



SILK HOLDINGS BERHAD

(Company No. : 405897-V)
(Incorporated in Malaysia)

NOTICE OF 17TH ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Seventeenth Annual General Meeting of SILK Holdings Berhad (“the Company”) will be held at Dewan Berjaya, Bukit Kiara Equestrian & Country Resort, Jalan Bukit Kiara, Off Jalan Damansara, 60000 Kuala Lumpur on Friday, 21 November 2014 at 10.00 am for the following purposes :

AS ORDINARY BUSINESS

1. To receive the Audited Financial Statements of the Company for the financial year ended 31 July 2014 together with the Reports of the Directors and Auditors thereon. (Resolution 1)
2. To re-elect the following Directors who retire by rotation pursuant to Article 107 of the Company’s Articles of Association, and being eligible, offer themselves for re-election :
 - (i) Tai Keat Chai (Resolution 2)
 - (ii) Abdul Hamid bin Sh Mohamed (Resolution 3)
3. To approve the Directors’ fees amounting to RM256,000 in respect of the financial year ended 31 July 2014. (Resolution 4)
4. To re-appoint Messrs KPMG as Auditors and to authorise the Directors to determine their remuneration. (Resolution 5)

AS SPECIAL BUSINESS

To consider and, if thought fit, to pass with or without modifications, the following Resolutions:-

5. **Re-Appointment of Tan Sri Datuk Seri Razman M Hashim as a Director Pursuant to Section 129(6) of the Companies Act, 1965** (Special Resolution 6)

“THAT Tan Sri Datuk Seri Razman M Hashim, being over the age of 70 years and retiring in accordance with Section 129(6) of the Companies Act 1965, be and is hereby re-appointed as director of the Company to hold office until the conclusion of the next Annual General Meeting of the Company.”

6. **Authority to Allot and Issue Shares Pursuant to Section 132D of the Companies Act, 1965** (Resolution 7)

“THAT pursuant to Section 132D of the Companies Act, 1965 and approvals from Bursa Malaysia Securities Berhad for the listing of and quotation for the additional shares so issued and other relevant authorities, where approval is necessary, authority be and is hereby given to the Directors to allot and issue shares in the Company at any point of time upon such terms and conditions and for such purposes as the Directors may in their absolute discretion deem fit provided always that the aggregate number of shares to be issued shall 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 Annual General Meeting of the Company.”

7. **To transact any other business of the Company of which due notice shall have been given.**

By Order of the Board

KWAN WAI KEIN (MAICSA 7055765)
SOTHIRAJEN a/l S. PARANJOTHI (LS 0005734)
Company Secretaries

Kuala Lumpur
31 October 2014

NOTES:

1. Appointment of Proxy

- i. A member of the Company entitled to attend and vote, is entitled to appoint a proxy or proxies to attend and vote in his stead. A proxy need not be a member of the Company.
- ii. The instrument appointing a proxy shall be in writing under the hand of the appointer or his attorney duly authorised in writing, or if the appointer is a corporation, either under the corporation’s seal, or under the hand of an officer or attorney duly authorised.
- iii. If a member appoints 2 proxies, the appointment will be invalid unless he states the percentage of his shareholding to be represented by each proxy.
- iv. The instrument appointing a proxy must be deposited at the Registered office of the Company at Level 22, Axiata Tower, No. 9, Jalan Stesen Sentral 5, Kuala Lumpur Sentral, 50470 Kuala Lumpur not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof, either by hand, post, electronic mail or fax to (03) 2273-8310. In the case where the member is a corporation and the proxy form is delivered by fax or electronic mail, the original form shall also be deposited at the Registered office, either by hand or post not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof.

2. Explanatory Notes on Special Businesses

i) Special Resolution 6 – Section 129(6) of the Companies Act, 1965

The Special Resolution proposed under Agenda 5 is to seek shareholders approval for the appointment of a Director who is over the age of 70 years.

ii) Ordinary Resolution 7 – Authority to Allot and Issue new Ordinary Shares pursuant to Section 132D of the Companies Act 1965

The Ordinary Resolution proposed under Agenda 6 is to seek a renewal of the general mandate which was approved at the 16th Annual General Meeting of the Company held on 13 December 2013 and will lapse at the conclusion of the forthcoming Annual General Meeting to be held on 21 November 2014.

The general mandate, if approved, will provide flexibility to the Company for any possible fund raising activities, including but not limited to placing of shares for the purpose of funding future investment project(s) and acquisition(s) and for strategic reasons.

In order to eliminate any delay and costs in convening a general meeting to specifically approve such issuance of shares, it is considered appropriate that the Directors be empowered, as proposed under item 6 of the Agenda, to allot and issue new shares in the Company up to an amount not exceeding in total ten percent (10%) of the issued share capital of the Company for the time being. This authority, unless revoked or varied at a general meeting, will expire at the conclusion of the next annual general meeting of the Company.

The Company has issued 30,000,000 new shares on 28 May 2014 pursuant to Section 132D of the Companies Act, 1965 under the general mandate which was approved at the 16th Annual General Meeting of the Company.

STATEMENT ACCOMPANYING NOTICE OF ANNUAL GENERAL MEETING

DIRECTORS WHO ARE STANDING FOR RE-ELECTION

- (a) Tai Keat Chai
- (b) Abdul Hamid bin Sh Mohamed
- (c) Tan Sri Datuk Seri Razman M Hashim

The details of the above Directors who are standing for re-election are set out on page 3 and page 4 of the Annual Report. Their interests in the securities of the Company are set out on page 94 of the Annual Report.