



**HOCK HENG STONE INDUSTRIES BHD.**  
(Company No. 840040-H)  
(Incorporated in Malaysia)

## NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Fourth Annual General Meeting (AGM) of the Company will be held at the Ballroom of Omnesort Berhad, Batu 16, Jalan Gapam, Ladang Gapam, Bemban, 77200 Jasin, Melaka on Thursday, 27 June 2013 at 10.30 a.m. for the following purposes:-

### AGENDA

- To receive the Audited Financial Statements for the financial year ended 31 December 2012 together with the Reports of the Directors and the Auditors thereon. (Please refer to Explanatory Note 2(a))
- To approve the payment of Directors' Fees for the financial year ended 31 December 2012. (Resolution 1)
- To re-elect the following Directors who retire pursuant to Article 96 of the Company's Articles of Association and being eligible, have offered themselves for re-election:-
  - Peter Yong Kuen Fook (Resolution 2)
  - Yap Koon Roy (Resolution 3)
- To appoint Auditors and authorise the Directors to fix their remuneration. (Resolution 4)

Notice of Nomination pursuant to Section 172(11) of the Companies Act, 1965, a copy of which is annexed on page 90 of this Annual Report 2012 have been received by the Company for the nomination of Messrs. Crowe Horwath, who have given their consent to act, for appointment as Auditors and of the intention to propose the following ordinary resolution:

"THAT Messrs. Crowe Horwath be and are hereby appointed as the Auditors of the Company in place of the retiring Auditors, Messrs. Ernst & Young, to hold office until the conclusion of the next Annual General Meeting at a remuneration to be agreed between the Directors and the Auditors."

- As Special Business, to consider and, if thought fit, to pass the following resolutions with or without modifications:-

#### Ordinary Resolution 1

##### Authority to Issue Shares and Allot Shares

(Resolution 5)

THAT subject always to the Companies Act, 1965, the Articles of Association of the Company and the approvals of the relevant governmental/regulatory authorities, if applicable, the Directors be and are hereby empowered pursuant to Section 132D of the Companies Act, 1965 to issue and allot ordinary shares in the Company at any time to such person(s) as the Directors may in their discretion deem fit provided that the aggregate number of ordinary shares to be issued does not exceed ten per centum (10%) of the total issued share capital of the Company at the time of issue and that such authority shall continue to be in force until the conclusion of the next Annual General Meeting of the Company.

#### Ordinary Resolution 2

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

(Resolution 6)

THAT, subject to the provisions of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, approval be and is hereby given to the Company and/or its subsidiary companies to enter into recurrent related party transactions of a revenue or trading nature as set out in Section 2.3 of the Circular to Shareholder dated 4 June 2013, provided that such transactions are undertaken in the ordinary course of business, on arm's length basis, on normal commercial terms which are not more favourable to the related party than those generally available to the public and are not detrimental to the minority shareholders;

THAT such approval shall continue to be in force until:-

- the conclusion of the next AGM of the Company at which time it will lapse unless authority is renewed by a resolution passed at the next AGM;
- the expiration of the period within which the next AGM is to be held pursuant to Section 143(1) of the Companies Act, 1965 ("the 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 a general meeting, before the next AGM; whichever is earlier;

AND THAT the Directors of the Company be 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 Renewal of Shareholders' Mandate.

- To transact any other ordinary business of which due notice has been given in accordance with the Companies Act 1965.

By Order of the Board

**Chua Siew Chuan (MAICSA 0777689)**

**Sean Ne Teo (LS 0008058)**

Company Secretaries

Melaka

4 June 2013

### NOTES:

#### 1. Appointment of Proxy

- In respect of deposited security, only members whose names appear in the Record of Depositors on 21 June 2013 ("General Meeting Record of Depositors") shall be eligible to attend, speak and vote at the Meeting.
- A member entitled to attend and vote at the Meeting is entitled to appoint more than one proxy to attend and vote in his stead. A proxy may but does not need to be a member of the Company and the provisions of Section 149 (1)(b) of the Companies Act, 1965 need not be complied with. Where a member appoints more than one proxy, the appointments shall be invalid unless he specifies the proportions of his shareholdings to be represented by each proxy. A proxy appointed to attend and vote at the Meeting shall have the same rights as the member to speak at the Meeting. Notwithstanding this, a member entitled to attend and vote at the Meeting is entitled to appoint any person as his proxy to attend and vote instead of the member at the Meeting. There shall be no restriction as to the qualifications of the proxy.
- 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.
- 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 a proxy must be deposited at the Registered Office of the Company at No. 60-1, Jalan Lagenda 5, Taman 1 Lagenda, 75400 Melaka not less than 48 hours before the time for holding the Meeting or at any adjournment thereof.

#### 2. Explanatory Notes to Special Business:-

##### (a) Item 1 of the Agenda

The Agenda item is meant for discussion only as the provision of Section 169(1) of the Companies Act, 1965 does not require a formal approval of the shareholders for the Audited Financial Statements. Hence, this Agenda item is not put forward for voting.

##### (b) Authority to issue shares pursuant to Section 132D of the Companies Act, 1965

The proposed Ordinary Resolution 1, if passed, will empower the Directors of the Company to issue and allot at any time to such persons in their absolute discretion without convening a general meeting provided that the aggregate number of shares issued does not exceed 10% of the issued share capital of the Company for the time being (hereinafter referred to as the "General Mandate").

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

This General Mandate is renewal. 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 Third AGM held on 28 June 2012 and which will lapse at the conclusion of the Fourth AGM.

##### (c) Proposed Renewal of Shareholders' Mandate

The proposed Ordinary Resolution 2, if passed, will allow the Group to enter into the recurrent related party transactions of a revenue or trading nature pursuant to the provisions of the Main Market Listing Requirements of Bursa Securities.

Please refer to the Circular to Shareholder dated 4 June 2013 for further information.