

## NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that the **THIRTIETH ANNUAL GENERAL MEETING** (“30<sup>th</sup> AGM”) of the Company will be held at the Registered Office of the Company at Lot 6, Block 44, Leboh Tiga, 90000 Sandakan, Sabah on **Friday, 22 June 2018 at 10.00 a.m.** to transact the following businesses:-

### AGENDA

1. To receive the Audited Financial Statements for the financial year ended 31 December 2017 and the Reports of the Directors and Auditors thereon. *[Please refer to Explanatory Note 1]*
2. To re-elect Mr Tan Kung Ming, who retires as a Director by rotation pursuant to Article 80 of the Company’s Articles of Association. *Resolution 1*
3. To re-elect Ms Teo Gim Suan, who retires as a Director by rotation pursuant to Article 80 of the Company’s Articles of Association. *Resolution 2*
4. To re-elect Mr Lee Kok Toong @ Lee Ming Heng who retires as a Director in accordance with Article 86 of the Company’s Articles of Association. *Resolution 3*
5. To approve the payment of Directors’ fees of RM55,000.00 for the financial year ended 31 December 2017. *Resolution 4*
6. To approve the payment of Directors’ remuneration (excluding Directors’ fees) to the Independent Non-Executive Directors up to an amount of RM102,600 from the conclusion of the 30<sup>th</sup> AGM to the next AGM of the Company. *Resolution 5*
7. To re-appoint Messrs Ernst & Young as Auditors of the Company and to authorise the Directors to fix their remuneration. *Resolution 6*

As Special Business, to consider and if thought fit, to pass the following Resolutions:

8. Continuation In Office As Independent Non-Executive Director  

“THAT approval be and is hereby given to Mr Tan Kung Ming who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine years, to continue to act as an Independent Non-Executive Director of the Company”.

*Resolution 7*  
*[Please refer to Explanatory Note 3]*
9. Authority For Directors To Issue And Allot Shares Pursuant To Section 76 Of The Companies Act 2016  

“THAT subject always to the Companies Act 2016 (“Act”), the Articles of Association of the Company and the approvals of the relevant governmental/regulatory authorities, the Directors be and are hereby empowered, pursuant to Section 76 of the Act, to issue shares in the Company from time to time to such parties and upon such terms and conditions and for such purposes as the Directors may deem fit provided that the aggregate number of shares issued pursuant to this resolution does not exceed 10% of the total number of issued shares of the Company at the time of the passing of this resolution, that the Directors be and are also empowered to obtain approval from Bursa Malaysia Securities Berhad for the listing of and quotation for additional shares so issued and that such authority shall continue in force until the conclusion of the next Annual General Meeting of the Company”.

*Resolution 8*

10. Proposed Renewal Of the Existing Shareholders' Mandate And Proposed New Shareholders' Mandate For Recurrent Related Party Transactions Of A Revenue Or Trading Nature

“THAT subject to compliance with all applicable laws, regulations and guidelines, a mandate be and is hereby given to the Company and its subsidiaries to enter into recurrent transactions of a revenue or trading nature with related parties as set out in the Circular to Shareholders dated 23 May 2018, which are necessary for the day-to-day operations and not more favourable to the related parties than those generally available to the public and are not to the detriment of the minority shareholders and that authority conferred by this resolution shall commence immediately upon the passing of this resolution;

AND THAT such mandate shall continue 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 that meeting, the authority is renewed;
- (b) the expiration of the period within which the next AGM after the 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
- (c) revoked or varied by resolution passed by the shareholders in an AGM or Extraordinary General Meeting;

whichever is the earlier

AND THAT the breakdown of the aggregate value of the recurrent related party transactions made during the financial year will be disclosed in the Company’s Annual Report based on the following information:-

- (a) the type of the recurrent related party transactions made; and
- (b) the names of the related parties involved in each type of the recurrent related party transactions made and their relationship with the Company.” **Resolution 9**

11. To transact any other business of the Company of which due notice has been given to the Company.

By Order of the Board

**Liu Yee Ling @ Annie Liu (LS0001146)**

Secretary

**Sandakan**

23 May 2018

**Notes:**

- a) *A Member of the Company entitled to attend and vote at the meeting is entitled to appoint a proxy/proxies to attend and vote in his stead. A proxy may but need not be a Member of the Company. Where a Member of the Company appoints more than one proxy, the appointments shall be invalid unless the Member specifies the proportion of his shareholdings to be represented by each proxy.*
- b) *A depositor whose name appears in the Record of Depositors as at 12 June 2018 (General Meeting Record of Depositors) shall be regarded as a Member of the Company entitled to attend, speak and vote at this 30<sup>th</sup> AGM of the Company or appoint a proxy to attend, speak and vote in his/her stead.*

- c) *The instrument appointing a proxy shall be in writing under the hand of the appointor or his attorney duly authorised in writing, or if the appointor is a corporation, either under common seal or in some other manner approved by its Board of Directors.*
- d) *The instrument appointing a proxy or a power of attorney must be deposited at the Registered Office of the Company at Lot 6, Block 44, Leboh Tiga, 90000 Sandakan, Sabah not less than 48 hours before the time set for the meeting or any adjournment thereof.*

**Explanatory Notes:**

**1. Audited Financial Statements For Financial Year Ended 31 December 2017**

*The Agenda item is meant for discussion only as it does not require shareholders' approval under the provision of Section 340(1) of the Act and is therefore not put forward for voting.*

**2. Resolution 5 - Directors' Remuneration**

*The Directors' remuneration (excluding Directors' Fees) is in respect of allowances and other emoluments payable to the Independent Non-Executive Directors. The estimated amount of RM102,600 is for a period of 12 months from the conclusion of the 30<sup>th</sup> AGM to the next AGM.*

**3. Resolution 7 – Continuation In Office As Independent Non-Executive Director**

*In relation to the proposed Resolution 7, the Board has undertaken the necessary assessment and review, and would recommend to the shareholders of the Company for Mr Tan Kung Ming, 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 based on the following justifications:*

- (a) *Mr Tan Kung Ming has fulfilled the criteria of an Independent Director in accordance with the Main Market Listing Requirements.*
- (b) *His vast experience and knowledge has equipped him with the ability to provide insights to support the Board's decision making in material matters of the Company.*
- (c) *As an Independent Director on the Board and as Chairman in several Board Committees, he has performed his professional roles and responsibilities as an Independent Director unceasingly in the best interest of the Company and its shareholders.*

**4. Resolution 8 - Authority To Directors To Issue Shares And Allot Shares Pursuant to Section 76 of the Companies Act 2016**

*The proposed Resolution 8, if passed, will empower the Directors to issue shares up to an aggregate amount not exceeding 10% of the total number of issued shares of the Company for the time being, for such purposes as the Directors consider would be in the interest of the Company. This mandate is a renewal of the last mandate granted to the Directors at the 29<sup>th</sup> AGM held on 13 June 2017 and, unless revoked or varied at a general meeting, will expire at the conclusion of the next AGM. The renewal of this 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 investment project(s), working capital and/or acquisitions.*

*As at the date of this notice, no new shares in the Company were issued pursuant to the last mandate.*

**5. Resolution 9 - Proposed Renewal Of Existing Shareholders' Mandate And Proposed New Shareholders' Mandate For Recurrent Related Party Transactions Of A Revenue Or Trading Nature**

*Please refer to the Circular to Shareholders dated 23 May 2018 for further information.*

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**STATEMENT ACCOMPANYING NOTICE OF ANNUAL GENERAL MEETING OF THE COMPANY**

*Pursuant To Paragraph 8.27(2) Of The Listing Requirements Of Bursa Malaysia Securities Berhad*

There is no person standing for election as Director of the Company at this Annual General Meeting.

Mr Lee Kok Toong @ Lee Ming Heng, aged 65, a Malaysian, who was appointed as an Independent Non-Executive Director of the Company on 30 August 2017 is eligible for re-election in accordance with Article 86 of the Company's Articles of Association. Further details of Mr Lee Kok Toong @ Lee Ming Heng are set out on page 4 of the Director's Profile in the Annual Report 2017 which was despatched to shareholders on 27 April 2018.