

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

IF YOU ARE IN ANY DOUBT AS TO THE COURSE OF ACTION TO BE TAKEN, YOU SHOULD CONSULT YOUR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER PROFESSIONAL ADVISERS IMMEDIATELY.

Bursa Malaysia Securities Berhad (“Bursa Securities”) has not perused the contents of this Circular in relation to the Proposed Removal of Auditors and Appointment of new Auditors prior to its issuance of this Circular as it is an Exempt Circular pursuant to Practice Note 18 of Main Market Listing Requirements of Bursa Securities.

Bursa Malaysia Securities Berhad takes no responsibility for the contents of this Circular, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Circular.



CN ASIA CORPORATION BHD

(Company No. : 399442-A)
(Incorporated in Malaysia)

CIRCULAR TO SHAREHOLDERS IN RELATION TO

THE PROPOSED REMOVAL OF AUDITORS

AND

THE PROPOSED APPOINTMENT OF NEW AUDITORS

(COLLECTIVELY REFERRED TO AS THE “PROPOSALS”)

AND

NOTICE OF EXTRAORDINARY GENERAL MEETING

The Notice convening the Extraordinary General Meeting of CN Asia Corporation Bhd (“CNASIA”) which will be held at The Conference Room of CNASIA, Lot 7907, Batu 11, Jalan Balakong, 43300 Seri Kembangan, Selangor Darul Ehsan on Wednesday, 13 January 2016 at 10.00 a.m. and at any adjournment thereof together with the Form of Proxy are enclosed in this Circular.

Shareholders are advised to complete and deposit the Form of Proxy at the Registered Office of CNASIA, Lot 7907, Batu 11, Jalan Balakong, 43300 Seri Kembangan, Selangor Darul Ehsan not less than forty-eight (48) hours before the time stipulated for holding the meeting and at any adjournment thereof. The lodging of the Form of Proxy will not preclude you from attending and voting in person at the meeting should you subsequently wish to do so.

Last date and time for lodging the Form of Proxy : Monday, 11 January 2016 at 10.00am
Date and time of the Extraordinary General Meeting : Wednesday, 13 January 2016 at 10.00am

This Circular is dated 22 December 2015

DEFINITIONS

Unless the context otherwise requires, the following definitions shall apply throughout this Circular:-

Act	:	The Companies Act, 1965 or any statutory modification, amendment or re-enactment thereof for the time being in force
AGM	:	Annual General Meeting
Audit Committee	:	The Audit Committee of CNASIA
Board	:	The Board of Directors of CNASIA
Bursa Securities	:	Bursa Malaysia Securities Berhad
CNASIA or the Company	:	CN Asia Corporation Bhd
CNASIA Group or the Group	:	Collectively, CNASIA and its subsidiaries
EGM	:	Extraordinary General Meeting
Listing Requirements	:	Main Market Listing Requirements of Bursa Securities
LPD	:	17 December 2015, being the latest practicable date prior to the printing of this Circular
Proposals	:	Collectively, the Proposed Removal of Auditors and the Proposed Appointment of New Auditors.
Proposed Appointment of New Auditors	:	Proposed appointment of Messrs Kreston John & Gan (AF 0113) as the new auditors of the Company in place of Messrs SJ Grant Thornton (AF 0737).
Proposed Removal of Auditors	:	Proposed removal of Messrs. SJ Grant Thornton (AF 0737) as auditors of the Company subject to the approval of shareholders.
Requisitionist	:	Mr. Ho Cheng San, the shareholders of the Company holding in aggregate of 16,093,535 CNASIA Shares or 35.46% of the issued and paid-up share capital of CNASIA as at LPD.
RM and sen	:	Ringgit Malaysia and sen respectively.
Shareholder(s)	:	Person(s) for the time being registered in the Record of Depositors as the holders of CNASIA Shares.

For the purpose of this Circular, all references to a time of day shall be a reference to Malaysian time unless otherwise stated.

In this Circular, words importing the singular shall, where applicable, include the plural and vice versa and words importing the masculine gender shall, where applicable, include the feminine and neuter genders and vice versa. Reference to persons shall include corporations.

Certain figures included in this Circular have been subject to rounding adjustments.

References to “we”, “us”, “our” and “ourselves” are to our Company save where the context otherwise requires, our subsidiaries and to “you” or “your” are to the shareholders of CNASIA.

TABLE OF CONTENTS

SECTION	PAGE
1. INTRODUCTION	1
2. DETAILS OF THE PROPOSALS	2
3. RATIONALE FOR THE PROPOSALS	2
4. EFFECT OF THE PROPOSALS	2
5. DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' INTERESTS	2
6. APPROVALS REQUIRED	3
7. DIRECTORS' RECOMMENDATION	3
8. EGM	3
9. FURTHER INFORMATION	3
 APPENDICES	
APPENDIX I ADDITIONAL INFORMATION	4
APPENDIX II SPECIAL NOTICE FROM REQUISITIONIST	Enclosed



CN ASIA CORPORATION BHD
(Company No. 399442-A)
(Incorporated in Malaysia)

Registered Office:
Lot 7907, Batu 11
Jalan Balakong
43300 Seri Kembangan
Selangor Darul Ehsan

Date: 22 December 2015

Board of Directors

Dato' Hilmi bin Mohd Noor (Independent Non-Executive Chairman)
Ho Cheng San (Managing Director)
Ir. Lee Lam (Executive Director)
Chong Ying Choy (Independent Non-Executive Director)
Yoong Nim Chee (Independent Non-Executive Director)
Roy Ho Yew Kee (Independent Non-Executive Director)

To: The Shareholders of CN Asia Corporation Bhd

Dear Sir/Madam,

- **PROPOSED REMOVAL OF AUDITORS**
- **PROPOSED APPOINTMENT OF NEW AUDITORS**
(HEREINAFTER REFERRED TO AS THE "PROPOSALS")

1. INTRODUCTION

The Company had on 10 December 2015 received a special notice ("Special Notice") from its major shareholder, Mr. Ho Cheng San, copy whereof is set out in Appendix II of this Circular, proposing the following:-

- (a) The Company to convene an EGM pursuant to Section 144 of the Act;
- (b) The removal of Messrs. SJ Grant Thornton (AF 0737) as auditors of the Company pursuant to Sections 153 and 172(4) of the Act; and
- (c) The nomination of Messrs. Kreston John & Gan (AF 0113) for appointment as new auditors of the Company in place of Messrs. SJ Grant Thornton for the financial year ending 31 December 2015 and to hold office until the conclusion of the next AGM of the Company at a remuneration to be fixed by the Board.

(hereinafter collectively referred to as the "Requisitions")

The announcement on the Requisitions and the Proposals was made to Bursa Securities on 16 December 2015.

The Proposals are subject to and are conditional upon approval being obtained from the shareholders at the forthcoming EGM of the Company.

The purpose of this Circular is to provide you with information on the Proposals and to seek your approval to the ordinary resolutions pertaining to the Proposals to be tabled at the forthcoming EGM, scheduled to be held at The Conference Room of CNASIA, Lot 7907, Batu 11, Jalan Balakong, 43300 Seri Kembangan, Selangor Darul Ehsan on Wednesday, 13 January 2016 at 10.00 a.m. or any adjournment thereof. The notice of EGM together with the Form of Proxy is enclosed with this Circular.

2. **DETAILS OF THE PROPOSALS**

Section 172(4) of the Act provides that auditors of a company may be removed from office by a resolution of the company at a general meeting of which special notice has been given, but not otherwise.

The Company had on 10 December 2015 received the Requisitions from its major shareholder, Mr. Ho Cheng San. As required under Section 172(5)(a) of the Act, the Company had upon receipt of the Special Notice forthwith sent a copy to Messrs. SJ Grant Thornton and to the Registrar of Companies.

In the Special Notice, the Requisitionist has nominated Messrs. Kreston John & Gan as new auditors of the Company in place of Messrs. SJ Grant Thornton should they be removed and Messrs. Kreston, John & Gan has duly been informed of their said nomination.

Pursuant to Section 172(5)(b) of the Act, Messrs. SJ Grant Thornton may within seven (7) days after receipt of the Special Notice make representations in writing to the Company (not exceeding a reasonable length) (the “**Representations**”) and request that, prior to the EGM, a copy of the Representations be sent by the Company to every member of the Company to whom notice of the EGM is sent.

It was noted that there will be no Representations made by SJ Grant Thornton pursuant to Section 172(5)(b) of the Act.

3. **RATIONALE FOR THE PROPOSALS**

The Company had on 10 December 2015 received a Special Notice from the Requisitionist requesting for an EGM to be convened to remove Messrs. SJ Grant Thornton as auditors of the Company and the nomination of Messrs. Kreston John & Gan for appointment as new auditors of the Company in place of Messrs. SJ Grant Thornton for the financial year ending 31 December 2015.

The Board and the Audit Committee had considered the profile, adequacy of the resources and experience of Messrs. Kreston John & Gan and is of the opinion that Messrs. Kreston John & Gan will be able to meet the audit obligations of the Company in compliance with the Listing Requirements and provisions of the Act.

4. **EFFECT OF THE PROPOSALS**

The Proposals will not have any effect on the earnings per share, net assets per share, gearing, issued and paid-up share capital and substantial shareholders’ shareholdings of the CNASIA Group.

5. **DIRECTORS’ AND SUBSTANTIAL SHAREHOLDERS’ INTERESTS**

Notwithstanding that Mr. Ho Cheng San, Managing Director of CNASIA, who is also the major shareholder of the Company, none of the Directors and/or substantial shareholders of CNASIA and/or persons connected to them have any interest, direct or indirect, in the Proposals.

6. **APPROVALS REQUIRED**

The Proposed Removal of Auditors is subject to the passing of the ordinary resolution by a simple majority of such Shareholders of the Company being present and entitled to vote in person or by proxy at the forthcoming EGM of the Company.

The Proposed Appointment of New Auditors is pursuant to Section 172(7)(a) of the Act, subject to the passing of the ordinary resolution by a majority of not less than three-fourths of such Shareholders of the Company being present and entitled to vote in person or by proxy at the forthcoming EGM of the Company.

7. **DIRECTORS' RECOMMENDATION**

The Board having considered all aspects of the Proposals is of the opinion that the Proposals are in the best interest of the Company and accordingly recommends that its shareholders vote in favour of the ordinary resolutions to be tabled at the forthcoming EGM.

8. **EGM**

An EGM, the notice of which is enclosed together with this Circular, will be held at The Conference Room of CNASIA, Lot 7907, Batu 11, Jalan Balakong, 43300 Seri Kembangan, Selangor Darul Ehsan on Wednesday, 13 January 2016 at 10.00 a.m. or any adjournment thereof for the purpose of considering and, if thought fit, passing the ordinary resolution so as to give effect to the Proposals.

If you are unable to attend and vote in person at the EGM, you may complete and return the relevant Form of Proxy in accordance with the instructions printed thereon as soon as possible and in any event so as to arrive at the Registered Office of the Company at Lot 7907, Batu 11, Jalan Balakong, 43300 Seri Kembangan, Selangor Darul Ehsan not later than 48 hours before the date and time fixed for the EGM or any adjournment thereof.

The lodging of the Form of Proxy will not, however, preclude you from attending and voting in person at the EGM should you subsequently wish to do so and in such an event, your Form of Proxy shall be deemed to have been revoked

9. **FURTHER INFORMATION**

Shareholders are advised to refer to the attached Appendix I in this Circular for further information.

Yours faithfully,
For and on behalf of our Board
CN ASIA CORPORATION BHD

Ir. LEE LAM
Executive Director

ADDITIONAL INFORMATION**1. Directors' Responsibility Statement**

This Circular has been seen and approved by our Board who collectively and individually accepts full responsibility for the accuracy of the information given in this Circular and confirms that, after making all enquiries as were reasonable in the circumstances and to the best of their knowledge and belief, there are no other facts the omission of which would make any statement contained herein false or misleading.

2. Material Contracts

As at the LPD, neither CNASIA nor its subsidiaries has entered into any contracts which are or may be material, not being contracts entered into in the ordinary course of business, during the past two (2) years preceding the date of this Circular.

3. Material Litigation

As at the LPD, save as disclosed below, CNASIA Group is not engaged in any litigation, claims or arbitration, either as plaintiff or defendant, which may have a material effect on the financial position of the Group and the Board has no knowledge of any proceedings, pending or threatened, against CNASIA Group or of any fact which is likely to give rise to any proceeding which may materially and adversely affect the business or financial position of the Group.

4. Documents available for inspection

Copies of the following documents are available for inspection at the Registered Office of the Company at Lot 7907, Batu 11, Jalan Balakong, 43300 Seri Kembangan, Selangor Darul Ehsan during normal business hours from 9.00 a.m. to 5.00 p.m. from Monday to Friday (excluding public holidays) for the period commencing from the date of this Circular up to and including the date of our forthcoming EGM:

- (i) The Memorandum and Articles of Association of CNASIA;
- (ii) The audited consolidated financial statements of CNASIA for the past two (2) financial years ended 31 December 2013 and 31 December 2014 and the unaudited quarterly results for the financial period ended 30 September 2015;
- (iii) Special Notice from the Requisitionist;
- (iv) Letter of consent to act as new auditors from Messrs. Kreston John & Gan.

(The rest of this page has been intentionally left blank)

APPENDIX II – SPECIAL NOTICE FROM REQUISITIONIST

Ho Cheng San
No. 8, Lorong PJU 7/22A,
Mutiara Damansara,
47800 Petaling Jaya,
Selangor Darul Ehsan

10 December 2015

The Directors
CN Asia Corporation Bhd
Lot 7907, Batu 11
Jalan Balakong
43300 Seri Kembangan
Selangor Darul Ehsan

Dear Sirs

**Removal of Auditors – Requisition for an Extraordinary General Meeting and Special Notice
for Removal of Auditors**

I, being a member of CN Asia Corporation Bhd holding in aggregate not less than 10% of the voting shares of the Company, hereby:-

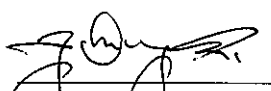
- (i) require the Directors to convene an Extraordinary General Meeting (“EGM”) pursuant to Section 144 of the Companies Act, 1965 (“CA 1965”);
- (ii) give special notice pursuant to Sections 153 and 172(4) of the CA 1965 of our intention to propose the following resolution as an ordinary resolution at the said EGM:-

“THAT Messrs. SJ Grant Thornton be removed as auditors of the Company with immediate effect.” and

- (iii) give notice of our nomination of Messrs. Kreston John & Gan as auditors of the Company in place of Messrs. SJ Grant Thornton and our intention to propose the following resolution as an ordinary resolution to be passed by a majority of three-fourths of the members and/or proxies present at the aforesaid EGM pursuant to Section 172(7)(a) of the CA 1965:-

“THAT Messrs. Kreston John & Gan, having consented to act, be hereby appointed as auditors of the Company to fill the vacancy created by the removal of Messrs. SJ Grant Thornton for the financial year ended 31 December 2015 and to hold office until the conclusion of the next annual general meeting AND THAT authority be and is hereby given to the Directors to determine their remuneration.”

Yours faithfully


HO CHENG SAN
NRIC No. 531215-10-6199
c.c. SJ Grant Thornton



CN ASIA CORPORATION BHD
(Company No. 399442-A)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT an Extraordinary General Meeting (“EGM”) of CN Asia Corporation Bhd (“CNASIA” or the “Company”) will be held at The Conference Room of CNASIA, Lot 7907, Batu 11, Jalan Balakong, 43300 Seri Kembangan, Selangor Darul Ehsan on **Wednesday, 13 January 2016 at 10.00 a.m.**, for the purpose of considering and, if thought fit, passing with or without modifications, the following resolution:

**ORDINARY RESOLUTION
PROPOSED REMOVAL OF AUDITORS**

“THAT Messrs. Messrs. SJ Grant Thornton (AF 0737) of Level 11, Sheraton Imperial Court, Jalan Sultan Ismail, 50250 Kuala Lumpur be and are hereby removed with immediate effect.”

**ORDINARY RESOLUTION
PROPOSED CHANGE OF AUDITORS**

“THAT Messrs. Kreston John & Gan (AF 0113) of 160-2-1, Komplek Maluri Business Centre, Jalan Jejaka, 55100 Kuala Lumpur be and are hereby appointed as Auditors of the Company to fill the vacancy created by the removal of Messrs. SJ Grant Thornton of Level 11, Sheraton Imperial Court, Jalan Sultan Ismail, 50250 Kuala Lumpur for the financial year ended 31 December 2015 and to hold office until the conclusion of the next Annual General Meeting AND THAT authority be and is hereby given to the Directors to determine their remuneration.”

BY ORDER OF THE BOARD

Lim Paik Goot (MIA 13304)
Koh Mui Tee (LS 03057)
Company Secretaries

Selangor Darul Ehsan
22 December 2015

NOTES :

1. A proxy may but need not be a member of the Company.
2. For a proxy to be valid, the Form of Proxy duly completed must be deposited at the Registered Office of the Company, Lot 7907, Batu 11, Jalan Balakong, Seri Kembangan, 43300 Selangor Darul Ehsan not less than forty-eight (48) hours before the time appointed for holding the meeting.
3. A member shall be entitled to appoint one (1) or more proxies to attend and vote instead of him at the same meeting and where a member appoints more than one (1) proxy to vote at the same meeting, such appointment shall be invalid unless he specify the proportions of his shareholdings to be represented by each proxy provided that in case of a vote of any question by a show of hands, only one (1) of the proxies so appointed shall be entitled to vote.
4. Where a member is an Exempt Authorised Nominee, which holds ordinary shares of the Company for multiple beneficial owners in one securities account (“omnibus account”), there is no limit to the number of proxies it may appoint in respect of each omnibus account it holds.
5. If the case of a corporate member, the Proxy Form must be executed under the corporation’s common seal or under the hand of an officer or attorney duly authorised.
6. Only a depositor whose name appears on the Record of Depositors as at 7 January 2016 shall be entitled to attend the forthcoming EGM or appoint proxies to attend and/or vote on his/her behalf.



CN ASIA CORPORATION BHD

(Company No. 399442-A)
(Incorporated in Malaysia)

FORM OF PROXY

*I/We
of
being a * member / members of the abovenamed Company, hereby appoint
.....
of
or failing him,
of

as *my /our proxy to vote for *me /us on *my/our behalf at the Extraordinary General Meeting of CN Asia Corporation Bhd ("CNASIA") to be held at The Conference Room of CNASIA at Lot 7907, Batu 11, Jalan Balakong, 43300 Seri Kembangan, Selangor Darul Ehsan on **Wednesday, 13 January 2016** at **10.00 a.m.**, and any adjournment thereof.

ORDINARY RESOLUTION	FOR	AGAINST
Proposed Removal of Auditors		
Proposed Appointment of Auditors		

Please indicate with an "X" in the appropriate space provided above on how you wish your vote to be cast. If no specific direction as to voting is given, the proxy may vote as he thinks fit.

Signed thisday of....., 2016.

For the appointment of two (2) proxies, percentage of shareholdings to be represented by the proxies :		
	No Of Shares	%
Proxy 1		
Proxy 2		
		100

.....
Signature(s)/Common Seal of member(s)

Notes:-

1. A proxy may but need not be a member of the Company.
2. For a proxy to be valid, the Form of Proxy duly completed must be deposited at the Registered Office of the Company, Lot 7907, Batu 11, Jalan Balakong, 43300 Seri Kembangan, Selangor Darul Ehsan not less than forty-eight (48) hours before the time appointed for holding the meeting.
3. A member shall be entitled to appoint one (1) or more proxies to attend and vote instead of him at the same meeting and where a member appoints more than one (1) proxy to vote at the same meeting, such appointment shall be invalid unless he specify the proportions of his shareholdings to be represented by each proxy provided that in case of a vote of any question by a show of hands, only one (1) of the proxies so appointed shall be entitled to vote.
4. Where a member is an Exempt Authorised Nominee which holds ordinary shares of the Company for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies it may appoint in respect of each omnibus account it holds.
5. If the case of a corporate member, the Proxy Form must be executed under the corporation's common seal or under the hand of an officer or attorney duly authorised.
6. Only a depositor whose name appears on the Record of Depositors as at 7 January 2016 shall be entitled to attend the forthcoming Extraordinary General Meeting or appoint proxies to attend and/or vote on his/her behalf.



Fold this flap for sealing

Then fold here

AFFIX
STAMP

THE COMPANY SECRETARY
CN ASIA CORPORATION BHD (399442-A)
Lot 7907, Batu 11, Jalan Balakong,
43300 Seri Kembangan,
Selangor Darul Ehsan

1st fold here
