

## NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that the Eleventh Annual General Meeting ("AGM") of the Company will be held at the Ballroom of Tiara Melaka Golf & Country Club, Jalan Gopam, Bukit Katil, 75760 Melaka on Tuesday, 30 October 2018 at 10:00 a.m. for the following purposes:-

### AGENDA

- To receive the Audited Financial Statements for the financial year ended 31 May 2018 together with the Reports of the Directors and the Auditors thereon. (Please refer to Note 6)
- To approve the payment of a Single-Tier Final Dividend of 0.75 sen per ordinary share for the financial year ended 31 May 2018. (Resolution 1)
- To re-elect the following Directors who are retiring in accordance with Article 121 of the Company's Constitution and being eligible, have offered themselves for re-election:- (Resolution 2)
  - Datuk Seri Pang Chee Khiong; and
  - Mr. Chong Chee Siong(Resolution 3)
- To re-appoint Messrs. BDO as Auditors of the Company until the conclusion of the next AGM and to authorise the Directors to fix their remuneration. (Resolution 4)
- To approve the payment of Directors' fees amounting to RM324,000.00 for the period from 1 November 2018 to 31 October 2019. (Resolution 5)
- To approve the payment of Directors' benefits payable up to an amount of RM34,800.00 for the period from 1 November 2018 to 31 October 2019. (Resolution 6)

#### As Special Business

To consider and if thought fit, with or without any modifications, to pass the following ORDINARY RESOLUTIONS:

- Ordinary Resolution Authority to Issue Shares pursuant to the Companies Act 2016** (Resolution 7)

"THAT subject always to the Companies Act 2016 ("the Act"), the Constitution of the Company and the approvals from the relevant governmental and/or regulatory authorities, where such approval is necessary, the Directors of the Company be and are hereby authorised and empowered pursuant to Sections 75 and 76 of the Companies Act 2016, to issue and allot shares in the Company, at any time, at such price, 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 issued pursuant to this resolution does not exceed 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 Malaysia Securities Berhad ("Bursa Securities"); AND FURTHER THAT such authority shall commence immediately upon the passing of this resolution and continue to be in force until the conclusion of the next AGM of the Company."

- Ordinary Resolution Retention of Datuk Mohamad Saleh Bin Mohd. Ghazali as an Independent Director of the Company** (Resolution 8)

"THAT Datuk Mohamad Saleh bin Mohd. Ghazali, who has served as an Independent Director for a cumulative term of more than nine (9) years, be and is hereby retained an Independent Director of the Company in accordance with the Malaysian Code on Corporate Governance."

- Ordinary Resolution Retention of Chong Peng Khang as an Independent Director of the Company** (Resolution 9)

"THAT Chong Peng Khang, who has served as an Independent Director for a cumulative term of more than nine (9) years, be and is hereby retained an Independent Director of the Company in accordance with the Malaysian Code on Corporate Governance."

- Ordinary Resolution Proposed Renewal of Authority for Share Buy-Back** (Resolution 10)

"THAT, subject to Section 127 of the Act, the Constitution of the Company, Main Market Listing Requirements of Bursa Securities and all other applicable laws, rules and regulations and guidelines for the time being in force and the approvals of all relevant governmental and/or regulatory authority, approval be and is hereby given to the Company, to purchase such number of ordinary shares in the Company as may be determined by the Directors of the Company from time to time through 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 shall not exceed ten percent (10%) of the total number of issued shares of the Company as quoted on Bursa Securities as at the point of purchase; and
- the maximum funds to be allocated by the Company for the purpose of purchasing its own shares shall not exceed the aggregate of the retained profits of the Company based on the latest audited financial statements and/or the latest management accounts of the Company (where applicable) available at the time of the purchase.

THAT upon completion of the purchase by the Company of its own shares, the Directors of the Company be authorised to deal with the shares purchased in their absolute discretion in the following manner:-

- cancel all the shares so purchased; and/or
  - retain the shares so purchased in treasury for distribution as dividend to the shareholders and/or resell on the market of Bursa Securities; and/or
  - retain part thereof as treasury shares and cancel the remainder; and/or
- in any other manner as prescribed by the Act, rules, regulations and orders made pursuant to the Act and the requirements of Bursa Securities and any other relevant authority for the time being in force.

THAT such authority conferred by this resolution 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 this AGM at which such resolution was passed, at which time it will lapse, unless by an ordinary resolution passed at that meeting, the authority is renewed, either unconditionally or subject to conditions; or
- the expiration of the period within which the next AGM of the Company after that date is required by law to be held; or
- revoked or varied by an ordinary resolution passed by the shareholders of the Company at a general meeting;

whichever occurs first.

AND THAT the Directors of the Company be authorised to do all acts, deeds and things as they may consider expedient or necessary in the best interest of the Company to give full effect to the Proposed Renewal of Authority for Share Buy-Back with full powers to assent to any conditions, modifications, variations and/or amendments as may be imposed by the relevant authorities and to take all such steps, and do all such acts and things as the Board may deem fit and expedient in the best interest of the Company."

- To transact any other business of which due notice shall have been given.

### NOTICE OF DIVIDEND ENTITLEMENT

**NOTICE IS HEREBY GIVEN** that a Single-Tier Final Dividend of 0.75 sen per ordinary share in respect of the financial year ended 31 May 2018 will be payable on 28 December 2018 to depositors who are registered in the Record of Depositors at the close of business on 7 December 2018, if approved by shareholders at the forthcoming Eleventh AGM on Tuesday, 30 October 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 7 December 2018 in respect of ordinary transfers; and
- Shares bought on Bursa Securities on a cum entitlement basis according to the Rules of the Bursa Securities.

By Order of the Board

**CHUA SIEW CHUAN (MAICSA 077689)**

**TAY SEOK YIN (MAICSA 7063410)**

Company Secretaries

Melaka

28 September 2018

#### Notes:

- In respect of deposited securities, only members whose names appear in the Record of Depositors on 22 October 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 as defined under the Securities Industry (Central Depositories) Act 1991 ("SICDA") 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. Where a shareholder is an authorised nominee as defined under SICDA, it may appoint at least 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.
- The instrument appointing a proxy and the power of attorney or other authority (if any), under which it is signed or a duly notarised certified copy of that power or authority, shall be deposited at the Registered Office of the Company at No. 60-1, Jalan Lagenda 5, Taman Lagenda, 75400 Melaka not less than forty-eight (48) hours before the time for holding the Meeting or at any adjournment thereof. All resolutions set out in the Notice of the Meeting are to be voted by poll.
- Audited Financial Statements for the financial year ended 31 May 2018**  
The Agenda item is meant for discussion only, as the provision of Section 340(1)(a) of the Act does not require a formal approval of the shareholders for the Audited Financial Statements. Hence, this Agenda item is not put forward for voting.
- Explanatory Notes to Ordinary and Special Business:-
  - Payment of Directors' fees and benefits**  
Section 230(1) of the Act provides amongst others, that the fees of the directors and any benefits payable to the directors of a listed company and its subsidiaries shall be approved at a general meeting.  
In this respect, the Board wishes to seek shareholders' approval at the Eleventh AGM on the two (2) separate resolutions as below:-
    - The proposed Resolution 5 on payment of Directors' fees RM324,000.00 for the period from 1 November 2018 to 31 October 2019.
    - The proposed Resolution 6 on payment of Directors' benefits payable up to an amount of RM34,800.00 for the period from 1 November 2018 until 31 October 2019.This resolution is to facilitate payment of Directors fees and benefits on the current year financial year basis. The Directors' benefits payable comprises allowances. In the event the Directors' fees and benefits proposed are insufficient due to the enlarged Board size, approval will be sought at the next AGM for additional fees and benefits to meet the shortfall.
  - Authority to Issue Shares**  
The proposed Resolution 7 is intended to renew the authority granted to the Directors of the Company at the Tenth AGM of the Company held on 27 October 2017 to issue and allot shares of 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 10% of the total number of issued shares of the Company for the time being (hereinafter referred to as the "General Mandate").  
The General Mandate granted by the shareholders at the Tenth AGM of the Company had not been utilised and hence no proceed was raised therefrom.  
The renewal of the General Mandate will enable the Directors to take swift action for allotment of shares for any possible fund raising activities, including but not limited to further placing of shares, for the purpose of funding future investment project(s), working capital and/or acquisition(s) and to avoid delay and cost in convening general meetings to approve such issue of shares.
  - Proposed Retention of Independent Directors of the Company**  
Resolutions 8 and 9 - Datuk Mohamad Saleh Bin Mohd. Ghazali and Chong Peng Khang were appointed as Independent Non-Executive Directors of the Company on 20 October 2008, and have served on the Board of Directors ("the Board") for a cumulative term of more than nine (9) years.  
The Board through the Nomination Committee, after having assessed the independence of Datuk Mohamad Saleh Bin Mohd. Ghazali and Chong Peng Khang, regarded them to be independent based amongst others, the following justifications and the Board recommends that Datuk Mohamad Saleh Bin Mohd. Ghazali and Chong Peng Khang be retained as Independent Directors of the Company:
    - They have met the independence guidelines as set out in Chapter 1 of Main Market Listing Requirements of Bursa Securities;
    - They do not have any conflict of interest with the Company and have not been entering/are not expected to enter into contract(s) especially material contract(s) with the Company and/or its subsidiary companies; and
    - The Board is of the opinion that Datuk Mohamad Saleh Bin Mohd. Ghazali and Chong Peng Khang are important Independent Directors as they have served on the Board for many years with incumbent knowledge of the business operation of the Group and corporate history and have provided invaluable contributions to the Board in their role as Independent Directors.
  - Proposed Renewal of Authority for Share Buy-Back**  
The proposed Resolution 10, if approved, will renew the authority given to the Company to purchase its own shares up to 10% of the total number of issued ordinary shares of the Company at any time within the time period stipulated in the Main Market Listing Requirements of Bursa Securities. This authority will, unless revoked or varied at a general meeting, expire at the conclusion of the next AGM of the Company.  
The details of the proposal are set out in the Share Buy-Back Statement as set out in the Annual Report.