

## NOTICE OF MEETING

**NOTICE IS HEREBY GIVEN THAT** the 88th Annual General Meeting of Lion Industries Corporation Berhad will be held at the Meeting Hall, Level 16, Lion Office Tower, No. 1 Jalan Nagasari, 50200 Kuala Lumpur, Wilayah Persekutuan on Monday, 26 November 2018 at 9.00 am for the following purposes:

### AGENDA

1. To receive the Audited Financial Statements for the financial year ended 30 June 2018 together with the Reports of the Directors and Auditors thereon. **Note 1**
2. To approve the payment of Directors' fees amounting to RM329,600 for the financial year ended 30 June 2018 (2017: RM235,000). **Resolution 1**
3. To approve the payment of Directors' benefits of up to RM111,000 for the period commencing from 27 November 2018 until the next annual general meeting of the Company (2017: RM149,250). **Resolution 2**
4. To re-elect Y. M. Datuk Seri Utama Raja Nong Chik bin Dato' Raja Zainal Abidin who retires by rotation in accordance with Article 98 of the Company's Constitution and who being eligible, has offered himself for re-election. **Resolution 3**
5. To re-elect the following Directors who were appointed during the financial year and retire in accordance with Article 99 of the Company's Constitution and who being eligible, have offered themselves for re-election:
  - (i) Y. Bhg. Dato' Nik Rahmat bin Nik Taib **Resolution 4**
  - (ii) Ms Cheng Hui Ya, Serena **Resolution 5**
6. To re-appoint Messrs Deloitte PLT as Auditors of the Company and to authorise the Directors to fix their remuneration. **Resolution 6**
7. Special Business
  - 7.1 To consider and, if thought fit, pass the following Ordinary Resolutions:
    - 7.1.1 Authority to Directors to Issue Shares
 

**Resolution 7**

"THAT pursuant to Sections 75 and 76 of the Companies Act 2016 and subject to the approval of all relevant authorities being obtained, the Directors be and are hereby empowered to 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 issued pursuant to this resolution does not exceed 10% of the total number of issued shares of the Company (excluding treasury shares) for the time being and that such authority shall continue to be in force until the conclusion of the next annual general meeting of the Company."
    - 7.1.2 Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions
 

**Resolution 8**

"THAT approval be and is hereby given for the renewal of the mandate granted by the Shareholders of the Company on 23 November 2017, for the Company and its subsidiaries to enter into recurrent related party transactions of a revenue or trading nature which are necessary for its day-to-day operations as detailed in paragraph 3.3 and with those related parties as set out in paragraph 3.2 of Part A of the Circular to Shareholders of the Company dated 26 October 2018 ("Related Parties") which has been despatched to the Shareholders of the Company, provided that such transactions are undertaken in the ordinary course of business and are on normal commercial terms which are consistent with the Group's usual business practices and policies, and on terms not more favourable to the Related Parties than those generally available to the public and are not to the detriment of the minority shareholders; and

THAT authority conferred by this ordinary resolution will only continue to be in force until:

- (i) the conclusion of the next annual general meeting of the Company at which time it will lapse, unless by a resolution passed at the meeting, the authority is renewed;
- (ii) the expiration of the period within which the next annual general meeting of the Company after that date is required to be held pursuant to Section 340(2) of the Companies Act 2016 (but must not extend to such extension as may be allowed pursuant to Section 340(4) of the Companies Act 2016); or
- (iii) revoked or varied by resolution passed by the Shareholders of the Company in general meeting,

whichever is the earlier; and

THAT the Directors of the Company be and are hereby authorised to complete and do all such acts and things to give effect to the transactions contemplated and/or authorised by this ordinary resolution which shall include, without limitation, taking any action which the Directors may, in their absolute discretion deem fit, to recover any sums due to the Company under the said transactions or to settle the same."

7.2 To consider and, if thought fit, pass the following Special Resolution:

Proposed Adoption of New Constitution of the Company

"THAT the constitution in the form and manner as set out in Appendix I of Part B of the Circular to Shareholders of the Company dated 26 October 2018 be and is hereby approved and adopted as the Constitution of the Company in substitution for, and to the exclusion of, the existing Constitution of the Company."

**Resolution 9**

8. To transact any other business for which due notice shall have been given.

By Order of the Board

**WONG PHOOI LIN (MAICSA 7013812)**  
**WONG PO LENG (MAICSA 7049488)**  
Secretaries

Kuala Lumpur  
26 October 2018

**Notes:**

1. Agenda Item 1

*The Audited Financial Statements are laid in accordance with Section 340(1)(a) of the Companies Act 2016 for discussion only. As such, this Agenda item is not a business which requires a resolution to be put to vote by Shareholders.*

2. Circular to Shareholders dated 26 October 2018 (“Circular”)

*Details on the following are set out in the Circular accompanying the 2018 Annual Report:*

- (i) Part A - Proposed Renewal of Shareholders’ Mandate for Recurrent Related Party Transactions
- (ii) Part B - Proposed Adoption of New Constitution of the Company

3. Resolution 1

*Fees for the Directors are proposed to be increased to commensurate with the increasing duties and responsibilities of the Directors.*

4. Resolution 2

*The benefits payable to the Directors of up to RM111,000 for the period commencing from 27 November 2018 (being the day immediately after the 88th Annual General Meeting of the Company (“88th AGM”)) until the next annual general meeting of the Company comprise estimated meeting allowance in respect of Directors’ attendance at Board and Board Committees meetings which have been scheduled and those unscheduled, where necessary. The Board is of the view that it is just and equitable for the Directors to be paid the meeting allowance as and when incurred when they discharge their responsibilities and render their services to the Company throughout the relevant period.*

5. Resolution 7

*This approval will allow the Company to procure the renewal of the general mandate (“General Mandate”) which will empower the Directors of the Company to issue shares in the Company up to an amount not exceeding 10% of the total number of issued shares of the Company (excluding treasury shares). This authority, unless revoked or varied at a 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 of the Company held on 23 November 2017 which will lapse at the conclusion of this Annual General Meeting.*

*The General Mandate will provide flexibility to the Company for any possible fund raising activities, including but not limited to placing of shares for purposes of funding future investment projects, working capital and/or acquisitions.*

6. Resolution 8

*This approval will allow the Company and its subsidiaries to continue to enter into recurrent related party transactions of a revenue or trading nature with those related parties as set out in paragraph 3.2 of Part A of the Circular, which are necessary for the Group’s day-to-day operations undertaken in the ordinary course of business and are on normal commercial terms which are consistent with the Group’s usual business practices and policies, and on terms not more favourable to the related parties than those generally available to the public and are not to the detriment of the minority shareholders.*

7. Resolution 9

*This approval will allow the Company to adopt a new constitution as set out in Appendix I of Part B of the Circular in line with the Companies Act 2016 and the amendments made by Bursa Malaysia Securities Berhad to the Main Market Listing Requirements, and to enhance administrative efficiency.*

8. *Directors' Retirement*

*Mr Chong Jee Min who has served on the Board as an independent non-executive Director of the Company for a cumulative term of more than 12 years, has notified the Board that he does not wish to seek re-appointment as an independent Director. Hence, Mr Chong shall retire as Director of the Company at the conclusion of the 88th AGM.*

9. *Proxy*

- *In respect of deposited securities, only Members whose names appear in the Record of Depositors on 15 November 2018 shall be eligible to attend the Meeting.*
- *A member entitled to attend and vote at the Annual General Meeting is entitled to appoint not more than 2 proxies to attend and vote instead of him. A proxy need not be a member of the Company.*
- *If a member appoints 2 proxies, the proportion of his shareholdings represented by each proxy must be specified.*
- *The instrument appointing a proxy must be in writing under the hand of the appointor or his attorney duly authorised in writing or, if the appointor is a corporation, either under seal or the hand of an officer or attorney duly authorised.*
- *Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in 1 securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.*
- *The instrument of proxy shall be deposited at the Office of the Registrar of the Company at Level 13, Lion Office Tower, No. 1 Jalan Nagasari, 50200 Kuala Lumpur, Wilayah Persekutuan not less than 48 hours before the time for holding the Meeting.*
- *Completed Form of Proxy sent through facsimile transmission shall not be accepted.*