



TECNIC GROUP BERHAD

(Company No. 302675-A)

(Incorporated in Malaysia under the Companies Act, 1965)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting of Tecnic Group Berhad ("Tecnic" or the "Company") will be held at Hotel Bangi-Putrajaya, Off Persiaran Bandar, 43650 Bandar Baru Bangi, Selangor Darul Ehsan, on Tuesday, 6 January 2015 at 2.00 p.m. or at any adjournment thereof, for the purpose of considering and, if thought fit, passing the following resolutions, with or without modification:

SPECIAL RESOLUTION 1

PROPOSED DISPOSALS OF TECNIC'S ENTIRE EQUITY INTERESTS IN PLASTICTECNIC (M) SDN BHD, SUN TONG SENG MOULD-TECH SDN BHD AND BANGI PLASTICS SDN BHD TO SKP RESOURCES BHD ("SKP") FOR A TOTAL DISPOSAL CONSIDERATION OF RM200.0 MILLION TO BE SATISFIED VIA RM100.0 MILLION IN CASH AND ISSUANCE OF 172,413,793 NEW ORDINARY SHARES OF RM0.10 EACH IN SKP ("SKP SHARE(S)") AT AN ISSUE PRICE OF RM0.58 PER SKP SHARE ("PROPOSED DISPOSALS")

"**THAT** subject to and conditional upon the passing of the Ordinary Resolution 1, Special Resolutions 2 and 3, the approvals of all relevant authorities being obtained, where required, and the conditions precedent in the share sale agreement dated 2 October 2014 entered into between SKP and the Company ("**SSA**") being fulfilled or waived (as the case may be), approval be and is hereby given for the Company to undertake the Proposed Disposals at an aggregate consideration of RM200.0 million subject to the terms and conditions stipulated in the SSA;

AND THAT the Directors of Tecnic be and are hereby authorised to sign, execute and deliver on behalf of the Company all necessary documents and do all acts and things as may be required for or in connection with and to give full effect to and complete the Proposed Disposals, with full and discretionary power to assent to or make any conditions, modifications, variations and/or amendments in any manner as may be imposed, required or permitted or necessary by the relevant authorities, and to take all steps and actions as they may deem necessary or expedient in the best interests of the Company to finalise, implement and give full effect to the Proposed Disposals.

AND THAT all previous actions taken by the Board (or any director of the Board) in connection with the Proposed Disposals be and are hereby approved and ratified."

ORDINARY RESOLUTION 1

PROPOSED SPECIAL DIVIDEND

"**THAT** subject to the passing of the Special Resolutions 1, 2 and 3, the Company be and is hereby authorised to declare a special dividend of RM4.22 per ordinary share of RM1.00 in the Company, which will be paid out from the Company's retained earnings (which includes the net gain arising from the Proposed Disposals after deducting the estimated expenses incurred pursuant to the Proposals) ("**Proposed Special Dividend**") to the shareholders of the Company whose names are registered in the Record of Depositors of the Company as at the entitlement date to be determined by the Directors and announced later.

AND THAT the Directors be and are hereby authorised to do all acts and things incidental and/or as may be necessary and expedient in order to implement, finalise and give full effect to the Proposed Special Dividend.

SPECIAL RESOLUTION 2

PROPOSED CAPITAL REDUCTION IN ACCORDANCE WITH SECTION 64 OF THE COMPANIES ACT, 1965 INVOLVING A REDUCTION OF THE PAR VALUE OF THE COMPANY'S SHARES VIA CANCELLATION OF RM0.90 OF THE PAR VALUE OF THE EXISTING ORDINARY SHARES OF THE COMPANY ("PROPOSED CAPITAL REDUCTION")

"**THAT**, subject to the passing of the Special Resolutions 1 and 3, Ordinary Resolution 1, the completion of the Proposed Disposals, and the confirmation by the High Court of Malaya pursuant to Section 64 of the Companies Act, 1965 ("**Act**"), approval be and is hereby given for the Company pursuant to Article 65 of the Company's Articles of Association, to effect a capital repayment to return to the entitled shareholders of the Company at the entitlement date to be determined by the Directors and announced later ("**Entitlement Date**"), vide a capital reduction and repayment exercise under Section 64 of the Act involving the cancellation of RM0.90 of the par value of the every existing ordinary share of RM1.00 in the Company.

THAT following the par value reduction, approval is hereby given for the Company to make a distribution to all the shareholders of the Company on the basis of RM0.90 for every one (1) ordinary share held on the Entitlement Date;

AND THAT the Directors of the Company be and are authorised with full powers to take all such steps as they may deem necessary:-

- (i) to determine the Entitlement Date referred to in this Special Resolution 2;
- (ii) to assent to any conditions, stipulations, modifications, variations and amendments imposed by the High Court of Malaya;
- (iii) to lodge an office copy of the order of the High Court of Malaya referred to in this Special Resolution 2 with the Companies Commission of Malaysia on such date as the Directors may determine; and
- (iv) to do all such acts, deeds and/or things incidental, and/or as may be required or as they consider necessary and expedient in the best interest of the Company, to give full effect to and complete the Proposed Capital Reduction."

SPECIAL RESOLUTION 3

PROPOSED AMENDMENT TO THE MEMORANDUM OF ASSOCIATION OF THE COMPANY

"**THAT** subject to the passing of the Special Resolutions 1 and 2, Ordinary Resolution 1, the completion of the Proposed Disposals, and the confirmation by the High Court of Malaya pursuant to Section 64 of the Companies Act, 1965, the Clause 5 of the Memorandum of Association be deleted in its entirety and be replaced with the following new Clause 5:

"The Capital of the Company is RM100,000,000.00 divided into 1,000,000,000 shares of RM0.10 each, with power for the Company to increase or reduce such capital, and to issue any part of its capital, original, or increased, with or without any preference, priority or special privilege, or subject to any postponement of rights, or to any conditions or restrictions; and so that, unless the conditions of issue shall otherwise expressly declare, every issue of shares, whether declared to be preference or otherwise, shall be subject to the power hereinbefore contained."

AND THAT the Board (or any director of the Board) be and are hereby authorised with full powers to do all acts and things incidental and/or as may be necessary and expedient in order to implement, finalise and give full effect to the proposed amendment to the Memorandum of Association of the Company."

**By Order of the Board
TECNIC GROUP BERHAD**

**HO MENG CHAN (MACS 00574)
WU SIEW HONG (MAICSA 7039647)**
Company Secretaries

Dated: 15 December 2014

Notes:

- 1) Only depositors who appear in the Record of Depositors as at 29 December 2014 shall be regarded as Member of the Company entitled to attend the Meeting or appoint a proxy or proxies to attend and vote on his/her behalf.
- 2) A member entitled to attend and vote at the Meeting is entitled to appoint any person or persons to be his/her proxy or proxies to attend and vote in his/her stead. Such proxy need not be a member of the Company and the provision of Section 149(1)(b) of the Companies Act, 1965 shall not apply to the Company. Where two (2) or more proxies are appointed, the proportions of shareholdings to be represented by each proxy must be specified in order for the appointments to be valid.
- 3) Where a member of the Company is an authorised nominee as defined under the Central Depositories Act, it may appoint at least one (1) proxy in respect of each Securities Account it holds with ordinary shares of the Company standing to the credit of the said Securities Account.
- 4) Where a member of the Company is an Exempt Authorised Nominee which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account known as 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, in the case of an individual, shall be signed by the appointer or by his/her attorney duly authorised in writing, and in the case of a corporation, shall either be given under its common seal or under the hand of an officer or attorney of the corporation duly authorised.
- 6) If there is no indication as to how you wish your vote(s) to be cast, the proxy may vote or abstain from voting at his/her discretion.
- 7) The instrument appointing a proxy must be duly executed and deposited at the Registered Office of the Company at 308, Block A (3rd Floor), Kelana Business Centre, 97, Jalan SS7/2, Kelana Jaya, 47301 Petaling Jaya, Selangor Darul Ehsan not less than forty-eight (48) hours before the time set for holding the meeting or any adjournment thereof.