

Harbour



HARBOUR-LINK GROUP BERHAD
(Company No: 592902-D)
(Incorporated in Malaysia)

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN THAT the Fourteenth Annual General Meeting ("AGM") of the Company will be held at Millennium Ballroom 3, Parkcity Everly Hotel, Jalan Tun Razak, 97000 Bintulu, Sarawak on Tuesday, 22 November 2016 at 9.00 a.m. for the purpose of transacting the following businesses, to pass as Ordinary Resolutions:-

AGENDA

1. To receive the Audited Financial Statements for the financial year ended 30 June 2016 together with the Directors' and Auditors' Reports thereon.	<i>Please refer to Note A</i>
2. To approve a first and final single tier dividend of 2 sen per ordinary share of RM0.50 each for the financial year ended 30 June 2016.	<i>(Resolution 1)</i>
3. To approve the Directors' fees for the financial year ended 30 June 2016.	<i>(Resolution 2)</i>
4. To re-elect the following Directors retiring in accordance with Article 103 of the Company's Articles of Association and being eligible, offer themselves for re-election:-	
(i) Dato' Mohamed Salleh Bin Bajuri	<i>(Resolution 3)</i>
(ii) Mr. Lee Seng Chiong	<i>(Resolution 4)</i>
(iii) Mr. Lau Sii Hin	<i>(Resolution 5)</i>
5. To re-appoint Messrs Ernst & Young as Auditors of the Company to hold office until the conclusion of the next AGM and to authorise the Board of Directors to fix their remuneration.	<i>(Resolution 6)</i>

AS SPECIAL BUSINESS

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

6. RETENTION OF INDEPENDENT DIRECTOR	<i>(Resolution 7)</i>
"THAT subject to passing of Ordinary Resolution 3, Dato' Mohamed Salleh Bin Bajuri who has served the Board for more than 9 years be retained as Independent Non-Executive Chairman of the Company."	
7. AUTHORITY TO ISSUE SHARES PURSUANT TO SECTION 132D OF THE COMPANIES ACT, 1965	<i>(Resolution 8)</i>
"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 until the conclusion of the next Annual General Meeting 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 does not exceed ten per centum (10%) of the issued share capital of the Company at the time of submission to the authority and THAT the Directors be and are also empowered to obtain the approval for the listing of and quotation for the additional shares so issued on Bursa Malaysia Securities Berhad and THAT such authority shall continue to be in force until the conclusion of the next Annual General Meeting of the Company."	
8. PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE AND PROPOSED NEW SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE ("PROPOSED SHAREHOLDERS' MANDATE")	<i>(Resolution 9)</i>
"THAT, the mandate granted by the shareholders of the Company at the Thirteenth AGM held on 23 November 2015 pursuant to paragraph 10.09 of the Listing Requirements of Bursa Malaysia Securities Berhad, authorizing the Company and its subsidiary ("HLG Group") to enter into recurrent related party transactions of a revenue or trading nature as set out in Section 2.3 (i) of the Circular to Shareholders dated 31 October 2016 with the related parties mentioned therein which are necessary for HLG Group's day-to-day operations, be and is hereby renewed.	
THAT approval be and is hereby given for HLG to enter into recurrent related party transactions of a revenue or trading nature as set out in Section 2.3 (ii) of the Circular to Shareholders, which are necessary for HLG Group's day-to-day operations.	

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THAT the HLG Group be and is hereby authorised to enter into the recurrent transactions with the related parties mentioned therein provided that:-

- a) the transactions are in the ordinary course of business and on normal commercial terms which are not more favourable to the related parties than those generally available to the public and are not to the detriment of the minority shareholders of the Company; and
- b) the disclosure will be made in the Annual Report of the breakdown of the aggregate value of the Recurrent Related Party Transactions conducted pursuant to the Proposed Shareholders' Mandate during the financial year based on the type of Recurrent Related Party Transactions made, the names of the related parties involved in each type of Recurrent Related Party Transactions and their relationships with the Company.

THAT authority conferred shall continue to be in force until:-

- i) the conclusion of the next AGM of the Company following the forthcoming Fourteenth AGM at which the Proposed Shareholders' Mandate is approved, at which time it will lapse, unless by a resolution passed at the AGM, the mandate is again renewed;
- ii) the expiration of the period within which the next AGM of the Company is required to be held pursuant to Section 143(1) of the Companies Act, 1965 (the "Act") (but shall not extend to such extension as may be allowed pursuant to Section 143(2) of the Act); or
- iii) revoked or varied by resolution passed by the shareholders in general meeting,

whichever is earlier;

AND THAT the Directors of the Company be and is hereby authorised to complete and 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 Proposed Shareholders' Mandate."

9. To transact any other business which may properly be transacted at an AGM for which due notice shall have been given.

NOTICE OF DIVIDEND ENTITLEMENT AND PAYMENT

Subject to the approval of the shareholders, a first and final single-tier dividend of 2 sen per ordinary share of RM0.50 each for the financial year ended 30 June 2016 will be paid on 19 December 2016 to Depositors registered in the Record of Depositors at the close of business at 5.00 p.m. on 30 November 2016.

A depositor shall qualify for entitlement only in respect of:

- a) Shares transferred into the Depositor's Securities Account before 4.00 p.m. on 30 November 2016 in respect of ordinary transfers; and
- b) Shares bought on Bursa Malaysia Securities Berhad on a cum entitlement basis according to the Rules of the Bursa Malaysia Securities Berhad.

By Order of the Board

LIM SECK WAH (MAICSA NO. 0799845)

M. CHANDRASEGARAN A/L S. MURUGASU (MAICSA NO. 0781031)

Company Secretaries

Sarawak

Dated: 31 October 2016

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Notes:-

- A. *This Agenda Item is meant for discussion only as the provision of the Company's Articles of Association do not require a formal approval of the shareholders and hence, is not put forward for voting.*
1. *For the purpose of determining a member who shall be entitled to attend, speak and vote at the AGM, the Company shall be requesting the Record of Depositors as at 15 November 2016. Only a depositor whose name appears on the Record of Depositors as at 15 November 2016 shall be entitled to attend the said meeting or appoint proxies to attend, speak and vote on his/her stead.*
2. *A member entitled to attend and vote at a meeting of the Company is entitled to appoint up to two (2) proxies to attend. A proxy may but need not be a member of the Company and the provisions of Section 149(1) (a) and (b) of the Companies Act, 1965 shall not apply. Where a member appoints more than one proxy, the appointment shall be invalid unless he/she specifies the proportion of his/her holdings to be represented by each proxy.*
3.
 - (i) *Where a member is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, it may appoint at least one (1) proxy but not more than two (2) proxies in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.*
 - (ii) *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 is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.*
4. *The instrument appointing a proxy, in the case of an individual, shall be signed by the appointer or by his attorney duly authorised in writing, and in the case of a corporation, shall be executed under its Common Seal or under the hand of an officer or attorney of the corporation duly authorised.*
5. *The instrument appointing the proxy, with the power of attorney or other authority (if any) under which it is signed or a notarially certified or office copy of such power of attorney, must be deposited at the Registered Office of the Company at Wisma Harbour, Parkcity Commerce Square, Jalan Tun Ahmad Zaidi, 97000 Bintulu, Sarawak not less than forty-eight (48) hours before the time set for holding the meeting or any adjournment thereof.*

Explanatory note on Special Business:-

i) Ordinary Resolution 7 – Retention of Independent Director

YBhg Dato' Mohamed Salleh Bin Bajuri has served the Board for a consecutive term of more than 9 years. The Nomination Committee has assessed his independence and has based on the following attributes recommended him to continue as Independent Non-Executive Chairman:-

- *have in-depth understanding of the business of the Group and could provide the Board valuable advice and insight;*
- *actively participate in Board deliberation and decision making in an objective manner; and*
- *upholds independent judgement and there are no circumstances and relationships that may hamper his independence.*

ii) Ordinary Resolution 8 – Authority to issue shares pursuant to Section 132D of the Companies Act, 1965

The effect of the Ordinary Resolution if passed, will give the flexibility and authority to the Directors of the Company, from the date of the forthcoming Fourteenth AGM, to issue and allot new shares in the Company up to and not exceeding in total 10% of the issued and paid-up share capital of the Company as at the date of the Fourteenth AGM, for such purposes as they consider would be in the interest of the Company. This authority, unless revoked or varied at a general meeting, will expire at the conclusion of the next AGM of the Company following the forthcoming Fourteenth AGM.

The mandate obtained last year was not exercised and hence no proceed was raised therefrom. The Board would like to renew the mandate to enable the Directors of the Company to issue and allot shares at any time to such persons in their absolute discretion without convening a general meeting as it would be both time and cost consuming to organise a general meeting. The renewed authority for allotment of shares will provide flexibility to the Company for the allotment of shares for the purpose of funding future investment, working capital and/or acquisitions, if there is such investment opportunity arises during the financial year 2017.

During the financial year ended 30 June 2016, 36,400,000 new ordinary shares of RM0.50 each were issued pursuant to the Bonus Issue.

iii) Ordinary Resolution 9 – Proposed Shareholders' Mandate

The explanatory note on Ordinary Resolution 9 is set out in the Circular to Shareholders dated 31 October 2016.