

Notice of Annual General Meeting



NOTICE IS HEREBY GIVEN THAT the 45th Annual General Meeting of the members of Lien Hoe Corporation Berhad will be held at Iskandar II, Level 3A, Block 1, Hotel Jen Puteri Harbour, Johor, Persiaran Puteri Selatan, Puteri Harbour, 79000 Nusajaya, Johor Darul Takzim on Wednesday, 17 June 2015 at 11 a.m. for the purpose of transacting the following businesses:-

AS ORDINARY BUSINESS

1. To lay the Audited Financial Statements of the Company for the financial year ended 31 December 2014 together with the Directors' and Auditors' Reports thereon. *(Please refer to Explanatory Note A)*
2. To approve the payment of Directors' fees of RM162,000 in respect of the financial year ended 31 December 2014. (2013: RM132,000) *(Resolution 1)*
3. To re-elect the following Directors retiring pursuant to Article 84 of the Company's Articles of Association:-
 - i. Mr Yeoh Chong Keat *(Resolution 2)*
 - ii. Dato' Yap Sing Hock *(Resolution 3)*
4. To re-appoint Messrs UHY as Auditors of the Company, to hold office until the conclusion of the next Annual General Meeting of the Company and to authorise the Directors to determine their remuneration. *(Resolution 4)*

AS SPECIAL BUSINESS

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

5. AUTHORITY FOR DIRECTORS TO ISSUE SHARES

"THAT subject to Section 132D of the Companies Act, 1965, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and the approvals of any other relevant authorities, the Directors of the Company be and are hereby authorized to issue and allot shares in the Company from time to time and upon such terms and conditions and for such purposes as the Directors may deem fit provided that the aggregate number of shares issued pursuant to this resolution does not exceed 10% of the issued and paid up share capital of the Company for the time being and such authority shall continue in force until the next Annual General Meeting of the Company." *(Resolution 5)*

6. PROPOSED RENEWAL OF SHAREHOLDERS' APPROVAL FOR SHARE BUY-BACK

"THAT subject to the Companies Act, 1965, provisions of the Memorandum and Articles of Association of the Company and the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and approvals of any other relevant authorities, the Directors of the Company be and are hereby authorized to make purchases of ordinary shares of RM1.00 each in the issued and paid up share capital of the Company through Bursa Malaysia Securities Berhad, provided that:-

- (i) the maximum number of ordinary shares purchased and/or held by the Company shall not exceed 10% of the issued and paid up share capital of the Company;
- (ii) the total maximum amount of funds to be utilized for the Proposed Share Buy-Back shall not exceed the aggregate of retained profits and/or the share premium account of the Company based on its audited financial statements for the financial year ended 31 December 2014; and
- (iii) upon completion of the purchase(s) of its shares by the Company, the shares shall be dealt with in the following manner:-

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- (a) to cancel the shares so purchased; or
 - (b) to retain the shares so purchased as treasury shares, which may be distributed as dividends to the shareholders, and/or resold on the stock market of Bursa Malaysia Securities Berhad; or
 - (c) to retain part of the shares so purchased as treasury shares and cancel the remainder.

AND THAT the authority conferred by this resolution will be effective upon the passing of this resolution and will continue to be in force until:-

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

whichever so occurs first, but not to prejudice the completion of the purchase(s) by the Company before the aforesaid expiry date, and in any event, in accordance with the provisions of the guidelines issued by Bursa Malaysia Securities Berhad or any other relevant authorities for the time being in force.

AND THAT the Directors of the Company be and are hereby authorized to do all acts, deeds and things and to execute, sign and deliver all such documents and/or agreements as they may deem necessary or expedient in the best interest of the Company and with full power to assent to any conditions, modifications, variations and/or amendments as may be imposed by the relevant authorities to give effect to and to complete the aforesaid Proposed Share Buy-Back." (*Resolution 6*)

7. RETENTION OF MR YEOH CHONG KEAT AS INDEPENDENT NON-EXECUTIVE DIRECTOR

"THAT in accordance with the Malaysian Code on Corporate Governance 2012 and subject to the passing of Resolution 2, Mr Yeoh Chong Keat be retained as Independent Non-executive Director of the Company." (*Resolution 7*)

8. RETENTION OF DR TEOH KIM LOON AS INDEPENDENT NON-EXECUTIVE DIRECTOR

"THAT in accordance with the Malaysian Code on Corporate Governance 2012, Dr Teoh Kim Loon be retained as Independent Non-executive Director of the Company." (*Resolution 8*)

- 9. To transact any other business of the Company for which due notice shall have been given.

BY ORDER OF THE BOARD

LEE SOOK PENG
MAICSA 0810465
Secretary

Petaling Jaya
25 May 2015

NOTES

1. A member of the Company entitled to attend and vote at this meeting is entitled to appoint a proxy to attend and vote instead of him. A proxy need not be a member of the Company and the provisions of Section 149(1)(b) of the Companies Act, 1965 shall not apply to the Company. A proxy appointed to attend and vote at a meeting of the Company shall have the same rights as the member to speak at the meeting.
2. In the case of a corporate member, the form of proxy appointing a corporate representative must be executed under seal or under the hand of an officer or attorney duly authorised.
3. Where a member of the Company is an exempt authorized 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 exempt authorized nominee may appoint in respect of each omnibus account it holds.

An exempt authorized nominee refers to an authorized nominee defined under the Securities Industry (Central Depositories) Act 1991 ("SICDA") which is exempted from compliance with the provisions of subsection 25A(1) of SICDA.

4. The form of proxy must be deposited at the registered office of the Company at 3rd floor, Plaza Armada, Lot 6, Lorong Utara C, Section 52, 46200 Petaling Jaya, Selangor Darul Ehsan, not later than 48 hours before the time stipulated for holding of this meeting or any adjournment thereof.
5. For the purpose of determining who shall be entitled to attend this meeting, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd to make available to the Company, a Record of Depositor as at 8 June 2015 ("Record of Depositor") and only a depositor whose name appears on the Record of Depositor shall be entitled to attend this meeting.

EXPLANATORY NOTE A

This agenda item is meant for discussion only as the provision of Section 169 (1) of the Companies Act, 1965 does not require a formal approval of the shareholders for the Audited Financial Statements. As such, this item is not put forward for voting.

EXPLANATORY NOTES ON SPECIAL BUSINESS

RESOLUTION 5 - AUTHORITY FOR DIRECTORS TO ISSUE SHARES

Please refer to Statement Accompanying Notice of Annual General Meeting for the explanatory note on Resolution 5.

RESOLUTION 6 - PROPOSED RENEWAL OF SHAREHOLDERS' APPROVAL FOR SHARE BUY-BACK

This resolution is proposed for the purpose of empowering the Company to purchase its own shares of a number which, when aggregated with the existing treasury shares, does not exceed 10% of its prevailing issued and paid up share capital. This authority, unless revoked or varied at a general meeting, will expire at the next Annual General Meeting of the Company. For further information on the proposed share buy back, please refer to the statement to shareholders dated 25 May 2015 which is despatched together with the 2014 Annual Report.



RESOLUTION 7 - RETENTION OF MR YEOH CHONG KEAT AS INDEPENDENT NON-EXECUTIVE DIRECTOR

RESOLUTION 8 - RETENTION OF DR TEOH KIM LOON AS INDEPENDENT NON-EXECUTIVE DIRECTOR

These resolutions are proposed to enable Mr Yeoh Chong Keat and Dr Teoh Kim Loon to be retained as Independent Non-executive Directors of the Company. Both Mr Yeoh Chong Keat and Dr Teoh Kim Loon have each served the Company as Independent Non-executive Director for cumulative terms of more than 9 years and the Board of Directors of the Company has recommended that they should be retained as Independent Non-executive Directors based on the following consideration:-

- (i) They have confirmed and declared that they are independent directors as defined under Paragraph 1.01 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad;
- (ii) They do not have any conflict of interest with the Company and have not been entering/are not expected to enter into contract(s) especially material contract(s) with the Company and/or its subsidiary companies; and
- (iii) The Board of Directors is of the opinion that they are important independent directors of the Board in view of their many years on the Board with incumbent knowledge of the Company and the Group's activities and corporate history and have provided invaluable contributions to the Board in their roles as independent directors during their tenure.

STATEMENT ACCOMPANYING NOTICE OF ANNUAL GENERAL MEETING

Resolution 5 is a renewed general mandate for issue of shares and empowering the Directors of the Company, pursuant to Section 132D of the Companies Act, 1965, to issue new shares in the Company up to an aggregate amount not exceeding 10% of the issued and paid up share capital of the Company for such purpose as they consider would be in the interest of the Company.

With this renewed general mandate, the Company will be able to raise funds expeditiously for the purpose of funding future investments, working capital and/or acquisitions. This will avoid any delay and cost involved in convening a general meeting to approve such issue of shares. The general mandate, unless revoked or varied by the Company in general meeting, will expire at the conclusion of the next Annual General Meeting of the Company.

As at the date of this Notice, no new shares in the Company were issued pursuant to the mandate granted to the Directors at the last Annual General Meeting held on 23 June 2014 and which will lapse at the conclusion of the 45th Annual General Meeting.

2014 ANNUAL REPORT

The 2014 Annual Report is in the CD-ROM format. A copy of the Annual Report may also be downloaded from the Company's website at <http://www.lienhoe.com.my>. Printed copy of the Annual Report shall be provided to the members within 4 market days from the date of receipt of their verbal or written request. Members who wish to receive the printed copy of the Annual Report and who require assistance with viewing the CD-ROM, kindly contact Ms Lee Sook Peng or Ms Wong Ngoke Meng at Tel. No. 03-79558808, Fax No. 03-79555808 or e-mail to lienhoe@lienhoe.com.my.