



MYCRON STEEL BERHAD

(Co. No. 622819-D)
(Incorporated in Malaysia)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the **11TH ANNUAL GENERAL MEETING** of the Company will be held at **Kuala Lumpur Room, 4th Floor, Mutiara Complex, 3½ Miles, Jalan Ipoh, 51200 Kuala Lumpur on Tuesday, 9 December 2014 at 10.00 a.m.** for the following purposes:

AGENDA

AS ORDINARY BUSINESS

- | | Resolution |
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| 1. To receive the Audited Financial Statements for the year ended 30 June 2014 together with the Reports of the Directors and the Auditors thereon. | Please refer to Explanatory Note A |
| 2. To approve the payment of Directors' fees amounting to RM500,000.00 for the financial year ending 30 June 2015 to be payable quarterly in arrears. | 1 |
| 3. To re-elect Tan Sri Datuk Seri Razman Md Hashim who is retiring pursuant to Section 129(6) of the Companies Act, 1965 ("the Act") and to hold office until the conclusion of the next Annual General Meeting ("AGM"). | 2 |
| 4. To re-elect En Azlan Bin Abdullah who retires by rotation pursuant to Article 77 of the Company's Articles of Association, and being eligible, offered himself for re-election. | 3 |
| 5. To re-appoint Messrs PricewaterhouseCoopers as Auditors of the Company and to authorise the Directors to fix their remuneration. | 4 |

AS SPECIAL BUSINESS

6. To consider and, if thought fit, to pass the following resolutions as Ordinary/Special Resolutions:

ORDINARY RESOLUTIONS

(a) Proposed Renewal of Share Buy-Back Authority

"THAT, subject to the Act, provisions of the Memorandum and Articles of Association of the Company, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") and other relevant regulatory authorities, the Company be and is hereby authorised to exercise a buy-back of its ordinary shares as determined by the Directors from time to time through Bursa Securities upon such terms and conditions as the Directors in their discretion deem fit and expedient in the interest of the Company ("Proposed Share Buy-Back") provided that:

- (i) the maximum number of ordinary shares which may be purchased or held by the Company shall be equivalent to 10% of the issued and paid-up share capital of the Company at the point of purchase;
- (ii) the maximum amount of funds to be allocated by the Company for the purpose of purchasing its shares shall not exceed the retained profits and/or share premium account of the Company at the time of the purchase(s);
- (iii) the authority conferred by this resolution will commence immediately upon passing of this ordinary resolution and will continue to be in force until:
 - (a) the conclusion of the next AGM of the Company at which time it will lapse, unless the authority is renewed by a resolution passed at a general meeting, either unconditionally or subject to conditions; or
 - (b) the expiration of the period within which the next AGM after that date is required by law to be held; or
 - (c) revoked or varied by ordinary resolution passed by the shareholders in general meeting, whichever occurs first, but not so as to prejudice the completion of purchase(s) by the Company before the aforesaid expiry date and, in any event, in accordance with the provisions of the Main Market Listing Requirements of Bursa Securities and any prevailing laws, rules, regulations, orders, guidelines and requirements issued by any relevant authorities; and
- (iv) upon completion of the purchase(s) of its shares by the Company, the Directors be and are hereby authorised to:
 - (a) cancel the shares so purchased;
 - (b) retain the shares so purchased as treasury shares, either to be distributed as dividends to the shareholders and/or resold on the market of Bursa Securities;
 - (c) retain part of the shares so purchased as treasury shares and cancel the remainder; or
 - (d) deal in any other manner as prescribed by the Act, rules, regulations and orders made pursuant to the Act and the Main Market Listing Requirements of Bursa Securities and any other relevant authority for the time being in force

AND THAT the Directors be and are hereby authorised to do all such acts, deeds and things as they may consider expedient or necessary in the best interest of the Company to give full effect to the Proposed Share Buy-Back with full powers to assent to any condition, modification, variations and/or amendment as may be imposed by the relevant authorities and to do all such steps, acts and things as the Directors may deem fit and expedient in the best interest of the Company."

(b) Proposed Renewal and New Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature ("RRPTs")

"THAT the mandate granted by the shareholders of the Company on 29 November 2013 pursuant to Paragraph 10.09 of the Main Market Listing Requirements of Bursa Securities, authorising the Company and its subsidiaries ("the Mycron Group") to enter into the RRPTs which are necessary for the Mycron Group's day-to-day operations as set out in Section 3.3(A) and (B) of Part B of the Circular to Shareholders dated 17 November 2014 ("the Circular") with the related parties mentioned therein, be and is hereby renewed, AND THAT mandate be and is hereby granted by the shareholders of the Company to apply to the new RRPTs as set out in Section 3.3(C) of Part B of the Circular with the related party mentioned therein, provided that:

- (a) the transactions are in the ordinary course of business and are on terms which are not more favourable to the related parties than those generally available to the public and on terms not to the detriment of the minority shareholders of the Company;
- (b) the transactions are made at arm's length and on normal commercial terms; and
- (c) disclosure will be made in the Annual Report providing the breakdown of the aggregate value of the transactions conducted pursuant to the mandate during the financial year, amongst others, based on the following information:
 - (i) the type of the RRPTs made; and
 - (ii) the names of the related parties involved in each type of the RRPTs made and their relationship with the Company.

AND THAT the authority conferred by such renewed and granted mandate shall continue to be in force (unless revoked or varied by the Company in a general meeting) until:

- (i) the conclusion of the next AGM of the Company following the forthcoming AGM at which time it will lapse, unless by a resolution passed at that meeting or Extraordinary General Meeting whereby the authority is renewed; or
- (ii) the expiration of the period within which the next AGM after the date it is required to be held pursuant to Section 143(1) of the Act (but shall not extend to such extension as may be allowed pursuant to Section 143(2) of the Act); or
- (iii) revoked or varied by resolution passed by the shareholders in general meeting; whichever is earlier.

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

(c) Authority to Issue and Allot Shares Pursuant to Section 132D of the Act

"THAT, subject always to the Act, the Articles of Association of the Company and the approvals of the relevant governmental/regulatory authorities, where such approval is necessary, the Directors be and are hereby authorised pursuant to Section 132D of the Act, to issue and allot shares in the Company at any time until the conclusion of the next AGM, and 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 does not exceed ten percent (10%) of the issued share capital of the Company for the time being and that the Directors be and are also empowered to obtain the approval from Bursa Securities for the listing of and quotation for the additional shares so issued."

SPECIAL RESOLUTION

(d) Proposed Adoption of a New Set of Memorandum and Articles of Association of the Company

"THAT the entire set of Memorandum and Articles of Association ("M&A") as set out in Appendix 1 of the Circular to Shareholders of the Company dated 17 November 2014 be adopted in substitution for and to the exclusion of the M&A of the Company now subsisting AND THAT the Directors of the Company and Company Secretary be and are hereby authorised to take all such steps and carry out all the necessary formalities to give full effect to the proposed adoption of the Company's new M&A."

By Order of the Board

LILY YIN KAM MAY (MAICSA 0878038)
Company Secretary

Kuala Lumpur
17 November 2014

NOTES:

1. Applicable to shares held through a nominee account.
2. A proxy may but need not be a member of the Company, and the provision of Section 149(1)(a) & (b) of the Act, shall not apply to the Company.
3. Where a member appoints two (2) proxies, the appointment shall be invalid unless he/she specifies the proportion of his/her shareholdings to be represented by each proxy.
4. Where a member is an Exempt Authorised Nominee which holds shares in the Company for multiple beneficial owners in one securities account ("omnibus account") as defined under the Securities Industry (Central Depositories) Act, 1991, 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 appointor or his attorney duly authorised in writing, and in the case of a corporation, either under seal or under hand of an officer or attorney duly authorised.
6. The instrument appointing a proxy must be deposited at the Company's Registered Office, Suite 12.03, 12th Floor, No. 566, Jalan Ipoh, 51200 Kuala Lumpur, not less than forty eight (48) hours before the time appointed for holding the meeting or any adjournment thereof.
7. Any alteration in the Form of Proxy must be initialled.
8. Form of Proxy sent through facsimile transmission shall not be accepted.
9. For the purpose of determining a member who shall be entitled to attend this 11th AGM, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd in accordance with Article 54(b), 54(c) and 54(d) of the Company's Articles of Association and Section 34(1) of the Securities Industry (Central Depositories) Act, 1991 to issue a General Meeting Record of Depositors as at 3 December 2014. Only a depositor whose name appears on the Record of Depositors as at 3 December 2014 shall be entitled to attend, speak and vote at the said meeting or appoint proxy(ies) to attend, speak and/or vote on his/her behalf.
10. (i) Explanatory Note to Ordinary Business of Agenda 1 (Explanatory Note A):
This Agenda item is meant for discussion only as the provision of Section 169(1) of the Act, does not require a formal approval of the shareholders and hence, is not put forward for voting.
- (ii) Re-election of Director
Datuk Lim Kim Chuan, aged 55, who was appointed as a director of the Company on 30 March 2004 will retire pursuant to Article 77 of the Company's Articles of Association and will not seek re-election. Hence, he will retire at the dose of the 11th AGM.
- (iii) Explanatory Notes to Special Business of Agenda 6:
(a) **Proposed Renewal of Share Buy-Back Authority**
The Proposed Resolution 5, if passed, would empower the Directors to exercise the power of the Company to purchase its own shares ("the Proposal") by utilising its financial resources not immediately required. The Proposal may have a positive impact on the market price of the Company's shares. This authority, unless revoked or varied at a general meeting, will expire at the conclusion of the next AGM of the Company.
(b) **Proposed Renewal and New Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature ("RRPTs")**
The Proposed Resolution 6, if passed, will empower the Company to conduct recurrent related party transactions of a revenue or trading nature which are necessary for the Group's day-to-day operations and will eliminate the need to convene separate general meetings from time to time to seek shareholders' approval. This will substantially reduce administrative time, inconvenience and expenses associated with the convening of such meetings, without compromising the corporate objectives of the Group or adversely affecting the business opportunities available to the Group.
(c) **Authority to Issue and Allot Shares Pursuant to Section 132D of the Act**
The Ordinary Resolution and Allot Shares Pursuant to Section 7 of the Agenda is a renewal of the General Mandate for the Directors to issue and allot shares pursuant to Section 132D of the Companies Act, 1965. This mandate will provide flexibility for the Company to undertake future possible fund raising activities, including but not limited to placement of shares for purpose of funding the Company's future investment projects, working capital and/or acquisition(s) without having to convene another general meeting.
This resolution will give authority to the Directors of the Company, from the date of the above AGM, to issue and allot shares in the Company up to and not exceeding in total ten percent (10%) of the issued and paid-up share capital of the Company for the time being, for such purposes as they consider would be in the interest of the Company. This authority, unless revoked or varied at a general meeting, will expire at the conclusion of the next AGM of the Company.
As at the date of this Notice, no new shares in the Company were issued pursuant to the mandate granted to the Directors at the 10th AGM held on 29 November 2013 and which will lapse at the conclusion of the 11th AGM to be held on 9 December 2014.
- (d) **Proposed Adoption of a New Set of Memorandum and Articles of Association of the Company**
The Proposed Resolution 8, Adoption of a new set of Memorandum and Articles of Association is to streamline the Company's Memorandum and Articles of Association to be aligned with the new and/or amended provisions of the Main Market Listing Requirements of Bursa Securities and other prevailing statutory and regulatory requirements and/or other applicable rules and guidelines which have been revised.

The detailed information on Special Business of Agenda 6 except for Ordinary Resolution 7 as mentioned above is set out in the Circular to Shareholders of the Company dated 17 November 2014 which is dispatched together with the Company's 2014 Annual Report.