



SIN HENG CHAN (MALAYA) BERHAD

(Company No. 4690-V)

(Incorporated in Malaysia under the Companies Act 1965 and registered under the Companies Act 2016)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT an Extraordinary General Meeting of Sin Heng Chan (Malaya) Berhad (“**SHC**” or “**Company**”) will be held at Dillenia & Eugenia Rooms, Ground Floor, Sime Darby Convention Centre, 1A, Jalan Bukit Kiara 1, 60000 Kuala Lumpur on Thursday, 8 June 2017 at 11.00 a.m., or immediately after the conclusion or the adjournment (as the case may be) of our Fifty-Fifth Annual General Meeting which will be held at the same venue and on the same day at 10.00 a.m., whichever is later, or at any adjournment thereof, for the purpose of considering and, if thought fit, passing with or without modifications, the following resolutions:

ORDINARY RESOLUTION 1 – PROPOSED DIVERSIFICATION

“**THAT** subject to the approvals being obtained from all relevant authorities and/or parties, approval be and is hereby given for the Company to diversify its principal activities to include the engineering, procurement and construction of district cooling systems, the supply of cooling energy from district cooling systems and related activities, and the provision of energy and facility management services (“**Proposed Diversification**”);

AND THAT the Directors of the Company be and are hereby authorised to do all acts, deeds, things and execute all necessary documents as they may consider necessary or expedient or in the best interest of the Company with full power to assent to any conditions, variations, modifications and/or amendments in any manner as may be required or permitted by any relevant authorities and to deal with all matters relating thereto and to take such steps and do all acts and things in any manner as they may deem necessary or expedient to implement, finalise and give full effect to the Proposed Diversification.”

ORDINARY RESOLUTION 2 – PROPOSED ACQUISITION OF TUNAS COOL ENERGY SDN BHD (“**TCE**”)

“**THAT** subject to the passing of Ordinary Resolutions 1 and 4, and approvals being obtained from all relevant authorities and/or parties, approval be and is hereby given for the Company to acquire 5,000,000 ordinary shares in TCE, representing the entire equity interest in TCE, from Astute Consultancy Sdn Bhd and Tunas Selatan Construction Sdn Bhd (collectively, “**TCE Vendors**”) for a total consideration of RM7.5 million to be satisfied fully in cash (“**Proposed Acquisition of TCE**”) upon the terms and conditions as set out in the conditional shares sale and purchase agreement dated 26 January 2017 entered into between the Company and the TCE Vendors;

AND THAT the Directors of the Company be and are hereby authorised to do all acts, deeds, things and execute all necessary documents as they may consider necessary or expedient or in the best interest of the Company with full power to assent to any conditions, variations, modifications and/or amendments in any manner as may be required or permitted by any relevant authorities and to deal with all matters relating thereto and to take such steps and do all acts and things in any manner as they may deem necessary or expedient to implement, finalise and give full effect to the Proposed Acquisition of TCE.”

ORDINARY RESOLUTION 3 – PROPOSED ACQUISITION OF KJ TECHNICAL SERVICES SDN BHD (“**KJTS**”)

“**THAT** subject to the passing of Ordinary Resolutions 1 and 2, and approvals being obtained from all relevant authorities and/or parties, approval be and is hereby given for the Company to acquire 187,500 ordinary shares in KJTS (“**KJTS Shares**”), representing 25% equity interest in KJTS, from Lee Kok Choon and Sheldon Wee Tah Poh (collectively, the “**KJTS Vendors**”) for a total consideration of RM10.0 million to be satisfied by a combination of cash payment of RM5.0 million and the issuance of 5,000,000 new ordinary shares in the Company (“**SHC Shares**”) (“**KJTS Consideration Shares**”) (“**Proposed Acquisition of KJTS**”) upon the terms and conditions as set out in the conditional shares sale and purchase agreement dated 26 January 2017 entered into between the Company and the KJTS Vendors (“**KJTS SSA**”);

THAT such new KJTS Consideration Shares to be issued will upon allotment and issue, be free from any and all encumbrances and rank equally in all respects with the existing SHC Shares, save and except that they will not be entitled to any dividend, rights, allotments and/or other distributions unless the allotment and issue of the KJTS Consideration Shares were made on or prior to the entitlement date of such dividend, rights, allotments and/or other distributions;

THAT subject to completion of the KJTS SSA, approval be and is hereby given to the Company to grant to the KJTS Vendors the right to purchase all of the Company’s 187,500 KJTS Shares (“**Option Shares**”) free from any interest or equity of any person (including any right to acquire, option or right of pre-emption) or any mortgage, charge, pledge, lien, assignment, hypothecation, security, interest, title, retention or any other security agreement or arrangement at the price of RM10.5 million (“**Exercise Price**”) during such period commencing on the date falling 18 months from the KJTS SSA Completion Date (being the date 10 business days after the last KJTS SSA conditions precedent is met or validly waived, or such other date agreed in writing between the Company and the KJTS Vendors) and expiring at 5.00 p.m. on such date falling 24 months from the KJTS SSA Completion Date (“**Option Period**”) (“**Call Option**”) and in the event the Call Option is exercised by the KJTS Vendors during the Option Period, approval be and is hereby further given for the Company to dispose of the Option Shares to the KJTS Vendors at the Exercise Price;

AND THAT the Directors of the Company be and are hereby authorised to do all acts, deeds, things and execute all necessary documents as they may consider necessary or expedient or in the best interest of the Company with full power to assent to any conditions, variations, modifications and/or amendments in any manner as may be required or permitted by any relevant authorities and to deal with all matters relating thereto and to take such steps and do all acts and things in any manner as they may deem necessary or expedient to implement, finalise and give full effect to the Proposed Acquisition of KJTS.”

ORDINARY RESOLUTION 4 – PROPOSED SHAREHOLDERS’ MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE (“**PROPOSED MANDATE**”)

“**THAT** subject to the passing of Ordinary Resolutions 1 and 2 and pursuant to Paragraph 10.09 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, approval be and is hereby given for the Company to enter into recurrent related party transactions (“**RRPT**”) of a revenue or trading nature as set out in Section 4 of Part A of the Circular to Shareholders dated 24 May 2017, provided that the RRPT is entered into in the ordinary course of business and are on terms which are not more favourable to the related parties than those generally available to the public, and not to the detriment of the minority shareholders of the Company;

THAT such authority shall commence upon the passing of the resolution and be in force until:

- the conclusion of the next Annual General Meeting (“**AGM**”) of the Company at which time it will lapse, unless the authority is renewed by a resolution passed at such AGM;
- the expiry of the period within which the next AGM is required to be held under Section 340(2) of the Companies Act 2016 (“**Act**”) but shall not extend to such extension as may be allowed under Section 340(4) of the Act; or
- revoked or varied by resolution passed by the shareholders in a general meeting;

AND THAT the Directors of the Company be and are hereby authorised to do all acts, deeds, things and execute all necessary documents as they may consider necessary or expedient or in the best interest of the Company with full power to assent to any conditions, variations, modifications and/or amendments in any manner as may be required or permitted by any relevant authorities and to deal with all matters relating thereto and to take such steps and do all acts and things in any manner as they may deem necessary or expedient to implement, finalise and give full effect to the Proposed Mandate.”

By Order of the Board

Lim Seck Wah (MAICSA 0799845)
Kong Mei Kee (MAICSA 7039391)
Company Secretaries

Kuala Lumpur
24 May 2017

Notes:

- For the purpose of determining a member who shall be entitled to attend, speak and vote at this meeting, the Company shall be requesting the Record of Depositors (“**ROD**”) as at 1 June 2017. Only a depositor whose name appears on the ROD at 1 June 2017 shall be entitled to attend the said meeting or appoint proxies to attend, speak and vote on his/her behalf.
- A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote in his/her stead. A member may appoint up to two (2) proxies to attend the same meeting provided that he/she specifies the proportion of his/her shareholding to be represented by each proxy. A proxy may but need not be a member of the Company.
- Where a member is an authorised nominee as defined under the Securities Industry (Central Depositories) Act, 1991, it may appoint at least one (1) proxy but not more than two (2) proxies in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.
- Where a member is an exempt authorised nominee, it may appoint multiple proxies for each omnibus account it holds.
- The instrument appointing a proxy shall be in writing under the hand of the appointor or his/her attorney duly authorised in writing or, if the appointor is a corporation, either under the Corporation’s Common Seal or under the hand of an officer or attorney so authorised.
- The Proxy Form must be deposited at the Registered Office of the Company at Suite 2.02, Level 2, Wisma E&C, No. 2, Lorong Dungun Kiri, Damansara Heights, 50490 Kuala Lumpur not less than 48 hours before the time set for holding the meeting or any adjournment thereof.