



XIN HWA HOLDINGS BERHAD (1032102-P)
(Incorporated in Malaysia)

NOTICE OF THE SIXTH ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Sixth Annual General Meeting of the Company will be held at Sapphire 2, Level 4, Grand Paragon Hotel Johor Bahru, 18 Jalan Harimau, Taman Century, 80250 Johor Bahru, Johor Darul Takzim on 27 August 2019 at 11.30 a.m. to transact the following businesses:

AGENDA

As Ordinary Business:

1. To receive the Audited Financial Statements for the financial year ended 31 March 2019 together with the Reports of Directors and Auditors thereon. *(Please refer to Note 1)*
Ordinary Resolution 1
2. To approve the payment of Directors' fees up to an amount of RM460,000 from 28 August 2019 until the next annual general meeting of the Company. **Ordinary Resolution 2**
3. To approve the payment of Directors' benefits to Non-Executive Directors up to an amount of RM60,000 from 28 August 2019 until the next annual general meeting of the Company. **Ordinary Resolution 3**
4. To re-elect the following Directors who retire in accordance with the Company's Constitution:
(a) Ng Yam Pin **Ordinary Resolution 4**
(b) Liew Chek Leong **Ordinary Resolution 5**
5. To appoint Crowe Malaysia as Auditors of the Company under the new practice name of Crowe Malaysia PLT for the ensuing year and to authorise the Directors to fix their remuneration. **Ordinary Resolution 5**

As Special Business:

6. To consider and if thought fit, to pass the following Ordinary Resolution, with or without modifications:
AUTHORITY TO ALLOT SHARES PURSUANT TO SECTION 75 OF THE COMPANIES ACT 2016 **Ordinary Resolution 6**
"THAT subject always to the Companies Act 2016 ("Act") and the approvals of the relevant authorities, the Directors be and are hereby authorised pursuant to Section 75 of the Act, to allot shares in the Company at any time until the conclusion of the next Annual General Meeting 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 to be issued pursuant to this Resolution does not exceed 10% of the total number of issued shares of the Company for the time being."
7. To consider and if thought fit, to pass the following Special Resolution, with or without modifications:
PROPOSED AMENDMENTS TO THE CONSTITUTION OF THE COMPANY **Special Resolution 1**
"THAT the new set of the Constitution of the Company in the form and manner as set out in Appendix A attached herewith be and is hereby approved and adopted as the new Constitution of the Company, in substitution for, and to the exclusion of, the existing Constitution of the Company AND THAT the Directors be and are hereby authorised to do all such acts and things and to take such steps that are necessary to give effect to the adoption of the new Constitution of the Company."
8. To transact any other business for which due notice shall have been given.

BY ORDER OF THE BOARD

SEOW FEI SAN
MOK MEE KEE
Secretaries

Petaling Jaya
31 July 2019

NOTES TO THE NOTICE OF THE SIXTH ANNUAL GENERAL MEETING:

1. The members' approval on the Audited Financial Statements is not required pursuant to the provision of Section 340(1) of the Companies Act 2016 ("Act") and hence, the matter will not be put for voting.
2. Only depositors whose names appear in the Record of Depositors as at 20 August 2019 shall be regarded as members and entitled to attend, speak and vote at the Meeting.
3. A member entitled to attend and vote at the Meeting is entitled to appoint a proxy or proxies to attend, speak and vote on his/her behalf. A proxy may but need not be a member of the Company.
4. A member may appoint up to two (2) proxies to attend the Meeting. Where a member appoints two (2) proxies, he/she shall specify the proportions of his/her holdings to be represented by each proxy.
5. Where a member of the Company 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.
6. 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.
7. 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 its officer or attorney duly authorised.
8. The instrument appointing a proxy must be deposited at the Company's Share Registrar's office at Tricor Investor & Issuing House Services Sdn. Bhd., Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur not less than forty-eight (48) hours before the time appointed for holding the Meeting or any adjournment thereof.
9. Explanatory Notes:

Ordinary Resolutions 1 and 2

Directors' fees and benefits payable to Non-Executive Directors

Pursuant to Section 230(1) of the Act, 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, the Board of Directors ("Board") agreed that the members' approval shall be sought at the Sixth Annual General Meeting ("AGM") on the Directors' fees and benefits in two (2) resolutions as follows:

- **Ordinary Resolution 1 on payment of Directors' fees from 28 August 2019 until the next AGM**
The total amount of Directors' fees payable to the Non-Executive Directors from 28 August 2019 until the next AGM tabled for the members' approval is RM460,000. The figure is calculated with the assumption that there is no adjustment to the Directors' fees and no change in the Board size during the aforesaid period.
- **Ordinary Resolution 2 on payment of Directors' benefits from 28 August 2019 until the next AGM**
The Directors' benefits payable to the Non-Executive Directors are essentially the meeting allowance for attendance of meetings of the Board, Board Committees and general meetings. The Directors' benefits from 28 August 2019 until the conclusion of next AGM is estimated not to exceed RM60,000.
The Board will seek shareholders' approval at the next AGM in the event the amount of Directors' fees and benefits is insufficient due to an increase in Board size and/or number of meetings.

Ordinary Resolution 6

Authority to Allot Shares Pursuant to Section 75 of the Companies Act 2016

The Proposed Ordinary Resolution 6, if passed, will empower the Directors of the Company to allot not more than 10% of the total number of issued shares of the Company subject to approvals of all the relevant governmental and/or other regulatory bodies and for such purposes as the Directors consider would be in the interest of the Company. This authorisation will, unless revoked or varied by the Company in general meeting, expire at the next AGM of the Company.

As at the date of printing of this Annual Report, no new shares in the Company were issued pursuant to the authority granted to the Directors at the Fifth AGM held on 28 August 2018 and which will lapse at the conclusion of the Sixth AGM.

The authority 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, acquisitions, repayment of bank borrowings, etc.

Special Resolution 1

Proposed Amendments to the Constitution of the Company

The Proposed Special Resolution 1, if passed, will give full effect to the proposed amendments to the Constitution of the Company by substituting the existing Constitution with the new set of Constitution as set out in Appendix A.

The rationale of the proposed amendments to the existing Constitution is to ensure continued compliance and to bring the Constitution of the Company in line with the following laws and regulations:-

- Amended Bursa Malaysia Securities Berhad Main Market Listing Requirements which was issued on 29 November 2017; and
- Companies Act 2016 which came into effect on 31 January 2017.