



HUP SENG INDUSTRIES BERHAD

(Company No. 226098-P)

(Incorporated in Malaysia under the Companies Act, 1965)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT an Extraordinary General Meeting of Hup Seng Industries Berhad (“**HUPSENG**” or the “**Company**”) will be convened at Mezzanine Floor, The Katerina Hotel, 8, Jalan Zabedah, 83000 Batu Pahat, Johor Darul Ta’zim on Tuesday, 18 February 2014 at 2.30 p.m., for the purpose of considering and if thought fit, passing with or without modifications, the following resolutions:-

ORDINARY RESOLUTION 1

PROPOSED SHARE SPLIT INVOLVING THE SUBDIVISION OF EVERY ONE (1) EXISTING ORDINARY SHARE OF RM0.50 EACH IN HUPSENG (“HUPSENG SHARE(S)”) INTO FIVE (5) NEW ORDINARY SHARES OF RM0.10 EACH IN HUPSENG (“SUBDIVIDED SHARE(S)”) HELD BY THE ENTITLED SHAREHOLDERS OF THE COMPANY ON AN ENTITLEMENT DATE TO BE DETERMINED AND ANNOUNCED LATER (“ENTITLEMENT DATE”) (“PROPOSED SHARE SPLIT”)

“**THAT** subject to the passing of the Special Resolution 1 and conditional upon the approvals of all relevant regulatory authorities for the listing of and quotation for the Subdivided Shares on the Main Market of Bursa Malaysia Securities Berhad (“**Bursa Securities**”), approval be and is hereby given to the Board of Directors of the Company (“**Board**”) to subdivide each of the existing ordinary shares of RM0.50 each in the Company into five (5) ordinary shares of RM0.10 each in the Company held by entitled shareholders of the Company on the Entitlement Date;

THAT the Subdivided Shares will upon allotment and issuance, rank *pari passu* in all respects with each other;

AND THAT the Board be and is hereby authorised to sign and execute all documents to give effect to the Proposed Share Split with full powers to assent to any conditions, modifications, variations and/or amendments in any manner as may be required by the relevant authorities and to deal with all matters relating thereto and to take all such steps and do all acts and things in any manner as they may deem necessary or expedient to implement, finalise and give full effect to the Proposed Share Split.”

ORDINARY RESOLUTION 2

PROPOSED BONUS ISSUE OF 200,000,000 NEW SUBDIVIDED SHARES (“BONUS SHARE(S)”) ON THE BASIS OF ONE (1) BONUS SHARE FOR EVERY THREE (3) SUBDIVIDED SHARES HELD ON THE ENTITLEMENT DATE (“PROPOSED BONUS ISSUE”)

“**THAT** subject to the passing of Special Resolution 1 and Ordinary Resolution 1 as well as the approvals of all relevant regulatory authorities for the listing of and quotation for the Bonus Shares on the Main Market of Bursa Securities, the Board is hereby authorised to capitalise an amount of RM20,000,000 out of the share premium and retained earnings of the Company, and to apply the same for the purposes of issuing 200,000,000 Bonus Shares credited as fully paid-up to be issued to the entitled shareholders of the Company whose names appear in the Record of Depositors of the Company as at the close of business on the Entitlement Date on the basis of one (1) Bonus Share for every three (3) existing Subdivided Shares held;

THAT fractional entitlements of the Bonus Shares, if any, shall be dealt with in such manner as the Board shall in their absolute discretion deems fit and expedient, in the best interest of the Company;

THAT the Bonus Shares will upon allotment and issuance, rank *pari passu* in all respects with the existing Subdivided Shares, save and except that the new Subdivided Shares issued will not be entitled to any dividends, rights, allotments and/or other distributions where the Entitlement Date precedes the date of allotment of such new Subdivided Shares;

AND THAT the Board be and is hereby authorised to sign and execute all documents to give effect to the Proposed Bonus Issue with full powers to assent to any conditions, modifications, variations and/or amendments in any manner as may be required by the relevant authorities and to deal with all matters relating thereto and to take all such steps and do all acts and things in any manner as they may deem necessary or expedient to implement, finalise and give full effect to the Proposed Bonus Issue.”

SPECIAL RESOLUTION 1

PROPOSED AMENDMENT TO THE MEMORANDUM OF ASSOCIATION OF HUPSENG TO FACILITATE THE PROPOSED SHARE SPLIT (“PROPOSED AMENDMENT”)

“**THAT**, subject to the passing of Ordinary Resolution 1 and Ordinary Resolution 2, the Memorandum of Association of the Company be amended as follows to facilitate the Proposed Share Split:-

<u>Existing</u>	<u>Proposed Amendment</u>
<p>Clause 5 of the Memorandum of Association</p> <p>The capital of the Company is RM100,000,000.00 divided into 200,000,000 ordinary shares of RM0.50 each. The Company shall have the power to increase or reduce its capital, to consolidate or subdivide the shares into shares of larger or smaller amounts, and to divide the shares forming the capital (original, increased or reduced) of the Company into several classes and to attach thereto respectively, preferential, deferred or special rights, privileges or conditions as may be determined by, or in accordance with the regulations for the time being of the Company and to issue additional capital with any such rights, privileges or conditions as aforesaid, and any preference share may be issued on the terms that it is, or at the option of the Company is liable, to be redeemed.</p>	<p>Clause 5 of the Memorandum of Association</p> <p>The capital of the Company is RM100,000,000.00 divided into 1,000,000,000 ordinary shares of RM0.10 each. The Company shall have the power to increase or reduce its capital, to consolidate or subdivide the shares into shares of larger or smaller amounts, and to divide the shares forming the capital (original, increased or reduced) of the Company into several classes and to attach thereto respectively, preferential, deferred or special rights, privileges or conditions as may be determined by, or in accordance with the regulations for the time being of the Company and to issue additional capital with any such rights, privileges or conditions as aforesaid, and any preference share may be issued on the terms that it is, or at the option of the Company is liable, to be redeemed.</p>

AND THAT, the Board be and is hereby authorised to take all such necessary steps to give effect to the Proposed Amendment with full powers to assent to any conditions, variations, modifications and/or amendments in any manner as may be required or permitted by any relevant authorities or deemed necessary by the Board, and to take all steps and to do all such acts and matters as they may consider necessary or expedient to implement, finalise and give full effect to the Proposed Amendment.”

By Order of the Board,
HUP SENG INDUSTRIES BERHAD

LEE WAI NGAN (LS00184)
CHAN TOYE YING (LS00185)
Company Secretaries
24 January 2014

Notes:-

- (1) *A member entitled to attend and vote at the Meeting is entitled to appoint a proxy or proxies to attend and vote in his stead. A proxy may but need not be a member of the Company and there shall be no restrictions as to the qualifications of the proxy. A proxy appointed to attend and vote at a meeting of the Company shall have the same rights as the member to speak at the meeting.*
- (2) *A member shall be entitled to appoint more than one (1) proxy (subject always to a maximum of two (2) proxies at each meeting) to attend and vote at the same meeting.*
- (3) *Where a member appoints more than one (1) proxy (subject always to a maximum of two (2) proxies at each meeting) the appointment shall be invalid unless he specifies the proportions of his holdings to be represented by each proxy.*
- (4) *Where a member of the Company is an exempt authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991 (“**SICDA**”) 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. Where a member is an authorised nominee as defined under SICDA, it may appoint one (1) proxy in respect of each Securities Account it holds with ordinary shares of the Company standing to be credit of the said Securities Account.*
- (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 such appointer is a corporation under its common seal or the hand of its attorney.*
- (6) *The instrument appointing a proxy must be deposited at the registered office of HUPSENG at Plaza 138, Suite 18.03, 18th Floor, 138 Jalan Ampang, 50450 Kuala Lumpur, not less than forty-eight (48) hours before the time appointed for holding the Meeting or any adjournment thereof.*
- (7) *For the purpose of determining who shall be entitled to attend this meeting, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd to issue a Record of Depositors as at 12 February 2014 (“**Extraordinary General Meeting Record of Depositors**”) and only a Depositor whose name appears in the Extraordinary General Meeting Record of Depositors shall be entitled to attend this meeting.*