



XIAN LENG HOLDINGS BERHAD

(Company No. 468142-U)

(Incorporated in Malaysia under the Companies Act, 1965)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the 19th Annual General Meeting of Xian Leng Holdings Berhad will be held at The Katerina Hotel, Opal Room, Level M, No.8, Jalan Zabedah, 83000 Batu Pahat, Johor, Malaysia on Wednesday, 4 July 2018 at 9:30 a.m. to transact the following businesses:-

AGENDA

AS ORDINARY BUSINESS:

1. To receive the Audited Financial Statements of the Company and of the Group for the financial year ended 31 January 2018 and the Reports of the Directors and Auditors thereon. **(Please refer Explanatory Note 1)**
2. To approve the Directors' fees and benefits amounting to RM203,000.00 for the financial year ended 31 January 2018. **(Resolution 1)**
3. To approve the Directors' fees and benefits amounting to RM203,000.00 for the financial year ending 31 January 2019. **(Resolution 2)**
4. To re-elect Mr. Kuan Kai Seng, who retires pursuant to Article 84 of the Company's Constitution. **(Resolution 3)**
5. To re-elect Mr. Tay Seng Chew, who retires pursuant to Article 91 of the Company's Constitution. **(Resolution 4)**
6. To appoint Messrs Ecovis AHL (AF 001825), as Auditors of the Company in place of the retiring Auditors, Messrs CAS Malaysia PLT (AF 1476) and to hold office until the conclusion of the next Annual General Meeting and to authorize the Board of Directors to fix their remuneration. **(Resolution 5)**

AS SPECIAL BUSINESS:

To consider and if thought fit, to pass the following Resolution as Ordinary Resolution:-

7. ORDINARY RESOLUTION

AUTHORITY TO ISSUE SHARES

(Resolution 6)

"THAT, subject always to the Companies Act 2016, the Company's Constitution and the approvals of the relevant governmental/regulatory authorities, if applicable, the Directors be and are hereby empowered, pursuant to Section 75 and Section 76 of the Companies Act 2016, to issue shares in the Company from time to time 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 10% of the total number of issue shares of the Company for the time being and that 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 and that such authority shall continue to be in force until the conclusion of the next Annual General Meeting of the Company."

8. To transact any other business of which due notice shall have been given.

BY ORDER OF THE BOARD,

XIAN LENG HOLDINGS BERHAD

LAANG JHE HOW (MIA 25193)
TAN KAH KOON (MAICSA 7066666)
Company Secretaries

Kuala Lumpur
31 May 2018

NOTES:-

1. In respect of deposited securities, only members whose names appear in the Company's Record of Depositors as at 27 June 2018 shall be eligible to attend, participate, speak and vote at this meeting or appoint proxy(ies) to attend, speak and vote on his/ her behalf.
2. A member of the Company who is entitled to attend, participate, speak and vote at this meeting is entitled to appoint not more than two (2) proxies, and in the case of a corporation, a duly authorised representative to attend, speak and vote in its stead.
3. A proxy may but need not be a member of the Company, an advocate, an approved company auditor or a person approved by the Registrar. Where a member appoints more than one (1) proxy, he shall specify the proportions of his shareholdings to be represented by each proxy.
4. 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.
5. 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 its common seal or under the hand of an officer or attorney duly authorised in writing.
6. The original instrument appointing a proxy must be deposited at the Registered Office of the Company situated at 35, Jalan Penjaja 3, 83000 Batu Pahat, Johor, Malaysia, not less than forty-eight (48) hours before the time set for holding this meeting or at any adjournment thereof.

EXPLANATORY NOTES

1. Item 1 of the Agenda

The item is meant for discussion only, as the provision of Section 340(1) of the Companies Act 2016 does not require a formal approval of the shareholders for the Audited Financial Statements. Hence, this item is not put forward for voting.

2. Resolution 2 – Directors' Fees and Benefits

The Directors' benefits payable comprises of meeting attendance allowances and other claimable benefits. In determining the estimated total amount of Directors' benefits, the Board has considered various factors, among others, the estimated claimable benefits and estimated number of meetings for the Board and its Committees held for the period commencing from 1 February 2018 until the next Annual General Meeting for the Company.

3. Resolutions 3 & 4 - To re-elect Kuan Kai Seng & Tay Seng Chew as Directors of the Company.

Article 84 of the Constitution provides that one-third or the number nearest to one-third of the Directors of the Company for the time being shall retire by rotation at each AGM of the Company. Each Director shall retire from office once at least in each three years but shall be eligible for re-election.

Kuan Kai Seng being eligible, have offered himself for re-election at the 19th AGM.

Augustine A/L T.K. James has informed the Board in writing of his intention to retire as an Independent Non-Executive Director of the Company and therefore, will not seek re-election at the AGM. Hence, he will retain office until the conclusion of the AGM in accordance with Article 84 of the Company's Constitution.

Article 91 provides that any Director appointed shall hold office until the next AGM and shall be eligible for re-election. Tay Seng Chew who was appointed on 4 May 2018, is standing for re-election as Directors and being eligible, have offered himself for re-election.

4. Resolution 5 - To appoint Messrs Ecovis AHL (AF 001825), as Auditors of the Company

The retiring Auditors, CAS Malaysia PLT had indicated their intention for not seeking re-appointment as auditors of the Company at the 19th Annual General Meeting. The Board of Directors of the Company has proposed for the appointment of Ecovis AHL, as the new auditors of the Company for the ensuing year.

5. Ordinary Resolution 6 – Proposed Authority to issue shares

The Company wishes to renew the mandate on the authority to issue shares pursuant to Section 75 of the Companies Act 2016 at the 19th Annual General Meeting of the Company (hereinafter referred to as the "General Mandate").

The Company had been granted a general mandate by its shareholders at the 18th Annual General Meeting of the Company held on 26 July 2017 (hereinafter referred to as the "Previous Mandate").

As at the date of this notice, 7,232,400 new ordinary shares of the Company were issued pursuant to the Previous Mandate by way of placement of new shares which raised total proceeds amounting to RM3,760,848, to be utilised for the general working capital of the Group and venture for future business projects. The new ordinary shares were listed on the Main Market of Bursa Malaysia Securities Berhad on 30 August 2017.

The General Mandate will enable the Directors of the Company to issue shares any time to such persons in their absolute discretion without convening 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 a general meeting, will expire at the next Annual General Meeting. The proceeds raised from the General Mandate will provide flexibility to the Company for any possible fund raising activities, including but not limited to further placing of shares, for purpose of funding future investment project(s), working capital and / or acquisitions.