



SENG FONG HOLDINGS BERHAD

Registration No.: 202101022910 (1423210-X)
(Incorporated in Malaysia)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Third (“3rd”) Annual General Meeting (“AGM”) of the Company will be held at AMES Hotel, Jalan Pkak 2, Pusat Komersial, 75450 Ayer Keroh, Melaka on Thursday, 14 November 2024 at 11.00 a.m. for the transaction of the following businesses: -

AS ORDINARY BUSINESS

- To receive the Audited Financial Statements for the financial year ended 30 June 2024 together with the Reports of the Directors and the Auditors thereon.
- To approve the following payments:
 - To approve the payment of Directors’ Fees amounting to RM405,000.00 in respect of the financial year ending 30 June 2025 and up to the next AGM, to be paid monthly in arrears. **(Ordinary Resolution 1)**
 - To approve payment of Directors’ benefits of up to RM19,200.00 for the financial year ending 30 June 2025 and up to the next AGM, to be paid monthly in arrears. **(Ordinary Resolution 2)**
- To re-elect the following Directors who retire in accordance with Clause 95 of the Company’s Constitution: -
 - Mr. E Tak Bin **(Ordinary Resolution 3)**
 - Mr. Chong Yeaw Kiong **(Ordinary Resolution 4)**
- To re-appoint Crowe Malaysia PLT as Auditors of the Company and to authorise the Directors to determine their remuneration. **(Ordinary Resolution 5)**

AS SPECIAL BUSINESS

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

- Authority to Issue Shares pursuant to the Companies Act 2016 (“the Act”) (Ordinary Resolution 6)**

“THAT pursuant to Sections 75 and 76 of the Act, Main Market Listing Requirements (“Listing Requirements”) of Bursa Malaysia Securities Berhad (“Bursa Securities”) and the approval of the relevant regulatory authorities, where such approval is required, the Directors of the Company be hereby authorised to issue and allot shares in the capital of the Company, grant rights to subscribe for shares in the Company, convert any securities into shares in the Company, or allot shares under an agreement(s) or option(s) or offer(s) (“New Shares”) from time to time, at such price, to such persons and for such purposes and upon such terms and conditions as the Directors may in their absolute discretion deem fit, provided that the aggregate number of such New Shares to be issued, to be subscribed under any rights granted, to be issued from conversion of any security, or to be issued and allotted under an agreement or option or offer, pursuant to this resolution, when aggregated with the total number of any such New Shares issued during the preceding 12 months does not exceed 10% of the total number of issued shares of the Company (excluding treasury shares, if any) for the time being (“General Mandate”).

AND THAT approval be hereby given for the pre-emptive rights of the shareholders of the Company under Section 85 of the Act read together with Clause 8 of the Constitution, over all the New Shares to be issued pursuant to and/or arising from the General Mandate ranking equally to the existing issued shares, being in proportion as nearly as the circumstances admit, to the amount of the existing shares held by the shareholders of the Company as at the date of issuance and allotment of such New Shares (“Pre-emptive Rights”), be hereby irrevocably and unconditionally waived (“Waiver of Pre-emptive Rights”).

AND THAT the Company be hereby exempted from the obligation to offer such New Shares to be issued and allotted pursuant to the General Mandate to the shareholders of the Company in accordance with the Pre-emptive Rights.

AND THAT such approval on the General Mandate shall continue to be in force until:

 - the conclusion of the next AGM of the Company held after the approval was given;
 - the expiration of the period within which the next AGM of the Company is required to be held after the approval was given; or
 - revoked or varied by resolution passed by the shareholders of the Company in a general meeting, whichever is the earlier.

AND THAT the Directors of the Company be hereby also empowered to obtain the approval from Bursa Securities for the listing of and quotation for such New Shares on the Main Market of Bursa Securities.

AND FURTHER THAT authority be hereby given to the Directors of the Company, to implement, finalise, complete and take all necessary steps and to do all acts (including execute such documents as may be required), deeds and things in relation thereto as to give effect to the General Mandate and Waiver of Pre-emptive Rights with full powers to assent to any conditions, modifications, variations and/or amendments as they may deem fit in the best interest of the Company and/or as may be imposed by the relevant authorities.”
- Proposed Renewal of Existing Shareholders’ Mandate for Recurrent Related Party Transactions of Revenue or Trading Nature (“RRPTs”) (Ordinary Resolution 7)**

“THAT pursuant to paragraph 10.09 of the Listing Requirements of Bursa Securities, approval be hereby given for the Company and its subsidiaries (“Seng Fong Group”) to enter into, and to give effect to, specified RRPT and with specified classes of the Related Parties as stated in Section 2.3 of the Circular to Shareholders dated 16 October 2024, which are necessary for the day-to-day operations, to be entered into by Seng Fong Group on the basis that these transactions are entered into on terms which are not more favourable to the Related Parties involved than generally available to the public and are not detrimental to the minority shareholders of the Company (hereinafter referred to as the “Proposed Shareholders’ Mandate”).

AND THAT the Proposed Shareholders’ Mandate is subject to annual renewal. In this respect, any authority conferred by the Proposed Shareholders’ Mandate shall only continue to be in force until:

 - the conclusion of the next AGM of the Company following the general meeting at which time the Proposed Shareholders’ Mandate has been passed, at which time they will lapse, unless by a resolution passed at the meeting, the authority is renewed; or
 - 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 Act (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or
 - revoked or varied by a resolution passed by the shareholders in general meeting, whichever is the earlier;

AND FURTHER THAT the Directors of the Company and/or any of them be hereby authorised to complete and do all such acts and things (including executing such documents as may be required) to give effect to the Proposed Shareholders’ Mandate.”
- To transact any other business of the Company of which due notice shall have been given.

BY ORDER OF THE BOARD,

Pang Kah Man
SSM PC No.: 202008000183
MIA No.: 18831
Company Secretary

Muar, Johor Darul Takzim
16 October 2024

Notes: -

- A member shall be entitled to appoint another person as his/her proxy to exercise all or any of his/her rights to attend, speak and vote in his/her stead pursuant to Section 334 of the Act. There shall be no restriction as to the qualification of the proxy.
- The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarial certified copy of that power of attorney, must be deposited at the registered office of the Company at No. 2 (1st Floor), Jalan Marin, Taman Marin, Jalan Haji Abdullah, Sungai Abong, 84000 Muar, Johor not less than twenty-four (24) hours before the time appointed for holding this meeting or any adjournment thereof as Paragraph 8.29A(1) of the Listing Requirements of Bursa Securities requires all resolutions set out in the Notice of 3rd AGM to vote by way of poll. Alternatively, the form of proxy can be lodged electronically via TIH Online website at <https://tjh.online>. Please refer to the Administrative Guide for the 3rd AGM on the procedures for electronic submission of Proxy Form.
- 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/her 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).
- Where a member appoints more than 1 proxy, the appointment shall be invalid unless he/she specifies the proportion of his/her shareholdings to be represented by each proxy.

- If the appointer is a corporation, the instrument must be executed under its Common Seal or under the hand of an attorney so authorised.
- 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 Exempted Authorised Nominee may appoint in respect of each Omnibus Account it holds.
- Only depositors whose names appear in the Register of Depositors as at 7 November 2024 shall be entitled to attend in person or appoint proxies to attend and/or vote on their behalf at the 3rd AGM.

Explanatory Notes to the Agenda

8. Item No. 1 of the Agenda

Audited Financial Statements

This item of the Agenda is meant for discussion only. The provisions of Section 340(1) of the Act require that the audited financial statements and the Reports of the Directors and Auditors thereon be laid before the Company at the 3rd AGM. As such this Agenda item is not a business which requires a resolution to be put to vote by shareholders.

9. Items No. 2 of the Agenda

Approval of Directors’ fees and benefits

The Company pays Directors’ fees and benefits to the Independent Non-Executive Directors (“INEDs”). Whereas for the Non-Independent Executive Directors, they are remunerated by way of salary, benefits and other emoluments by virtue of their contract of service or employment which do not require approval by the shareholders.

The current benefits payable to the INEDs of the Company include travelling allowance of RM800.00 per meeting for each INED.

The Board recommends that shareholders to approve a maximum aggregate amount of RM405,000.00 for the payment of Directors’ fees to the INEDs of the Company for the financial year ending 30 June 2025 and up to the next AGM of the Company, payable monthly in arrears after each month of completed service of the Directors.

The Board also recommends that shareholders to approve a maximum aggregate amount of RM19,200.00 for the payment of benefits to the INEDs of the Company during the period from 30 November 2024 until the next AGM of the Company, payable monthly in arrears after each month of completed service of the Directors.

In the event the Directors’ fees and benefits proposed are insufficient (e.g., due to more meetings being held), approval will be sought at the next AGM for additional fees to meet the shortfall before payment is made.

10. Items No. 3 of the Agenda

Re-election of retiring Directors

Clause 95 of the Company’s Constitution provides that one-third (1/3) of the Directors shall retire from office at the least once every three (3) years but shall be eligible for re-election.

Leveraging the annual Board’s effectiveness evaluation, the Nomination Committee (“NC”) had on 9 October 2024 assessed the performance and attributes of the Board, Board Committees and individual Directors in respect of their effectiveness and contribution to the Company, based on a set of prescribed criteria which were approved by the Board.

Based on this annual assessment conducted, the NC was of the view that the existing Board and each of its members has the requisite competence and capability to contribute to the needs of the Company and they had sufficiently demonstrated their commitment to the Seng Fong Group in terms of time and participation at meetings during the year under review. Each of these retiring Directors has confirmed to the Board that they do not have any conflict of interest with any of the companies in the Seng Fong Group which may affect his ability to act in the best interest of the Company, save for Mr. E Tak Bin, the Executive Director who is one of the interested parties in the Proposed Renewal of Shareholders’ Mandate as set out under the proposed Ordinary Resolution 7 of the 3rd AGM.

Accordingly, the NC unanimously recommended to the Board the re-election of all the retiring Directors, at the 3rd AGM. Based on the recommendation of the NC, the Board (with the exception of the Directors who abstained in respect of their individual retirement) supports the re-election of the retiring Directors at the 3rd AGM.

The profile of the Directors standing for re-election is set out in the Directors’ Profile in the Annual Report 2024.

11. Items No. 4 of the Agenda

Re-appointment of Auditors

The Audit & Risk Management Committee (“ARMC”) had on 9 October 2024 undertook an annual evaluation of the effectiveness of the external audit process and the performance, suitability and independence of the external auditors, Crowe Malaysia PLT, based on the criteria set out in its Terms of Reference.

The ARMC was satisfied with the suitability of Crowe Malaysia PLT based on the quality of audit, performance, competency and sufficiency of resources the external audit team provided to Seng Fong Group. The ARMC was also satisfied in its review that the provision of non-audit services by Crowe Malaysia PLT to Seng Fong Group for the financial year ended 30 June 2024 did not in any way impair their objectivity and independence as external auditors of the Company.

Based on the ARMC’s recommendation, the Board endorsed the motion on the proposed re-appointment of Crowe Malaysia PLT as external auditors of the Company for the financial year ending 30 June 2025 and recommended the same for shareholders’ approval. Crowe Malaysia PLT have indicated their willingness to continue in office.

12. Item No. 5 of the Agenda

Authority to Issue Shares pursuant to the Companies Act 2016 (“the Act”)

The proposed Ordinary Resolution 6 is for the purpose of granting a fresh general mandate (“General Mandate”) and empowering the Directors of the Company, pursuant to the Act, to issue and allot new shares in the Company from time to time provided that the aggregate number of shares issued pursuant to the General Mandate does not exceed 10% of the total number of issued shares of the Company (excluding treasury shares, if any) for the time being.

The General Mandate, unless revoked or varied by the Company in a general meeting, will expire at the conclusion of the next AGM of the Company. The General Mandate will provide flexibility to the Company for allotment of shares for any possible fundraising activities, including but not limited to placement of shares for the purpose of funding future investment project(s), working capital and/or acquisition(s).

13. Item No. 6 of the Agenda

Proposed Renewal of Shareholders’ Mandate for RRPTs

The proposed Ordinary Resolution 7, if passed, will authorise Seng Fong Group to enter into RRPT which are necessary for Seng Fong Group’s day-to-day operations with the respective specified classes of the Related Parties, subject to the transactions being entered into on terms which are not more favourable to the Related Parties involved than generally available to the public and are not detrimental to the minority shareholders of the Company.

Further details are set out in the Circular to Shareholders dated 16 October 2024.

14. Personal data privacy

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the Company’s 3rd AGM and/or any adjournment thereof, a member of the Company:

- consents to the collection, use and disclosure of the member’s personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the 3rd AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the 3rd AGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the “Purposes”),
- warrants that where the member discloses the personal data of the member’s proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and
- agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member’s breach of warranty.

STATEMENT ACCOMPANYING NOTICE OF ANNUAL GENERAL MEETING

(Pursuant to Paragraph 8.28(2) of the Listing Requirements of Bursa Securities)

1. Details of Individuals Standing for Election as Directors

No individual is seeking election as a Director at the 3rd AGM of the Company.

2. Statement relating to general mandate for issue of securities in accordance with Paragraph 6.03(3) of the Listing Requirements of Bursa Securities.

Please refer to item 12 – Explanatory Notes to the Agenda for Ordinary Resolution 6 on Authority to Issue Shares Pursuant to Sections 75 and 76 of the Act under the Notes to the Notice of 3rd AGM.