

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 53rd Annual General Meeting of the Company will be held at 11.30 a.m., on Thursday, 17 October 2019 at Selangor 1 Ballroom, Dorsett Grand Subang, Jalan SS 12/1, 47500 Subang Jaya, Selangor Darul Ehsan, Malaysia to transact the following businesses:

AGENDA

AS ORDINARY BUSINESS

- To receive the Audited Financial Statements for the financial year ended 31 May 2019 together with the Reports of the Directors and the Auditors thereon. **[Please refer to Explanatory Note 1]**
- To re-elect Directors who retire pursuant to Clause 125 of the Company's Constitution:
 - Dato' Siew Ka Wei **[Ordinary Resolution 1]**
 - Abdul Latif Bin Mahamud **[Ordinary Resolution 2]**
- To approve the payment of Directors' fees of RM282,205/- for the financial year ended 31 May 2019. **[Ordinary Resolution 3]**
- To approve the payment of Directors' benefits (excluding Directors' fees) for the Non-Executive Directors of up to RM90,000/- from the date of the forthcoming annual general meeting until the next annual general meeting of the Company. **[Ordinary Resolution 4]**
- To re-appoint Messrs BDO PLT as Auditors of the Company and to authorise the Board of Directors to fix their remuneration. **[Ordinary Resolution 5]**

AS SPECIAL BUSINESS

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

- PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE ("PROPOSED RENEWAL OF RRPT MANDATE")** **[Ordinary Resolution 6]**
"THAT subject always to the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad, approval be and is hereby given to the Company and/or its subsidiaries to enter into the recurrent related party transactions of a revenue or trading nature with the related parties as specified in Section 2.4 of the Circular to Shareholders dated 25 September 2019, provided that such transactions are necessary for day-to-day operations and carried out in the ordinary course of business and at arms-length basis on normal commercial terms which are not more favourable to the related parties than those generally available to the public and are not detrimental to the interest of the minority shareholders of the Company.

AND THAT the authority conferred by such mandate shall continue to be in force until:

- the conclusion of the next annual general meeting of the Company, at which time it will lapse, unless by a resolution passed at the meeting, the authority is renewed;
- the expiration of the period within which the next annual general meeting is required to be held pursuant to Section 340(2) of the Companies Act 2016 (but must not extend to such extension as may be allowed pursuant to Section 340(4) of the Companies Act 2016); or
- revoked or varied by a resolution passed by the shareholders in general meeting,

whichever is the earlier.

AND THAT the Directors of the Company be and are hereby empowered and authorised to complete and do all such acts and things as they may consider expedient or necessary in the best interest of the Company to give effect to the Proposed Renewal of RRPT Mandate."

- PROPOSED AUTHORITY TO ISSUE AND ALLOT SHARES** **[Ordinary Resolution 7]**
"THAT subject always to the Companies Act 2016 ("Act"), the Constitution of the Company, the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad and the approvals of the relevant governmental/regulatory authorities, the Directors be and are hereby empowered pursuant to Section 75 of the Act to issue and allot shares in the Company from time to time and upon such terms and conditions, to such persons 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 ten per centum (10%) of the total number of issued shares of the Company and that such authority shall continue in force until the conclusion of the next Annual General Meeting of the Company pursuant to Section 76 of the Act, AND THAT the Directors are further authorised to do all such things and upon such terms and conditions as the Directors may deem fit and expedient in the best interest of the Company to give effect to the issuance of new shares under this resolution including making such applications to Bursa Malaysia Securities Berhad for the listing of and quotation for the additional shares so issued on Bursa Malaysia Securities Berhad pursuant to this resolution."
- CONTINUING IN OFFICE AS INDEPENDENT DIRECTORS**
 - "THAT approval be and is hereby given to Lim Hock Chye, who has served as an Independent Director of the Company for a cumulative term of more than twelve (12) years, to continue to serve as an Independent Director of the Company until the conclusion of the next Annual General Meeting in accordance with the Malaysian Code on Corporate Governance." **[Ordinary Resolution 8]**
 - "THAT approval be and is hereby given to Safrizal Bin Mohd Said, who has served as an Independent Director of the Company for a cumulative term of more than twelve (12) years, to continue to serve as an Independent Director of the Company until the conclusion of the next Annual General Meeting in accordance with the Malaysian Code on Corporate Governance." **[Ordinary Resolution 9]**
- OTHER ORDINARY BUSINESS**
To transact any other business which due notice shall have been given in accordance with the Constitution of the Company and the Companies Act 2016.

By Order of the Board,

CHOO SE ENG (MIA 5876)
STEPHEN GEH SIM WHYIE (MICPA 1810)
Secretaries

Petaling Jaya
25 September 2019

NOTES:

- A member, including an authorised nominee, entitled to attend, speak and vote at the Meeting may appoint not more than two (2) proxies to attend, speak and vote for him. A proxy may but need not be a member of the Company. There is no restriction as to the qualification of the proxy.

- Where a member is an exempt authorised nominee as defined under the Securities Industry (Central Depositories) Act, 1991 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 member, an authorised nominee or an exempt authorised nominee appoints more than one (1) proxy, the appointment shall be invalid unless he specifies the proportion of his holding to be represented by each proxy in the Proxy Form.
- In respect of deposited securities, only members whose names appear in the Record of Depositors on 10 October 2019 (General Meeting Records of Depositories) shall be eligible to attend, speak and vote or appoint proxy to attend, speak and vote on his behalf at the Meeting.
- The Proxy Form must be deposited at the Company's Share Registrar's office at Tricor Investor & Issuing House Services Sdn. Bhd. at Unit 32-01 Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia, or alternatively, at Tricor Customer Service Centre, Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia at least forty-eight (48) hours before the time appointed for holding the Meeting or adjourned meeting, otherwise, the Proxy Form shall not be treated as valid. If you are an individual shareholder, you can also lodge the Proxy Form electronically via TIH Online at website: <https://tih.online> before the proxy appointment cut off time as mentioned above. For further information on the electronic lodgement of Proxy Form, please refer the Annexure to the Company's Notice for 2019 Annual General Meeting dated 25 September 2019.
- A member may give the Company notice of termination of a person's authority to act as proxy not less than twenty-four (24) hours before the time appointed for holding the Meeting. The notice of termination must be in writing and be deposited at the Share Registrar's office as indicated above.
- Pursuant to Rule 8.31A(1) of ACE Market Listing Requirements of Bursa Malaysia Securities Berhad, all resolutions set out in this Notice will be put to vote by poll.

EXPLANATORY NOTES:

- Item 1 of the Agenda – Audited Financial Statements for the financial year ended 31 May 2019**
This Agenda item is meant for discussion only as the provision of Section 340(1)(a) of the Companies Act 2016 does not require a formal approval of the shareholders for the Audited Financial Statements. Hence, this Agenda item is not put forward for voting.

- Ordinary Resolution 3 – Directors' fees**
The Directors' fees for the Non-Executive Directors ("NED") had not been increased for the financial year ended ("FYE") 2019 as compared with the Directors' fees for the FYE2018, following an independent Board remuneration review conducted by an external consultant in 2016. The Board of Directors ("Board") approved the Remuneration & Nomination Committee's recommendation for the Directors' fees to remain unchanged in respect of FYE2019 as the same is still competitive.

- Ordinary Resolution 4 – Directors' benefits**
Pursuant to Section 230(1) of the Companies Act 2016, the fees of the Directors and any benefits payable to the Directors of the listed company and its subsidiaries shall be approved at a general meeting. In this respect, the Board agreed that shareholders' approval shall be sought at the 53rd Annual General Meeting on the Directors' benefits (excluding Directors' fees) payable to the NED for the period from 17 October 2019, the date of this Annual General Meeting, until the next annual general meeting.

The Directors' benefits comprise the meeting attendance allowance of RM416.67 per meeting and other benefits (car, fuel, driver, allowance and other emoluments) payable to the NED.

In determining the estimated total amount of benefits (excluding Directors' fees) for the NEDs, the Board considered various factors including the number of scheduled meetings for the Board, Board Committees as well as the number of Directors involved.

- Ordinary Resolution 6 – Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature ("Proposed Renewal of RRPT Mandate")**
This proposed resolution, if passed, will allow the Group to enter into recurrent related party transactions of a revenue or trading nature with its related party in accordance with the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad. This authority, unless revoked or varied at a general meeting, will expire at the next annual general meeting of the Company.

Further details relating to this proposed resolution are set out in the Company's Circular to Shareholders dated 25 September 2019.

- Ordinary Resolution 7 – Authority to Issue and Allot Shares**
This proposed resolution, if passed, will authorise the Directors to issue and allot up to a maximum of ten per centum (10%) of the total number of issued shares of the Company for the time being for such purposes as the Directors deem fit and in the best interest of the Company. This authority, unless revoked or varied at a general meeting, will expire at the next annual general meeting of the Company.

This is the renewal of the mandate obtained from the shareholders of the Company at the last annual general meeting ("Previous Mandate"). The Previous Mandate was not utilised and accordingly no proceeds were raised. This general mandate will give flexibility to the Company for any possible fund-raising exercises including but not limited to further placement of shares for purpose of funding current and/or future investment projects, working capital, repayment of borrowings, acquisitions and/or for issuance of shares as settlement of purchase consideration or such other application as the Directors may deem fit and in the best interest of the Company.

- Ordinary Resolutions 8 and 9 – Continuing in Office as Independent Directors**
The Remuneration & Nomination Committee and the Board had assessed the independence of Lim Hock Chye and Safrizal Bin Mohd Said and recommended them to continue to act as the Independent Directors of the Company on the ground that:

- they fulfill the criteria as Independent Director as per the definitions stated in the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad and based on the peer-assessment by the Directors, the Directors are also satisfied with them appearing to demonstrate conduct and behaviour that are essential indicators of independence, and they have acted in a manner that provide the necessary check and balance in the best interest of the Company;
- they have been with the Company for more than twelve (12) years and therefore understand the Group's business operations which enable them to participate actively during deliberations or discussions at the Board and Committee meetings;
- they are knowledgeable and have applied their vast experience and due care in exercising independent judgement and bringing objectivity to the oversight function of the Board; and
- they have given time commitment to attend the Company's meetings and performance of duties and have carried out their professional duties in the interest of the Company.

The profile of Lim Hock Chye and Safrizal Bin Mohd Said are in the Board of Directors in the Company's 2019 Annual Report. The Board has decided not to adopt the 2-tier voting process for the approval to retain Lim Hock Chye and Safrizal Bin Mohd Said as Independent Directors of the Company.