors on 3 May 2018 ("**General Meeting Record of Depositors**") shall be eligible to attend, speak and vote at the Meeting.
- A member entitled to attend and vote at the Meeting is entitled to appoint more than one (1) proxy to attend and vote in his stead. A proxy may but does not need to be a member of the Company. Where a member appoints more than one (1) proxy, the appointments shall be invalid unless he specifies the proportions of his shareholdings to be represented by each proxy. A proxy appointed to attend and vote at the Meeting shall have the same rights as the member to speak at the Meeting. Notwithstanding this, a member entitled to attend and vote at the Meeting is entitled to appoint any person as his proxy to attend and vote instead of the member at the Meeting. There shall be no restriction as to the qualifications of the proxy.
- In the case of a corporate member, the instrument appointing a proxy must be either under its common seal or under the hand of its officer or attorney duly authorised.
- 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 instruments appointing a proxy must be deposited at the registered office of the Company at Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur not less than 48 hours before the time for holding the meeting or at any adjournment thereof.