



皇城集团

WANG-ZHENG BERHAD

(612237-K)
(Incorporated in Malaysia)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Eleventh (11th) Annual General Meeting of Wang-Zheng Berhad ("WZB" or "the Company") will be held at Sri Damansara Club Berhad of Lot 23304, Persiaran Perdana, Bandar Sri Damansara, 52200 Kuala Lumpur on Wednesday, 25 June 2014 at 11.00 a.m. for the purpose of transacting the following businesses:

AGENDA

- To receive the Audited Financial Statements for the financial year ended 31 December 2013 together with the Reports of the Directors and Auditors thereon. **(Ordinary Resolution 1)**
- To approve a First and Final Single Tier Dividend of 5% or 2.5 sen per share for the financial year ended 31 December 2013. **(Ordinary Resolution 2)**
- To approve the payment of Directors' fees of RM198,000.00 to non-executive directors of the Company for the financial year ended 31 December 2013. **(Ordinary Resolution 3)**
- To re-elect the following Directors who retire pursuant to Article 91 of the Company's Articles of Association.
 - Mr. Chung Shan Kwang **(Ordinary Resolution 4)**
 - Mr. Khoo Beng Hwa **(Ordinary Resolution 5)**
 - Mr. Ch'ng Eng Hing **(Ordinary Resolution 6)**
 - Mr. Tan Kar Thy **(Ordinary Resolution 7)**
 - Mdm. Low Yu Keat **(Ordinary Resolution 8)**
 - Mr. Yap Kien Pin **(Ordinary Resolution 9)**
- To re-appoint Messrs. UHY as Auditors of the Company and to authorise the Directors to fix their remuneration. **(Ordinary Resolution 10)**
- upon completion of the purchase(s) of the Shares by the Company, the Directors of the Company be and are hereby authorised to deal with the Shares in the following manner:
 - cancel the Shares so purchased; or
 - retain the Shares so purchased as treasury shares; or
 - retain part of the Shares so purchased as treasury shares and cancel the remainder; or
 - distribute the treasury shares as share dividends to shareholders and/or resell on Bursa Securities and/or cancel all or part of them; or

in any other manner as prescribed by the Act, rules, regulations and guidelines pursuant to the Act and the Listing Requirements and any other relevant authority for the time being;

AND THAT the Directors of the Company be and are hereby authorised to take all steps as are necessary or expedient to implement or to effect the purchase(s) of the Shares with full power to assent to any condition, modification, variation and/or amendment as may be imposed by the relevant authorities and to take all such steps as they may deem necessary or expedient in order to implement, finalise and give full effect in relation thereto." **(Ordinary Resolution 18)**
- To transact any other business of the Company for which due notice shall have been given.

BY ORDER OF THE BOARD

Tan Tong Lang (MAICSA 7045482)
Chong Voon Wah (MAICSA 7055003)
Company Secretaries

Kuala Lumpur
Date: 3 June 2014

NOTES ON APPOINTMENT OF PROXY

- A member entitled to attend and vote at the general meeting is entitled to appoint at least one (1) proxy to attend and vote in his place. A proxy may but need not be a member of the Company, an advocate, an approved Company auditor or a person approved by the Registrar of Companies.
- The Form of Proxy must be signed by the appointor or his attorney duly authorised in writing or in the case of a corporation, be executed under its common seal or under the hand of its officer, attorney or other person duly authorised in writing.
- Where a member appoints two (2) or more proxies, the appointment shall be invalid unless he specifies the proportion of his holdings to be represented by each proxy.
- Where a member of the Company is an exempt authorised nominee defined under the Central Depositories Act which is exempted from compliance with the provision of subsection 25A(1) of the Central Depositories Act 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 Form of Proxy or other instruments of appointment must be deposited at Suite 10.03, Level 10, The Gardens South Tower, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur at least 48 hours before the time fixed for holding the meeting or any adjournment thereof.
- For the purpose of determining a member who shall be entitled to attend the Eleventh (11th) AGM, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd to issue a General Meeting Record of Depositors as at 19 June 2014. Only members whose name appears on the Record of Depositors as at 19 June 2014 shall be entitled to attend the said meeting or appoint proxies to attend and/or vote on his/her behalf.

EXPLANATORY NOTES ON SPECIAL BUSINESS

Ordinary Resolutions 11 to 15 : Continuation of Terms of Office as Independent Directors

The Nomination Committee and the Board have assessed the independence of Mr. Loo Choo Hong, Mr. Ch'ng Eng Hing, Mr. Tan Kar Thy, Mdm. Low Yu Keat and Mr. Yap Kien Pin, who served as Independent Non-Executive Directors of the Company for a cumulative term of more than nine (9) years, and have recommended that they continue to act as an Independent Non-Executive Directors of the Company based on the following justifications:

- They understand the main drivers of the business and provide a check and balance and bring an element of objectivity to the Board of Directors;
- They continue to be scrupulously independent in their thinking and in their effectiveness as constructive challengers of the Chief Executive Officer/Managing Director and Executive Directors; and
- They actively participated in Board discussion and provided an independent voice on the Board.

Ordinary Resolution 16 : Authority to Directors to Allot and Issue Shares

The Proposed Ordinary Resolution 16, if passed, is a renewal of General Mandate to empower the Directors to issue and allot shares up to an amount not exceeding 10% of the issued share capital of the Company for the time being for such purposes as the Directors consider would be in the best interest of the Company. This authority, unless revoked or varied by the Company at a General Meeting, will expire at the next Annual General Meeting.

The General Mandate will provide flexibility to the Company for any possible fund raising activities, including but not limited to further placing of shares, for the purpose of funding future investment project(s) workings capital and/or acquisitions.

As at the date of this Notice, no new shares in the Company were issued pursuant to the General Mandate granted to the Directors at the Tenth (10th) Annual General Meeting held on 27 June 2013 and which will lapse at the conclusion of the Eleventh (11th) Annual General Meeting.

Ordinary Resolution 17 : Proposed Renewal of Existing Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature

The Proposed Ordinary Resolution 17, if passed, will enable 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 Company and/or its subsidiaries, subject to the transactions being carried out in the ordinary course of business of the Company and/or its subsidiaries and on normal commercial terms which are generally available to the public and not detrimental to the minority shareholders of the Company. This authority, unless revoked or varied by the Company at a general meeting, will expire at the next annual general meeting of the Company.

Ordinary Resolution 18 : Proposed Renewal of Authority for the Purchase by the Company of its Own Shares

The Proposed Ordinary Resolution 18, if passed, will empower the Company to purchase its own ordinary shares of up to 10% of the issued and paid-up share capital of the Company for the time being by utilising the funds allocated out of the retained profits and the share premium account of the Company. This authority, unless renewed or revoked or varied by the Company at a general meeting, will expire at the conclusion of the next AGM of the Company or the expiration of the period within which the next AGM after that date is required by the law to be held, whichever occurs first.

NOTICE OF DIVIDEND ENTITLEMENT AND PAYMENT

NOTICE IS ALSO HEREBY GIVEN THAT a First and Final Single Tier Dividend of 5% or 2.5 sen per share for the financial year ended 31 December 2013, if approved by shareholders at the forthcoming Annual General Meeting, will be payable on 13 August 2014 to the shareholders whose names appear in the Record of Depositors of the Company at the close of business on 31 July 2014.

A Depositor shall qualify for entitlement only in respect of:

- shares transferred to the Depositor's Securities Account before 4.00 p.m. on 31 July 2014 in respect of transfer; and
- shares bought on Bursa Malaysia Securities Berhad on a cum-entitlement basis according to the Rules of Bursa Malaysia Securities Berhad.

As Special Business:

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

6. Continuation of Terms of Office as Independent Directors

THAT approval be and is hereby given to the following Directors 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:

- Mr. Loo Choo Hong **(Ordinary Resolution 11)**
- Mr. Ch'ng Eng Hing **(Ordinary Resolution 12)**
- Mr. Tan Kar Thy **(Ordinary Resolution 13)**
- Mdm. Low Yu Keat **(Ordinary Resolution 14)**
- Mr. Yap Kien Pin **(Ordinary Resolution 15)**

7. Authority To Directors To Allot And Issue Shares

"THAT pursuant to Section 132D of the Companies Act, 1965, the Directors be and are hereby authorised 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 to be issued does not exceed 10% of the issued share capital of the Company for the time being, subject always to the approval of all the relevant regulatory bodies having been obtained for such allotment and issue." **(Ordinary Resolution 16)**

8. Proposed Renewal of Existing Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature ("Proposed Shareholders' Mandate")

"THAT, subject to compliance with all applicable laws, regulations and guidelines, approval be and is hereby given to the Company's subsidiary to enter into Recurrent Related Party Transactions of a revenue or trading nature with related parties as set out in Section 2.1.4 of the Circular to Shareholders dated 3 June 2014 for the purposes of Paragraph 10.09, Chapter 10 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Listing Requirements"), subject to the following:

- the transactions are necessary for the day to day operations of the Company's subsidiary in the ordinary course of business, at arm's length, on normal commercial terms and are on terms not more favourable to the related party than those generally available to the public and not detrimental to minority shareholders of the Company;
- the mandate is subject to annual renewal. In this respect, any authority conferred by a mandate shall only 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;
 - the expiration of the period within which the next AGM after the date it is required to be held pursuant to Section 143(1) of the Companies Act, 1965 ("CA") (but shall not extend to such extension as may be allowed pursuant to Section 143(2) of CA); or
 - revoked or varied by resolution passed by the shareholders in a general meeting, whichever is the earlier
- disclosure is made in the annual report of the Company of the breakdown of the aggregate value of the Recurrent Related Party Transactions conducted pursuant to the mandate during the current financial year, and in the annual reports for the subsequent financial years during which a shareholder's mandate is in force, where:
 - the consideration, value of the assets, capital outlay or costs of the aggregated transactions is equal to or exceeds RM1.0 million; or
 - any one of the percentage ratios of such aggregated transactions is equal to or exceeds 1%, whichever is the higher;

and amongst other, based on the following information:

- the type of the Recurrent Related Party Transactions made; and
- the names of the related parties involved in each type of the Recurrent Related Party Transactions made and their relationships with WZB Group.

AND THAT the Directors of the Company be and are hereby authorised to complete and do all such acts and things to give effect to the transactions contemplated and/or authorised by this Ordinary Resolution." **(Ordinary Resolution 17)**

9. Proposed Renewal of Authority for the Purchase by the Company of its Own Shares ("Proposed Renewal of Share Buy-back Authority")

"THAT subject to Section 67A of the Companies Act 1965 ("the Act") and Part IIIA of the Companies Regulations 1966, provisions of the Company's Memorandum and Articles of Association, the Listing Requirements and any other applicable laws, rules, regulations and guidelines for the time being in force, the Directors of the Company be and are hereby authorised to make purchase(s) of ordinary shares of RM0.50 each in the Company's issued and paid-up share capital on Bursa Malaysia Securities Berhad ("Bursa Securities") subject to the following:

- the maximum number of shares which may be purchased and/or held by the Company shall be equivalent to 10% of the issued and paid-up share capital of the Company ("Shares") for the time being;
- the maximum fund to be allocated by the Company for the purpose of purchasing the Shares shall not exceed the aggregate of the retained profits and share premium account of the Company. As of 31 December 2013, the audited retained profits and share premium account of the Company were RM70,797,484 and RM6,676,846 respectively;
- the authority conferred by this resolution will commence immediately upon passing of this ordinary resolution and, unless renewed by an ordinary resolution passed by the shareholders of the Company in general meeting, will expire:
 - at the conclusion of the next AGM of the Company, unless earlier revoked or varied by ordinary resolution of the shareholders of the Company in a general meeting; or
 - upon the expiration of the period within which the next AGM after that date is required by the law to be held,

whichever occurs first, but not so as to prejudice the completion of purchase(s) by the Company before the aforesaid expiry date and in any event, in accordance with the provisions of the Listing Requirements or any other relevant authority; and