



NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Seventeenth Annual General Meeting ("AGM") of the Company will be held at Nyatoh, Level 2, Sunway Hotel Seberang Jaya, No. 11, Lebuh Tenggiri Dua, Pusat Bandar Seberang Jaya, Seberang Jaya, 13700 Prai on Friday, 23 May 2014 at 9.00 a.m.

A G E N D A

- To receive the Audited Financial Statements of the Company for the year ended 31 December 2013 together with the Reports of the Directors and of the Auditors thereon. (Please refer to Note A)
- To declare the following Dividends for the year ended 31 December 2013:-
 - A Special Single Tier Dividend of 8 sen per share ; (Resolution 1)
 - A First and Final Single Tier Dividend of 12 sen per share. (Resolution 2)
- To approve the payment of Directors' Fees of up to RM72,000 for the financial year ended 31 December 2013. (Resolution 3)
- To re-elect the following directors retiring under the Article 98 (1) of the Articles of Association of the Company, and who being eligible, offered themselves for re-election:-
 - Mui Chung Meng (Resolution 4)
 - Chen, Chih-Wen (Resolution 5)
- To consider and if thought fit, to pass the following resolution pursuant to Section 129 (6) of the Companies Act, 1965:-
"That Cheng Shing Tsung, a Director who is over seventy years of age, who retires in compliance with Section 129(2) of the Companies Act, 1965 be hereby re-appointed as Director of the Company pursuant to Section 129(6) of the Companies Act, 1965 and to hold office until the conclusion of the next Annual General Meeting." (Resolution 6)
- To re-appoint Messrs. KPMG as Auditors of the Company and to authorise the Board of Directors to fix their remuneration. (Resolution 7)

SPECIAL BUSINESS

- To consider and if thought fit, to pass the following resolutions:-
ORDINARY RESOLUTIONS
 - Retention of Ahmad Murad Bin Abdul Aziz as Senior Independent Non-Executive Director
To retain Ahmad Murad Bin Abdul Aziz as Senior Independent Non-Executive Director of the Company in accordance with the Recommendation 3.3 of the Malaysian Code on Corporate Governance 2012. (Resolution 8)
 - Authority to Issue Shares
"That pursuant to Section 132D of the Companies Act, 1965 and approvals from the Bursa Malaysia Securities Berhad ("Bursa Securities") and other relevant governmental/regulatory authorities where such authority shall be necessary, the Board of Directors be authorised to issue and allot shares in the Company from time to time until the conclusion of the next Annual General Meeting and upon such terms and conditions and for such purposes as the Board of Directors may, in its absolute discretion, deem fit provided that the aggregate number of shares to be issued shall not exceed ten per centum (10%) of the issued share capital (excluding treasury shares) of the Company for the time being, and that the Board of Directors be empowered to obtain the approval for the listing of and quotation for the additional shares so issued on the Bursa Securities." (Resolution 9)
 - Renewal of Authority to Purchase its own Shares
"That subject to the Companies Act, 1965, provisions of the Company's Memorandum and Articles of Association ("M&A") and the requirements of the Bursa Securities and other relevant governmental and regulatory authorities where such authority shall be necessary, the Board of Directors be authorised to purchase its own shares through Bursa Securities, subject to the following:-
 - The maximum aggregate number of shares which may be purchased by the Company shall not exceed ten per centum (10%) of the issued and paid-up ordinary share capital of the Company at any point in time;
 - The maximum fund to be allocated by the Company for the purpose of purchasing the Company's shares shall not exceed the retained profits and share premium account of the Company. As at the latest financial year ended 31 December 2013, the audited retained profits and share premium account of the Company stood at RM30,922,425 and RM18,993,049 respectively;
 - The authority conferred by this resolution will be effective immediately upon the passing of this resolution and shall continue to be in force until the conclusion of the next AGM of the Company, at which time it shall lapse unless by ordinary resolution passed at that meeting, the authority is renewed either unconditionally or subject to conditions or the expiration of the period within which the next AGM is required by law to be held or unless revoked or varied by ordinary resolution passed by the shareholders in a general meeting, whichever occurs first;
 - Upon completion of the purchase(s) of the shares by the Company, the shares shall be dealt with in the following manner:-
 - to cancel the shares so purchased; or
 - to retain the shares so purchased in treasury for distribution as dividend to the shareholders and/or resell on the market of the Bursa Securities or subsequently cancelled; or
 - retain part of the shares so purchased as treasury shares and cancel the remainder.
 The Directors of the Company be and are hereby authorised to take all such steps as are necessary and entering into all other agreements, arrangements and guarantees with any party or parties to implement, finalise and give full effect to the aforesaid purchase with full powers to assent to any conditions, modifications, revaluations, variations and/or amendments, if any, as may be imposed by the relevant authorities from time to time to implement or to effect the purchase of its own shares in accordance with the Companies Act, 1965, provisions of the Company's M&A, the requirements of the Bursa Securities and any other regulatory authorities, and other relevant approvals." (Resolution 10)
- To transact any other business of which due notice shall have been given in accordance with the Companies Act, 1965.

NOTICE OF DIVIDEND ENTITLEMENT AND PAYMENT

NOTICE IS HEREBY GIVEN that the following Dividends for the year ended 31 December 2013, if approved, will be paid on 11 June 2014 to depositors registered in the Records of Depositors on 29 May 2014:-

- A Special Single Tier Dividend of 8 sen per share; and
 - A First and Final Single Tier Dividend of 12 sen per share.
- A Depositor shall qualify for entitlement to the Dividends in respect of:-
- shares transferred into the Depositor's Securities Account before 4.00 p.m. on 29 May 2014 in respect of ordinary transfers;
 - shares bought on the Bursa Malaysia Securities Berhad ("Bursa Securities") on a cum entitlement basis according to the rules of Bursa Securities.

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT an Extraordinary General Meeting ("EGM") of P.I.E. Industrial Berhad ("PIB" or the "Company") will be held at Nyatoh, Level 2, Sunway Hotel Seberang Jaya, No. 11, Lebuh Tenggiri Dua, Pusat Bandar Seberang Jaya, Seberang Jaya, 13700 Prai, Penang on Friday, 23 May 2014 at 10.00 a.m. or immediately following the conclusion or adjournment of the Seventeenth Annual General Meeting of the Company scheduled to be held at the same venue and on the same date at 9.00 a.m., for the purpose of considering and if thought fit, passing with or without modification, the following resolutions:-

ORDINARY RESOLUTION 1

PROPOSED BONUS ISSUE OF UP TO 12,801,400 NEW ORDINARY SHARES OF RM1.00 EACH IN PIB ("PIB SHARE(S)" OR "SHARE(S)") ("BONUS SHARE(S)") TO BE CREDITED AS FULLY PAID-UP ON THE BASIS OF ONE (1) BONUS SHARE FOR EVERY FIVE (5) EXISTING PIB SHARES HELD ON AN ENTITLEMENT DATE TO BE DETERMINED LATER ("PROPOSED BONUS ISSUE")

"THAT subject to the approvals of all relevant authorities/ parties (if required) being obtained, approval be and is hereby given to the Board of Directors of PIB ("Board") to capitalise and apply a total sum of up to RM12,801,400 from the Company's share premium account for the purpose of the Proposed Bonus Issue, and such Bonus Shares to be allotted to the shareholders of the Company whose names appear in the Record of Depositors of the Company at the close of business on an entitlement date to be determined and announced later by the Board ("Entitlement Date"), on the basis of one (1) Bonus Share for every five (5) existing PIB Shares held by such shareholders on the Entitlement Date; THAT fractional entitlements arising from the Proposed Bonus Issue, if any, shall be dealt with by the Board in such manner at their absolute discretion as they may deem fit and think expedient in the best interest of the Company;

THAT such Bonus Shares shall, upon allotment and issuance, rank *pari passu* in all respects with the existing PIB Shares, except that the Bonus Shares will not be entitled to any dividends, rights, allotments and/ or other distributions, in respect of which the entitlement date precedes the date of allotment and issuance of the Bonus Shares.

AND THAT the Board be and is hereby authorised to sign and execute all documents, do all things and acts as may be required to give effect to the Proposed Bonus Issue with full power to assent to any conditions, variations, modifications and/ or amendments in any manner as may be required or permitted by any relevant authorities and to deal with all matters relating thereto and to take all such steps and do all acts and things in any manner as they may deem necessary or expedient to implement, finalise and give full effect to the Proposed Bonus Issue."

ORDINARY RESOLUTION 2

PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE TO PIB AND ITS GROUP OF COMPANIES ("PIB GROUP") TO ENTER INTO RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE AND PROPOSED NEW SHAREHOLDERS' MANDATE TO PIB GROUP TO ENTER INTO ADDITIONAL RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE ("PROPOSED SHAREHOLDERS' MANDATE")

"THAT, approval be and is hereby given for the purpose of Chapter 10 of Bursa Malaysia Securities Berhad Main Market Listing Requirements for the Company and its group of companies to enter into any of the recurrent related party transactions of a revenue or trading nature which are necessary for its day-to-day operations as listed in Section 3 of Part B of the Circular to the shareholders dated 30 April 2014, provided that such transactions are carried out in the ordinary course of business, at arm's length, on normal commercial terms and on terms not more favourable to the Mandated Related Parties than those generally available to the public, are not to the detriment of the minority shareholders and disclosures on the breakdown of the aggregate value of these transactions conducted pursuant to the shareholders' mandate shall be made available in the Annual Report for the year ending 31 December 2014 ("the Mandate") and the Directors of the Company are hereby authorized to give effect to the various arrangements and/or transactions related to the above transactions and this shareholders' mandate.

AND THAT the approval given above shall continue in force until:-

- the conclusion of the next annual general meeting of the Company following the general meeting at which the Mandate was passed, at which time it will lapse, unless by a resolution passed at the meeting, the authority is renewed;
- the expiration of the period within which the next annual general meeting after that date is required to be held pursuant to Section 143(1) of the Companies Act, 1965 ("Act") (but must 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 earlier."

By Order of the Board,
HOW WEE LING (MAICSA 7033850)
OOI EAN HOON (MAICSA 7057078)
Secretaries
Penang
Date: 30 April 2014

Notes:-

- This Agenda item is meant for discussion only as the provision of Section 169(1) of the Companies Act, 1965 and the Company's Articles of Association do not require a formal approval of the shareholders and hence, is not put forward for voting.
- For the purpose of determining a member who shall be entitled to attend, speak and vote at the AGM/EGM, the Company shall be requesting the Record of Depositors as at 19 May 2014. Only a depositor whose name appears on the Record of Depositors as at 19 May 2014 shall be entitled to attend, speak and vote at the said meeting(s) as well as for appointment of proxy(ies) to attend, speak and vote on his/ her stead.
- A Member of the Company entitled to attend, speak and vote at the meeting is entitled to appoint up to two (2) proxies to attend and to vote in his place. A proxy may but need not be a Member and the provision of Section 149(1)(b) of the Companies Act, 1965 shall not apply to the Company. If a Member appoints two (2) proxies, the appointments shall be invalid unless he specifies the proportions of his holdings to be represented by each proxy.
- 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.
- The instrument appointing the proxy shall be in writing, executed by or on behalf of the appointer. In the case of a corporate member, the instrument appointing a proxy must be either under its common seal or under the hand of its officer or attorney duly authorised.
- The instrument appointing a proxy must be deposited at the Registered Office at 57-G Persiaran Bayan Indah, Bayan Bay, Sungai Nibong, 11900 Penang, not less than 48 hours before the time appointed for holding the meeting.

Explanatory Note On Special Business:

- Resolution 8 – Retention of Ahmad Murad Bin Abdul Aziz as Senior Independent Non-Executive Director of the Company
En. Ahmad Murad Bin Abdul Aziz is the Senior Independent Non-Executive Director and Chairman of the Company who has served the Company for more than nine years. In accordance with the Malaysian Code on Corporate Governance 2012 (Code), the tenure of an independent director should not exceed a cumulative term of nine years. After having assessed the independence of En. Ahmad Murad and also the assessment by the Nominating Committee, regards him to be independent based amongst others, he has remained objective and independent in exercising his judgment when a matter is put before him for decision, he also has the necessary knowledge of the business and operations of the Group and has the experience to make informed decision and participate actively and contribute positively during deliberations or discussions at Board Meetings. To that, the Board with the recommendation of the Nominating Committee, recommend En. Ahmad Murad be retained as Senior Independent Non-Executive Director of the Company.
- Resolution 9 - Authority to issue Shares
The proposed Resolution No. 9, if passed, will grant a renewed general mandate (Mandate 2014) and empower the Directors of the Company to issue and allot shares up to an amount not exceeding in total ten per centum (10%) of the issued share capital of the Company from time to time and for such purposes as the Directors consider would be in the interest of the Company. In order to avoid any delay and costs involved in convening a general meeting, it is thus appropriate to seek shareholders' approval. This authority will, unless revoked or varied by the Company in general meeting, expire at the next Annual General Meeting of the Company.
The Mandate 2014 will provide flexibility to the Company for allotment of shares for any possible fund raising activities, including but not limited for further placing of shares, for the purpose of funding future investment(s), acquisition(s) and/or working capital.
As at the date of this Notice, the company did not issue any shares pursuant to the mandate granted to the Directors at the Sixteenth Annual General Meeting. The Company did not issue any share pursuant to the mandate granted because there was no investment, acquisition or working capital that required fund raising activity.
- Resolution 10 - Renewal of Authority to Purchase its own Shares
The proposed Resolution 10, if passed, will give the Directors of the Company authority to purchase its own shares up to ten per centum (10%) of the issued and paid-up share capital of the Company. In order to avoid any delay and costs involved in convening a general meeting, it is thus appropriate to seek shareholders' approval. This authority, unless revoked or varied by the shareholders of the Company in general meeting, will expire at the conclusion of the next Annual General Meeting.