



## NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that the TWENTY FIFTH ANNUAL GENERAL MEETING ("AGM") of the Company will be held at EG INDUSTRIES BERHAD, Lot 102, Jalan 4, Bakar Angas Industrial Estate, 08000 Sungai Petani, Kedah on Friday, 9 DECEMBER 2016 at 11:30 a.m. for the following purposes:-

### AGENDA

#### As Ordinary Business:-

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| 1. To receive the Audited Financial Statements for the year ended 30 June 2016 and the Reports of the Directors and the Auditors thereon.             | Resolution 1 |
| 2. To approve the payment of Directors' Fees of RM154,000.00 for the year ended 30 June 2016.   | Resolution 2 |
| 3. To re-elect the following Director retiring in accordance with Article 98(1) of the Company's Articles of Association:-<br>(a) MR. KANG PANG KIANG | Resolution 3 |
| 4. To re-elect the following Director retiring in accordance with Article 105 of the Company's Articles of Association:-<br>(a) MR. LEE KEAN TEONG    | Resolution 4 |
| 5. To re-appoint MESSRS UHY as auditors and to authorize the Directors to fix their remuneration.   | Resolution 5 |

#### As Special Business:-

To consider and if thought fit, to pass the following as Ordinary Resolutions and Special Resolution:-

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| 6. Ordinary Resolution – Authority for Directors to issue and allot shares in the Company pursuant to Section 132D of the Companies Act, 1965<br>"THAT subject to the Companies Act, 1965, the Articles of Association of the Company and the approvals of the Bursa Malaysia Securities Berhad and other relevant governmental/regulatory authorities, the Directors be and are hereby empowered pursuant to Section 132D of the Companies Act, 1965, to issue shares in the Company from time to time at such price, upon such terms and conditions, for such purposes and to such person or persons whomsoever as the Directors may in their absolute discretion deem fit provided that the aggregate number of shares to be issued pursuant to this resolution does not exceed 10% of the issued share capital of the Company for the time being and that such authority shall continue in force until the conclusion of the next AGM of the Company."   | Resolution 6 |
| 7. Ordinary Resolution – Proposed Renewal of Authority for the Purchase by the Company of its own ordinary shares of up to 10% of the issued and paid-up share capital ("Share Buy-Back")<br>"THAT, subject to the approval of the relevant authorities, approval be and is hereby given to the Company to acquire its own shares of RM0.50 each of up to 10% of its issued and paid-up share capital from the market of Bursa Malaysia Securities Berhad, as may be determined by the Directors of the Company from time to time, in the manner set out in the Statement to Shareholders dated 31 October 2016. The aggregate number of shares purchased pursuant to this resolution does not exceed ten percent (10%) of the issued and paid-up share capital of the Company which amount to 211,563,992 ordinary shares of RM0.50 each as at 21 October 2016 and an amount not exceeding the share premium reserve of RM20,932,113 based on the latest audited financial statements as at 30 June 2016 of the Company.<br>THAT such authority shall commence upon the passing of this resolution and shall continue to be in force until:-<br>(a) the conclusion of the next AGM at which time the authority will lapse, unless by an ordinary resolution passed at the next AGM, the authority is renewed; or<br>(b) the expiration of the period within which the next AGM after that date is required by law to be held; or<br>(c) revoked or varied by an ordinary resolution of the Company's shareholders in a general meeting, | Resolution 7 |

whichever occurs the earliest, but not so as to prejudice the completion of purchase(s) by the Company before the aforesaid expiry date;

AND THAT the Directors of the Company be and are hereby authorized to take all such steps and do all acts and deeds and to execute, sign and deliver on behalf of the Company all necessary documents to give full effect to and for the purpose of completing or implementing the Share Buy-Back in the manner set out in the Statement, which would include the maximum funds to be allocated by the Company for the purpose and that following completion of the Share Buy-Back, the power to cancel or retain as treasury shares, any or all of the shares so purchased, resell the Bursa Malaysia Securities Berhad or distribute as dividends to the Company's shareholders or subsequently cancel, any or all of the treasury shares, with full power to assent to any condition, revaluation, modification, variation and/or amendment in any manner as may be required by any relevant authority or otherwise as they seem fit in the best interest of the Company."

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| 8. Ordinary Resolution – Proposed Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature<br>"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 SMT Technologies 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 as set out in Section 2.4 of the Company's Circular to Shareholders dated 31 October 2016 ("Circular") 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:<br>(a) the conclusion of the next AGM of the Company following the AGM 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;<br>(b) the expiration of the period within which the next AGM of the Company 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<br>(c) revoked or varied by an ordinary resolution passed by the Shareholders of the Company in a general meeting, | Resolution 8 |
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whichever is the earlier;

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

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| 9. Special Resolution – Proposed Amendments to the Articles of Association of the Company<br>"THAT the proposed amendments to the Articles of Association of the Company as set out in Appendix A of the Notice of AGM be and is hereby approved AND THAT the Directors of the Company be and are hereby authorised to do all things and acts necessary to effect the amendments to the Articles of Association of the Company." | Resolution 9 |
| 10. 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.  |              |

By Order of the Board  
CHAI CHURN HWA (MAICSA 0811600)  
Company Secretary  
Penang  
31 October 2016

### NOTES:

- Only members of the Company whose names appear in the Record of Depositors as at 2 December 2016 (General Meeting Record of Depositors) shall be entitled to attend, speak and vote at the 25th AGM of the Company or to appoint proxy(ies) to attend and vote on the member's behalf.
- To be valid, the original signed and/or sealed Proxy Form must be deposited at the registered office of the Company at Suite 18.01, 18th Floor, MWE Plaza, No. 8, Lebuhr Farquhar, 10200 Penang not less than forty-eight (48) hours before the time fixed for holding the AGM or any adjournment thereof.
- A member of the Company is entitled to appoint not more than two (2) proxies to attend, vote and speak on such member's behalf.
- Where a member appoints more than one (1) proxy to attend and vote at the AGM, the appointment shall be invalid unless the member specifies in the Proxy Form the proportion of the shareholdings to be represented by each proxy.
- If the appointer is a corporation, the Proxy Form must be executed under its Common Seal or under the hand of its attorney duly authorised in writing.
- A proxy may, but need not, be a member of the Company and the provisions of Section 149(1)(b) of the Companies Act, 1965 shall not apply to the Company.
- Where a member is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("Omnibus Account"), there is no limit to the number of proxies it may appoint in respect of each Omnibus Account it holds.
- Explanatory notes on Special Business

#### Ordinary Resolutions Resolution 6

- Authority for Directors to issue and allot shares in the Company pursuant to Section 132D of the Companies Act, 1965

The ordinary resolution 6 proposed under Agenda No. 6, is a renewal of the previous year mandate and if passed, will authorize the Directors of the Company to issue shares up to a maximum ten per cent (10%) of the issue share capital of the company for the time being for such purposes as the Directors consider would be in the best interest of the Company. This authority unless revoked or varied by the Company at a general meeting will expire at the next AGM.

The Company had on 3 December 2015 made an announcement to Bursa Malaysia Securities Berhad that the Private Placement deemed completed following the listing of and quotation for 19,206,000 Placement Shares on the Main Market of Bursa Malaysia Securities Berhad with effect from 3 December 2015. Details of the utilisation of proceeds are disclosed in Additional Compliance Information.

The renewal of this mandate would provide flexibility to the Company for any possible fund raising exercise, including but not limited to further placing of shares, for purpose of funding future investment projects, working capital and/or acquisitions. This authority is to avoid any delay and cost involved in convening a general meeting to approve such issuance of shares.

#### Resolution 7

- Proposed Renewal of Authority for the Share Buy-Back

The Share Buy-Back will enable the Company to utilize its surplus financial resources to purchase its own shares, when appropriate, and at prices which the Board views as favourable. In addition, the Share Buy-Back is also expected to stabilize the supply and demand of the Company's shares in the open market and thereby supporting its fundamental value. Please refer to the Statement to Shareholders dated 31 October 2016.

#### Resolution 8

- Proposed Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature

The proposed Resolution No. 8 is in relation to the Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature, if passed will give the power to the Group to transact with the parties related to the Group. Please refer to Section 2.4 of the Circular to Shareholders dated 31 October 2016.

#### Special Resolution Resolution 9

- Proposed Amendments to the Articles of Association of the Company

The Special Resolution, if passed, will allow the Chairman to prerogative to promote orderly conduct of general meetings and render the Articles of Association of the Company to be in line with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.