

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Tenth Annual General Meeting of the Company will be held at Lot PT 7358, Kawasan Perindustrian Teluk Kalong, Mukim Teluk Kalong, 24007 Kemaman, Terengganu Darul Iman on Wednesday, 23 May 2018 at 10 a.m. to transact the following business:-

AS ORDINARY BUSINESS:-

- To receive the Audited Financial Statements for the financial year ended 31 December 2017 and the Reports of Directors and Auditors thereon. **[Please refer Explanatory Notes]**
- To re-elect En. Zahari Bin Hamzah who retires by rotation pursuant to Article 63 of the Company's Constitution. **(Resolution 1)**
- To re-elect Mr. Joel Emanuel Heaney who retires by rotation pursuant to Article 63 of the Company's Constitution. **(Resolution 2)**
- To re-elect En. Lokman Razani Bin Abdul Razak who retires by rotation pursuant to Article 63 of the Company's Constitution. **(Resolution 3)**
- To approve the payment of Directors' fees of up to RM264,000 payable to Non-Executive Directors for the period from 1 June 2018 until the conclusion of the next Annual General Meeting of the Company. **(Resolution 4)**
- To approve the payment of Directors' benefits comprising of meeting attendance allowance of RM 1,000 per meeting for each Non-Executive Member and RM 1,500 per meeting for Chairman of each Committee with effect from June 2018 until otherwise resolved. **(Resolution 5)**
- To re-appoint Messrs Folks DFK & Co as Auditors of the Company to hold office until the conclusion of the next Annual General Meeting of the Company at a remuneration to be determined by the Directors. **(Resolution 6)**

AS SPECIAL BUSINESS:-

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

- AUTHORITY FOR MR. CHAU SIK CHEONG TO CONTINUE IN OFFICE AS INDEPENDENT NON-EXECUTIVE DIRECTOR**
"THAT authority be and is hereby given to Mr. Chau Sik Cheong 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 until the conclusion of the next Annual General Meeting in accordance with Malaysian Code on Corporate Governance."
(Resolution 7)
- AUTHORITY FOR EN. LOKMAN RAZANI BIN ABDUL RAZAK TO CONTINUE IN OFFICE AS INDEPENDENT NON-EXECUTIVE DIRECTOR**
"THAT authority be and is hereby given to En. Lokman Razani Bin Abdul Razak 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 until the conclusion of the next Annual General Meeting in accordance with Malaysian Code on Corporate Governance."
(Resolution 8)
- AUTHORITY TO ALLOT AND ISSUE SHARES PURSUANT TO SECTION 75 & 76 OF THE COMPANIES ACT, 2016 ("Proposed Share Buy-Back")**
"THAT pursuant to Section 75 & 76 of the Companies Act, 2016, and subject to the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") and the approvals of the relevant governmental and/or regulatory authorities (if any), the Directors be and are hereby empowered to issue new shares in the Company at any time, to such person or persons, 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 pursuant to this resolution does not exceed ten per cent (10%) of the nominal value of the total issued and paid-up share capital of the Company at the time of issue 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 to be in force until the conclusion of the next Annual General Meeting of the Company."
(Resolution 9) [Please refer Explanatory Notes]
- PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY FOR PURCHASE OF OWN ORDINARY SHARES ("Proposed Renewal of Share Buy-Back Authority")**
"THAT subject always to the provisions of the Companies Act 2016 ("the Act"), the Company's Constitution, Bursa Malaysia Securities Berhad ("Bursa Securities") Listing Requirements and any other relevant authority, the Company be and is hereby authorized to purchase such number of ordinary shares in the Company, as may be determined by the Directors from time to time through Bursa Securities, upon such terms and conditions as the Directors may deem fit in the interest of the Company provided that:-
I. the aggregate number of ordinary shares to be purchased shall not exceed ten per cent (10%) of the issued and paid-up ordinary share capital of the Company provided that the Company continues to maintain a shareholding spread that is in compliance with the requirements of the Bursa Securities Listing Requirements after the share purchase;
II. the maximum funds to be allocated by the Company for the purpose of the Proposed Renewal of Share Buy-Back Authority shall not exceed the retained profits of the Company at the time of purchase;
III. the Directors of the Company may decide in their discretion to retain the shares purchased as treasury shares and/or to cancel them and/or to resell/transfer them and/or to distribute them as share dividends;
AND THAT authority be and is hereby given to the Directors of the Company to act and to take all such steps and to do all things as are necessary or expedient to implement and finalize to give full effect to the Proposed Renewal of Share Buy-Back Authority.
AND THAT such authority conferred by this resolution will commence immediately and shall continue to be in force until the conclusion of the next Annual General Meeting of the Company following the passing of this Ordinary Resolution, unless earlier revoked or varied by an ordinary resolution of the shareholders of the Company in a general meeting."
(Resolution 10) [Please refer Explanatory Notes]
- PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE ("Proposed Renewal of Shareholders' Mandate")**
"THAT approval be and is hereby given to the Company's subsidiary, Handal Offshore Services Sdn. Bhd. ("HOSSB") to enter into recurrent related party transactions of a revenue and trading nature and to give effect to the specific recurrent related party transactions with the related party Excell Crane & Hydraulics Inc, as set out in Section 2.2.2 of the Circular to Shareholders dated 25th April 2018, which are necessary for the day to day operations of HOSSB, provided that the transactions are undertaken in the ordinary course of business, on arms length basis, on normal commercial terms which were not more favourable to the related party than those generally available to the public and were not detrimental to the minority shareholders of the Company; and disclosure is made in the Annual Report of the aggregate value of transactions conducted pursuant to the Shareholders' Mandate during the financial year;
AND THAT such approval shall continue to be in force until:-
a) the conclusion of the next Annual General Meeting ("AGM") of the Company at which time it will lapse, unless by a resolution passed at a general meeting, the authority is renewed; or
b) the expiration of the period within the next AGM of the Company 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(3) of the Act; or
c) revoked or varied by resolution passed by the shareholders in general meeting,
whichever is the earlier,
AND FURTHER THAT the Directors of the Company be authorized to complete and do all such acts and things as they may consider expedient or necessary to give effect to the Proposed Renewal of Shareholders' Mandate."
(Resolution 11) [Please refer Explanatory Notes]
- To transact any other business of which due notice shall have been given in accordance with the Companies Act, 2016.

BY ORDER OF THE BOARD

PAULINE LYE YOKE YING (MAICSA 0798723)
LEONG OI WAH (MAICSA 7023802)
Secretaries

Kuala Lumpur
25 April 2018

Notes:

- The instrument appointing a proxy shall be in writing (in the common or usual form) under the hand of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, either under seal or under the hand of an officer or attorney duly authorised.
- A proxy may but need not be a member of the Company.
- A member entitled to attend and vote is entitled to appoint not more than two (2) proxies. Where a member appoints two (2) proxies, he shall specify the proportion of his shareholding to be represented by each proxy, failing which the appointment shall be invalid.
- To be valid, this form, duly completed must be deposited at the Share Registrar of the Company at Symphony Share Registrars Sdn. Bhd., Level 6, Symphony House, Pusat Dagangan Dana 1, Jalan PJU 1A/46, 47301 Petaling Jaya, Selangor Darul Ehsan not less than forty-eight (48) hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than twenty-four (24) hours before the time appointed for the taking of the poll, and in default the instrument of proxy shall not be treated as valid.
- Where a member of the company is an exempt authorised nominee as defined under the Depositories Act 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.
- Deponents who appear in the Record of Deponents as at 16 May 2018 shall be regarded as Members of the Company entitled to attend the Annual General Meeting or appoint a proxy to attend and vote on his behalf.

Explanatory Notes:**To receive the Audited Financial Statements**

Agenda item no. 1 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 of shareholders for the Audited Financial Statements. Hence, this item on the Agenda is not put forward for voting.

Resolution 4**Payment of Directors' fees to Non-Executive Directors**

Section 230(1) of the Companies Act, 2016 requires the fees payable to Directors of the Company be approved at a general meeting. In this respect, the Board agreed, with the Remuneration Committee's recommendation, to maintain the Directors' fees of up to RM264,000 as per previous year and that the shareholders' approval shall be sought at the 10th AGM to approve the said payment of Directors' fees for the period from 1 June 2018 until the conclusion of the next annual general meeting of the Company.

Resolution 5**Payment of Directors' benefits (excluding Directors' fees) to Non-Executive Directors**

The Directors' benefits payable comprises meeting attendance allowance of RM 1,000 per meeting for each Member and RM1,500 per meeting for Chairman of each Committee which is calculated based on the current Board size and the number of scheduled Board and Board Committee meetings with effect from June 2018 onwards until such time a revision is proposed.

Resolution 7**Authority For Mr. Chau Sik Cheong To Continue In Office As Independent Non-Executive Director**

The Board of Directors ("Board") has via the Nomination Committee conducted an annual performance evaluation and assessment of Mr. Chau Sik Cheong, who has served as Independent Non-Executive Director of the Company for a cumulative term of more than nine years, and recommended him to continue to act as Independent Non-Executive Director of the Company based on the following justifications:-

- he fulfilled the criteria under the definition of Independent Director as stated in the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Listing Requirements"), and therefore was able to bring independent and objective judgement to the Board;
- his experience in the audit and accounting industries enable him to provide the Board with a diverse set of experience, expertise, skills and competence;
- he has been with the Company for long and therefore understands the Company's business operations which enable him to participate actively and contribute during deliberations or discussions at committee and Board meetings;
- he has contributed sufficient time and efforts and attended all the Nomination Committee, Remuneration Committee, Audit Committee and Board Meetings for informed and balanced decision making; and
- he has exercised due care during his tenure as Independent Non-Executive Director of the Company and carried out his professional duties in the interest of the Company and shareholders.

The Board received performance evaluation of him and he was found to be effective in his role and he has given time commitment to attend the Company's Board meetings and performance of duties. The Board recommends that you support the resolution for the Director to continue office.

Resolution 8**Authority For En. Lokman Razani Bin Abdul Razak To Continue In Office As Independent Non-Executive Director**

The Board of Directors ("Board") has via the Nomination Committee conducted an annual performance evaluation and assessment of En. Lokman Razani Bin Abdul Razak, who has served as Independent Non-Executive Director of the Company for a cumulative term of more than nine years, and recommended him to continue to act as Independent Non-Executive Director of the Company based on the following justifications:-

- he fulfilled the criteria under the definition of Independent Director as stated in the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Listing Requirements"), and therefore was able to bring independent and objective judgement to the Board;
- his corporate experience enable him to provide the Board with a diverse set of experience, expertise, skills and competence;
- he has been with the Company for long and therefore understands the Company's business operations which enable him to participate actively and contribute during deliberations or discussions at committee and Board meetings;
- he has contributed sufficient time and efforts and attended all the Nomination Committee, Remuneration Committee, Audit Committee and Board Meetings for informed and balanced decision making; and
- he has exercised due care during his tenure as Independent Non-Executive Director of the Company and carried out his professional duties in the interest of the Company and shareholders.

The Board received performance evaluation of him and he was found to be effective in his role and he has given time commitment to attend the Company's Board meetings and performance of duties. The Board recommends that you support the resolution for the Director to continue office.

Resolution 9**Authority to Allot Shares pursuant to Section 75 & 76 of the Companies Act, 2016**

Ordinary Resolution No. 9 is proposed for the purpose of granting a general mandate ("General Mandate") and empowering the Directors of the Company, pursuant to Section 75 & 76 of the Companies Act, 2016, to issue and allot new shares in the Company from time to time provided that the aggregate number of shares issued pursuant to the General Mandate does not exceed 10% of the issued and paid-up share capital of the Company for the time being. The General Mandate, unless revoked or varied by the Company in General Meeting, will expire at the conclusion of the next Annual General Meeting of the Company.

This General Mandate will provide flexibility to the Company for any possible fund raising activities, including but not limited to further placement of shares, for purpose of funding future investment, working capital and/or acquisitions.

The General Mandate is a renewal and was not utilized earlier.

Resolution 10

Please refer to the Circular on the Proposed Renewal of Share Buy-Back Authority dated 25 April 2018 for further information.

Resolution 11

Please refer to the Circular on the Proposed Renewal of Shareholders' Mandate dated 25 April 2018 for further information.