

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 29th Annual General Meeting ("AGM") of the Company will be held at Kelawai Room, Lobby Level, Evergreen Laurel Hotel Penang, No. 53, Persiaran Gurney, 10250 Penang on 29 July 2019 at 10.30 a.m. for the following purposes: -

AGENDA

ORDINARY BUSINESS

1. To receive the Company's Audited Financial Statements for the year ended 28 February 2019 together with the Reports of Directors and Auditors thereon.
2. To re-elect the following Directors who retire in accordance with the Company's Constitution (Article 84 of the Articles of Association), and being eligible have offered themselves for re-election:
 - (a) Mr. Tan Ming Chong (Resolution 1)
 - (b) Mr. Khoo Kah Hock (Resolution 2)
3. To approve the Directors' Fees and Other Benefits of RM33,450 for the financial year ended 28 February 2019. (Resolution 3)
4. To approve the Directors' Other Benefits Payables up to an amount of RM8,250 from 30 July 2019 to the next AGM of the Company. (Resolution 4)
5. To re-appoint Messrs KPMG PLT as Auditors to hold office until the conclusion of the next AGM and to authorise the Directors to fix their remuneration. (Resolution 5)

SPECIAL BUSINESS

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

6. **Authority to Issue Shares Pursuant to the Companies Act 2016**
 "That, subject always to the Companies Act 2016 ("the Act") and the Constitution of the Company (Articles of Association) and approvals of the Bursa Malaysia Securities Berhad ("Bursa Securities") and other relevant Governmental or regulatory authorities, where such approvals are necessary, the Directors be and are hereby given full authority, pursuant to Section 75 and 76 of the Act to issue and allot shares in the capital of the Company at any time upon such terms and conditions and for such purposes as the Directors may, in their discretion, deem fit, provided that the aggregate number of the shares to be issued pursuant to this resolution does not exceed ten per centum (10%) of the issued and paid-up share capital of the Company for the time being and that such authority shall continue in force until the conclusion of the next AGM of the Company." (Resolution 6)
7. **Continuing in Office as Independent Non-Executive Directors**
 - (a) To retain the Mr. Sia Taik Hian, who has served for more than nine (9) years as Independent Non-Executive Director of the Company, pursuant to Practice 4.2 of the Malaysian Code on Corporate Governance (the "Code"). (Resolution 7)
 - (b) To retain the En Omar Bin Mohamed Said, who have served for more than nine (9) years as Independent Non-Executive Director of the Company, pursuant to Practice 4.2 of the Code. (Resolution 8)

To consider and if thought fit, to pass the following as a **Special Resolution** with or without modifications: -

8. **Proposed Adoption of New Constitution of the Company**
 "THAT approval be and is hereby given to revoke the existing Constitution of the Company with immediate effect and in place thereof, the proposed new Constitution of the Company as set out the Circular to Shareholders dated 28 June 2019 be and is hereby adopted as the Company's Constitution 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 any relevant authorities, and to do all acts and things and take all such steps as may be considered necessary to give full effects to the foregoing." (Resolution 9)
9. To transact any other ordinary business for which due notice has been given in accordance with the Act.

NOTICE IS HEREBY GIVEN that for purpose of determining a member who shall be entitled to attend this 29th AGM, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd, in accordance with the Article 62(3) of the Company's Constitution (Articles of Association) and Section 34(1) of the Securities Industry (Central Depositories) Act 1991, to issue a General Meeting Record of Depositors as at 23 July 2019. Only a depositor whose name appears on the Record of Depositors as at 23 July 2019 shall be entitled to attend the said meeting or appoint proxies to attend and/or vote on his/her behalf.

By Order of the Board

Ch'ng Lay Hoon
Company Secretary

Penang
28 June 2019

NOTES:

- i) A member of the Company entitled to attend, speak and vote at this meeting is entitled to appoint a proxy to attend and vote in his place.
- ii) Where a member appoints more than one (1) proxy [but not more than two (2)], the appointment shall be invalid unless he specifies the proportions of his holdings to be represented by each proxy.
- iii) 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 its common seal or under the hand of its officer or attorney duly authorised.
- iv) Where a member of the Company is an exempt authorized nominee which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorized nominee may appoint in respect of each omnibus account it holds.
- v) All forms of proxy must be deposited at the Company's registered office at Suite 12A, Level 12, Menara Northam, No. 55, Jalan Sultan Ahmad Shah, 10050 Georgetown Penang, not less than forty-eight (48) hours before the time stipulated for holding the meeting or adjournment thereof.

Explanatory Note On Special Business

Ordinary Resolution 6

The proposed resolution is in relation to authority to allot shares pursuant to Section 75 and 76 of the Act, and if passed, will give a renewed mandate to the Directors of the Company, from the date of above AGM, authority to issue and allot shares in the Company up to and not exceeding in total ten per centum (10%) of the issued share capital of the Company for the time being, for such purposes as the Directors consider would be in the interest of the Company ("General Mandate"). This General Mandate, unless revoked or varied at a general meeting of the Company, will expire at the conclusion of the next AGM of the Company or the period within which the next AGM of the Company is required by law to be held whichever is the earlier.

As at the date of this Notice, no new shares in the Company were issued pursuant to the mandate granted to the Directors of the Company at the 28th AGM held on 27 July 2018 and which will lapse at the conclusion of the 29th AGM.

At this juncture, there is no decision to issue new shares. However, should the need arise to issue new shares the General Mandate would avoid any delay and costs in convening a general meeting of the Company to specifically approve such issue of share. If there should be a decision to issue new shares after the General Mandate is obtained, the Company would make an announcement in respect of the purpose and utilization of the proceeds arising from such issue.

Ordinary Resolution 7 & 8

The Board of Directors via the Nominating Committee assessed the independence of Mr. Sia Taik Hian and En Omar Bin Mohammed Said, who has served on the Board as Independent Non-Executive Directors of the Company for a cumulative of more than nine (9) years and the Board has recommended that the approval of the shareholders be sought to re-appoint Mr. Sia Taik Hian and En Omar Bin Mohammed Said, based on the following justifications: -

- (a) They have met the criteria the independence guidelines set out in Chapter 1 of the Main Market Listing Requirements of Bursa Securities and therefore able to give independent opinion to the Board;
- (b) Being Directors for more than nine (9) years have enabled them to contribute positively during deliberations/discussions at meetings as they are familiar with the operations of the Company and possess tremendous knowledge of the Company's operations;
- (c) They have the caliber, qualifications, experiences and personal qualities to challenge management in an effective and constructive manner; and
- (d) They have contributed sufficient time and exercised due care during their tenure as Independent Non-Executive Directors and carried out their fiduciary duties in the interest of the Company and minority shareholders.

Special Resolution 9: Proposed Adoption of New Constitution of the Company

The proposed adoption of new Constitution of the Company are mainly for the following purposes: -

- (a) To provide clarity and consistency with the amendments that arise from the Act effective 31 January 2017; and
- (b) To ensure compliance with the amended Bursa Securities' Main Market Listing Requirements which was issued on 29 November 2017.

In view of the substantial amount of proposed amendments to the Constitution, the Board proposed that the existing Constitution be revoked in its entirety by the replacement thereof with the Proposed New Constitution as set out in Appendix I of the Circular to Shareholders dated 28 June 2019. Thus, the shareholders' approval is sought by the Company to revoke the existing Constitution by the replacement thereof with the proposed new Constitution as per Appendix I of the Circular to Shareholders dated 28 June 2019 in accordance with Section 36(1) of the Act. The Appendix I on the Proposed New Constitution of the Company, which is circulated together with the Notice of 29th AGM dated 28 June 2019, shall take effect once the proposed Special Resolution 10 has been passed by a majority of not less than seventy-five per centum (75%) of such members who are entitled to vote and do vote in person or proxy at the 29th AGM.