



NOTICE OF FOURTEENTH ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the FOURTEENTH ANNUAL GENERAL MEETING of the Company will be held at Emerald Room, Level 2, The Katerina Hotel, 8 Jalan Zabedah, 83000 Batu Pahat, Johor Darul Takzim on Wednesday, 30 May 2018 at 3:00 p.m. for the following purposes:-

AGENDA

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| 1. 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. | Please refer to Explanatory Note A |
| 2. To re-elect the following Directors who retire by rotation pursuant to Article 92 of the Company's Articles of Association and being eligible, offered themselves for re-election:
(i) Mr. Tan See Khim
(ii) Mr. Lim Kim Hock | Resolution 1
Resolution 2
Resolution 3 |
| 3. To re-elect Ms. Chuah Sue Yin who retires pursuant to Article 98 of the Company's Articles of Association, and being eligible, offers herself for re-election. | |
| 4. To approve the following payment of fees and benefits to Ms. Chuah Sue Yin, the Independent Non-Executive Director:-
(i) Director's fees of RM12,000 for the period from 1 October 2017 until 31 December 2017.
(ii) Director's benefits up to an amount of RM2,800 for the period from 1 October 2017 until 30 May 2018. | Resolution 4
Resolution 5 |
| 5. To approve the payment of Directors' fees of RM252,000 in aggregate for the financial year ending 31 December 2018. | Resolution 6 |
| 6. To approve the payment of Directors' benefits up to an amount of RM28,000 in aggregate to the Non-Executive Directors from 1 June 2018 until the next Annual General Meeting of the Company in 2019. | Resolution 7 |
| 7. To re-appoint Messrs. Crowe Horwath as Auditors of the Company for the ensuing year and to authorise the Directors to fix their remuneration. | Resolution 8 |
| As Special Business
To consider and if thought fit, to pass the following Ordinary Resolutions, with or without any modifications:- | |
| 8. ORDINARY RESOLUTION
AUTHORITY TO ISSUE AND ALLOT SHARES PURSUANT TO THE COMPANIES ACT 2016
"THAT, subject always to the Companies Act 2016, the Articles of Association of the Company, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") and the approvals of the relevant governmental/regulatory authorities, where such approval is required, the Directors be and are hereby empowered, pursuant to the Companies Act 2016, to issue and allot shares in the Company at any time to such persons 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 percent (10%) of the total number of issued shares of the Company for the time being; AND THAT 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 Securities; AND FURTHER THAT such authority shall continue in force until the conclusion of the next Annual General Meeting of the Company." | Resolution 9 |
| 9. ORDINARY RESOLUTION
PROPOSED RETENTION OF MR. LIM KIM HOCK AS INDEPENDENT NON-EXECUTIVE DIRECTOR
"THAT subject to the passing of Ordinary Resolution 2, Mr. Lim Kim Hock be and is hereby retained as an Independent Non-Executive Director of the Company and to hold office until the conclusion of the next Annual General Meeting in accordance with the Malaysian Code on Corporate Governance." | Resolution 10 |
| 10. To transact any other ordinary business for which due notice has been given. | |

BY ORDER OF THE BOARD

**CHUA SIEW CHUAN (MAICSA 0777689)
TAN LEY THENG (MAICSA 7030358)**

Company Secretaries
Batu Pahat, Johor Darul Takzim
Date: 30 April 2018

EXPLANATORY NOTE A

This Agenda item is meant for discussion only, as the provision of Section 340(1)(a) of the Companies Act 2016 does not require a formal approval of the shareholders for the Audited Financial Statements. Hence, this agenda is not put forward to the shareholders for voting.

EXPLANATORY NOTES TO ORDINARY AND SPECIAL BUSINESS

1. Payment of Directors' Fees and Benefits

Section 230(1) of the Companies Act 2016 ("Act") provides amongst others, that the fees of the Directors and any benefits payable to the Directors of a listed company shall be approved at a general meeting. In this respect, the Board wishes to seek shareholders' approval for the fees and benefits payable to the Directors at the Fourteenth Annual General Meeting ("14th AGM") of the Company in Resolutions 4 to 7.

1.1 Resolutions 4 and 5 – Payment of Director's fees and benefits to Ms. Chuah Sue Yin, the Independent Non-Executive Director

At the Thirteenth Annual General Meeting ("13th AGM") of the Company held on 26 May 2017, the Company obtained the shareholders' approval for the payment of Directors' fees on current financial year basis, i.e. for financial year ended 31 December 2017. In the event the Directors' fees proposed is insufficient due to enlarged Board size, approval will be sought at the 14th AGM for additional fees to meet the shortfall.

Ms. Chuah Sue Yin ("**Ms. Chuah**") was appointed as an Independent Non-Executive Director of the Company with effect from 1 October 2017. Accordingly, she will be entitled for the Director's fees in respect of the financial year ended 31 December 2017 to be pro-rated from her date of appointment to the Board.

At the 13th AGM of the Company held on 26 May 2017, the Company also obtained the shareholders' approval for the payment of Directors' benefits to the Non-Executive Directors up to an amount of RM16,800 from 1 January 2017 until 30 May 2018, being the appointed date of holding the 14th AGM of the Company. The Directors' benefits is in respect of meeting attendance allowance per meeting day payable to each Non-Executive Director for attendance of Board and/or Board Committee meetings.

Accordingly, Ms. Chuah is entitled for the meeting attendance allowance based on the number of Board and/or Board Committee meetings attended by her during the course of period from 1 October 2017 until 30 May 2018.

1.2 Resolution 6 – Payment of Directors' fees for the financial year ending 31 December 2018

This resolution is to facilitate payment of Directors' fees on current financial year basis. In the event the Directors' fees proposed is insufficient due to enlarged Board size, approval will be sought at the next AGM for additional fees to meet the shortfall.

1.3 Resolution 7 – Payment of Directors' benefits to the Non-Executive Directors

The proposed Resolution 7, if passed, will authorise the payment of benefits to the Non-Executive Directors up to an amount of RM28,000 from 1 June 2018 until the next AGM of the Company in year 2019 ("Period"). The Directors' benefits payable for the Period comprises the meeting attendance allowance payable to the Non-Executive Directors for attendance of Board and/or Board Committee meetings, whenever meetings are called during the Period.

2. Resolution 9 – Authority to issue and allot shares pursuant to the Companies Act 2016

The proposed Resolution 9 is for the purpose of seeking a renewal of the general mandate given to the Directors of the Company to issue and allot shares as approved by the shareholders at the 13th AGM of the Company ("**Previous Mandate**").

As at the date of this Notice, no new shares were issued pursuant to the Previous Mandate and hence, no proceeds were raised therefrom.

Resolution 9, if passed, will empower the Directors of the Company pursuant to the Act, from the date of the 14th AGM of the Company, to issue and allot shares in the Company at any time to such persons in their absolute discretion without convening a general meeting provided that the aggregate number of the shares issued does not exceed ten percent (10%) of the total number of issued shares of the Company for the time being. The general mandate, unless revoked or varied at general meeting, will expire at the next AGM of the Company.

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

3. Resolution 10 – Proposed retention of Mr. Lim Kim Hock as Independent Non-Executive Director

Mr. Lim Kim Hock was appointed as Independent Non-Executive Director of the Company on 22 February 2008 and has therefore, served the Board for a cumulative term of more than nine (9) years.

In accordance with the Malaysian Code on Corporate Governance, the Board via the Nominating and Remuneration Committee after having assessed the independence of Mr. Lim Kim Hock, regarded him to be independent, based amongst others, the following justifications and recommends that the approval of the shareholders be sought to re-appoint Mr. Lim Kim Hock as Independent Non-Executive Director of the Company:-

- the aforementioned Independent Director has fulfilled the criteria under the definition of Independent Director pursuant to the Main Market Listing Requirements of Bursa Malaysia Securities Berhad;
- the aforementioned Independent Director is able to exercise independent judgement and act in the best interests of the Company;
- the aforementioned Independent Director has consistently demonstrated his independence and professionalism and effectively contributed and added value to the Company through the Board Committee that he serves as well as the Board; and
- there are significant advantages to be gained from a long-serving Independent Director who has many years of experience with incumbent knowledge of the Company and the Group's activities and corporate history, he is able to provide invaluable contributions with independence in his role as Independent Non-Executive Director.

Notes:-

1. In respect of deposited securities, only members whose names appear in the Record of Depositors on 23 May 2018 ("General Meeting Record of Depositors") shall be eligible to attend the Meeting.
2. A member of the Company who is entitled to attend and vote at the Meeting is entitled to appoint one (1) or more proxies to attend and vote in his stead. A proxy may but need not be a member of the Company and a member may appoint any person to be his/her proxy without limitation. A proxy appointed to attend and vote at the Meeting shall have the same rights as the member to speak at the Meeting.
3. Where a member appoints two (2) or more proxies, the appointment shall be invalid unless he specifies the proportion of his shareholdings to be represented by each proxy.
4. Where a member is an authorised nominee as defined under the Securities Industry (Central Depository) Act, 1991, it may appoint more than one (1) proxy in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.
5. Where a member is an exempt authorised nominee as defined under the Securities Industry (Central Depository) 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 authorised nominee may appoint in respect of each omnibus account it holds.
6. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or if the appointor is a corporation, either under the corporation's seal or under the hand of an officer or attorney duly authorised.
7. The instrument appointing a proxy shall be deposited at the Company's Registered Office at 5A, Jalan Wawasan 2, Kawasan Perindustrian Sri Gading, 83300 Batu Pahat, Johor Darul Takzim not less than forty-eight (48) hours before the time appointed of holding the above Meeting or at any adjournment thereof.