



Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the 2019 Annual General Meeting ("AGM") of the Company will be held at Royal China Grand Ballroom & Banquet, No. 8, Level 6, Coliseum Square, Jalan Sultan Nazrin Shah, 30250 Ipoh, Perak Darul Ridzuan, Malaysia on Friday, 21 June 2019 at 11.30a.m. for the following purposes:

AGENDA

AS ORDINARY BUSINESS:

1. To receive the Audited Financial Statements for the financial year ended 31 December 2018, together with the Directors' and Auditors' Reports thereon.
2. To approve the payment of a final dividend of 5 sen per share under the single tier system in respect of the financial year ended 31 December 2018.
3. To approve the payment of increased Directors' fees of RM212,000 in respect of the financial year ended 31 December 2018.
4. To approve the payment of Directors' benefits to Non-Executive Directors up to an amount of RM62,600 from 22 June 2019 until the next AGM of the Company.
5. To re-elect the following Directors retiring by rotation in accordance with Article 101 of the Company's Articles of Association:
 - 5.1 Lee Sieng Tzi @ Vincent Lee
 - 5.2 Khoo Choon Yam
 - 5.3 Puan Sri Shahrizan Binti Abdullah
6. To re-appoint BDO PLT as Auditors of the Company for the financial year ending 31 December 2019 and to authorise the Directors to fix their remuneration.

AS SPECIAL BUSINESS:

7. To consider and, if thought fit, pass the following resolutions:

- 7.1 **RETENTION OF INDEPENDENT NON-EXECUTIVE DIRECTOR – KHOO CHOON YAM**
"That, subject to his re-appointment as a Director of the Company under Ordinary Resolution 5, Khoo Choon Yam, who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than twelve (12) years be retained, to continue to act as an Independent Non-Executive Director of the Company."
- 7.2 **RETENTION OF INDEPENDENT NON-EXECUTIVE DIRECTOR – NG POH TAT**
"That, Ng Poh Tat, who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine (9) years be retained, to continue to act as an Independent Non-Executive Director of the Company."
- 7.3 **PROPOSED RENEWAL OF SHARE BUY BACK AUTHORITY**
"That, subject to the Companies Act, 2016, the provisions of the Company's Memorandum and Articles of Association, the Main Market Listing Requirements ("Main LR") of Bursa Malaysia Securities Berhad ("Bursa Securities") and the approvals of all relevant governmental and/or regulatory authorities, the Company be and is hereby authorised, to the fullest extent permitted by law, to purchase such amount of ordinary shares in the Company as may be determined by the Directors of the Company from time to time through Bursa Securities upon such terms and conditions as the Directors may deem fit and expedient in the interests of the Company ("the Proposed Share Buy Back") provided that:
 - i) the aggregate number of shares purchased does not exceed 3,000,000 shares inclusive of those shares already purchased and retained in treasury, which as at 29 March 2019 amounted to 961,925 shares;
 - ii) an amount of RM6,500,000 be allocated for the Proposed Share Buy Back out of the total of the audited retained earnings as at 31 December 2018, so that the total consideration of shares purchased and held as treasury shares or cancelled at any time do not exceed RM6,500,000. The retained earnings of the Company based on the audited financial statements for the year ended 31 December 2018 is RM201,546,507;
 - iii) the Directors of the Company may decide in their absolute discretion either to retain the shares purchased as treasury shares or cancel the shares or retain part of the shares so purchased as treasury shares and cancel the remainder or to resell the shares or distribute the shares as dividends and/or in such manner as may be permitted pursuant to Section 127 of the Companies Act, 2016 and the provisions of the Main LR of Bursa Securities and any other relevant authorities.
 And that any authority conferred by this resolution may only continue to be in force until:
 - i) the conclusion of the next Annual General Meeting of the Company following the general meeting at which such resolution was passed at which time it shall lapse unless by ordinary resolution passed at that meeting, the authority is renewed, either unconditionally or subject to conditions;
 - ii) the expiration of the period within which the next Annual General Meeting after that date is required by law to be held; or
 - iii) revoked or varied by ordinary resolution passed by the shareholders in general meeting, whichever occurs first.
 And that authority be and is hereby given unconditionally and generally to the Directors of the Company to take all such steps as are necessary or expedient (including without limitation, the opening and maintaining of central depository account(s) under the Securities Industry (Central Depositories) Act, 1991, and the entering into of all other agreements, arrangements and guarantee with any party or parties) to implement, finalise and give full effect to the aforesaid purchase with full powers to assent to any conditions, modifications, revaluations, variations and/or amendments (if any) as may be imposed by the relevant authorities and with the fullest power to do all such acts and things thereafter (including without limitation, the cancellation or retention as treasury shares of all or any part of the purchased shares) in accordance with the Companies Act, 2016, the provisions of the Memorandum and Articles of Association of the Company and the Main LR and/or guidelines of Bursa Securities and all other relevant governmental and/or regulatory authorities."
- 7.4 **PROPOSED ADOPTION OF NEW CONSTITUTION OF THE COMPANY**
"That approval be and is hereby given to the Company to revoke the existing Memorandum and Articles of Association with immediate effect and in place thereof, the proposed new Constitution as set out in the Circular to Shareholders dated 26 April 2019 be and is hereby adopted as the Constitution of the Company AND THAT the Directors of the Company be and are hereby authorised to assent to any modifications, variations and/or amendments as may be required by the relevant authorities and to do all acts and things and take all such steps as may be considered necessary to give full effect to the foregoing."

8. To transact any other business of which due notice shall have been given in accordance with the Companies Act, 2016.

FURTHER NOTICE IS HEREBY GIVEN THAT only members whose names appear on the Record of Depositors as at 14 June 2019 shall be entitled to attend the AGM or appoint proxies in his/her stead or in the case of a corporation, a duly authorised representative to attend and to vote in his/her stead.

By Order of the Board

CHAN YOKE YIN
CHAN EOI LENG
Company Secretaries

Ipoh, Perak Darul Ridzuan, Malaysia
26 April 2019

NOTES:

1. PROXY

A member entitled to attend and vote at the Meeting is entitled to appoint one (1) or two (2) proxies to attend and vote instead of him. A proxy must be 18 years and above and may but need not be a member of the Company.

Where a member appoints two (2) proxies, the appointments shall be invalid unless he/she specifies the proportions of his/her holdings to be represented by each proxy.

Where a member of the Company is an Exempt Authorised Nominee which holds ordinary shares in the Company in an 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 but the proportion of holdings to be represented by each proxy must be specified.

The instrument appointing a proxy shall be in writing under the hand of the appointer or his/her attorney duly authorised in writing or if the appointer is a corporation, either under the corporation's seal or under the hand of an officer or attorney duly authorised. If under the hand of attorney/authorised officer, the Power of Attorney or Letter of Authorisation must be attached.

The instrument appointing a proxy must be deposited at the Registered Office of the Company, 55A, Medan Ipoh 1A, Medan Ipoh Bistari, 31400 Ipoh, Perak Darul Ridzuan, Malaysia not less than 48 hours before the time appointed for holding the Meeting. Faxed or emailed copies are not acceptable.

For verification purposes, members and proxies are required to produce their original identity card at the registration counter. No person will be allowed to register on behalf of another person even with the original identity card of that other person.

Personal Data Privacy - By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the AGM and/or any adjournment thereof, a member of the Company hereby agree and consent that any of your personal data in our possession shall be processed by us in accordance with the Personal Data Protection Act 2010. Further, you hereby warrant that relevant consent has been obtained by you for us to process any third party's personal data in accordance with the said Act.

2. AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

Agenda 1 is meant for discussion only as Section 340(1) of the Companies Act, 2016 only requires the Audited Financial Statements to be laid before the Company at the AGM and not shareholders' approval. Hence, Agenda 1 will not be put forward for polling.

3. FINAL DIVIDEND

Section 131 of the Companies Act, 2016 states that a company may only make a distribution to the shareholders out of profits of the Company available if the Company is solvent. The Board of Directors having considered the available profits has decided to recommend the proposed dividend for the shareholders' approval.

The Board of Directors is satisfied that the Company will be solvent as it will be able to pay its debts as and when the debts become due within twelve (12) months immediately after the distribution is made.

4. DIRECTORS' FEES AND BENEFITS

Section 230 (1) of the Companies Act, 2016 provides amongst others, that "fees" of the directors and "any benefits" payable to directors of a listed company and its subsidiaries shall be approved at a general meeting. Pursuant thereto, shareholders' approval is sought for these payments in two (2) separate resolutions as follows:

Resolution 2: Payment of increased Directors' fees in respect of the financial year ended 31 December 2018

Resolution 3: Payment of Directors' benefits for the financial year ending 31 December 2019 and until the next AGM

As part of its periodical review to ensure the Group remains competitive against its peers and with the heightened responsibilities and accountabilities required for Directors per current requirements under the Companies Act, 2016 the Capital Markets & Services Act 2007 and the Malaysian Code on Corporate Governance, the Board at its meeting held on 29 March 2019 approved the Remuneration Committee's recommendation that the Directors' fees per annum (p.a.) be revised as follows:

| Directors' Fees | 2015 - 2017 (RM) | 2018 (RM) |
|-------------------------|------------------|-------------|
| Non-Executive Directors | 32,000 p.a. | 33,000 p.a. |

4. DIRECTORS' FEES AND BENEFITS (Cont'd)

The Directors' benefits payable to the Non-Executive Directors for the year ending 31 December 2019 until the next AGM of the Company are calculated based on the current composition of the Board and Board Committees and the number of meetings scheduled for the Board and Board Committees.

5. RE-ELECTION OF DIRECTORS

Lee Sieng Tzi @ Vincent Lee, Khoo Choon Yam and Puan Sri Shahrizan Binti Abdullah are standing for re-election as Directors of the Company and being eligible have offered themselves for re-election at this 2019 AGM.

The Board has via the Nominating Committee conducted an assessment on the effectiveness and contributions of the said retiring Directors including their skills, experience, competency and commitment, and has recommended for them to be re-elected to the Board. The profile of the retiring Directors is set out in the Profile of Directors on page 17 to page 19 of the Annual Report 2018.

6. RE-APPOINTMENT OF AUDITORS

The Audit & Risk Management Committee ("AC") has carried out an assessment of the suitability and independence of the external auditors, BDO PLT and was satisfied with the suitability of BDO PLT based on the quality of audit, performance, competency and sufficiency of resources the external audit team provided to the Group. The AC in its assessment also found BDO PLT to be sufficiently objective and independent.

The Board therefore approved the AC's recommendation that the re-appointment of BDO PLT as external auditors of the Company be put forward for the shareholders' approval at the 2019 AGM.

7. RETENTION OF INDEPENDENT NON-EXECUTIVE DIRECTOR

The Ordinary Resolution proposed under item 7.1 and 7.2, if passed, will allow the named Directors to continue to hold office as Independent Non-Executive Directors of the Company:

In line with the Malaysian Code on Corporate Governance, the Board on the recommendation of the Nominating Committee who has carried out an assessment of the Directors has recommended that Khoo Choon Yam and Ng Poh Tat who have served as Directors of the Company for a cumulative term of more than nine (9) years, be retained as Independent Non-Executive Directors of the Company based on the following justifications:

- (i) They have fulfilled the criteria under the definition of Independent Director pursuant to the Main Market Listing Requirements of Bursa Malaysia Securities Berhad as they are independent from management.
- (ii) They have relevant experience, expertise, skills and competencies in serving the Board and remains objective in expressing their views and participating in deliberations and decision making of the Board and Board Committees.
- (iii) They have in depth knowledge of the Company's business operations and they are committed to devote sufficient time and attention to the Company.
- (iv) They act in the best interest of all shareholders and will provide the check and balance to the Board.

Pursuant to the Malaysian Code on Corporate Governance, the Company would use two-tier voting process in seeking annual shareholders' approval to retain Mr Khoo Choon Yam, who has served as an Independent Non-Executive Director for more than twelve (12) years.

8. PROPOSED RENEWAL OF SHARE BUY BACK AUTHORITY

The Ordinary Resolution proposed under item 7.3, if passed, will empower the Directors to purchase the Company's shares through Bursa Malaysia Securities Berhad up to 2.28% of the issued shares of the Company. Details of the Proposed Share Buy Back is set out in the Share Buy Back Statement of the Company, which is sent out together with the Company's 2018 Annual Report.

9. PROPOSED ADOPTION OF NEW CONSTITUTION OF THE COMPANY

The Special Resolution proposed under item 7.4, if passed, will bring the Company's Constitution in line with the enforcement of the Companies Act, 2016 and Main Market Listing Requirements issued by Bursa Malaysia Securities Berhad and to enhance administrative efficiency. The proposed new Constitution is set out in the Circular to Shareholders dated 26 April 2019.