

INTEGRATED RUBBER CORPORATION BERHAD

(852-D)

(Incorporated in Malaysia under the Companies Enactment (Chapter 58 of the Revised Edition))

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT an Extraordinary General Meeting of Integrated Rubber Corporation Berhad ("IRCB" or "Company") will be held at Legend Inn Hotel, No. 2 Jalan Long Jaafar, 34000 Taiping, Perak Darul Ridzuan on Tuesday, 9 September 2014 at 10.00 a.m. or adjournment thereof, for the purpose of considering and if thought fit, passing with or without modifications, the following resolutions:-

ORDINARY RESOLUTION 1

PROPOSED INCREASE IN IRCB'S AUTHORISED SHARE CAPITAL FROM RM200,000,000 COMPRISING 1,000,000,000 ORDINARY SHARES OF RM0.20 EACH IN IRCB ("IRCB SHARES") TO RM400,000,000 COMPRISING 2,000,000,000 IRCB SHARES ("PROPOSED INCREASE IN AUTHORISED SHARE CAPITAL")

THAT the authorised share capital of the Company be increased from RM200,000,000 comprising 1,000,000,000 IRCB Shares to RM400,000,000 comprising 2,000,000,000 IRCB Shares by the creation of additional 1,000,000,000 IRCB Shares;

AND THAT the Directors of the Company be and are hereby authorised to do all acts, deeds and things and execute all necessary documents as they may consider necessary or expedient in the best interests of the Company with full powers to assent to any conditions, modifications, variations and/or amendments as may be required by the relevant authorities, and to take all steps and actions as the Board may deem fit or expedient in order to carry out, finalise and give full effect to the Proposed Increase in Authorised Share Capital."

ORDINARY RESOLUTION 2

PROPOSED CAPITALISATION OF THE CASH ADVANCES TOTALLING RM44,800,000 ("ADVANCE") RECEIVED FROM MR CHEANG PHOY KEN ("MR CHEANG") AND KEEN SETUP SDN BHD ("KSSB") (COLLECTIVELY REFERRED TO AS THE "INVESTORS") VIA THE ISSUANCE OF 224,000,000 NEW IRCB SHARES ("FIRST TRANCHE SUBSCRIPTION SHARES") TOGETHER WITH THE GRANT OF RIGHT TO SUBSCRIBE FOR A FURTHER 112,000,000 NEW IRCB SHARES ("SECOND TRANCHE SUBSCRIPTION SHARES") AT A SUBSCRIPTION PRICE OF RM0.20 PER IRCB SHARE ("SECOND TRANCHE SUBSCRIPTION PRICE") ("PROPOSED ADVANCE CAPITALISATION");

"THAT subject to and conditional upon Ordinary Resolution 1 taking effect, approval be and is hereby given to the Board to:-

- (i) capitalise the Advance received from the Investors totalling RM44,800,000 via the issuance of the First Tranche Subscription Shares together with the grant of right to subscribe for the Second Tranche Subscription Shares at the Second Tranche Subscription Price, upon the terms stipulated in the respective subscription agreements entered into between the Company and each of the Investors dated 23 May 2014 ("Subscription Agreements");
- (ii) allot and issue 112,000,000 First Tranche Subscription Shares and to allot and issue upon subscription, of up to 56,000,000 Second Tranche Subscription Shares (or as adjusted in accordance to such agreement) to Mr. Cheang in accordance with the relevant Subscription Agreements; and
- (iii) allot and issue 112,000,000 First Tranche Subscription Shares and to allot and issue upon subscription, of up to 56,000,000 Second Tranche Subscription Shares (or as adjusted in accordance to such agreement) to KSSB in accordance with the relevant Subscription Agreements;

AND THAT the Directors of the Company be and are hereby authorised and empowered to enter into any arrangements, agreements or undertakings with any party or parties as it may deem fit, necessary, expedient and/or appropriate in order to implement, finalise and/or give effect to the Proposed Advance Capitalisation and/or the Subscription Agreements with full powers to assent to any terms, conditions, modifications, variation and/or amendments as may be agreed to/required by the relevant regulatory authorities or as a consequence of any such requirement or as may be deemed necessary and/or expedient to implement, finalise and/or give effect to the Proposed Advance Capitalisation and/or the Subscription Agreements."

SPECIAL RESOLUTION 1

PROPOSED CAPITAL REDUCTION OF THE PAR VALUE OF IRCB SHARES PURSUANT TO SECTION 64(1) OF THE COMPANIES ACT, 1965 ("ACT"), INVOLVING THE CANCELLATION OF RM0.15 OF THE PAR VALUE OF EACH IRCB SHARE AND THEREAFTER, CONSOLIDATION OF EVERY TWO (2) ORDINARY SHARES OF RM0.05 EACH INTO ONE (1) ORDINARY SHARE OF RM0.10 EACH IN IRCB ("CONSOLIDATED IRCB SHARE") ("PROPOSED CAPITAL REDUCTION AND CONSOLIDATION");

THAT subject to and conditional upon the confirmation by the High Court of Malaya pursuant to Section 64(1) of the Act, the passing of Ordinary Resolution 1 and Ordinary Resolution 2, and the approval of all other relevant authorities/parties (if applicable), approval be and is hereby given to the Company to reduce the par value of each ordinary share of RM0.20 in the Company to RM0.05 each, whereby the issued and paid-up share capital of the Company (including, if applicable, any IRCB Shares issued pursuant to the Subscription Agreements or pursuant to exercise of 2010/2015 warrants issued by the Company on 24 December 2010) be reduced accordingly and the authorised share capital (following its increase under Ordinary Resolution 2) of RM400,000,000 comprising 2,000,000,000 ordinary shares of RM0.20 each be reduced to RM100,000,000 comprising 2,000,000,000 ordinary shares of RM0.05 each and thereafter consolidate every two (2) ordinary shares of RM0.05 each in the issued and unissued share capital of the Company into one (1) ordinary share of RM0.10 each in IRCB whereby the authorised share capital of the Company shall then consist of RM100,000,000 comprising of 1,000,000,000 ordinary shares of RM0.10 each and the issued share capital of the Company shall then be consolidated accordingly;

THAT the credit arising from the said capital reduction be utilised to offset against the accumulated losses of the Company and thereafter, in the event there is excess credit, such excess credit be retained in retained earnings and/or distributable reserve of the Company;

AND THAT the Directors of the Company be and are hereby authorised to do all such deeds, acts and things and to execute all the necessary documents for and on behalf of the Company to give full effect to and implement the Proposed Capital Reduction and Consolidation and the above with full power to assent to any conditions, modifications, variations as may be required by the relevant authorities or the High Court of Malaya as the Directors may deem fit or expedient to finalise, implement and give full effect to and complete the Proposed Capital Reduction and Consolidation and the above.

ORDINARY RESOLUTION 3

PROPOSED ESTABLISHMENT OF AN EMPLOYEES' SHARE SCHEME ("ESS") OF UP TO FIFTEEN PERCENT (15%) OF THE ISSUED AND PAID-UP SHARE CAPITAL OF THE COMPANY (EXCLUDING TREASURY SHARES) AT ANY POINT IN TIME FOR THE DIRECTORS AND EMPLOYEES OF THE COMPANY AND ITS SUBSIDIARIES ("PROPOSED ESS")

THAT subject to and conditional upon Ordinary Resolution 1 taking effect, approval be and is hereby given to the Board to:-

- (a) establish an ESS for the benefit of the Directors and employees of the Company and its subsidiaries ("IRCB Group") who fulfill certain specified conditions of eligibility for participation in the Proposed ESS and to implement and administer the same in accordance with the By-Laws of the Proposed ESS which is set out in Appendix III of the Circular to shareholders of IRCB dated 15 August 2014 ("By-Laws");
- (b) to allot and issue such number of new Consolidated IRCB Shares from time to time as may be required for the purpose of or in connection with the Proposed ESS, provided that the total number of Consolidated IRCB Shares to be allotted and issued shall not exceed fifteen percent (15%) in aggregate of the total issued and paid-up ordinary share capital of the Company (excluding treasury shares) at any point in time throughout the duration of the Proposed ESS;
- (c) to make the necessary application to Bursa Malaysia Securities Berhad for the listing of and quotation for the new Consolidated IRCB Shares that may be allotted and issued from time to time pursuant to the Proposed ESS;
- (d) to appoint a trustee to facilitate the implementation of the Proposed ESS and authorise the Trustee to subscribe for and/or acquire new Consolidated IRCB Shares pursuant to the Proposed ESS;
- (e) to authorise and/or procure any one or more of the subsidiaries of the Company to provide, to the extent permitted by laws, assistance (financial or otherwise) from time to time if required to enable the trustee to subscribe for and/or acquire new Consolidated IRCB Shares pursuant to the Proposed ESS; and
- (f) to do all such acts, execute all such documents and to enter into all such transactions, arrangements and agreements, deeds or undertakings and to make such rules and regulations, or to impose such terms and conditions or delegate part of its power as may be necessary or expedient in order to give full effect to the Proposed ESS and the terms of the By-Laws and Trust Deed to assent to any conditions, variations, modifications and/or amendments as may be imposed by and/or agreed with the relevant authorities.

AND THAT the Directors of the Company be and are hereby authorised to give effect to the Proposed ESS with full power to modify and/or amend the By-Laws and Trust Deed from time to time as may be required or deemed necessary in accordance with the provisions of the By-Laws and Trust Deed relating to amendments and/or modifications and to assent to any conditions, modification, revaluations, variations and/or amendments as may be required by any relevant authorities and to deal with all matters relating thereto and to take all 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 ESS.

ORDINARY RESOLUTION 4

PROPOSED ALLOCATION OF AWARDS TO MR CHEANG

THAT subject to and conditional upon Ordinary Resolution 3 taking effect, approval be and is hereby given to the Board to offer and grant to Mr. Cheang, the Managing Director of the Company, ESS Shares and/or ESS Options (collectively "Awards") to subscribe for such number of new Consolidated IRCB Shares up to an aggregate of ten percent (10%) (or such percentage as the relevant authorities may permit) of the total number of Consolidated IRCB Shares to be issued (as adjusted or modified from time to time according to the By-Laws) pursuant to the Proposed ESS of the Company, subject always to such terms and conditions of the By-Laws and/or any adjustment which may be made in accordance with the provisions of the By-Laws.

ORDINARY RESOLUTION 5

PROPOSED ALLOCATION OF AWARDS TO MR SEAN KAR SENG CHEANG

THAT subject to and conditional upon Ordinary Resolution 3 taking effect, approval be and is hereby given to the Board to offer and grant to Mr. Sean Kar Seng Cheang, an executive Director of IRCB, Awards to subscribe for such number of new Consolidated IRCB Shares up to an aggregate of ten percent (10%) (or such percentage as the relevant authorities may permit) of the total number of new Consolidated IRCB Shares to be issued pursuant to the Proposed ESS, subject always to such terms and conditions of the By-Laws and/or any adjustment which may be made in accordance with the provisions of the By-Laws.

By Order of the Board

CHAN YOKE YIN (MAICSA 7043743)

CHAN EOI LENG (MAICSA 7030866)

Company Secretaries

Ipoh, Perak Darul Ridzuan, Malaysia

15 August 2014

Notes:

1. Only members whose names appear on the Record of Depositors as at 3 September 2014 shall be entitled to attend the Extraordinary General Meeting or appoint proxies in his/her stead or in the case of a corporation, a duly authorised representative to attend and to vote in his/her stead.
2. A member entitled to attend and vote at the Meeting is entitled to appoint not more than two (2) proxies to attend and vote instead of him. A proxy may but need not be a member of the Company.
3. Where a member appoints two (2) proxies, the appointments shall be invalid unless he/she specifies the proportions of his/her holdings 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 in an 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/her attorney duly authorised in writing or if the appointer is a corporation, either under the corporation's seal or under the hand of an officer or attorney duly authorised.
6. The instrument appointing a proxy must be deposited at the Registered Office of the Company, 55A Medan Ipoh 1A, Medan Ipoh Bistari, 31400 Ipoh, Perak Darul Ridzuan, Malaysia not less than 48 hours before the time appointed for holding the Meeting.