

# NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN THAT** the Thirty-Seventh Annual General Meeting ("**37th AGM**") of LAY HONG BERHAD ("**LHB**" or the "**Company**") will be held on a fully virtual basis via online meeting platform of Securities Services e-Portal at <https://sshsb.net.my/> provided by SSE Solutions Sdn. Bhd. in Malaysia on Tuesday, 28 September 2021 at 11.00 a.m. or at any adjournment thereof to consider and if thought fit, to pass the following resolutions with or without modifications:

## **ORDINARY BUSINESS**

1. To receive the Audited Financial Statements for the financial year ended 31 March 2021 together with the Reports of the Directors and Auditors thereon. **(See Explanatory Note 9)**
2. To approve the payment of Directors' Fees of RM323,000.00 for the financial year ended 31 March 2021 **Ordinary Resolution 1**
3. To re-elect the following Directors who are retiring by rotation under Clause 134 of the Constitution of the Company:-
  - i. Dato'Yap Hoong Chai **Ordinary Resolution 2**
  - ii. Mr. Ng Kim Tian **Ordinary Resolution 3**
  - iii. Mr. Gan Lian Peng **Ordinary Resolution 4**
4. To re-elect Mr. Tadaaki Ito who is retiring under Clause 119 of the Constitution of the Company. **Ordinary Resolution 5**
5. To re-appoint Messrs. Tai, Yapp & Co. PLT as Auditors for the financial year ending 31 March 2022 and to authorise the Directors to fix their remuneration. **Ordinary Resolution 6**

## **SPECIAL BUSINESS**

To consider and, if thought fit, pass the following Resolutions:-

6. **Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue and/or Trading Nature ("Proposed Renewal of Existing Shareholders' Mandate")** **Ordinary Resolution 7 (See Explanatory Note 10)**

**"THAT** pursuant to Paragraph 10.09 of the Main Market Listing Requirement ("**MMLR**") of Bursa Malaysia Securities Berhad ("**Bursa Securities**") approval be and is hereby given to the Company and/or its subsidiary companies to enter into and give effect to specified Recurrent Related Party Transactions of a revenue or trading nature and with classes of those related parties as specified in Section 2.4 of the Circular to Shareholders dated 30 July 2021 subject further to the following:-

  - i. That the transactions are in the ordinary course of business and are on terms that are not more favourable to the related parties than those generally available to the public and are not detrimental to the minority shareholders of the Company.
  - ii. That the transactions are made on an arm's length basis and on normal commercial terms.

- iii. That disclosure shall be made in the Annual Report of a breakdown of the aggregate value of all transactions conducted pursuant to the Proposed Renewal of Existing Shareholders' Mandate during the financial year, based on the following information:-
- the type of the Recurrent Related Party Transactions made; and
  - the names of the related parties involved in each type of the Recurrent Related Party Transactions entered into and their relationships with the Company.
- iv. That such approvals shall only continue to be in force until:-
- the conclusion of the next Annual General Meeting ("**AGM**") following this AGM at which such mandate is passed, at which time it will lapse, unless by a resolution passed at such AGM whereby the mandate is renewed;
  - the expiration of the period within which the next AGM after that date is required to be held pursuant to Section 340(2) of the Companies Act 2016 ("**CA 2016**") (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of CA 2016); or
  - revoked or varied by ordinary resolution passed by the shareholders of the Company in a general meeting,

whichever is earlier.

**AND THAT** the Directors of the Company be and are hereby authorised to complete and do all such acts and things as they may consider expedient or necessary to give effect to this Ordinary Resolution."

7. **Authority to Allot and Issue Shares Pursuant to Sections 75 and 76 of the CA 2016**

**Ordinary Resolution 8  
(See Explanatory Note 11)**

**THAT** pursuant to Sections 75 and 76 of the CA 2016 and subject to the approvals of the relevant governmental and/or regulatory authorities, the Directors be and are hereby empowered to issue and allot shares of the Company from time to time and upon such terms and conditions and for such purposes as the Directors may deem fit provided always that the aggregate number of shares issued pursuant to this resolution does not exceed twenty percent (20%) of the total number of issued shares of the Company for the time being to be utilised until 31 December 2021 as empowered by Bursa Securities pursuant to Bursa Malaysia Berhad's letter dated 16 April 2020 to grant additional temporary relief measures to listed issuers and thereafter does not exceed ten percent (10%) of the total number of issued shares of the Company for the time of issuance and such authority under this resolution shall continue in force until the conclusion of the 38th AGM or when it is required by law to be held, whichever is earlier, **AND THAT** the Directors be and are empowered to obtain the approval for the listing of and quotation for the additional shares so issued on Bursa Securities."

8. To transact any other business for which due notice shall have been given in accordance with the Constitution of the Company and/or the CA 2016.

BY ORDER OF THE BOARD

**WONG YUET CHYN (MAICSA 7047163) (SSM PC 202008002451)**

**LEE WEE HEE (MAICSA 0773340) (SSM PC 201908004010)**

Company Secretaries

Kuala Lumpur

Date: 30 July 2021

**Notes:-**

1. A member of the Company entitled to attend and vote is entitled to appoint another person as his proxy to exercise all or any of his rights to attend, participate, speak and vote in his stead.
2. A member of the Company may appoint not more than two (2) proxies to attend the meeting, provided that the member specifies the proportion of the members shareholdings to be represented by each proxy, failing which, the appointments shall be invalid.
3. A proxy may but need not be a member and there shall be no restriction as to the qualification of the proxy.
4. Where a member is an Authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, it may appoint at least one proxy in respect of each Securities Account it holds with ordinary shares of the Company standing to the credit of the said Securities Account. 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 shall be no limit to the number of proxies which the Exempt Authorised Nominee may appoint in respect of each omnibus account it holds.
5. The instrument appointing a proxy shall be in writing, and the power of attorney or other authority (if any) under which it is signed or a notarially certified copy thereof, must be deposited at the registered office at No. 2-1, Jalan Sri Hartamas 8, Sri Hartamas, 50480 Kuala Lumpur, Wilayah Persekutuan (KL) or fax to 03-6201 1120 or email to ir.layhong@shareworks.com.my not less than forty-eight (48) hours before the time appointed for holding this meeting or adjourned meeting at which the person named in such instrument proposes to vote, or, in the case of a poll, not less than twenty-four (24) hours before the time appointed for the taking of the poll, and in default the instrument of proxy shall not be treated as valid.
6. An instrument appointing a proxy shall in the case of an individual, be signed by the appointor or by his attorney duly authorised in writing and in the case of a corporation, be either under its common seal or signed by its attorney or in accordance with the provision of its constitution or by an officer duly authorised on behalf of the corporation.
7. In respect of deposited securities, only members whose names appear on the Record of Depositors on 21 September 2021, shall be eligible to attend the meeting or appoint proxy(ies) to attend and/or vote on his behalf.
8. Pursuant to Paragraph 8.29A(1) of the MMLR of Bursa Securities, all resolutions set out in this Notice will be put to vote by way of poll.

**Explanatory Notes on Ordinary Business**

9. The audited financial statements are laid in accordance with Section 340(1) (a) of the CA 2016 for discussion only under Agenda 1. They do not require shareholders' approval and hence, will not be put for voting.

## Explanatory Notes on Special Business

### 10. **Proposed Renewal of Existing Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature**

The proposed Ordinary Resolution 7, if passed, will authorise the Company and/or its subsidiary companies to enter into recurrent related party transactions of a revenue or trading nature. This authority will, unless revoked or varied by the Company in general meeting, expire at the next AGM of the Company. Please refer to the Section 2.4 of the Circular to Shareholders dated 30 July 2021 for more information.

### 11. **Authority to Allot and Issue Shares pursuant to Sections 75 and 76 of the CA 2016**

The proposed Ordinary Resolution 8, is proposed for the purpose of renewing the general mandate for issuance of shares by the Company under Sections 75 and 76 of the CA 2016. The Ordinary Resolution 8, if passed, will give the Directors of the Company authority to issue and allot shares at any time to such persons in their absolute discretion without convening a general meeting provided that the aggregate number of the shares issued does not exceed 20% of the total number of issued shares of the Company for the time being to be utilised until 31 December 2021, after that, the 10% limit under Paragraph 6.03 of MMLR of Bursa Securities will be reinstated (hereinafter referred to as the "**General Mandate**").

As part of the initiative from Bursa Securities to aid and facilitate listed issuers in sustaining their business or easing their compliance with Bursa Securities' rules, amid the unprecedented uncertainty surrounding the recovery of the COVID-19 outbreak and Movement Control Order imposed by the Government, Bursa Securities had vide Bursa Malaysia Berhad's letter dated 16 April 2020 allow a listed issuer to seek a higher general mandate under Paragraph 6.03 of MMLR of Bursa Securities of not more than 20% of the total number of issued shares (excluding treasury shares) for the general issue of new securities.

The General Mandate will provide flexibility to the Company to raise additional funds expeditiously and efficiently during this challenging time, to meet its funding requirements including but not limited to funding future investment project(s), working capital and/or acquisitions.

The Board, having considered the current and prospective financial position, needs and capacity of the Group, is of the opinion that the General Mandate is in the best interests of the Company and its shareholders.