

TEX CYCLE

Tex Cycle Technology (M) Berhad

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Eleventh Annual General Meeting of TEX CYCLE TECHNOLOGY (M) BERHAD (Company No.: 642619-P) will be held at Room Danau 3, No.1, Jalan 31/100A, Kota Kemuning, Section 31, 40460 Shah Alam, Selangor Darul Ehsan on Tuesday, 16 June 2015 at 10.00 a.m. for the following purposes:

ORDINARY BUSINESS:

- To receive the Audited Financial Statements for the financial year ended 31 December 2014 together with the Reports of the Directors and Auditors thereon. **Note B**
- To declare a First and Final Single-Tier Dividend of 2.5% per share in respect of the financial year ended 31 December 2014. **Resolution 1**
- To approve the payment of Directors' fee for the financial year ended 31 December 2014. **Resolution 2**
- To re-elect the following Directors who are retiring under Article 80 of the Company's Articles of Association:
a) Ho Siew Weng **Resolution 3**
b) Alagasan A/L Varatharajoo **Resolution 4**
c) Periasamy A/L Sinkalai **Resolution 5**
- To appoint Auditors of the Company for the ensuing year and to authorise the Board of Directors to fix their remuneration. Notice of Nomination from a shareholder pursuant to Section 172(11) of the Companies Act, 1965, a copy of which is annexed hereto and marked "Annexure A" has been received by the Company for the nomination of Messrs Deloitte, for appointment as Auditors and of the intention to propose the following Ordinary Resolution:
"THAT subject to the receipt of Messrs Deloitte's letter of consent to act pursuant to Section 9(6) of the Companies Act, 1965, Messrs Deloitte be and are hereby appointed as Auditors of the Company in place of the retiring Auditors, Messrs Deloitte & Touche, and to hold office until the conclusion of the next Annual General Meeting at a remuneration to be determined by the Board of Directors." **Resolution 6**

SPECIAL BUSINESS:

- To consider and, if thought fit, pass with or without modifications, the following Ordinary Resolutions:
 - Ordinary Resolution 1**
• **Authority to Directors to Allot and Issue Shares Pursuant to Section 132D of the Companies Act, 1965**
"THAT pursuant to Section 132D of the Companies Act, 1965, the Directors be and are hereby authorised to issue shares in the Company at any time until the conclusion of the next Annual General Meeting 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 per centum of the issued and paid-up share capital of the Company for the time being, subject always to the approvals of the relevant regulatory authorities AND THAT the Directors be and are also empowered to obtain the approval for the listing of and quotation for the additional shares to be issued on Bursa Malaysia Securities Berhad AND THAT such authority shall continue to be in force until the conclusion of the next Annual General Meeting of the Company." **Resolution 7**
 - Ordinary Resolution 2**
• **Retention of Independent Non-Executive Director**
"THAT subject to the passing of Resolution 4, Encik Razali Bin Jantan who has served as an Independent Non-Executive Director for a cumulative term of more than 9 years be and is hereby retained as an Independent Non-Executive Director until the conclusion of the next Annual General Meeting." **Resolution 8**
 - Ordinary Resolution 3**
• **Renewal of Shareholders' Mandate for Share Buy-Back**
"THAT subject to the Companies Act, 1965, the Memorandum and Articles of Association of the Company, the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") and all other prevailing laws, rules, regulations and orders issued and/or amended from time to time by the relevant regulatory authorities, the Company be and is hereby authorised purchase and/or hold up to ten percent (10%) of the issued and paid-up share capital of the Company ("Proposed Share Buy-Back") as may be determined by the Directors of the Company from time to time through Bursa Securities upon such terms and conditions as the Directors of the Company may deem fit and expedient in the best interest of the Company and an amount not exceeding the retained profits and share premium reserves of the Company, be allocated by the Company for the Proposed Share Buy-Back. The retained profits and share premium reserves of the Company stood at RM 425,658 and RM 4,521,517 respectively for the financial year ended 31 December 2014.
AND THAT upon completion of the purchase by the Company of its own shares, the Directors of the Company be and are hereby authorised to cancel such shares or retain such shares as the Treasury Shares or a combination of both. The Directors of the Company are further authorised to resell the Treasury Shares on Bursa Securities or distribute the Treasury Shares as dividends to the shareholders of the Company or subsequently cancel the Treasury Shares or any combination of the three.
AND FURTHER THAT the Directors of the Company be and are hereby authorised to carry out the Proposed Share Buy-Back immediately upon the passing of this resolution until:
 - the conclusion of the next Annual General Meeting ("AGM") of the Company at which time the authority shall lapse, unless by ordinary resolution passed at the meeting, the authority is renewed, either unconditionally or subject to conditions; or
 - the expiration of the period within which the next AGM is required by law to be held; or
 - revoked or varied by ordinary resolution passed by the shareholders of the Company in a general meeting, whichever occur first but not so as to prejudice the completion of purchase(s) by the Company before the aforesaid expiry date and to take all steps as are necessary and/or to do all such acts and things as the Directors of the Company deem fit and expedient in the interest of the Company to give full effect to the Proposed Share Buy-Back with full powers to assent to any conditions, modifications, amendments and/or variations as may be imposed by the relevant authorities."

ANY OTHER BUSINESS:

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

NOTICE OF DIVIDEND ENTITLEMENT

NOTICE IS HEREBY GIVEN THAT a First and Final Single-Tier Dividend of 2.5% per share in respect of the financial year ended 31 December 2014 will be payable on 24 July 2015 to Depositors registered on the Record of Depositors at the close of business on 7 July 2015. A Depositor shall qualify for entitlement only in respect of:

- Shares transferred to the Depositor's Securities Account before 4.00 p.m. on 7 July 2015 in respect of ordinary transfers; and
- Shares bought on the Bursa Malaysia Securities Berhad on a cum entitlement basis according to the Rules of the Bursa Malaysia Securities Berhad.

BY ORDER OF THE BOARD

TEX CYCLE TECHNOLOGY (M) BERHAD
NG YIM KONG (LS 0009297) Company Secretary

Selangor Darul Ehsan

22 May 2015

Notes:

A. PROXY

- A member of the Company entitled to attend and vote at the Meeting may appoint a proxy or proxies (or being a corporate member, a corporate member) to attend and vote in his stead. A proxy may but need not be a member of the Company and provisions of Section 149(1)(b) of the Companies Act, 1965 shall not apply.
- Where a member appoints two (2) or more proxies, the appointments shall be invalid unless he specifies the proportion of his shareholdings to be represented by each proxy.
- Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company or multiple beneficial owners in one securities account ("omnibus account"), the exempt authorised nominee may appoint any number of proxy (no limit) in respect of each omnibus account it holds.
- The instrument appointing a proxy in the case of an individual shall be signed by the appointer or his attorney or in the case of a corporation executed under its common seal or signed on behalf of the corporation by its attorney or by an officer duly authorised.
- The instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed or executed must be deposited at the Registered Office at Strategy Corporate Secretariat Sdn. Bhd., Unit 07-02, Level 7, Persoft Tower, 6B Persiaran Tropicana, 47410 Petaling Jaya, Selangor Darul Ehsan not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof.

B. AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014

The agenda item is meant for discussion only as the provision of Section 169(1) of the Companies Act, 1965 and the Company's Articles of Association do not require a formal approval of the said Audited Financial Statements by the shareholders. Hence, this agenda item is not subject to voting by the shareholders.

C. EXPLANATORY NOTES ON SPECIAL BUSINESS

Resolution 7 - Section 132D of the Companies Act, 1965

The Resolution 7 proposed under item 6(a), if passed, will give the Directors of the Company from the date of the above Annual General Meeting, authority to allot and issue shares in the Company up to an aggregate amount of not exceeding 10% of the issued share capital of the Company for the time being for such purposes as they consider would be in the best interest of the Company and also to empower Directors to obtain approval from Bursa Malaysia Securities Berhad for the listing of and quotation for additional shares issued. This authority, unless revoked or varied at a general meeting, will expire at the next Annual General Meeting of the Company.

The general mandate sought to grant authority to Directors to allot and issue of shares is a renewal of the mandate that was approved by the shareholders at the Tenth Annual General Meeting held on 19 June 2014. The renewal of the general mandate is to provide flexibility to the Company to issue new shares without the need to convene a separate general meeting to obtain shareholders' approval so as to avoid incurring additional cost and time. The purpose of this general mandate is for possible fund raising exercises including but not limited to further placement of shares for purpose of funding current and/or future investment projects, working capital and/or acquisitions.

Up to the date of this Notice, the Company did not issue any shares pursuant to the mandate granted to the Directors at the Tenth Annual General Meeting because there was no need for any fund raising activity for the purpose of investment, acquisition or working capital.

Resolution 8 - Retention of Independent Non-Executive Director

Recommendation 3.3 of the Malaysian Code on Corporate Governance 2012 recommends that shareholders' approval must be sought in the event that the Company intends to retain the Independent Non-Executive Director who have served in that capacity more than 9 years.

The Nominating Committee has at the annual assessment assessed the independence of Encik Razali Bin Jantan who had served more than 9 years, remain objective and independent in expressing their view and in participating in deliberations and decision making of the Board and Board Committees. His length of service of the Board does not in any way interfere with his exercise of independent judgment and ability to act in the best interests of the Company. In addition, Encik Razali Bin Jantan had confirmed and declared in the event that he is an Independent Director and he has satisfied all the criteria of an Independent Director set out in Rule 1.01 of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad. The Board has therefore recommended that the approval of the shareholders be sought to re-appoint Encik Razali Bin Jantan as Independent Non-Executive Director.

Resolution 9 - Proposed Renewal of Shareholders' Mandate for Share Buy-Back

The Resolution 9 proposed under item 6(c), is to seek the authority for the Company to purchase and/or hold up to 10% of the issued and paid-up share capital of the Company on Bursa Malaysia Securities Berhad. For further information on the Proposed Shareholders' Mandate for Share Buy-Back, please refer to the Circular to Shareholders dated 22 May 2015 enclosed together with the Company's 2014 Annual Report.

D. GENERAL MEETING RECORD OF DEPOSITORS

For the purpose of determining whether a member is entitled to attend this meeting, the Company shall be requesting from Bursa Malaysia Depository Sdn. Bhd. in accordance with Article 55(3) 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 9 June 2015. Only a depositor whose names appear in the Record of Depositors as at 9 June 2015 will be entitled to attend, speak and vote at the Meeting.