



NOTICE IS HEREBY GIVEN that the Fifty-Seventh (57th) Annual General Meeting of Sin Heng Chan (Malaya) Berhad ("SHCB" or the "Company") will be held at Dillenia Room, Ground Floor, Sime Darby Convention Centre, 1A, Jalan Bukit Kiara 1, 60000 Kuala Lumpur on Monday, 27 May 2019 at 10.00 am for the following purposes:

AGENDA

AS ORDINARY BUSINESS

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| 1. To receive the Audited Financial Statements for the financial year ended 31 December 2018 together with the Directors' and Auditors' Reports thereon. | Please refer to Note A. |
| 2. To approve the payment of Directors' fees and benefits totalling RM1,952,653 for the financial year ended 31 December 2018. | Ordinary Resolution 1 |
| 3. To re-elect YBM Tunku Mahmood Bin Tunku Mohammed D.K. PSI who retires in accordance with Article 94 of the Constitution of the Company and being eligible, has offered himself for re-election. | Ordinary Resolution 2 |
| 4. To re-elect Mak Hon Weng who retires in accordance with Article 94 of the Constitution of the Company and being eligible, has offered himself for re-election. | Ordinary Resolution 3 |
| 5. To re-elect Sheldon Wee Tah Poh who retires in accordance with Article 100 of the Constitution of the Company and being eligible, has offered himself for re-election. | Ordinary Resolution 4 |
| 6. To re-appoint Messrs Ecosiv Malaysia PLT as Auditors of the Company and to authorise the Directors to fix their remuneration. | Ordinary Resolution 5 |

AS SPECIAL BUSINESS

To consider, and if thought fit, to pass the following Resolutions:

7. RETENTION OF INDEPENDENT DIRECTOR

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| To retain the following Director who has served the Board for more than twelve (12) years as Independent Non-Executive Director of the Company subject to the passing of Ordinary Resolution 2: 7.1 YBM Tunku Mahmood Bin Tunku Mohammed D.K. PSI | Ordinary Resolution 6 |
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8. AUTHORITY TO ISSUE SHARES BY THE COMPANY PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT, 2016 **Ordinary Resolution 7**

"THAT subject always to the Companies Act, 2016 ("the Act"), the Constitution of the Company and approvals from Bursa Malaysia Securities Berhad ("Bursa Securities") and any other governmental/regulatory authorities, the Directors of the Company be and are hereby empowered, pursuant to Sections 75 and 76 of the Act, to issue shares in the Company at any time and upon such terms and conditions and for such purposes as the Directors of the Company may, in their absolute discretion, deem fit provided that the aggregate number of shares to be issued pursuant to this resolution does not exceed 10% of the total number of issued shares of the Company at the time of submission to the authority AND THAT the Directors of the Company be and are hereby empowered to obtain the approval for the listing of and quotation for the additional shares so issued on Bursa Securities AND FURTHER THAT such authority shall continue to be in force until the conclusion of the next Annual General Meeting of the Company."

9. PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE **Ordinary Resolution 8**

"THAT the Company and/or its subsidiaries ('the Group') be and is/are hereby authorised to enter into all arrangements and/or transactions involving the interests of Directors, major shareholders or persons connected with Directors and/or major shareholders of the Group ('Related Parties') as specified in Sections 2.2.1 and 2.2.2 of the Circular to Shareholders dated 30 April 2019 ('Circular'), provided that such arrangements and/or transactions are:

- (i) recurrent transactions of a revenue or trading nature;
- (ii) necessary for the Group's day-to-day operations;
- (iii) carried out in the ordinary course of business on normal commercial terms not more favourable to the Related Parties than those generally available to the public; and
- (iv) not detrimental to the minority shareholders.

('Recurrent Related Party Transaction ("RRPT") Mandate');
AND THAT the RRPT Mandate, unless revoked or varied by the Company in general meeting, shall continue in force until the conclusion of the next AGM of the Company or the date by which the next AGM of the Company is required by law to be held, whichever is earlier;
AND THAT the Directors be and are hereby authorised to complete and do all such acts and things as they may consider expedient or necessary or in the interest of the Company to give effect to the RRPT Mandate."

By Order of the Board

LIM SECK WAH (MAICSA 0799845)

KONG MEI KEE (MAICSA 7039391)

Company Secretaries

Kuala Lumpur

Dated this: 30 April 2019

Notes:

A This Agenda is meant for discussion only as under the provisions of Section 340(1)(a) of the Companies Act 2016, the Audited Financial Statements do not require formal approval of the shareholders. As such this item on the Agenda is not put forward for voting.

- For the purpose of determining a member who shall be entitled to attend, speak and vote at the AGM, the Company shall be requesting the Record of Depositors as at 21 May 2019. Only a depositor whose name appears on the Record of Depositors as at 21 May 2019 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 authorized 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 authorized.
- The Proxy Form must be deposited at the Company Secretary's office, c/o Mega Corporate Services Sdn. Bhd. of Level 15-2, Bangunan Faber Imperial Court, Jalan Sultan Ismail, 50250 Kuala Lumpur not less than 48 hours before the time set for holding the meeting or any adjournment thereof.

Explanatory Notes:

Ordinary Resolution 1 on Directors' Fees and Benefits

Section 230(11) of the Companies Act 2016 provides that the fees of the Directors and any benefits payable to the Directors of a listed company and its subsidiaries shall be approved at a general meeting. In this respect, shareholders' approval shall be sought at the 57th Annual General Meeting on the Directors' fees and benefits for 2018.

The Directors' benefits comprising travelling and meeting allowance.

Ordinary Resolution 6 on Retention of Independent Director

The Board of Directors has vide the Nomination Committee conducted an assessment of independence of the following director who has served as Independent Non-Executive Director for a cumulative term of more than twelve (12) years and recommended him to continue to act as Independent Non-Executive Director based on the following justifications:

- (i) YBM Tunku Mahmood Bin Tunku Mohammed D.K. PSI

Justifications:

- (a) He fulfilled the criteria under the definition of an Independent Director, as stipulated in the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") and thus, he would be able to function as check and balance, provide a broader view and brings an element of objectivity to the Board;
- (b) His years of experience as a businessman enabled him to provide the Board with a diverse set of experience, expertise and independent judgment; and
- (c) He has performed his duty diligently and in the best interest of the Company and provides a broader view, independent and balanced assessment of proposal from the Management.

This resolution will be subject to two-tier voting as recommended by the Malaysian Code on Corporate Governance.

Ordinary Resolution 7 on Authority to issue shares by the company pursuant to Sections 75 and 76 of the Companies Act, 2016

The proposed Ordinary Resolution 7 is a renewal of mandate given by the shareholders at the previous AGM held on 31 May 2018, primarily to give flexibility to the Board of Directors to issue and allot shares at any time in their absolute discretion and for such purposes as they consider would be in the interest of the Company without convening a general meeting. This authority, unless revoked or varied at a general meeting, will expire at the next annual general meeting of the Company.

The Company continues to consider opportunities to broaden its earnings potential. If any of the expansion/diversification proposals involves the issue of new shares, the Directors, under certain circumstance when the opportunity arises, would have to convene a general meeting to approve the issue of new shares even though the number involved may be less than 10% of the total number of the issued shares.

In order to avoid any delay and costs involved in convening a general meeting to approve such issue of shares, it is thus considered appropriate that the Directors be empowered to issue shares in the Company, up to any amount not exceeding in total 10% of the total number of issued shares of the Company. The renewed authority will provide flexibility to the Company for the issuance of shares for the purpose of the possible fund raising activities for the purpose of funding future project/investment, working capital and/or acquisitions. This authority, unless revoked or varied at a general meeting will expire at the conclusion of the next AGM of the Company.

As at the date of this Notice, 11,800,000 new ordinary shares in the Company were issued by way of Private Placement to identified investors pursuant to Section 75(1) of the Companies Act 2016 which is equivalent to 8.95% of the Company's issued share capital threat. Total proceeds raised from the Private Placement exercise was RM5,900,000.00.

The details of utilization of the proceeds from the Private Placement exercise are disclosed in Other Additional Compliance Information of this Annual Report.

Ordinary Resolution 8 on Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of A Revenue or Trading Nature

This resolution is primarily to give flexibility to the Board of Directors to enter into recurrent related party transactions of revenue or trading nature with the Directors/Major Shareholders or persons connected with the Directors/Major Shareholders ("Renewal RRPT Mandate").

Further information of Renewal RRPT Mandate is contained in the Circular to Shareholders dated 30 April 2019.