



# SINO HUA-AN INTERNATIONAL BERHAD

(Company No. 732227-T)  
(Incorporated in Malaysia)

## NOTICE OF THE EIGHTH ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that the Eighth Annual General Meeting ("AGM") of the Company will be held at the Banyan, Casuarina and Dillenia Room, Ground Floor, Sime Darby Convention Centre, 1A Jalan Bukit Kiara 1, 60000 Kuala Lumpur on Friday, 23 May 2014 at 9:30 a.m. for the following purposes:-

### AGENDA

1. To receive the Audited Financial Statements for the financial year ended 31 December 2013 together with the Reports of the Directors and the Auditors thereon. [Please refer to Explanatory Note (i)]

2. To approve the payment of Directors' Fees for the financial year ended 31 December 2013. (Resolution 1)

3. To re-elect the following Directors who retire by rotation pursuant to Article 95 of the Company's Articles of Association and being eligible, have offered themselves for re-election:-

(a) Ms. Lim See Tow (Resolution 2)

(b) Mr. Fu Qiang (Resolution 3)

4. To re-elect Mr. Liu Xueqiang who retires in accordance with Article 101 of the Company's Articles of Association and being eligible, has offered himself for re-election. (Resolution 4)

5. To pass the following resolution pursuant to Section 129(6) of the Companies Act, 1965 ("the Act"):- (Resolution 5)

"THAT pursuant to Section 129(6) of the Act, Y. Bhg. Dato' Mohd Shahar Bin Abdul Hamid who is over the age of 70 years, be and is hereby re-appointed as Director of the Company and to hold office until the conclusion of the next AGM."

6. To re-appoint Messrs. Morison Anuarul Azizan Chew as the Company's Auditors for the ensuing year and to authorise the Board of Directors to fix their remuneration. (Resolution 6)

### As Special Business

To consider and if thought fit, with or without any modification, to pass the following resolutions as Ordinary/Special Resolutions:- (Resolution 7)

**ORDINARY RESOLUTION 1**  
**- AUTHORITY TO ISSUE SHARES PURSUANT TO SECTION 132D OF THE COMPANIES ACT, 1965**

"THAT subject to Section 132D of the Act, and approvals of the relevant governmental and/or regulatory authorities, the Directors be and are hereby empowered to issue and allot shares in the Company, at any time to such persons 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 pursuant to this Resolution does not exceed ten per centum (10%) of the issued and paid-up share capital of the Company for the time being and 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 ("Bursa Securities");

AND THAT such authority shall commence immediately upon the passing of this resolution and continue to be in force until the conclusion of the next AGM of the Company." (Resolution 8)

**ORDINARY RESOLUTION 2**  
**- PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE**

"THAT approval be and is hereby given to Sino Hua-An International Berhad Group ("the Group") to enter into and to give effect to specified recurrent related party transactions of a revenue or trading nature with the Related Parties as stated in Part A Section 1.4 of the Circular to Shareholders dated 28 April 2014, which are necessary for its day-to-day operations, to be entered into by the Group on the basis that this transaction is entered into on terms which are not more favorable to the Related Party involved than generally available to the public and are not detrimental to the minority shareholders of the Company (hereinafter referred to as the "Proposed Renewal of Shareholders' Mandate");

THAT the Proposed Renewal of Shareholders' Mandate is subject to annual renewal. In this respect, any authority conferred by the Proposed Renewal of Shareholders' Mandate, shall only continue to be in force until:-

(a) the conclusion of the next AGM of the Company following the general meeting at which the Proposed Renewal of Shareholders' Mandate was passed, at which time it will lapse, unless by resolution passed at the general meeting, the authority is renewed; or

(b) the expiration of the period within which the AGM after that date 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

(c) revoked or varied by resolution passed by the shareholders of the Company in general meeting, whichever is the earlier;

AND THAT the Directors and/or any of them be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) to give effect to the Proposed Renewal of Shareholders' Mandate."

**ORDINARY RESOLUTION 3**  
**- PROPOSED RENEWAL OF AUTHORITY FOR SHARE BUY-BACK OF UP TO 10% OF THE ISSUED AND PAID-UP SHARE CAPITAL OF SINO HUA-AN INTERNATIONAL BERHAD** (Resolution 9)

"THAT subject always to the Act, the provisions of the Memorandum and Articles of Association of the Company, the Listing Requirements of Bursa Securities and the approvals of all relevant governmental and/or regulatory authorities, the Company be authorised, to the extent permitted by the law, to buy back such amount of ordinary shares of RM0.50 each in the Company as may be determined by the Directors of the Company from time to time through Bursa Securities upon such terms and conditions as the Directors deem fit and expedient in the interest of the Company provided that:-

i) The aggregate number of shares bought-back does not exceed ten per centum (10%) of the total issued and paid-up share capital of the Company at any point in time;

ii) The maximum amount of funds to be allocated for the share buy-back shall not exceed the aggregate of the retained profits and/or share premium of the Company; and

iii) The shares purchased are to be treated in either of the following manner:-

- (a) cancel the purchased ordinary shares; or
- (b) retain the purchased ordinary shares as treasury shares for distribution as dividend to shareholders and/or resell on the market of Bursa Securities; or
- (c) retain part of the purchased ordinary shares as treasury shares and cancel the remainder.

THAT the authority conferred by this resolution shall commence upon the passing of this resolution until:-

i) the conclusion of the next AGM of the Company, unless by ordinary resolution passed at that meeting, the authority is renewed, either unconditionally or subject to conditions; or

ii) the expiration of the period within which the next AGM is required by law to be held; or

iii) revoked or varied by ordinary resolution passed by shareholders of the Company at a general meeting of the Company,

whichever occurs first;

AND THAT authority be and is hereby given to the Directors of the Company to take all such steps as are necessary or expedient (including without limitation, the opening and maintaining of central depository account(s) under the Securities Industry (Central Depositories) Act, 1991, and the entering into of all agreements, arrangements and guarantees with any party or parties) to implement, finalise and give full effect to the Proposed Share Buy-Back with full powers to assent to any conditions, modifications, revaluations, variations and/or amendments (if any) as may be imposed by the relevant authorities and with full power to do all such acts and things thereafter (including without limitation, the cancellation or retention as treasury shares of all or any part of the shares bought-back) in accordance with the Act, the provisions of the Memorandum and Articles of Association of the Company, the Listing Requirements of Bursa Securities, and all other relevant governmental and/or regulatory authorities."

**SPECIAL RESOLUTION**  
**- PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION** (Resolution 10)

"THAT the proposed amendments to the Company's Articles of Association as set out in Part C of the Circular to Shareholders dated 28 April 2014, be and are hereby approved;

AND THAT the Directors and Secretary be and are hereby authorised to take all steps as are necessary and expedient in order to implement, finalise and give full effect to the Proposed Amendments of the Company's Articles of Association."

8. To transact any other ordinary business of which due notice has been given.

By Order of the Board

CHUA SIEW CHUAN (MAICSA 0777689)

CHIN MUN YEE (MAICSA 7019243)

Company Secretaries

Kuala Lumpur

28 April 2014

### EXPLANATORY NOTE TO ORDINARY AND SPECIAL BUSINESS:-

#### i) Item 1 of the Agenda

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

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

The Company wishes to renew the mandate on the authority to issue shares pursuant to Section 132D of the Act at the Eighth AGM of the Company (hereinafter referred to as the "General Mandate").

The Company had been granted a general mandate by its shareholders at the Seventh AGM of the Company held on 20 May 2013 (hereinafter referred to as the "Previous Mandate").

As at the date of this Notice, the Previous Mandate granted by the shareholders had not been utilised and hence no proceeds were raised therefrom.

The purpose to seek the General Mandate is to enable the Directors of the Company to issue and allot shares at any time to such persons in their absolute discretion without having to convene a general meeting as it would be both time and cost-consuming to organise a general meeting. This authority unless revoked or varied by the Company in general meeting, will expire at the next AGM.

The proceeds raised from the General Mandate will provide flexibility to the Company for purposes of funding any future investment project(s), working capital, acquisitions, expansion and/or diversification proposals.

#### iii) Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a revenue or trading nature

The Shareholders' Mandate under Ordinary Resolution No. 2 was intended to facilitate transactions in the normal course of business of the Group which are transacted from time to time with the specified classes of related parties, provided that they are carried out on an arm's length basis and on the Group's normal commercial terms and are not prejudicial to the shareholders on terms not more favourable to the related parties than those generally available to the public and are not to the detriment of the minority shareholders.

By obtaining the Shareholders' Mandate on an annual basis, the necessity to convene separate general meetings from time to time to seek shareholders' approval as and when such recurrent related party transactions occur would not arise. This would reduce substantial administrative time, inconvenience and expenses associated with the convening of such meetings, without compromising the corporate objectives of the Group or adversely affecting the business opportunities available to the Group.

#### iv) Proposed Renewal of Authority for Share Buy-Back of up to 10% of the issued and paid-up share capital of Sino Hua-An International Berhad

The proposed adoption of Ordinary Resolution No. 3 is to renew the authority granted by the shareholders of the Company at the Seventh AGM held on 20 May 2013. The proposed renewal will allow the Directors to exercise the power of the Company to purchase not more than 10% of the issued and paid-up share capital of the Company at any time within the time period stipulated in the Main Market Listing Requirements of Bursa Securities.

#### v) Proposed Amendments to Articles of Association

The Proposed Amendments of Articles of Association are to streamline the Company's Article of Association to be aligned with the recent amendments to the Bursa Securities Main Market Listing Requirements.

### Statement Accompanying Notice of Annual General Meeting Pursuant to Paragraph 8.28(2) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad

1. The following are the Directors standing for re-election pursuant to Article 95 of the Company's Articles of Association at the Eighth AGM:-

(a) Ms. Lim See Tow

(b) Mr. Fu Qiang

2. Mr. Liu Xueqiang is the Director standing for re-election pursuant to Article 101 of the Company's Articles of Association at the Eighth AGM.

3. Y. Bhg. Dato' Mohd Shahar Bin Abdul Hamid is the Director standing for re-appointment pursuant to Section 129(6) of the Act at the Eighth AGM.

4. The details of the above Directors standing for re-election/re-appointment are set out in their respective profiles which appear in Pages 8 to 11 of the Annual Report.

### Notes:

1. In respect of deposited security, only members whose names appear in the Record of Depositors on 19 May 2014 ("General Meeting Record of Depositors") shall be eligible to attend the Meeting.

2. A proxy may but need not be a member of the Company and the provisions of Section 149(1)(a) and (b) of the Act shall not apply to the Company. 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 qualification of the proxy. A proxy appointed to attend and vote at the Meeting shall have the same rights as the member to speak at the Meeting.

3. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing, or if the appointor is a corporation, either under the common seal or under the hand of an officer or attorney so authorised.

4. A member of the Company entitled to attend and vote at the Meeting is entitled to appoint more than one (1) proxy to attend and vote at the same meetings subject always to a maximum of two (2) proxies at each meeting, except where Paragraphs (5) and (6) below apply. Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he specifies the proportion of his holdings to be represented by each proxy.

5. Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, it may appoint at least one proxy in respect of each Securities Account it holds with shares of the Company standing to the credit of the said Securities Account.

6. 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.

7. To be valid, the instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or notorially certified copy of such power of authority, must be deposited at the Company's Registered Office at Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur, Wilayah Persekutuan not less than 48 hours before the time appointed of holding the above meeting and at any adjournment thereof.