

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Thirty-Eighth Annual General Meeting (“**38th AGM**”) of **LAY HONG BERHAD** (the “**Company**”) will be held on a fully virtual basis via online meeting platform of Securities Services e-Portal at <https://sshshb.net.my/> provided by SS E Solutions Sdn. Bhd. in Malaysia on **Wednesday, 28 September 2022** 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

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| 1. | To receive the Audited Financial Statements for the financial year ended 31 March 2022 together with the Reports of the Directors and Auditors thereon. | (See Explanatory Note 10) |
| 2. | To approve the payment of a Final Single Tier Dividend of 0.3 sen per ordinary share for the financial year ended 31 March 2022. | Ordinary Resolution 1
(See Explanatory Note 11) |
| 3. | To approve the payment of Directors’ Fees of RM323,000.00 for the financial year ended 31 March 2022. | Ordinary Resolution 2 |
| 4. | To re-elect the following Directors who are retiring under Clause 134 of the Constitution of the Company: - | |
| | i. Dato’Yeap Weng Hong | Ordinary Resolution 3 |
| | ii. Mr. Lim Teck Seng | Ordinary Resolution 4 |
| | iii. Mr. Tan Chee Hau | Ordinary Resolution 5
(See Explanatory Note 12) |
| 5. | To re-appoint Messrs. Tai, Yapp & Co. PLT as Auditors for the financial year ending 31 March 2023 and to authorise the Directors to fix their remuneration. | Ordinary Resolution 6 |

SPECIAL BUSINESS

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

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| 6. | Authority to Allot and Issue Shares Pursuant to Sections 75 and 76 of the Companies Act 2016 (“CA 2016”) | Ordinary Resolution 7
(See Explanatory Note 13) |
| | <p>“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 allot and issue 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 2022 as empowered by Bursa Malaysia Securities Berhad (“Bursa Securities”) pursuant to Bursa Malaysia Berhad’s (“Bursa Malaysia”) letter dated 23 December 2021 to grant an extension for the 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 39th 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.”</p> | |
| 7. | 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. | |

Notice of Annual General Meeting (cont'd)

BY ORDER OF THE BOARD

WONG YUET CHYN (MAICSA 7047163)
(SSM PC 202008002451)
Company Secretary

Kuala Lumpur
Date: 29 July 2022

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 A1-2-2, Solaris Dutamas, No. 1, Jalan Dutamas 1, 50480 Kuala Lumpur, Wilayah Persekutuan (KL) or fax to 03-6413 3271 or email to infosr@wscs.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 2022, 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 Main Market Listing Requirements ("**MMLR**") of Bursa Securities, all resolutions set out in this Notice will be put to vote by way of poll.
9. The members are encouraged to refer the Administrative Guide on registration and voting for the meeting.

Notice of Annual General Meeting (cont'd)

Explanatory Notes on Ordinary Business

10. 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.

11. **Notice of Dividend Entitlement and Payment**

Notice is also hereby given that subject to the approval of the shareholders at the forthcoming 38th AGM, a Final Single Tier Dividend of 0.3 sen per share will be paid on 16 November 2022 to the shareholders whose names appear in the Record of Depositors at the close of business on 19 October 2022.

A depositor shall qualify for entitlement only in respect of: -

- a) shares transferred to the Depositors' Securities Account before 4.30 p.m. on 19 October 2022 in respect of ordinary transfers; and
 - b) shares bought on Bursa Securities on a cum entitlement basis according to the Paragraphs of Bursa Securities.
12. Re-election of Directors Dato'Yeap, Mr. Lim and Mr. Tan being eligible, have offered themselves for re-election at this AGM pursuant to the Constitution of the Company. The Board (with exception of the retiring Directors who abstained) recommended the retiring directors be re-elected as the Directors of the Company as they have character, experience, integrity, competence and time to effectively discharge their role as a Director of the Company.

The Board was further satisfied that Mr. Lim and Mr. Tan complied with their criteria of independence based on the Listing Requirements and remain independent in exercising their judgement and carry out their roles as independent non-executive director.

Explanatory Note on Special Business

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

The proposed Ordinary Resolution 7 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 7, if passed, will give the Directors of the Company authority to allot and issue 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 2022, 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's letter dated 23 December 2021 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.

As at the date of this notice, no shares had been allotted and issued since the General Mandate granted to the Directors at the last AGM held on 28 September 2021 and this authority will lapse at the conclusion of the 38th AGM of the Company.

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.