

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Sixteenth Annual General Meeting of the Company will be held at Training Room, Demand Options Sdn. Bhd., No. 6 & 8, Jalan Mahir 5, Kawasan Perindustrian Desa Cemerlang, 81800 Ulu Tiram, Johor Darul Takzim, Malaysia on Thursday, 23 May 2019, at 10:00 a.m. for the following purposes:-

AGENDA

1. To receive the Audited Financial Statements for the financial year ended 31 December 2018 together with the Reports of the Directors and the Auditors thereon. **(Note A)**
2. To approve the payment of Directors' fees and Directors' benefits comprising meeting allowance up to an amount of RM300,000 for the period from 24 May 2019 to 31 May 2020. **(Resolution 1)**
3. To re-elect Sa'adon Bin Samadi, 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 2)**
4. To re-elect Louis Lau Puong Kiet, 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 3)**
5. To re-appoint Messrs. Crowe Malaysia PLT as Auditors of the Company until the conclusion of the next Annual General Meeting and to authorise the Directors to fix their remuneration. **(Resolution 4)**

AS SPECIAL BUSINESS

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

6. **ORDINARY RESOLUTION**
- AUTHORITY TO ISSUE SHARES **(Resolution 5)**

"**THAT**, subject always to the Companies Act 2016 ("**the Act**"), the Constitution of the Company and the approvals of 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 the Act, to issue and allot shares in capital of 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 Annual General Meeting of the Company."

7. **ORDINARY RESOLUTION**
- RETENTION OF MR. TEE BOON HIN AS AN INDEPENDENT NON-EXECUTIVE DIRECTOR **(Resolution 6)**

"**THAT** Mr. Tee Boon Hin who has served the Board as an Independent Non-Executive Director of the Company for a cumulative term of more than 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."

8. **ORDINARY RESOLUTION**
- PROPOSED RENEWAL OF EXISTING SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE **(Resolution 7)**

"**THAT** subject to the provisions of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the Company and/or its subsidiary companies ("**the Group**") be and are hereby authorised to enter into and give effect to the recurrent related party transactions of a revenue or trading nature with the related party as set out in Section 2.4 of the Circular/Statement to Shareholders dated 25 April 2019 ("**the Related Party**") provided that such transactions are:-

 - (a) necessary for the day-to-day operations;
 - (b) undertaken in the ordinary course of business at arm's length basis and on normal commercial terms and transaction prices which are not more favourable to the Related Party than those generally available to the public; and
 - (c) are not prejudicial to the minority shareholders of the Company,

("the Renewed Shareholders' Mandate").

AND THAT the authority conferred such mandate shall commence immediately upon the passing of this ordinary resolution and 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 the meeting, the authority is renewed;
 - (b) 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 Act (but must 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 of the Company in general meeting, whichever is the earlier;
- AND THAT** the Directors of the Company be hereby authorised to complete and do all such acts and things (including executing all such documents as may be required) as they may consider expedient or necessary to give effect to the Renewed Shareholders' Mandate."

9. **ORDINARY RESOLUTION**
- PROPOSED RENEWAL OF AUTHORITY FOR THE COMPANY TO PURCHASE ITS OWN SHARES ("PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY") **(Resolution 8)**

"**THAT**, subject to Section 127 of the Act, the Constitution of the Company, Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("**Bursa Securities**") and all other applicable laws, rules and regulations and guidelines for the time being in force, 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:-

- (i) the aggregate number of ordinary shares to be purchased and/or held by the Company does 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
- (ii) 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:-

- (i) cancel all the shares so purchased; and/or
 - (ii) 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
 - (iii) 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: -

- (a) 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
- (b) the expiration of the period within which the next AGM of the Company after that date is required by law to be held; or
- (c) 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 Share Buy-Back Authority 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 they may deem fit and expedient in the best interest of the Company."

10. **SPECIAL RESOLUTION**
- PROPOSED ADOPTION OF A NEW CONSTITUTION OF THE COMPANY **(Resolution 9)**

"**THAT** approval be and is hereby given to revoke the existing Memorandum and Articles of Association of the Company in its entirety and in place thereof, a new Constitution of the Company as set out in Appendix II of the Circular/Statement to Shareholders dated 25 April 2019 be and is hereby adopted as the Constitution of the Company with immediate effect;

AND THAT the Directors of the Company be and are hereby authorised to do all such acts, deeds and things as are necessary and / or expedient in order to give full effect to the Proposed Adoption of a New Constitution of the Company ("**Proposed Adoption**") with the full power to assent to any conditions, modification, and / or amendments as may be required by any relevant authorities to give effect to the Proposed Adoption."

11. To transact any other ordinary business of which due notice has been given.

By Order of the Board

Chua Siew Chuan (MAICSA 0777689)

Yau Jye Yee (MAICSA 7059233)

Company Secretaries

Kuala Lumpur

25 April 2019

Explanatory Notes:-

1. **Resolution 1**

Pursuant to Section 230(1) of the Companies Act 2016 ("**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 by the shareholders at a general meeting.

In this respect, the proposed Resolution 1, if approved, will authorise the Company to pay Directors' fees and any benefits to the Directors for the period from 24 May 2019 to 31 May 2020 and to be payable on a monthly basis in arrears after each month of completed service of the Directors.

The proposed Directors' benefits payable comprises 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 24 May 2019 to 31 May 2020.

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.
 2. **Resolution 5**

The Company wishes to renew the mandate on the authority to issue shares pursuant to the Act at the Fifteenth AGM of the Company (hereinafter referred to as the "**General Mandate**"). The Company had been granted a general mandate by its shareholders at the Fifteenth AGM of the Company held on 15 May 2018 (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.
 3. **Resolution 6**

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 ten (10) 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 Listing Requirements 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 ten (10) 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.
 4. **Resolution 7**

The proposed Resolution 7 is intended to renew the Shareholder Mandate granted by the shareholders of the Company at the Fifteenth AGM of the Company held on 15 May 2018. The Proposed Renewed Shareholders' Mandate 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 25 April 2019 for further information.
 5. **Resolution 8**

The proposed Resolution 8 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 25 April 2019 for further information.
 6. **Resolution 9**

The proposed Resolution 9 is a Special Resolution, if passed, will bring the Company's Constitution in line with the Companies Act 2016 and the amended Main Market Listing Requirements of Bursa Securities, and to provide clarity to certain provision thereof and to render consistency throughout in order to facilitate and further enhance administrative efficiency.

In view of the substantial amendments to be made on the existing Memorandum and Articles and Association, the Board proposed that the existing Memorandum and Articles and Association be revoked in its entirety with immediate effect and by the replacement thereof with a new Constitution of the Company.

Please refer to the Circular/Statement to Shareholders dated 25 April 2019 for further information.
- Notes:
- A. This Agenda item is meant for discussion only as the provision of Section 340(1)(a) of 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.
 - B. In respect of deposited securities, only members whose names appear in the Record of Depositors on 15 May 2019 ("General Meeting Record of Depositors") shall be eligible to attend, speak and vote at the Meeting.
 - C. 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.
 - D. 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.
 - E. 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.
 - F. The instruments appointing a proxy must be deposited at the registered office of the Company at Level 7, Menara Milenium, Jalan Damansara, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur nor less than 48 hours before the time for holding the meeting or at any adjournment thereof.