



LAY HONG BERHAD

Registration No. 198301011738 (107129-H)
(Incorporated in Malaysia)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Thirty-Ninth Annual General Meeting ("39th AGM") of **LAY HONG BERHAD** (the "**Company**") will be conducted on a fully virtual basis via online meeting platform of Securities Services e-Portal at <https://ssshb.net.my/> provided by SS E Solutions Sdn. Bhd. in Malaysia on **Wednesday, 27 September 2023 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

- To receive the Audited Financial Statements for the financial year ended 31 March 2023 together with the Reports of the Directors and Auditors thereon.
(See Explanatory Note 10)
- To approve the payment of a Final Single Tier Dividend of 0.3 sen per ordinary share for the financial year ended 31 March 2023.
Ordinary Resolution 1
(See Explanatory Note 11)
- To approve the payment of Directors' Fees of RM358,000.00 for the financial year ended 31 March 2023.
Ordinary Resolution 2
- To re-elect the following Directors who are retiring under Clause 134 of the Constitution of the Company:
 - Dato' Yap Chor How
Ordinary Resolution 3
 - Mr Yeap Fock Hoong
Ordinary Resolution 4
(See Explanatory Note 12)Mr Tadaaki Ito who retires pursuant to Clause 134 of the Company's Constitution, indicated his intention of not seeking re-election. Hence, he will remain in office until at the conclusion of this AGM.
- To re-elect the following Directors who are retiring under Clause 119 of the Constitution of the Company:
 - Mr Wong Soo Thiam
Ordinary Resolution 5
 - Madam Tham Wei Mei
Ordinary Resolution 6
(See Explanatory Note 12)
- To re-appoint Messrs. Tai, Yapp & Co. PLT as Auditors for the financial year ending 31 March 2024 and to authorise the Directors to fix their remuneration.
Ordinary Resolution 7

SPECIAL BUSINESS

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

- Authority to Allot and Issue Shares pursuant to Sections 75 and 76 of the Companies Act 2016 ("CA 2016") ("Proposed General Mandate")**
Ordinary Resolution 8
(See Explanatory Note 13)

"**THAT** subject always to Sections 75 and 76 of the CA 2016, the Constitution, the Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad ("**Bursa Securities**") and the approval of any governmental and/or regulatory authorities, the Directors be and are hereby authorised to allot and issue shares in the Company at any time and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion deem fit, provided that the aggregate number of shares to be issued pursuant to this resolution does not exceed 10% of the total number of issued shares (excluding treasury shares) of the Company at the time of issuance and such authority under this resolution shall continue in force until the conclusion of the 40th 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.

THAT the existing shareholders of the Company hereby waive their pre-emptive rights to be offered new shares ranking equally to the existing issued shares in the Company pursuant to Section 85 of the CA 2016 read together with Clause 65 of the Constitution of the Company arising from any issuance of new shares of the Company pursuant to Sections 75 and 76 of the CA 2016.

AND THAT the Directors of the Company be and are hereby authorised 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 to the Proposed General Mandate."

- Proposed Share Buy-Back authority for the Purchase of its own Ordinary Shares ("Proposed Share Buy-Back Authority")**
Ordinary Resolution 9
(See Explanatory Note 14)

"**THAT** subject to the CA 2016, the Constitution of the Company, the MMLR of Bursa Securities and the approval of such relevant governmental and/or regulatory authorities, the Board of Directors of the Company ("**Board**") be and is hereby unconditionally and generally authorised, to the extent permitted by law, to purchase such number of ordinary shares of Lay Hong on the Main Market of Bursa Securities ("**Proposed Share Buy-Back**") at any time through Bursa Securities, upon such terms and conditions as the Board shall in their discretion deem fit and expedient in the best interest of the Company provided that:

- the aggregate number of ordinary shares which may be purchased and/or held by the Company shall not exceed ten percent (10%) of the total number of issued shares of the Company at any point in time; and
- the maximum amount of funds to be allocated by the Company for the Proposed Share Buy-Back shall not exceed the retained profits of the Company at the time of purchase by the Company of its own ordinary shares.

THAT upon the purchase by the Company of the ordinary shares, the Board shall have the absolute discretion to decide whether such shares purchased are to be cancelled and/or retained as treasury shares and distributed as dividends or resold on the Main Market of Bursa Securities or transferred for the purpose of or under the Lay Hong Executives' Share Scheme and any other employees' share scheme which the Company may establish or any other manner as prescribed by the Act, rules, regulations and orders made pursuant to the Act, the requirements of the Listing Requirements and any other relevant authority for the time being in force.

THAT such authority conferred by this resolution will commence immediately upon the passing of this resolution and may only continue to be in force until:

- the conclusion of the next AGM of the Company, at which time the authority will lapse unless by ordinary resolution passed at the next AGM, the authority is renewed, either unconditionally or subject to conditions;
- the expiration of the period within which the next AGM of the Company is required by law to be held; or
- revoked or varied by an ordinary resolution passed by the shareholders in a general meeting

whichever is the earliest but not as to prejudice the completion of purchase by the Company before the aforesaid expiry date, in any event, in accordance with the provisions of the Act, the rules and regulations made pursuant thereto and the Listing Requirements and/or any other authorities.

AND THAT authority be and is hereby unconditionally and generally given to the Board to take all such steps that are necessary and expedient (including without limitation, the opening and maintaining of central depository accounts under the Securities Industry (Central Depositories) Act 1991, and the entering into of all agreements, arrangements and guarantees with any party or parties) to implement, finalise and give full effect to the Proposed Share Buy-Back with full powers to assent to any conditions, modifications, revaluations, variations and/or amendments (if any) as may be imposed by the relevant authorities and with full power to do all such acts and things thereafter on any part of the shares bought-back in accordance with the Act, the provisions of the Constitution of the Company, the Listing Requirements and all other relevant governmental and/or regulatory authorities."

- 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)
Company Secretary

Kuala Lumpur
Date: 31 July 2023

Notes:-

- 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.
- 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.
- A proxy may but need not be a member and there shall be no restriction as to the qualification of the proxy.
- 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.
- 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 A3-3-8, Solaris Dutamas, No. 1, Jalan Dutamas 1, 50480 Kuala Lumpur, W.P. Kuala Lumpur or fax to 03-6413 3270 or email to infos@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, and in default the instrument of proxy shall not be treated as valid.
- 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.
- In respect of deposited securities, only members whose names appear on the Record of Depositors on 20 September 2023, shall be eligible to attend the meeting or appoint proxy(ies) to attend and/or vote on his behalf.
- 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.
- The members are encouraged to refer the Administrative Guide on registration and voting for the meeting.

Explanatory Notes on Ordinary Business

10. Audited Financial Statements for financial year ended 31 March 2023

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 39th AGM, a Final Single Tier Dividend of 0.3 sen per share will be paid on 16 November 2023 to the shareholders whose names appear in the Record of Depositors at the close of business on 19 October 2023.

A depositor shall qualify for entitlement only in respect of:

- shares transferred to the Depositors' Securities Account before 4.30 p.m. on 19 October 2023 in respect of ordinary transfers; and
- shares bought on Bursa Securities on a cum entitlement basis according to the Paragraphs of Bursa Securities.

12. Re-election of Directors

Re-election of Directors Dato' Yap Chor How, Mr Yeap Fock Hoong, Mr Wong Soo Thiam and Madam Tham Wei Mei 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 Directors of the Company.

The Board (with exception of the retiring Director who abstained) was further satisfied that Mr Wong and Madam Tham have complied with the criteria of independence based on the MMLR and remain their independent in exercising their judgement and carry out their roles as Independent Directors.

Explanatory Notes on Special Business

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

The proposed Ordinary Resolution 9 is 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 proposed Ordinary Resolution 9, 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 10% of the total number of issued shares of the Company.

The Proposed 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.

By approving the allotment and issue of the Company's shares pursuant to the Proposed General Mandate which will rank equally with the existing issued shares in the Company, the shareholders of the Company are deemed to have waived their pre-emptive rights pursuant to Section 85 of the CA 2016 and Clause 65 of the Constitution of the Company to be first offered the Company's Shares which will result in a dilution to their shareholdings percentage in the Company.

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 2022 and this authority will lapse at the conclusion of the 39th 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 Proposed General Mandate is in the best interests of the Company and its shareholders.

14. Proposed Share Buy-Back Authority

The proposed Ordinary Resolution 10, if passed, will empower the Directors to buy-back and/or hold up to a maximum of 10% of the Company's issued and paid-up share capital at any point of time, by utilising the funds allocated which shall not exceed the total retained profits and/or share premium of the Company. This authority, unless revoked or varied by the Company in a general meeting, will expire at the conclusion of the next AGM of the Company, or the expiration of period within which the next AGM is required by law to be held, whichever is earlier. Please refer to the Circular to Shareholders dated 31 July 2023, which is despatched together with the Company's Annual Report 2023, for more information.

15. Personal Data Privacy

By registering for the meeting via remote participation and electronic voting and/or submitting an instrument appointing proxy(ies) and/or representatives to attend, speak and vote at the AGM and/or any adjournment thereof, a member of the Company: (i) consents to the processing of the member's personal data by the Company (or its agents): (a) for processing and administration of proxies and representatives appointed for the AGM; (b) for preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (which includes any adjournments thereof); and (c) for the Company's ("or its agents") compliance with any applicable laws, listing rules, regulations and/or guidelines (collectively "the Purpose"); (ii) warrants that he/she has obtained such proxy(ies) and/or representative(s)' prior consent for the Company's ("or its agents") processing of such proxy(ies)' and/or representative(s)' personal data for the Purpose; and (iii) agrees that the member will indemnify the Company for any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

Note: The term "processing" and "personal data" shall have the meaning as defined in the Personal Data Protection Act, 2010.