



**MYCRON STEEL BERHAD**  
(Company No. 622819-D)

**NOTICE OF EXTRAORDINARY GENERAL MEETING**

**NOTICE IS HEREBY GIVEN THAT** the Extraordinary General Meeting ("EGM") of Mycron Steel Berhad ("Mycron" or "Company") will be held at Crystal Function Room, 4th Floor, Mutiara Complex, 3½ Miles, Jalan Ipoh, 51200 Kuala Lumpur on Tuesday, 9 December 2014, at 11.00 a.m. or immediately after the conclusion of the 11<sup>th</sup> Annual General Meeting of shareholders of the Company which will be held at the same venue and on the same day at 10.00 a.m. or any adjournment thereof for the purpose of considering and, if thought fit, passing the following resolutions, with or without modifications:

**SPECIAL RESOLUTION 1**

**PROPOSED REDUCTION OF RM0.75 OF THE PAR VALUE OF EACH EXISTING ORDINARY SHARE OF RM1.00 EACH IN MYCRON ("MYCRON SHARE") PURSUANT TO SECTION 64 OF THE COMPANIES ACT, 1965 ("PROPOSED PAR VALUE REDUCTION")**

"**THAT** subject to the confirmation of the High Court of Malaya ("**Court**") pursuant to Section 64 of the Companies Act, 1965 and the passing of the Special Resolution 2, approval be and is hereby given to the Company to reduce its issued and paid-up share capital from RM179,000,000 comprising 179,000,000 Mycron Shares to RM44,750,000 comprising 179,000,000 ordinary shares of RM0.25 each in Mycron ("**New Mycron Shares**") through cancellation of RM0.75 from each existing par value of RM1.00 of each Mycron Share;

**THAT** the credit arising from the Proposed Par Value Reduction be utilised to fully eliminate the accumulated losses of the Company and the excess thereof will be allocated to the non-distributable capital reserve of the Company; and

**AND THAT** authority be and is hereby given to the Board of Directors of the Company ("**Board**") to do all such deeds, acts and things and execute, sign and deliver all documents for and on behalf of the Company as they may consider necessary or expedient to finalise, implement and give effect to the Proposed Par Value Reduction with full power to assent to any conditions, modifications, variations as may be imposed or permitted by the relevant authorities/parties and/or the Court."

**SPECIAL RESOLUTION 2**

**PROPOSED AMENDMENT TO THE MEMORANDUM AND ARTICLES OF ASSOCIATION OF MYCRON ("PROPOSED AMENDMENT TO M&A")**

"**THAT**, subject to the passing of the Special Resolution 1, the Memorandum and Articles of Association of the Company be amended in the manner set out in **Section 2.2** of the Circular to Shareholders dated 17 November 2014 ("**Circular**")"; and

**AND THAT** the Board be and is hereby authorised to give effect to the aforesaid amendments to the Memorandum and Articles of Association of the Company."

**ORDINARY RESOLUTION**

**PROPOSED ACQUISITION OF 100% EQUITY INTEREST IN MELEWAR STEEL TUBE SDN. BHD. ("MST") BY MYCRON FROM MELEWAR INDUSTRIAL GROUP BERHAD ("MIG") FOR A PURCHASE CONSIDERATION OF RM70.0 MILLION ("PURCHASE CONSIDERATION") TO BE SATISFIED IN THE FOLLOWING MANNER:**

- (I) **ISSUANCE OF 104,545,455 NEW MYCRON SHARES ("CONSIDERATION SHARES") TO MIG AT AN ISSUE PRICE OF RM0.44 PER CONSIDERATION SHARE AMOUNTING TO RM46.0 MILLION AFTER THE COMPLETION OF THE PROPOSED PAR VALUE REDUCTION; AND**
- (II) **ASSUMPTION BY MYCRON OF A TRADE DEBT OWING BY MIG TO MST OF RM24.0 MILLION ("PROPOSED ACQUISITION OF MST")**

"**THAT**, subject to the passing of Special Resolution 1 and Special Resolution 2, approval be and is hereby given to the Company to acquire 90,000,000 ordinary shares of RM1.00 each in MST from MIG, representing 100% equity interest of MST, for the Purchase Consideration, based on the terms and conditions as set out in the conditional share sale and purchase agreement dated 12 September 2014 ("**CSSA**") entered into between Mycron and MIG;

**THAT** the Board be and is hereby authorised to allot and issue 104,545,455 Consideration Shares to MIG pursuant to the Proposed Acquisition of MST at an issue price of RM0.44 per Consideration Share;

**THAT** the Consideration Shares to be issued to MIG shall rank *pari passu* with the New Mycron Shares and shall be free from all encumbrances save and except that the Consideration Shares will not be entitled to any dividends, rights, allotment and/or other distribution that may be declared, made or paid prior to the allotment and issuance of the Consideration Shares;

**THAT** the Company be and is hereby authorised to assume the trade debt owing by MIG to MST of RM24.0 million pursuant to the Proposed Acquisition of MST; and

**AND THAT** the Board be and is hereby empowered and authorised to take all such steps and do all such acts, deeds and things to enter into any arrangements, transactions, agreements and/or undertakings and to execute, sign and deliver for and on behalf of the Company, the CSSA and all such documents as they may deem necessary, expedient and/or appropriate with full powers to assent to any conditions, modifications, variations and/or amendments as may be required by the relevant authorities or as may be deemed necessary and expedient by the Board in order to finalise, implement and give full effect to and complete the Proposed Acquisition of MST."

**BY ORDER OF THE BOARD**

**LILY YIN KAM MAY (MAICSA 0878038)**

Company Secretary

Kuala Lumpur

17 November 2014

**Notes:**

- (i) *Applicable to shares held through a nominee account.*
- (ii) *A proxy may but need not be a member of the Company, and the provision of Section 149(1)(a) & (b) of the Companies Act, 1965 shall not apply to the Company.*
- (iii) *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.*
- (iv) *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.*
- (v) *The instrument appointing a proxy, shall be in writing under the hand of the appointer 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.*
- (vi) *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.*
- (vii) *Any alteration in the Form of Proxy must be initialled.*
- (viii) *Form of Proxy sent through facsimile transmission shall not be accepted.*
- (ix) *For the purpose of determining a member who shall be entitled to attend this EGM, 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.*