



**LAY HONG BERHAD**

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

**NOTICE OF EXTRAORDINARY GENERAL MEETING**

**NOTICE IS HEREBY GIVEN THAT** an Extraordinary General Meeting (“**EGM**”) of Lay Hong Berhad (“**LHB**” or the “**Company**”) will be held on a fully virtual basis via the online meeting platform of Securities Services e-Portal at <https://sshshb.net.my/> provided by SS E Solutions Sdn Bhd in Malaysia on Thursday, 28 October 2021 at 11.00 a.m. or any adjournment thereof to consider and if thought fit, to pass the following resolutions with or without modifications:-

**ORDINARY RESOLUTION 1**

**PROPOSED ACQUISITION BY LHB OF THE REMAINING 50% EQUITY INTEREST IN SRI TAWAU FARMING SDN BHD (“STF”) NOT ALREADY OWNED BY LHB FROM MACKAN HOLDING SDN BHD (“MACKAN”) (VIA INNOFARM SDN BHD (“INNOFARM”)) FOR A TOTAL PURCHASE CONSIDERATION OF RM28.0 MILLION, TO BE SATISFIED VIA THE ISSUANCE OF 80,000,000 NEW ORDINARY SHARES IN LHB (“CONSIDERATION SHARES”) AT THE ISSUE PRICE OF RM0.35 EACH (“PROPOSED STF ACQUISITION”)**

“**THAT** subject to the passing of Ordinary Resolution 2, and subject to the applicable approvals of all relevant authorities or parties being obtained, authority be and is hereby given to the Company to acquire the remaining 50% equity interest in STF from Mackan (via Innofarm), for a total purchase consideration of RM28.0 million (“**Purchase Consideration**”) to be satisfied via the issuance of 80,000,000 Consideration Shares to Mackan at the issue price of RM0.35 each, and subject to and upon such terms and conditions of the share sale agreement dated 8 June 2021 (“**SSA**”) entered into between LHB, Mackan and Innofarm (“**Proposed STF Acquisition**”);

**THAT** approval be and is hereby given to the Board of Directors of LHB (“**Board**”) to allot and issue the Consideration Shares to Mackan for the purpose of satisfaction of the total purchase consideration for the Proposed STF Acquisition;

**THAT** the Consideration Shares shall, upon allotment and issuance, be of the same class and rank equally in all respect with the then existing ordinary shares in LHB, save and except that the holders of such Consideration Shares shall not be entitled to any dividends, rights, allotment and/or other distributions may be declared, made or paid to the shareholders of LHB, the entitlement date of which is prior to the date of allotment and issuance of the Consideration Shares;

**AND THAT** the Board be and is hereby authorised to do all such acts and things, execute all such documents and to enter into all such transactions, arrangements and agreements as the Board deems necessary and expedient in order to implement, finalise and/or give full effect to and complete the Proposed STF Acquisition; and where applicable with full powers to assent to any terms, conditions, modifications, variations and/or amendments as may be required by the relevant regulatory authorities or as the Board may deem necessary or expedient to implement, finalise and/or give full effect to and complete the Proposed STF Acquisition.”

## ORDINARY RESOLUTION 2

**PROPOSED EXEMPTION UNDER PARAGRAPH 4.08(1)(A) OF THE RULES ON TAKE-OVERS, MERGERS AND COMPULSORY ACQUISITIONS (“RULES”) FOR DATO’ YAP HOONG CHAI AND PERSONS ACTING IN CONCERT WITH HIM (“PAC”), FROM THE OBLIGATION TO UNDERTAKE A MANDATORY TAKE-OVER OFFER TO ACQUIRE THE REMAINING ORDINARY SHARES AND WARRANTS IN LHB NOT ALREADY OWNED BY THEM UPON COMPLETION OF THE PROPOSED STF ACQUISITION (“PROPOSED EXEMPTION”)**

“**THAT** subject to the passing of Ordinary Resolution 1, and subject to the approval from the Securities Commission Malaysia (“**SC**”) being obtained and/or other relevant authorities or parties including such conditions as may be imposed by the SC, approval be and is hereby given to Dato’ Yap Hoong Chai and his PACs to be exempted from the obligation to undertake a mandatory take-over offer to acquire all the remaining ordinary shares and warrants in LHB not already held by them upon completion of the Proposed STF Acquisition in accordance with paragraph 4.08(1)(a) of the Rules;

**AND THAT** the Board be and is hereby authorised to do all such acts and things, execute all such documents and to enter into all such transactions, arrangements and agreements as the Board deems necessary and expedient in order to implement, finalise and/or give full effect to and complete the Proposed Exemption; and where applicable with full powers to assent to any terms, conditions, modifications, variations and/or amendments as may be required by the relevant regulatory authorities or as the Board may deem necessary or expedient to implement, finalise and/or give full effect to and complete the Proposed Exemption.”

**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  
5 October 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, shall 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](mailto: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.*
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 October 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 Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all resolutions set out in this Notice will be put to vote by way of poll.*