

SOLID AUTOMOTIVE BERHAD

(Company No : 1016725-P)

(Incorporated in Malaysia)

NOTICE OF SECOND ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Second Annual General Meeting (“2nd AGM”) of **Solid Automotive Berhad** (“Solid” or “the Company”) will be held at Jupiter Function Hall, Starhill Golf & Country Club, KM 6.5, Jalan Kampung Maju Jaya, Kempas Lama, Skudai, 81300 Johor Bahru, Johor, Malaysia on Tuesday, 14 October 2014 at 10.00 a.m. for the following purposes:-

ORDINARY BUSINESS

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|----|---|---------------------------------|
| 1. | To receive the Audited Financial Statements for the financial year ended 30 April 2014 together with the Directors’ and Auditors’ reports thereon. | (Please refer to Note 1) |
| 2. | To approve the payment of a final single tier dividend of 2.0 sen per ordinary share of RM0.50 each for the financial year ended 30 April 2014. | RESOLUTION 1 |
| 3. | To approve the payment of Directors’ fees for the financial year ended 30 April 2014. | RESOLUTION 2 |
| 4. | To re-elect the following Directors who retire by rotation in accordance with Article 106(b) of the Company’s Articles of Association of the Company: | |
| | 4.1 Ong Kheng Swee | RESOLUTION 3 |
| | 4.2 Ker Min Choo | RESOLUTION 4 |
| 5. | To re-elect Tan Lay Beng, the director who retire in accordance with Article 113 of the Company’s Articles of Association of the Company. | RESOLUTION 5 |
| 6. | To re-appoint the retiring Auditors, Messrs Crowe Horwath as Auditors and to authorise the Directors to fix their remuneration. | RESOLUTION 6 |

SPECIAL BUSINESS

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

7. **Ordinary Resolution**
Proposed Authority to Issue Shares Pursuant to Section 132D of the Companies Act, 1965

“THAT, subject always to the Companies Act, 1965, the Articles of Association of the Company and the approvals of the relevant governmental/regulatory authorities, the Directors be and are hereby empowered, pursuant to Section 132D of the Companies Act, 1965, to issue shares in the Company from time to time and upon such terms and conditions and for such purposes as the Directors may deem fit provided that the aggregate number of shares issued pursuant to this resolution does not exceed ten percent (10%) of the total issued and paid-up share capital of the Company for the time being and that such authority shall continue in force until the conclusion of the next Annual General Meeting of the Company.

AND THAT the Directors are also hereby empowered to obtain approval for the listing and quotation of the additional shares so issued on the Main Market of Bursa Malaysia Securities Berhad”

RESOLUTION 7

8. **Ordinary Resolution**
Proposed Shareholders' Ratification for Recurrent Related Party Transactions of A Revenue or Trading Nature ("Proposed Shareholders' Ratification")

"THAT subject to the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") and pursuant to the approval granted by Bursa Securities, all the Recurrent Related Party Transactions of a revenue or trading nature which are necessary for the day to day operations and are in the ordinary course of business of the Company and/or its subsidiaries ("RRPTs") entered or to be entered into by the Company and/or its subsidiaries with related parties from 12 September 2013 being the date of listing of the Company until the date of the Second Annual General Meeting of the Company as set out in Section 2.3 of the Circular to Shareholders dated 22 September 2014 ("the Circular"), on terms not more favourable to the related parties than those generally available to the public and are not detrimental to the minority shareholders of the Company, be and are hereby approved and ratified;

AND THAT all the actions taken and the execution of all necessary documents by the Directors and/or any person(s) authorised by the Directors for and on behalf of the Company, as they considered necessary, expedient or deemed fit in the best interest of the Company, be and are hereby approved and ratified."

RESOLUTION 8

9. **Ordinary Resolution**
Proposed Shareholders' Mandate for Recurrent Related Party Transactions of A Revenue or Trading Nature ("Proposed Shareholders' Mandate")

"THAT subject to the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, approval be and is hereby given to the Company and/or its subsidiaries to enter into RRPTs with the related parties as set out in Section 2.3 of the Circular to Shareholders dated 22 September 2014, subject to the following:

- (i) the RRPTs are:
 - (a) necessary for the day-to-day operations;
 - (b) undertaken in the ordinary course of business and at arm's length basis and are on terms not more favourable to the related parties than those generally available to the public; and
 - (c) are not detrimental to the minority shareholders of the Company; and
- (ii) the disclosure is made in the Annual Report of the Company of the aggregate value of the RRPTs based on the type of transactions, the names of the related parties and their relationship with the Company pursuant to the Proposed Shareholders' Mandate during the period in which the Proposed Shareholders' Mandate for RRPTs is in force; and
- (iii) the Proposed Shareholders' Mandate is subject to annual renewal and will continue to be in full force until:
 - (a) the conclusion of the next Annual General Meeting ("AGM") of the Company at which time it will lapse, unless by a resolution passed at the meeting, the authority is renewed;

- (b) the expiration of the period within which the next AGM after that date is required to be held pursuant to Section 143(1) of the Companies Act, 1965 (“Act”) (but shall not extend to such extension as may be allowed pursuant to Section 143(2) of the Act); or
- (c) revoked or varied by resolution passed by the shareholders in general meeting,

whichever is the earlier;

AND THAT the Directors of the Company be and are hereby authorised to complete and do all such acts and things as they may consider expedient or necessary (including executing such documents as may be required) to give effect to the RRPTs contemplated and/or authorised by this Ordinary Resolution.”

RESOLUTION 9

- 10. To transact any other business of which due notice shall have been given in accordance with the Companies Act, 1965 and the Company’s Articles of Association.

FURTHER NOTICE IS HEREBY GIVEN that for the purpose of determining who shall be entitled to attend the 2nd AGM, the Company shall be requesting Bursa Malaysia Depository Sdn. Bhd. to make available to the Company pursuant to Paragraph 7.16(2) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, a Record of Depositors as at 3 October 2014 and only a Depositor whose name appears on such Record of Depositors shall be entitled to attend the said meeting or appoint proxies to attend and/or vote on his/her behalf.

By Order of the Board

CHEN YEW TING
ANG MUI KIEW
Company Secretaries

Johor Bahru
22 September 2014

NOTES:

1. Audited Financial Statements

This agenda item is meant for discussion only as the provision of Section 169(1) of the Companies Act, 1965 does not require a formal approval of the members/shareholders for the Audited Financial Statements. Hence, this Agenda item is not put forward for voting.

2. Form of Proxy

- i. A member of the Company entitled to attend and vote at the above meeting is entitled to appoint not more than two (2) proxies to attend and vote in his stead. A proxy may but need not be a member of the Company and the provisions of Section 149(1)(b) of the Companies Act, 1965 shall not apply to the Company. There shall be no restriction as to the qualification of the proxy.
- ii. Where a member appoints more than one proxy, the appointment shall be invalid unless he specifies the proportions of his shareholdings to be represented by each proxy.
- iii. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, either under Seal or under the hand of an officer or attorney duly authorised. 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.

- iv. 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.

Where a Member or authorised nominee appoints two (2) proxies, or where an Exempt Authorised Nominee appoints two (2) or more proxies, the appointments shall be invalid unless he specifies the proportions of his holdings to be represented by each proxy.

- v. All forms of proxy must be deposited at the Registered Office of the Company situated at Suite 7E, Level 7, Menara Ansar, 65, Jalan Trus, 80000 Johor Bahru, Johor, Malaysia not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof.

3. Explanatory Notes on Special Business

i. Ordinary Resolution 7 - Proposed Authority to Issue Shares Pursuant to Section 132D of the Companies Act, 1965

The proposed Ordinary Resolution 7, if passed, will give the Directors of the Company, from the date of the above Annual General Meeting, authority to issue and allot shares from the unissued capital of the Company up to an amount not exceeding in total ten percent (10%) of the total issued and paid-up share capital of the Company for such purposes and to such person or persons as the Directors in their absolute discretion consider to be in the interest of the Company. This authority, unless revoked or varied at a general meeting, will expire at the next Annual General Meeting of the Company.

The mandate sought under Ordinary Resolution 7 above is a new mandate. This new mandate 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, working capital, acquisitions and/or paring down borrowings.

ii. Ordinary Resolution 8 - Proposed Shareholders’ Ratification

The proposed Ordinary Resolution 8, if passed, will ratify all RRPTs entered or to be entered into by the Company and/or its subsidiaries with related parties from 12 September 2013 being the date of listing of the Company until the date of the Second Annual General Meeting of the Company as set out in Section 2.3 of the Circular to Shareholders dated 22 September 2014 circulated together with the 2014 Annual Report.

iii. Ordinary Resolution 9 - Proposed Shareholders’ Mandate

The proposed Ordinary Resolution 9, if passed, will authorise the Company and/or its subsidiaries to enter into RRPTs with the related parties as set out in Section 2.3 of the Circular to Shareholders dated 22 September 2014. This authority, unless revoked or varied at a general meeting, will expire at the next Annual General Meeting of the Company. For further information on the Proposed Shareholders’ Mandate for RRPTs, please refer to the Circular to Shareholders dated 22 September 2014 which was circulated together with the 2014 Annual Report.

NOTICE OF DIVIDEND ENTITLEMENT AND PAYMENT

NOTICE IS HEREBY GIVEN THAT a final single tier dividend of 2.0 sen per ordinary share of RM0.50 each for the financial year ended 30 April 2014, if approved by the shareholders at the forthcoming Second Annual General Meeting, will be paid on 2 December 2014 to depositors registered in the Record of Depositors at the close of business on 6 November 2014.

A depositor shall qualify for entitlement only in respect of:

- (a) Shares transferred into the depositors securities account before 4.00 p.m. on 6 November 2014 in respect of transfer; and
- (b) Shares bought on Bursa Securities on a cum entitlement basis according to the Rules of Bursa Securities.