

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Fifty-fifth Annual General Meeting of Malaysian Pacific Industries Berhad ("the Company") will be held at the Theatre, Level 1, Wisma Hong Leong, 18 Jalan Perak, 50450 Kuala Lumpur on Tuesday, 25 October 2016 at 2.00 p.m. in order:

- To lay before the meeting the audited financial statements together with the reports of the Directors and Auditors thereon for the financial year ended 30 June 2016.
- To approve the payment of Director fees of RM280,000/- for the financial year ended 30 June 2016 (2015: RM192,000/-), to be divided amongst the Directors in such manner as the Directors may determine. **Resolution 1**
- To re-elect the following retiring Directors: **Resolution 2**
 (a) YBhg Datuk Kwek Leng San **Resolution 3**
 (b) Ms Lim Tau Kien **Resolution 4**
 (c) Mr Manuel Zarauza Brandulas. **Resolution 5**
- To re-appoint Messrs KPMG as Auditors of the Company and to authorise the Directors to fix their remuneration. **Resolution 5**

SPECIAL BUSINESS

As special business, to consider and, if thought fit, pass the following motions:

- Ordinary Resolution**
-Approval To Continue In Office As Independent Non-Executive Director
"THAT approval be and is hereby given for YBhg Datuk Syed Zaid bin Syed Jaffar Albar who has served as an Independent Non-Executive Director of the Company for more than nine (9) years, to continue in office as an Independent Non-Executive Director of the Company until the conclusion of the next Annual General Meeting." **Resolution 6**

- Ordinary Resolution**
-Authority To Directors To Issue Shares
"THAT pursuant to Section 132D of the Companies Act, 1965, the Directors be and are hereby empowered to issue shares in the Company, at any time and from time to 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 issued capital of the Company for the time being; **AND THAT** the Directors be and are also empowered to obtain approval for the listing of and quotation for the additional shares so issued on Bursa Malaysia Securities Berhad and that such authority shall continue in force until the conclusion of the next Annual General Meeting of the Company." **Resolution 7**

- Ordinary Resolution**
-Proposed Renewal Of Shareholders' Mandate For Recurrent Related Party Transactions Of A Revenue Or Trading Nature With Hong Leong Company (Malaysia) Berhad ("HLCM") And Persons Connected With HLCM
"THAT approval be and is hereby given for the Company and/or its subsidiaries to enter into recurrent related party transactions of a revenue or trading nature as set out in Section 2.3 of the Circular to Shareholders dated 30 September 2016 with HLCM and persons connected with HLCM ("Hong Leong Group") provided that such transactions are undertaken in the ordinary course of business, on commercial terms which are not more favourable to the Hong Leong Group than those generally available to and/or from the public, where applicable, and are not, in the Company's opinion, detrimental to the minority shareholders;
AND THAT such approval shall continue to be in force until:

- the conclusion of the next Annual General Meeting ("AGM") of the Company, at which time it will lapse, unless by a resolution passed at the meeting, the authority is renewed; or
- the expiration of the period within which the next AGM of the Company after that date is required to be held pursuant to Section 143(1) of the Companies Act, 1965 ("Act") (but shall not extend to such extension as may be allowed pursuant to Section 143(2) of the Act); or
- 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 to do all such acts and things (including executing all such documents as may be required) as they may consider expedient or necessary to give effect to the transactions contemplated and/or authorised by this ordinary resolution." **Resolution 8**

- Ordinary Resolution**
-Proposed Allocation Of Options And/Or Grants To Mr Manuel Zarauza Brandulas
"THAT authority be and is hereby given to the Directors of the Company, from time to time, to offer to Mr Manuel Zarauza Brandulas, the Group Managing Director of the Company, options to subscribe for/purchase such number of ordinary shares of RM0.50 each (unless otherwise adjusted) in the Company ("Shares") and/or grants comprising such number of Shares under the Executive Share Scheme of the Company ("ESS") as they shall deem fit **PROVIDED THAT** not more than 10% of the Maximum Aggregate, the "Maximum Aggregate" being defined in the bye-laws of the ESS ("Bye-Laws") as an amount equivalent to 10% of the issued and paid-up ordinary share capital (excluding treasury shares) of the Company at any one time, are allotted to him if he, either singly or collectively through persons connected with him, holds 20% or more of the issued and paid-up ordinary share capital (excluding treasury shares) of the Company subject always to such terms and conditions and/or any adjustment which may be made in accordance with the provisions of the Bye-Laws; **Resolution 9**
- To consider any other business of which due notice shall have been given.

By Order of the Board

Joanne Leong Wei Yin
 Lee Wui Kien
 Company Secretaries
 Kuala Lumpur
 30 September 2016

Notes

- For the purpose of determining members' eligibility to attend this meeting, only members whose names appear in the Record of Depositors as at 19 October 2016 shall be entitled to attend this meeting or appoint proxy(ies) to attend and vote on their behalf.
- Save for a member who is an exempt authorised nominee, a member entitled to attend and vote at this meeting is entitled to appoint not more than two proxies to attend and vote in his stead. A proxy may but need not be a member of the Company and the provision of Section 149(1)(b) of the Companies Act, 1965 shall not apply to the Company. A member who is an authorised nominee may appoint not more than two proxies in respect of each securities account it holds. A member who is an exempt authorised nominee for multiple beneficial owners in one securities account ("Omnibus Account") may appoint any number of proxies in respect of the Omnibus Account.
- Where two or more proxies are appointed, the proportions of shareholdings to be represented by each proxy must be specified in the instrument appointing the proxies, failing which the appointments shall be invalid.
- The Form of Proxy must be deposited at the Registered Office of the Company at Level 9, Wisma Hong Leong, 18 Jalan Perak, 50450 Kuala Lumpur not less than 48 hours before the time appointed for holding of the meeting or adjourned meeting.
- Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("MMLR"), all resolutions set out in this Notice will be put to vote by way of a poll.

Explanatory Notes

- Resolution 6 – Approval To Continue In Office As Independent Non-Executive Director
 The proposed Ordinary Resolution 6, if passed, will enable YBhg Datuk Syed Zaid bin Syed Jaffar Albar to continue in office as an Independent Non-Executive Director of the Company.

Recommendation 3.3 of the Malaysian Code on Corporate Governance 2012 ("MCCG 2012") provides that approval of shareholders be sought in the event that the Company would like an independent director who has served in that capacity for more than 9 years to continue in office as an independent director.

The Company has in place an Independence of Directors Policy ("ID Policy") as set out in the Statement of Corporate Governance, Risk Management and Internal Control, and an annual assessment is conducted on the independence of independent directors by the Nominating Committee ("NC") and the Board of Directors ("Board") in accordance with the criteria set out in the MMLR and the ID Policy.

Pursuant to the MCCG 2012, the NC and the Board have assessed the performance and independence of YBhg Datuk Syed Zaid bin Syed Jaffar Albar who has served on the Board for more than 9 years and determined that he remains objective and continue to bring independent and objective judgment, based on the following justifications:

- He meets the criteria of "independent director" in accordance with the MMLR and continue to exercise independent judgment in expressing his views and deliberating issues objectively on the conduct of the Group's business and other issues raised at the Board and Board Committee meetings.
- He is free from any conflict of interest with the Company.
- The Company benefits from the experience of YBhg Datuk Syed Zaid bin Syed Jaffar Albar who has, over time, gained valuable insight into the Group, its market and the industry.
- His knowledge of the Group's various core business operations during his tenure of office will enable him to discharge his duties effectively.
- He exercises due care and diligence as an Independent Non-Executive Director of the Company and carries out his professional duties in the best interest of the Company and its shareholders.

The Board recognises that independence should not be determined solely based on tenure of service and that the continued tenure of service brings considerable stability to the Board. The Company benefits from the mix of skills, experience and competencies for informed and balanced decision-making by the Board.

Accordingly, the NC and the Board recommend that YBhg Datuk Syed Zaid bin Syed Jaffar Albar continues in office as an Independent Non-Executive Director of the Company.

- Resolution 7 – Authority To Directors To Issue Shares
 The proposed ordinary resolution, if passed, will give a renewed mandate to the Directors of the Company to issue ordinary shares of the Company from time to time provided that the aggregate number of shares issued pursuant to this resolution does not exceed 10% of the issued capital of the Company for the time being ("Renewed Mandate"). The Renewed Mandate, 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 held on 29 October 2015 and which will lapse at the conclusion of the Fifty-fifth Annual General Meeting.

The Renewed Mandate will enable the Directors to take swift action in case of, inter alia, a need for corporate exercises or in the event business opportunities or other circumstances arise which involve the issue of new shares, and to avoid delay and cost in convening general meetings to approve such issue of shares.

- Resolution 8 – Proposed Renewal Of Shareholders' Mandate For Recurrent Related Party Transactions Of A Revenue Or Trading Nature
 The proposed ordinary resolution, if passed, will empower the Company and/or its subsidiaries to enter into recurrent related party transactions of a revenue or trading nature which are necessary for the day-to-day operations of the Malaysian Pacific Industries Berhad Group ("MPI Group"), subject to the transactions being in the ordinary course of business and on terms which are not more favourable to the related parties than those generally available to and/or from the public and are not, in the Company's opinion, detrimental to the minority shareholders of the Company ("Proposed Renewal Of Shareholders' Mandate").

Detailed information on the Proposed Renewal Of Shareholders' Mandate is set out in the Circular to Shareholders dated 30 September 2016 which is despatched together with the Company's Annual Report.

- Resolution 9 – Proposed Allocation Of Options And/Or Grants To Mr Manuel Zarauza Brandulas ("Proposed Allocation")
 The proposed ordinary resolution, if passed, will allow the Directors of the Company to offer to Mr Manuel Zarauza Brandulas, who was appointed as Group Managing Director of the Company on 8 August 2016, options to subscribe for/purchase such number of ordinary shares of RM0.50 each (unless otherwise adjusted) in the Company ("Shares") and/or grants comprising such number of Shares under the Executive Share Scheme of the Company ("ESS"), as part of the Company's efforts to retain, motivate and reward him with an equity stake in the success of the MPI Group, provided that not more than 10% of the Maximum Aggregate, the Maximum Aggregate being defined in the bye-laws of the ESS ("Bye-Laws") as an amount equivalent to 10% of the issued and paid-up ordinary share capital (excluding treasury shares) of the Company at any one time, are allotted to him if he, either singly or collectively through persons connected with him, holds 20% or more of the issued and paid-up ordinary share capital (excluding treasury shares) of the Company over the period of the ESS.

The ESS, comprising an executive share option scheme ("ESOS") and an executive share grant scheme ("ESGS") which was implemented on 8 March 2013 and 28 February 2014 respectively, is governed by the Bye-Laws and will expire on 7 March 2023.

The option price to subscribe for/purchase such number of Shares under the ESOS to be determined shall not be more than 10% (or such discount as the relevant authorities shall permit) from the 5-day weighted average market price of the Shares preceding the offer date and shall in no event be less than the par value of the Shares. Shares offered under the ESGS will not require any consideration to be payable.

Mr Manuel Zarauza is deemed interested in the Proposed Allocation. Accordingly, he will abstain from voting, in respect of his direct and/or indirect shareholdings in the Company, if any, on the proposed ordinary resolution in relation to the Proposed Allocation at the Fifty-fifth Annual General Meeting of the Company. Mr Manuel Zarauza will also ensure that persons connected with him will abstain from voting in respect of their direct and/or indirect shareholdings in the Company, if any, on the proposed ordinary resolution in relation to the Proposed Allocation. Save as disclosed, none of the Directors and major shareholders of the Company and/or persons connected with them, has any interest, direct or indirect, in the Proposed Allocation.