

NOTICE OF ANNUAL GENERAL MEETING



SEG
International
Bhd
[145998U]

NOTICE IS HEREBY GIVEN that the Thirtieth Annual General Meeting of SEG International Bhd ("SEGI" or "the Company") will be held at Level 2, Right Wing, SEGI University, No. 9, Jalan Teknologi, Taman Sains Selangor, Kota Damansara, PJU 5, 47810 Petaling Jaya, Selangor Darul Ehsan on Tuesday, 24 May 2016 at 2.30 p.m. for the following purposes:

AS ORDINARY BUSINESS

1. To receive the Audited Financial Statements for the year ended 31 December 2015 together with the Reports of Directors and Auditors thereon. (Please refer to Note 1)

2. To approve the payment of Directors' fees for the year ended 31 December 2015. (Ordinary Resolution 1)
3. To re-elect Heo Moi Lan who retires pursuant to Article 86 of the Company's Articles of Association. (Ordinary Resolution 2)

4. To consider and if thought fit, to pass the following resolution in accordance with Section 129(6) of the Companies Act, 1965.

"That Tan Sri Megat Najmuddin Bin Dato' Seri Dr. Haji Megat Khaz, retiring pursuant to Section 129(6) of the Companies Act, 1965, be and is hereby re-appointed a Director of the Company to hold office until the next annual general meeting." (Ordinary Resolution 3)

5. To re-appoint Messrs. Ernst & Young as Auditors of the Company and authorise the Directors to fix their remuneration. (Ordinary Resolution 4)

AS SPECIAL BUSINESS

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

6. Authority to allot and issue shares pursuant to Section 132D of the Companies Act, 1965

"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 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 to be issued pursuant to this resolution in any one financial year does not exceed ten percent (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 ("Bursa Securities") and that such authority shall continue in force until the conclusion of the next Annual General Meeting ("AGM") of the Company." (Ordinary Resolution 5)

7. Proposed Renewal of Authority for the Purchase by SEGI of its Own Shares ("Proposed Share Buy-Back")

"That, subject to the provisions of the Companies Act, 1965 ("the Act") (as may be amended, modified or re-enacted from time to time), the Memorandum and Articles of Association of the Company, the Main Market Listing Requirements of Bursa Securities and any other relevant authorities, the Company be and is hereby authorised to purchase on the market of Bursa Securities and/or hold such number of ordinary shares of RM0.25 each in SEGI ("SEGI Shares") as may be determined by the Directors from time to time through Bursa Securities upon such terms and conditions as the Directors may deem fit in the interest of the Company provided that:

- i. the total aggregate number of shares purchased or to be purchased pursuant to this resolution does not exceed ten percent (10%) of the total issued and paid-up share capital of the Company for the time being;
- ii. an amount not exceeding the Company's latest audited retained profit of RM32,653,000 and share premium account of RM68,504,000 as at 31 December 2015 be allocated by the Company for the Proposed Share Buy-Back; and
- iii. the Directors shall have the absolute discretion to decide whether such shares purchased are to be cancelled and/or retained as treasury shares and distributed as dividends or sold on the market of Bursa Securities or subsequently cancelled;

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

- i. the conclusion of the next AGM of the Company, at which time it will lapse, unless renewed by an ordinary resolution passed by the shareholders of the Company in a general meeting;
- ii. the expiry of the period within which the next AGM of the Company is required to be held pursuant to Section 143(1) of 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 an ordinary resolution passed by the shareholders of the Company in a general meeting; whichever is the earlier;

AND THAT the Directors be and are hereby authorised to act and to take all such steps to give full effect to the Proposed Share Buy-Back and do all such acts and things as they may deem necessary or expedient in the best interests of the Company." (Ordinary Resolution 6)

8. Retention of Independent Directors

"To relate to the following as Independent Non-Executive Directors of the Company in accordance with Malaysian Code on Corporate Governance 2012."

- (a) Tan Sri Megat Najmuddin Bin Dato' Seri Dr. Haji Megat Khaz (Ordinary Resolution 7)

- (b) Dato' Amos Siew Boon Yeong (Ordinary Resolution 8)

9. To consider any other business of which due notice shall have been given.

By Order of the Board

CHONG POH YEE (MIA, 7620)

HEW LING SZE (MAICSA 7010381)

Secretaries

NOTES

1. The Agenda item No. 1 is meant for discussion only as the provision of Section 169(1) of the Companies Act, 1965 does not require formal approval of the shareholders for the Audited Financial Statements. Hence, this Agenda item is not put forward for voting.

2. Dato' Sri Chee Hong Leong, the Director retiring pursuant to Article 86 of the Articles of Association of the Company, advised that he does not wish to seek for re-election at the Thirtieth Annual General Meeting. Hence, no resolution will be passed to re-elect him.

3. A member entitled to attend and vote at the 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 exempt authorised nominee may appoint at least one proxy in respect of such securities account if held.

4. The Form of Proxy must be deposited at the Registered Office of the Company at 6th Floor, SEGI University, No. 9, Jalan Teknologi, Taman Sains Selangor, Kota Damansara, PJU 5, 47810 Petaling Jaya, Selangor Darul Ehsan not less than 48 hours before the time and date of the meeting or adjourned meeting.

5. Explanatory notes on Special Business

a. Ordinary Resolution 5 - Authority to allot and issue shares pursuant to Section 132D of the Companies Act, 1965

The proposed Ordinary Resolution 5, if passed, will give authority to the Directors of the Company to issue ordinary shares in the Company up to an aggregate amount of not exceeding ten percent (10%) of the issued share capital of the Company for such purposes as the Directors consider would be in the best 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. The general mandate, once approved and renewed, will provide flexibility to the Company for allotment of shares for any possible fund raising activities for the purpose of funding future investment project(s), working capital and/or acquisition(s). 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 Twenty-Ninth AGM held on 10 June 2015 and hence no proceeds were raised therefrom.

b. Ordinary Resolution 6 - Proposed Renewal of Authority for the Proposed Share Buy-Back

The proposed Ordinary Resolution 6, if passed, will empower the Directors to purchase SEGI shares through Bursa Securities up to an amount not exceeding ten percent (10%) of the issued and paid-up share capital 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. Detailed information on the Proposed Share Buy-Back is set out in the Statement to Shareholders dated 30 April 2016 which is despatched together with this Annual Report.

c. Ordinary Resolution 7 and 8 - Retention of Independent Directors

The Board of Directors has vide the Nominating Committee conducted an assessment of independence of the following Directors who have served as Independent Directors for a cumulative term of more than nine years and recommended them to continue to act as Independent Directors based on the following justifications:

- (i) Tan Sri Megat Najmuddin Bin Dato' Seri Dr. Haji Megat Khaz

- (ii) Dato' Amos Siew Boon Yeong

Justifications

- (a) They have met the independence guidelines as set out in Chapter 1 of the Main Market Listing Requirements of Bursa Securities and are therefore able to give independent opinion to the Board;

- (b) Being Directors for more than nine years have enabled them to contribute positively during deliberations/discussions at meetings as they are familiar with the operations of the Company and possess in depth knowledge of the Company's operations;

- (c) They have contributed sufficient time and exercised due care during their tenure as Independent Directors;

- (d) They have discharged their professional duties in good faith and also in the best interest of the Company and shareholders;

- (e) They have vigilantly safeguarded the interests of the minority shareholders of the Company;

- (f) They have the caliber, qualifications, experiences and personal qualities to challenge management in an effective and constructive manner; and

- (g) They have never compromised on their independent judgement.

Petaling Jaya, Selangor

30 April 2016