



TEK SENG HOLDINGS BERHAD
(Company No.: 579572-M)
(Incorporated in Malaysia under the Companies Act, 1965)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT an Extraordinary General Meeting ("EGM") of Tek Seng Holdings Berhad ("TSHB" or the "Company") which is scheduled to be held at Laurel I Ballroom, Level 1, Evergreen Laurel Hotel of 53, Persiaran Gurney, 10250 Penang on Tuesday, 13 January 2015 at 9.30 a.m., for the purpose of considering and if thought fit, passing with or without modifications the following resolutions:-

ORDINARY RESOLUTION 1

PROPOSED BONUS ISSUE OF 120,000,000 FREE WARRANTS IN TSHB ("WARRANT(S)") ON THE BASIS OF ONE (1) FREE WARRANT FOR EVERY TWO (2) EXISTING ORDINARY SHARES OF RM0.25 EACH IN TSHB ("TSHB SHARE(S)" OR "SHARE(S)") HELD ON AN ENTITLEMENT DATE TO BE DETERMINED LATER ("ENTITLEMENT DATE") ("PROPOSED BONUS ISSUE OF WARRANTS")

"THAT, subject to the passing of Special Resolution and the approvals of all relevant authorities, the Board be and is hereby authorised to issue 120,000,000 free warrants in TSHB to the shareholders of the Company whose names appear on the Record of Depositors of the Company as at the close of business on the Entitlement Date, on the basis of one (1) free Warrant for every two (2) existing TSHB Shares held.

THAT, the Board be and is hereby authorised to issue and allot such appropriate number of new TSHB Shares arising from the exercise of the Warrants by the holders of the Warrants of their rights in accordance with the provisions of the Deed Poll;

THAT, the Board be and is hereby authorised to deal with any fractional entitlements of the Warrants that may arise from the Proposed Bonus Issue of Warrants, in such manner at its absolute discretion as the Board may deem fit and expedient and in the best interest of the Company;

THAT, the new TSHB Shares to be issued pursuant to the exercise of the Warrants shall upon allotment and issuance, rank *pari passu* in all aspects with the existing TSHB Shares, save and except that the new TSHB Shares shall not be entitled to any distribution that may be declared, made or paid for which the entitlement date for the said distribution precedes the date of allotment and issuance of the new TSHB Shares arising from the exercise of the Warrants;

THAT, the Board be and is hereby authorised to enter into and execute the Deed Poll constituting the Warrants with full powers to assent to any conditions, variations, modifications and/ or amendments in any manner as may be required by the relevant authorities or deemed necessary by the Board, and with full powers for the Board to implement, finalise and give effect to the aforesaid Deed Poll and that the Common Seal of the Company be affixed to the Deed Poll in accordance with the Articles of Association of the Company;

AND THAT, the Board be and is hereby authorised to take all such necessary steps to give effect to the Proposed Bonus Issue of Warrants with full powers to assent to any conditions, variations, modifications and/ or amendments in any manner as may be required by the relevant authorities or deemed necessary by the Board, and to take all steps and to do all such acts and matters as the Board may consider necessary or expedient to implement, finalise and give full effect to the Proposed Bonus Issue of Warrants."

ORDINARY RESOLUTION 2

PROPOSED INCREASE IN AUTHORISED SHARE CAPITAL OF TSHB FROM RM100,000,000 COMPRISING 400,000,000 TSHB SHARES TO RM500,000,000 COMPRISING 2,000,000,000 TSHB SHARES ("PROPOSED INCREASE IN AUTHORISED SHARE CAPITAL")

"THAT, subject to and conditional upon the passing of the Special Resolution and the approvals of all relevant authorities being obtained, if any, the authorised share capital of the Company be and is hereby increased from RM100,000,000 comprising 400,000,000 TSHB Shares to RM500,000,000 comprising 2,000,000,000 TSHB Shares by the creation of an additional 1,600,000,000 new TSHB Shares."

ORDINARY RESOLUTION 3

PROPOSED SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE

"THAT, subject always to the provisions of the Companies Act, 1965 ("the Act"), the Articles of Association of the Company, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") and/ or any other regulatory authorities, the authority be and is hereby given for TSHB's subsidiary, TS Solartech Sdn Bhd to enter into recurrent related party transactions of a revenue or trading nature in the ordinary course of business which are necessary for the day-to-day operations on terms not more favourable to the related party than those generally available to the public and are not to the detriment of the minority shareholders and that such authority shall continue to be in force until:-

- (a) the conclusion of the next Annual General Meeting ("AGM") of TSHB following the EGM at which the Proposed Shareholders' Mandate is passed, at which time it will lapse, unless by an ordinary resolution passed at the AGM, the authority is renewed;
 - (b) the expiration of the period within which the next AGM of TSHB 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
 - (c) revoked or varied by an ordinary resolution passed by the shareholders of TSHB in a general meeting,
- whichever is the earlier;

AND THAT, the Executive Directors of the Company be and are hereby authorised to complete and do all such acts including executing any documents as may be required to give full effect to such transactions authorised by this resolution."

SPECIAL RESOLUTION

PROPOSED AMENDMENTS TO THE MEMORANDUM AND ARTICLES OF ASSOCIATION OF TSHB ("PROPOSED AMENDMENTS")

"THAT, subject to and conditional upon the passing of the Ordinary Resolution 2 and the approvals of all relevant authorities being obtained, if any, the authority be and is hereby given to the Company to alter, modify, vary and delete the Memorandum and Articles of Association of TSHB in the following manner:-

The Memorandum of Association of TSHB

Existing Clause VI

The share capital of the Company is RM100,000,000.00 divided into 400,000,000 ordinary shares of RM0.25 each. The shares in the original or any increased capital may be divided into several classes and there may be attached thereto respectively any preferential, deferred or other special rights, privileges, conditions or restrictions as to dividends, capital, voting or otherwise.

The Articles of Association of TSHB

Existing Article 4

Without prejudice to any special rights previously conferred on the holders of any existing shares but subject to the Act and to these Articles, shares in the Company may be issued by the Directors and any such shares may be issued with such preferred, deferred or other special rights or such restrictions, whether in regard to dividend, voting, return of capital, or otherwise as the Directors, subject to any Ordinary Resolution of the Company may determine.

By Order of the Board

Lee Peng Loon (MACS 01258)
P'ng Chiew Keem (MAICSA 7026443)
Company Secretaries

Penang
22 December 2014

Notes:-

1. A proxy may but need not be a member of the Company.
2. For a proxy to be valid, the Form of Proxy duly completed must be deposited at the registered office of the Company, 51-21-A, Menara BHL Bank, Jalan Sultan Ahmad Shah, 10050 Penang, not less than 48 hours before the time stipulated for holding the meeting.
3. A member is entitled to appoint one (1) or more proxies to attend, speak and vote instead of him at the same meeting and where a member appoints two (2) or more proxies to vote at the same meeting, such appointment shall be invalid unless he specifies the proportions of his shareholdings to be represented by each proxy.
4. Where a member 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 it may appoint in respect of each omnibus account it holds.
5. In case of a corporate member, the Form of Proxy must be executed under the corporation's common seal or under the hand of an officer or attorney duly authorised.
6. In respect of deposited securities, only members whose names appear on the Record of Depositors on 31 December 2014 (General Meeting Record of Depositors) shall be eligible to attend, speak and vote at the meeting or appoint proxy(ies) to attend, speak and vote on his/ her behalf.

Proposed amendment to Clause VI

The share capital of the Company is RM500,000,000.00 divided into 2,000,000,000 ordinary shares of RM0.25 each. The shares in the original or any increased capital may be divided into several classes and there may be attached thereto respectively any preferential, deferred or other special rights, privileges, conditions or restrictions as to dividends, capital, voting or otherwise.

Proposed amendment to Article 4

Without prejudice to any special rights previously conferred on the holders of any existing shares but subject to the Act and to these Articles, the Directors may issue shares or convertible securities in the Company with such preferred, deferred or other special rights or such restrictions, whether in regard to dividend, voting, return of capital, or otherwise as the Directors, subject to any Ordinary Resolution of the Company may determine.