

# NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that the Twenty-Eighth Annual General Meeting (“AGM”) of shareholders of Thong Guan Industries Berhad (“TGIB” or “the Company”) will be convened and held at Sapphire Hall, Purest Hotel, No. A-2 Jalan Indah 1, Taman Sejati Indah, 08000 Sungai Petani, Kedah Darul Aman, Malaysia on Monday, 22 May 2023, 11.00 am for the purpose of considering and if thought fit, passing with or without modification the resolutions set out in the notice:

## **AS ORDINARY BUSINESS**

1. To receive the Audited Financial Statements for the financial year ended 31 December 2022 and the Reports of Directors and Auditors thereon.
2. To re-elect the following Directors who retire in accordance with Clause 103 of the Company's Constitution:-
  - (a) Dato' Ang Poon Chuan Ordinary Resolution 1
  - (b) Datuk Ang Poon Seong Ordinary Resolution 2
3. To re-elect the following Directors who retire in accordance with Clause 110 of the Company's Constitution:-
  - (a) Mr Lee Kean Teong Ordinary Resolution 3
  - (b) Ms Teoh Mei Shean Ordinary Resolution 4
4. To approve the Directors' fees and benefits of up to an aggregate amount of RM920,000 for the period commencing from the next day of this AGM through to the next AGM of the Company in 2024. Ordinary Resolution 5
5. To re-appoint KPMG PLT as Auditors of the Company for the ensuing year and to authorise the Directors to fix their remuneration. Ordinary Resolution 6

## **AS SPECIAL BUSINESS**

6. **Waiver of Pre-Emptive Rights under Section 85 of The Companies Act 2016** Ordinary Resolution 7

“THAT pursuant to Section 85 of the Companies Act 2016 read together with Clause 65 of the Constitution of the Company, the shareholders of the Company do hereby waive their pre-emptive rights over (a) all new shares in the Company, (b) all options offered or to be offered pursuant to the Company's Employees' Share Option Scheme and (c) any offers, agreements, rights, options or other convertible securities of whatever kind in respect of any new shares in the Company AND THAT such new shares when issued, shall rank pari passu equally to the existing issued shares of the Company.”
7. **Power to Issue Shares Pursuant to Sections 75 and 76 of the Companies Act 2016** Ordinary Resolution 8

THAT contingent upon the passing of Ordinary Resolution 7 above and subject always to the Companies Act 2016 (“the Act”), the Constitution of the Company, the Main Market Listings Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”) and the approvals of the relevant governmental or regulatory authorities, where such approval is required, the Directors be and are hereby authorised and empowered pursuant to Sections 75 and 76 of the Act to issue and allot shares in the Company at any time, at such price, upon such terms and conditions, for such purposes and to such person or persons, as the Directors may, in their absolute discretion, deem fit and expedient in the interest of the Company, provided that the aggregate number of shares to be issued pursuant to this resolution does not exceed ten per centum (10%) of the total number of issued shares (excluding treasury shares) of the Company for the time being.

THAT the Directors are also empowered to obtain the approval from the Bursa Securities for the listing and quotation for the additional shares to be issued and THAT such authority shall continue to be in force until the conclusion of the next AGM of the Company.

FURTHER THAT the new shares to be issued shall, upon issuance and allotment, rank equally in all respects with the existing shares of the Company, save and except that they shall not be entitled to any dividends, rights, allotments and/or any other forms of distribution that which may be declared, made or paid before the date of allotment of such new shares.”

## NOTICE OF ANNUAL GENERAL MEETING (Cont'd)

### 8. **Proposed Renewal of Authority to Buy Back Its Own Shares by the Company**

Ordinary Resolution 9

"THAT subject always to the Companies Act 2016 ("the Act"), rules, regulations and orders made pursuant to the Act, provisions of the Constitution of the Company and the Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad ("Bursa Securities") and any other relevant authorities, the Directors of the Company be hereby unconditionally and generally authorised to make purchases of ordinary shares in the Company's total number of issued shares through the Bursa Securities at any time and upon such terms and conditions and for such purposes as the Directors may, in their discretion deem fit, subject to the following:-

- i) the aggregate number of ordinary shares which may be purchased and/or held by the Company shall be ten per centum (10%) of the total number of issued shares of the Company for the time being ("TGIB Shares");
- ii) the amount of fund to be allocated by the Company for the purpose of purchasing the TGIB Shares shall not exceed the aggregate of the retained profits of RM28.6 million of the Company as at 31 December 2022;
- iii) the authority conferred by this Resolution will be effective immediately upon the passing of this Resolution and will continue in force until:
  - a) the conclusion of the next AGM of the Company, unless by ordinary resolution passed at the meeting, the authority is renewed, either unconditionally or subject to conditions;
  - b) the expiration of the period within which the next AGM is required by law to be held (unless earlier revoked or varied by ordinary resolution of the shareholders of the Company in general meeting) but not so as to prejudice the completion of purchase(s) by the Company made before the aforesaid expiry date and, in any event, in accordance with the MMLR of the Bursa Securities or any other relevant authorities;
- iv) upon completion of the purchase(s) of the TGIB Shares by the Company, the Directors of the Company be hereby authorised to deal with the TGIB Shares in the following manner:
  - a) to cancel the TGIB Shares so purchased; or
  - b) to retain the TGIB Shares so purchased as treasury shares for distribution as dividend to the shareholders and/or resale on the market of Bursa Securities and/or for cancellation subsequently; or
  - c) to retain part of the TGIB Shares so purchased as treasury shares and cancel the remainder; or
  - d) in such other manner as the Bursa Securities and such other relevant authorities may allow from time to time.

AND THAT the Directors of the Company be and are hereby authorised to take all such actions and steps as are necessary or expedient to implement or to effect the purchase of TGIB shares."

### 9. **Proposed New and Renewal of Shareholders' Mandate for Recurrent Related Party Transactions for the Company and/or its subsidiaries** Ordinary Resolution 10

"THAT subject to the provisions of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, approval be and is hereby given to the Company and/or its subsidiaries ("TGIB Group") to enter into recurrent related party transactions of a revenue or trading nature as set out in the Circular to Shareholders dated 28 April 2023 which transactions are necessary for the day-to-day operations in the ordinary course of business of TGIB Group on terms not more favourable to the related parties than those generally available to the public and are not to the detriment of the minority shareholders of the Company.

AND THAT, such approval, shall continue to be in force until:

- (a) the conclusion of the next AGM of the Company at which time it will lapse, unless by a resolution passed at the next AGM, the authority is renewed;
- (b) the expiration of the period within which the next AGM after the date it is required to be held pursuant to Section 340(2) of the Companies Act 2016 ("the Act") (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or

## NOTICE OF ANNUAL GENERAL MEETING (Cont'd)

9. **Proposed New and Renewal of Shareholders' Mandate for Recurrent Related Party Transactions for the Company and/or its subsidiaries (Cont'd)** Ordinary Resolution 10

AND THAT, such approval, shall continue to be in force until:

(c) revoked or varied by resolution passed by the shareholders of the Company in a general meeting, whichever is earlier.

FURTHER THAT the Directors of the Company be and are hereby authorised to do all acts, deeds, things and execute all necessary documents as they may consider necessary or expedient in the best interest of the Company with full powers to assent to any conditions, variations, modifications and/or amendments in any manner as may be required or permitted under relevant authorities to give full effect to the Proposed New and Renewal of Shareholders' Mandate for Recurrent Related Party Transactions for TGIB Group."

10. To transact any other business of which due notice shall have been given in accordance with the Company's Constitution.

By Order of the Board

ONG TZE-EN (MAICSA 7026537) (SSM PC NO. 202008003397)  
LAU YOKE LENG (MAICSA 7034778) (SSM PC NO. 202008003368)  
Joint Company Secretaries  
Penang, 28 April 2023

### Notes on proxy and voting:

1. A proxy may but need not be a member of the Company.
2. For a proxy to be valid, the Form of Proxy duly completed must be deposited at the Registered Office of the Company at 170-09-01 Livingston Tower, Jalan Argyll, 10050 George Town, Penang, Malaysia not less than forty-eight (48) hours before the time for holding the meeting PROVIDED that in the event the member(s) duly executes the Form of Proxy but does not name any proxy, such member(s) shall be deemed to have appointed the Chairman of the meeting as his/their proxy, provided always that the rest of the Form of Proxy, other than the particulars of the proxy have been duly completed by the member(s). Alternatively, you may submit your Form of Proxy electronically ("E-proxy") via [www.agriteum.com.my](http://www.agriteum.com.my). For further information on the E-proxy, kindly refer to the Annexure of Form of Proxy.
3. A member entitled to attend and vote is entitled to appoint not more than two (2) proxies to attend and vote in his stead. Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he specifies the proportions of his holdings to be represented by each proxy. A proxy appointed to attend and vote at a meeting of the Company shall have the same rights as the member to speak at the meeting.
4. Where a member of the Company is an authorised nominee as defined under the Securities Industries (Central Depositories) Act, 1991 ("SICDA"), it may appoint not more than two (2) proxies in respect of each securities account it may hold with ordinary shares of the Company standing to the credit of the said securities account.
5. Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("omnibus account"), there shall be no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds. An exempt authorised nominee refers to an authorized nominee defined under the SICDA which is exempted from compliance with the provisions of subsection 25A(1) of SICDA.
6. If the appointer is a corporation, the Form of Proxy must be executed under the corporation's common seal or under the hand of an officer or an attorney duly authorised.
7. In respect of deposited securities, only a Depositor whose name appears on the Record of Depositors on **12 May 2023** (General Meeting Record of Depositors) shall be eligible to attend the meeting or appoint proxy to attend and/or vote on his/her behalf.
8. Please follow the procedures provided in the Administrative Guide for the AGM in order to register and participate in the meeting.

# NOTICE OF ANNUAL GENERAL MEETING (Cont'd)

## Explanatory Notes:

### 1. **Ordinary Resolutions 1 and 2 : Re-elect Directors who retire in accordance with Clause 103 of the Company's Constitution**

The profiles of the Directors standing for re-election under Ordinary Resolutions 1 and 2 are set out under Profile of Directors in the Annual Report 2022. The Board of Directors ("Board") approved the recommendations from the Nomination Committee and is supportive of the re-election of the retiring Directors based on the justifications below. The retiring Directors do not have any conflict of interest with the Company and its subsidiaries ("the Group") and had abstained from deliberation and decision making on their own eligibility to stand for re-election at Board meetings.

1.1 **Dato' Ang Poon Chuan** is the Managing Director. He has shown exemplary leadership in managing businesses and creating value by expanding the Group to what it is today and lead the Group to achieve continued double-digit growth. He has contributed significantly to the Group by steering the Group forward with notable achievements during his tenure as Managing Director.

1.2 **Datuk Ang Poon Seong** is the Executive Director. He leads business development and oversees the entire operations in the East Malaysia.

### 2. **Ordinary Resolutions 3 and 4 : Re-elect Directors who retire in accordance with Clause 110 of the Company's Constitution**

The profiles of the Directors standing for re-election under Ordinary Resolutions 3 and 4 are set out under Profile of Directors in the Annual Report 2022. The Independent Non-Executive Directors ("INEDs") had provided annual declaration / confirmation of independence. The Board approved the recommendations from the Nomination Committee and is supportive of the re-election of the retiring Directors based on the justifications below. The retiring Directors do not have any conflict of interest with the Group and had abstained from deliberation and decision making on their own eligibility to stand for re-election at both Nomination Committee and Board meetings.

**Mr Lee Kean Teong** and **Ms Teoh Mei Shean** are the INEDs of the Company. Both have fulfilled the requirements on independence as set out in the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") ("MMLR"). As both of them were newly appointed on 28 November 2022, the Board concurred with the Nomination Committee that both should be given opportunity to contribute to the Group.

### 3. **Ordinary Resolution 5 : Directors' fees and benefits**

The Board seeks shareholders' approval on the Directors' fees and benefits payable for the Directors which have been reviewed by the Remuneration Committee and the Board, which recognises that the fees and benefits payable is in the best interest of the Company. The quantum of Directors' fees and benefits is computed based on the anticipated number of meetings of Board and Board Committees comprising Audit Committee, Nomination Committee and Remuneration Committee, assuming full attendance by all the Directors. The amount also includes a contingency sum to cater for unforeseen circumstances such as the appointment of any additional Director, additional unscheduled meetings of Board and Board Committees. The relevant fees and benefits will be paid to the Directors upon completion of service by the said Directors. The benefits comprise of meeting allowance and Board Committee allowances. This approval shall continue to be in force until the conclusion of the next Annual General Meeting ("AGM") of the Company. Details of Directors' fees and benefits paid/payable for the financial year ended 31 December 2022 are detailed in the Corporate Governance Overview Statement in the Annual Report 2022 and Corporate Governance Report.

### 4. **Ordinary Resolution 7 : waiver of the pre-emptive rights under Section 85 of the Companies Act 2016**

Pursuant to Section 85 of the Companies Act 2016 read together with Clause 65 of the Company's Constitution, shareholders have pre-emptive rights to be offered any new shares in the Company which rank equally to the existing issued shares in the Company or other convertible securities.

In order for the Board to issue (a) all new shares in the Company, (b) all options offered or to be offered pursuant to the Company's Employees' Share Option Scheme ("ESOS Options") and (c) any offers, agreements, rights, options or other convertible securities of whatever kind in respect of any new shares in the Company free of pre-emptive rights, such pre-emptive rights must be waived. The Ordinary Resolution, if passed, will exclude the shareholders' pre-emptive rights over all new shares in the Company, ESOS Options and any offers, agreements, rights, options or other convertible securities of whatever kind in the Company.

### 5. **Ordinary Resolution 8 : Power to Issue Shares Pursuant to Sections 75 and 76 of the Companies Act 2016 ("the Act")**

This Ordinary Resolution is for the purpose of granting a renewed general mandate ("General Mandate") and if passed, will give authority to the Board to allot and issue shares up to a maximum of ten per centum (10%) of the total number of issued shares of the Company at any time in their absolute discretion and that such authority shall continue in force until the conclusion of the next AGM of the Company or the expiration of the period within which the next AGM is required by law to be held or revoked/varied by resolution passed by the shareholders in general meeting 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 at the last AGM held on 27 May 2022 and which will lapse at the conclusion of the 28th AGM.

# NOTICE OF ANNUAL GENERAL MEETING (Cont'd)

## Explanatory Notes: (Cont'd)

**5. Ordinary Resolution 8 : Power to Issue Shares Pursuant to Sections 75 and 76 of the Companies Act 2016 ("the Act")**

This General Mandate will provide flexibility to the Company for any possible fund-raising activities, including but not limited to further placing of shares, for purpose of funding future investment project(s), working capital and/or acquisitions. At this juncture, there is no decision to issue new shares but the Directors consider it desirable to have the flexibility permitted to respond to market developments and to enable allotments to take place to finance business opportunities without making a pre-emptive offer to existing shareholders. If there should be a decision to issue new shares after the General Mandate is obtained, the Company will make announcement in respect thereof.

**6. Ordinary Resolution 9 : Proposed Renewal of Authority to Buy Back Its Own Shares by the Company**

This Ordinary Resolution, if passed will allow the Company to purchase its own shares. The total number of shares purchased shall not exceed 10% of the total number of issued shares of the Company. This authority will, unless revoked or varied by the Company in general meeting, expires at the next AGM of the Company.

**7. Ordinary Resolution 10 : Proposed New and Renewal of Shareholders' Mandate**

This Ordinary Resolution, if passed, will approve the Proposed New and Renewal of Shareholders' Mandate for Recurrent Related Party Transactions ("RRPT") and allow the Group to enter into RRPT in accordance with Chapter 10 of the MMLR. This approval shall continue to be in force until the conclusion of the next AGM or the expiration of the period within which the next AGM is required by the law to be held or revoked/varied by resolution passed by the shareholders in general meeting whichever is the earlier.

## Statement Accompanying Notice of AGM

(Pursuant to Paragraph 8.27(2) of the MMLR of Bursa Securities)

1. No individual is standing for election as a Director at the forthcoming AGM of the Company.