



NOTICE OF THE THIRTY-SIXTH ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Thirty-Sixth ("36th") 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 Darul Ehsan, Malaysia on Wednesday, 23 August 2017 at 11.00 a.m. for the following purposes:

AGENDA

ORDINARY BUSINESS

1. To receive the Audited Financial Statements for the financial year ended 31 March 2017 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 2017. **Resolution 1**
3. To approve the payment of Directors' fees amounting to RM450,000 for the financial year ended 31 March 2017. **Resolution 2**
4. To re-elect the following Directors who are retiring under Articles 95 and 96 of the Company's Constitution, and being eligible, have offered themselves for re-election: - **Resolution 3**
 - a) Lim Kim Long **Resolution 4**
 - b) Raymond Wong Kwong Yee **Resolution 5**
 - c) Chung Kin Mun **Resolution 6**
5. To re-appoint Deloitte PLT as Auditors to hold office until the conclusion of the next AGM at a remuneration to be fixed by the Directors. **Resolution 6**

SPECIAL BUSINESS

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

6. **Authority to Issue Shares Pursuant to Sections 75 and 76 of the Companies Act, 2016 (Note 6)** **Resolution 7**
 "That subject always to the Companies Act 2016, and the approvals of the relevant governmental and/or regulatory authorities, if applicable, the Directors be and are hereby authorised, pursuant to Sections 75 and 76 of the Companies Act, 2016, to allot and issue shares in the Company from time to time at such price and upon such terms and conditions and for such purposes as the Directors may in absolute discretion deem fit, provided that the aggregate number of shares issued pursuant to this resolution does not exceed 10% of the total number of issued shares of the Company as at the date of this AGM and that the Directors be and are also empowered to obtain approval for the listing of and quotation for additional shares so issued on Bursa Malaysia Securities Berhad and that such authority shall continue to be in force until the conclusion of the next AGM of the Company."
7. **Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature (Note 7)** **Resolution 8**
 "That subject always to the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, approval be and is hereby given for the renewal of shareholders' mandate for the Company and/or its subsidiaries to enter into the categories of recurrent related party transactions of a revenue or trading nature and with those Related Parties ("Proposed Renewal of Shareholders' Mandate") as specified in the Circular to Shareholders dated 28 July 2017 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 340(2) of the Companies Act, 2016 ("CA") (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of CA); or
 - revoked or varied by resolution passed by the shareholders in General Meeting, whichever is the earlier.

AND FURTHER THAT the Directors of the Company/ or any of them be and are/is (as the case may be) hereby authorised to complete and to do all acts and things (including executing such documents under the common seal in accordance with the provisions of the Constitution of the Company, as may be required) as they may consider expedient or necessary to give effect to the Proposed Renewal of Shareholders' Mandate.

FURTHER NOTICE IS HEREBY GIVEN THAT for the purpose of determining a member who shall be entitled to attend the 36th AGM, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd in accordance with Article 58(A) of the Company's Constitution and Section 34(1) of the Securities Industry (Central Depositories) Act 1991, to issue a General Meeting Record of Depositors as at 16 August 2017. Only a depositor whose name appears on the Record of Depositors as at 16 August 2017 shall be entitled to attend the said meeting or appoint proxies to attend and vote on his/her 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 2017 ("Dividend") under Resolution 1 at the 36th AGM of the Company on 23 August 2017, the Dividend will be paid to the shareholders on 29 September 2017. The entitlement date for the Dividend shall be 8 September 2017.

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 6 September 2017 (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 8 September 2017 (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: 28 July 2017

Notes:-

1. A member entitled to attend and vote at this meeting is entitled to appoint at least one (1) proxy to attend and vote in his/her stead. A proxy may but need not be a member of the Company. A proxy appointed to attend and vote at the meeting shall have the same rights as the member to speak and vote at the meeting.
2. The Proxy Form in the case of an individual shall be signed by the appointor or his/her attorney, and in the case of a corporation, either under its common seal or under the hand of an officer or attorney duly authorised.
3. Where a member is an exempt authorised nominee (EAN) as defined under the Securities Industry (Central Depositories) Act, 1991 which holds ordinary shares in the Company for multiple beneficial owners in one securities account (omnibus account), there shall be no limit to the number of proxies which the EAN may appoint in respect of each omnibus account it holds
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 Ujur, 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 as the Audited Financial Statements do not require the formal approval of the shareholders pursuant to Section 248(2) and 340(1) of the Companies Act 2016. Hence, the matter will not be put forward for voting.
6. Authority to issue Shares pursuant to Sections 75 and 76 of the Companies Act, 2016.
 The proposed Ordinary Resolution 7, if approved, will give the Directors authority to issue and allot new ordinary shares up to an amount not exceeding 10% of the total number of issued shares of the Company for such purposes as the Directors consider would be in the best interest of the Company. This authority will commence from the date of this AGM and unless revoked or varied by the Company at a General Meeting, expire at the next AGM.
 The approval is a renewed general mandate and is sought to provide flexibility AGM and to avoid delay and cost in convening a General Meeting for such issuance of shares.
 As the date of this Notice, no new shares in the Company were issued pursuant to the authority granted to the Directors at the last AGM held on 24 August 2016 and which lapse at the conclusion of the 36th AGM.
7. Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions.
 The proposed Ordinary Resolution 8, if passed, will authorise 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 the Circular to Shareholders dated 28 July 2017, which is despatched together with the Company's Annual Report 2017, for more information.
8. Voting by poll
 In compliance with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all resolutions set out in this Notice will be voted by poll.