

**NOTICE OF THE THIRTY-THIRD ANNUAL GENERAL MEETING**

**NOTICE IS HEREBY GIVEN** that the Thirty-Third Annual General Meeting ("AGM") of Southern Acids (M) Berhad ("the Company") will be held at Function Room 1, Setia City Convention Centre, No 1 Jalan Setia Dagang AG U13/AG, Setia Alam, Seksyen U13, 40170 Shah Alam, Selangor on Thursday, 25 September 2014 at 10:00 a.m. for the following purposes:

**ORDINARY BUSINESS**

1. To receive the Audited Financial Statements for the financial year ended 31 March 2014 together with the Reports of the Directors and Auditors thereon (Note 5).
2. To approve the payment of Single Tier Final Dividend of 5 sen per ordinary share in respect of the financial year ended 31 March 2014. **Resolution 1**
3. To approve the payment of Directors' fees amounting to RM397,000 for the financial year ended 31 March 2014. **Resolution 2**
4. To re-elect the following Directors who are retiring under Articles 95 and 96 of the Company's Articles of Association, and being eligible, have offered themselves for re-election: - **Resolution 3**  
  - a) Mr Lim Kim Long **Resolution 4**
  - b) Mr Raymond Wong Kwong Yee
5. To re-elect the following Directors who are retiring under Article 101 of the Company's Articles of Association, and being eligible, have offered themselves for re-election: - **Resolution 5**  
  - a) Mr Cheong Kee Yoong **Resolution 6**
  - b) Datuk Seri Panglima Sulong Bin Matjera
6. To re-appoint Messrs. Deloitte (formerly known as Messrs. Deloitte KassimChan) as Auditors to hold office until the conclusion of the next AGM at a remuneration to be fixed by the Directors. **Resolution 7**

**SPECIAL BUSINESS**

To consider and, if thought fit, adopt the following resolutions, with or without modification, as Ordinary Resolutions:

7. **Authority to Issue Shares Pursuant to Section 132D of the Companies Act, 1965 (Note 6)** **Resolution 8**  
 "That subject always to the Companies Act, 1965, and the approvals of the relevant governmental and/or regulatory authorities, the Directors be and are hereby empowered, pursuant to Section 132D of the Companies Act, 1965, to issue shares in the Company from time to time at such price, upon such terms and conditions, for such purposes and to such person or persons whomsoever as the Directors may deem fit provided that the aggregate number of shares issued pursuant to this resolution does not exceed 10% of the issued share capital of the Company for the time being and that such authority shall continue to be in force until the conclusion of the next AGM of the Company."
- 8) **Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions (Note 7)** **Resolution 9**  
 "That subject always to the Listing Requirements of Bursa Malaysia Securities Berhad, approval be and is hereby given to the Company and/or its subsidiary companies to enter into the categories of recurrent transactions of a revenue or trading nature and with those Related Parties as specified in Section A of the Circular to Shareholders dated 3 September 2014 subject further to the following:
  - i. that the transactions are in the ordinary course of business and are on terms that are not more favourable to the Related Parties than those generally available to the public and are not detrimental to the minority shareholders of the Company;
  - ii. that the transactions are made on an arm's length basis and on normal commercial terms; and
  - iii. that disclosure shall be made in the Annual Report of a breakdown of the aggregate value of all transactions conducted pursuant to the Proposed Shareholders' Mandate during the financial year, 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 entered into and their relationships with the Company.
  - iv. that such approvals shall only continue to be in force until: -
    - the conclusion of the next AGM of the Company following this AGM at which such mandate is passed, at which time it will lapse, unless by a resolution passed at such AGM whereby the authority is renewed;
    - the expiration of the period within which the next AGM of the Company after that date 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 general meeting, whichever is the earlier.
- 9) **Proposed Amendments to the Articles of Association of the Company (Note 8)** **Resolution 10**  
 "THAT the amendments to the existing Articles of Association of the Company as proposed and set forth under Section B of the Circular to Shareholders dated 3 September 2014 be and are hereby approved and adopted by the Company, and that the Directors of the Company be and are hereby authorized to do all acts and things and take all such steps as they may consider necessary and/or desirable to give full effect to the amendments to the Articles of Association of the Company."

**FURTHER NOTICE IS HEREBY GIVEN THAT** for the purpose of determining a member who shall be entitled to attend the 33rd AGM, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd in accordance with Article 58(A) of the Company's Articles of Association and Section 34(1) of the Securities Industry (Central Depositories) Act 1991, to issue a General Meeting Record of Depositors as at 18 September 2014. Only a depositor whose name appears on the Record of Depositors as at 18 September 2014 shall be entitled to attend the said meeting or appoint a proxy to attend and vote on such depositor's behalf.

**NOTICE OF DIVIDEND ENTITLEMENT**

**NOTICE IS ALSO HEREBY GIVEN THAT** subject to the shareholders' approval for the payment of Single Tier Final Dividend of 5 sen per ordinary share in respect of the financial year ended 31 March 2014 ("Dividend") under Resolution 1 at the 33rd AGM of the Company on 25 September 2014 the Dividend will be paid to the shareholders on 31 October 2014. The entitlement date for the Dividend shall be 10 October 2014.

A depositor shall qualify for the entitlement only in respect of: -

- a) shares deposited into the Depositor's Securities Account before 12:30 p.m. on 8 October 2014 (in respect of shares which are exempted from Mandatory Deposit);
- b) shares transferred into the Depositor's Securities Account before 4:00 p.m. on 10 October 2014 (in respect of ordinary transfer); and
- c) shares bought on the Bursa Malaysia Securities Berhad on a cum entitlement basis according to the Rules of Bursa Malaysia Securities Berhad.

**By Order of the Board of Directors**

**Lim Kui Suang** (MAICSA 0783327)  
**Paul Ignatius Stanislaus** (MACS 01330)  
 Secretaries

**Klang, Selangor Darul Ehsan**

Date: 3 September 2014

**Notes:**

1. A member entitled to attend and vote at the Meeting of the Company is entitled to appoint a proxy to attend and vote on his/her behalf. A proxy shall be in writing (in the common seal or usual form) under the hand of appointor or of his attorney duly authorized in writing, or, if the appointer is a corporation, either under seal or under the hand of an officer or attorney duly authorized. A proxy may but need not be a member of the Company and the provisions of Section 149(1)(b) of the Companies Act, 1965 shall not apply to the Company.
2. A member shall be entitled to appoint one (1) proxy to attend and vote at the meeting.
3. Where a member appoints more than one (1) proxy the appointment shall be invalid.
4. The instrument appointing a proxy must be deposited at the Registered Office of the Company at No 9, Jalan Bayu Tinggi 2A/KS6, Taipan 2, Batu Unjur, 41200 Klang, Selangor Darul Ehsan not less than forty-eight (48) hours before the time for holding the meeting or any adjournment thereof.
5. Directors' Report, Audited Financial Statements and Auditors' Report  
 Agenda No 1 is meant for discussion only. The provision of Section 169 of the Companies Act, 1965 and the Articles of Association of the Company require that the Audited Financial Statements and the Reports of the Directors and Auditors thereon be laid before the Company at its AGM. Hence, this Agenda item is not a business which requires a resolution to be put to vote by shareholders.
6. Authority to issue Shares pursuant to Section 132D of the Companies Act, 1965.

The proposed Ordinary Resolution 8, is proposed for the purpose of granting a renewed general mandate for issuance of shares by the Company under Section 132D of the Act. The Ordinary Resolution 8, if passed, will give the Directors of the Company authority to issue ordinary shares in the Company at any time in their absolute discretion without convening a General Meeting. The authorisation, unless revoked or varied by the Company at a General Meeting, will expire at the conclusion of the next AGM of the Company.

The Company had, at the Thirty-Second (32<sup>nd</sup>) AGM held on 26 September 2013, obtained its shareholders' approval for the general mandate for issuance of shares pursuant to Section 132D of the Companies Act, 1965 ("the Act"). The Company did not issue any new shares pursuant to this mandate obtained as at the date of this notice. The Ordinary Resolution 8 proposed under item 7 of the Agenda is a renewal of the general mandate for issuance of shares by the Company under Section 132D of the Act. At this juncture, there is no decision to issue new shares. If there should be a decision to issue new shares after the general mandate is obtained, an announcement will be made by the Company in respect of the purpose and utilisation of proceeds arising from such issue.

The general mandate if granted 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, working capital and/or acquisition.

7. Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions.  
 The proposed Resolution 9, if passed, will authorize the Company and/or its subsidiary companies to enter into recurrent related party transactions of a revenue or trading nature. This authority will, unless revoked or varied by the Company in general meeting, expire at the next AGM of Company. Please refer to Section A of the Circular to Shareholders dated 3 September 2014 for more information.
8. Proposed Amendments to the Company's Articles of Association  
 The proposed Resolution 10, if passed, will streamline the Company's Articles of Association with the provisions of the Act and the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

Please refer to the Section B of the Circular to Shareholders dated 3 September 2014, which is dispatched together with the Company's Annual Report 2014, for more information.