

PENTAMASTER CORPORATION BERHAD (572307-U)
(Incorporated in Malaysia)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Fourteenth Annual General Meeting of Pentamaster Corporation Berhad will be held at the Conference Room of Pentamaster Corporation Berhad at Plot 18 & 19 Technoplex, Medan Bayan Lepas, Taman Perindustrian Bayan Lepas, Phase IV, 11900 Penang on 2 June 2016 at 10.30 a.m. for the following purposes :-

AS ORDINARY BUSINESSES

1. To receive and adopt the Audited Financial Statements for the financial year ended 31 December 2015 together with the Reports of the Directors and Auditors thereon. Resolution 1
2. To approve the payment of Directors' fees of RM228,000 for the financial year ended 31 December 2015. Resolution 2
3. To consider and, if thought fit, to pass with or without modifications the following resolutions as Ordinary Resolutions :-
 - (a) "THAT Loh Nam Hooi, who retires pursuant to Article 95(1) of the Company's Articles of Association, be and is hereby re-elected as a Director of the Company." Resolution 3
 - (b) "THAT Gan Pei Joo, who retires pursuant to Article 95(1) of the Company's Articles of Association, be and is hereby re-elected as a Director of the Company." Resolution 4
 - (c) "THAT Chuah Chong Ewe, who retires pursuant to Article 102 of the Company's Articles of Association, be and is hereby re-elected as a Director of the Company." Resolution 5
4. To re-appoint Messrs Grant Thornton as Auditors of the Company for the ensuing year and to authorise the Directors to fix their remuneration. Resolution 6

AS SPECIAL BUSINESS

5. To consider and, if thought fit, to pass with or without modifications the following resolutions as Ordinary Resolutions :-
 - (a) "THAT authority be and is hereby given to Loh Nam Hooi who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine (9) years to continue to act as an Independent Non-Executive Director of the Company." Resolution 7

Authority to Issue Shares

- (b) “THAT pursuant to Section 132D of the Companies Act, 1965, and subject to the approvals of the relevant Governmental and/or regulatory authorities, the Directors be and are hereby empowered to issue and allot shares in the Company from time to time upon such terms and conditions and for such purposes and to such person or persons as the Directors may deem fit provided that the aggregate number of shares issued pursuant to this resolution does not exceed 10% of the total issued share capital of the Company for the time being and that the Directors be and are also empowered to obtain the approval from Bursa Malaysia Securities Berhad for the listing of and quotation for the additional shares so issued and that such authority shall continue to be in force until the conclusion of the next Annual General Meeting of the Company or the expiration of the period within which the next Annual General Meeting is required by law to be held or revoked/varied by resolution passed by the shareholders in general meeting whichever is the earlier.”

Resolution 8

Proposed Shareholders’ Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature

- (c) “THAT subject always to the Listing Requirements of Bursa Malaysia Securities Berhad, approval be and is hereby given to the Company’s subsidiaries to enter into all arrangements and/or transactions as detailed in Section 2.2(b) of the Company’s Circular to Shareholders dated 28 April 2016 (“Said Circular”) involving the interests of Directors, major shareholders or persons connected with such Directors or major shareholders of the Company (“Related Parties”) as detailed in Section 2.2(b) of the Said Circular, provided that such arrangements and/or transactions are:-

- (i) recurrent transactions of a revenue or trading nature;
- (ii) necessary for the day-to-day operations; and
- (iii) carried out in the ordinary course of business and are made on an arm’s length basis on normal commercial terms which are not more favourable to the Related Parties than those generally available to the public and not to the detriment of the minority shareholders of the Company

(the “Proposed Shareholders’ Mandate”).

THAT the Proposed Shareholders’ Mandate is subject to annual renewal and shall continue to be in force until:-

- (a) the conclusion of the next annual general meeting (“AGM”) of the Company at which such Proposed Shareholders’ Mandate was passed, at which time it will lapse, unless by a resolution passed at the meeting, the authority is renewed;
- (b) the expiration of the period within which the next AGM after that date is required to be held pursuant to Section 143(1) of the Companies Act, 1965 (but shall not extend to such extension as may be allowed pursuant to Section 143(2) of the Act); or
- (c) revoked or varied by resolution passed by the shareholders 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 as they may consider expedient or necessary to give effect to the Proposed Shareholders' Mandate.”

Resolution 9

6. To consider any other business for which due notice shall have been given in accordance with the Companies Act, 1965.

FURTHER NOTICE IS HEREBY GIVEN THAT for the purpose of determining a member who shall be entitled to attend this Fourteenth Annual General Meeting, the Company shall be requesting Bursa Malaysia Depository Sdn. Bhd., in accordance with Article 171(1) of the Company's Articles of Association and Section 34(1) of the Securities Industry (Central Depositories) Act 1991, to issue a General Meeting Record of Depositors as at 27 May 2016. Only a depositor whose name appears in the Record of Depositors as at 27 May 2016 shall be entitled to attend the said meeting or appoint proxies to attend, speak and/or vote on his/her behalf.

By order of the Board

Lim Kim Teck
(MAICSA 7010844)

Kong Sown Kaey
(MAICSA 7047655)
Secretaries

Penang
Date : 28 April 2016

NOTES

1. Appointment of Proxy

- (a) Subject to Paragraph (c) below, a member entitled to attend and vote is entitled to appoint not more than two (2) proxies to attend and vote instead of him. Where a member appoints more than one (1) proxy to attend and vote at the same meeting, the appointment shall be invalid unless the member specifies the proportion of his holdings to be represented by each proxy.
- (b) A proxy may but need not be a member of the Company and a member may appoint any person to be his proxy without restriction as to the qualification of the proxy and the provisions of Section 149(1)(a) and (b) of the Companies Act, 1965 shall not apply to the Company.
- (c) Where a member of the Company is an exempt authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991 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 authorised nominee may appoint in respect of each omnibus account it holds.
- (d) The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing, or if the appointor is a corporation, either under its seal or under the hand of an officer or attorney duly authorised.
- (e) The instrument appointing a proxy must be deposited at the Registered Office of the Company at 35, 1st Floor, Jalan Kelisa Emas 1, Taman Kelisa Emas, 13700 Seberang Jaya, Penang not less than forty eight (48) hours before the time appointed for holding the meeting or any adjournment thereof.

2. Explanatory Notes on Special Business

Resolution No. 7

Under the Malaysian Code on Corporate Governance 2012 (“MCCG 2012”), the Board must undertake an assessment of its independent directors annually. In addition, the MCCG 2012 has recommended that the tenure of an independent director should not exceed a cumulative term of nine years. Shareholders approval must be sought in the event that the Company intends to retain any independent director who has served in that capacity for more than nine years.

Resolution No. 8

The proposed resolution if passed will empower the Directors of the Company to issue and allot shares up to 10% of the issued and paid-up share capital of the Company from time to time. This authority will, unless revoked or varied by the Company in general meeting, expire at the conclusion of the next Annual General Meeting of the Company or the period within which the next Annual General Meeting of the Company is required by law to be held whichever is the earlier.

Up to 21 April 2016, being the latest practical date before the printing of this Annual Report, 11,324,283 shares have been issued pursuant to the mandate granted to the Directors at the last Annual General Meeting held on 18 June 2015 and which will lapse at the conclusion of the Fourteenth Annual General Meeting.

The Directors seek a renewal of the mandate to provide flexibility to the Company for possible raising of funds, including but not limited to placing of shares, for purpose of additional working capital, funding of investments, acquisitions or reduction of borrowings.

Resolution No. 9

The proposed resolution in relation to the Proposed Shareholders’ Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature which is to be reviewed annually will eliminate the requirement for the Company to make regular announcements and convene separate general meetings from time to time in respect of the aforesaid Related Party Transactions.