



TEK SENG HOLDINGS BERHAD (579572-M) Notice of Fifteenth Annual General Meeting

NOTICE IS HEREBY GIVEN that the 15th Annual General Meeting ("AGM") of Tek Seng Holdings Berhad ("the Company") will be held at Laurel II Ballroom, Level 1, Evergreen Laurel Hotel of 53, Persiaran Gurney, 10250 Penang on Friday, 26 May 2017 at 9.30 a.m. for the following purposes :-

AGENDA

As Ordinary Business :

- To receive the Audited Financial Statements for the financial year ended 31 December 2016 together with the Reports of Directors and Auditors thereon. **Please refer to Note 6**
- To re-elect the following Directors who retire by rotation in accordance with Article 86 of the Company's Constitution and who, being eligible, offer themselves for re-election:
 - Mr. Loh Kok Beng
 - Mr. Loh Kok Cheng
- To approve the increase and payment of Directors' Fees for the financial year ended 31 December 2016. **Resolution 3**
- To approve the payment of Directors' Benefits up to an amount not exceeding RM50,000.00 from 01 February 2017 until the conclusion of the next AGM of the Company. **Resolution 4**
- To re-appoint Messrs. BDO as auditors of the Company to hold office until the conclusion of the next AGM of the Company and to authorise the Directors to fix their remuneration. **Resolution 5**

As Special Business :

To consider and if thought fit, to pass with or without modifications, the following resolutions as Ordinary Resolutions :

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

"That, subject always to the provisions of the Companies Act, 2016 ("CA 2016"), the Company's Constitution, 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 TS Solartech Sdn Bhd, a 50.69% subsidiary of the Company to enter into recurrent related party transactions of a revenue or trading nature ("Proposed Renewal of Shareholders' Mandate") as set out in Section 2.4 of the Circular to Shareholders in relation to the Proposed Renewal of Shareholders' Mandate provided that such transactions are in the ordinary course of business which are necessary for the day-to-day operations on terms not more favourable to Solartech Energy Corp., 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:

- the conclusion of the next AGM of the Company following the AGM at which the Proposed Renewal of Shareholders' Mandate is passed, at which time it will lapse, unless by an ordinary resolution passed at the AGM, the authority is renewed;
- 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 340(1) of the CA 2016 (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the CA 2016); or
- revoked or varied by an ordinary resolution passed by the shareholders of the Company 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."

7. PROPOSED CONTINUATION IN OFFICE BY TUAN HAJI MOHAMED HANIFFAH BIN S.M. MYDIN AS INDEPENDENT NON-EXECUTIVE DIRECTOR

"That, authority be and is hereby given to Tuan Haji Mohamed Haniffah Bin S.M. Mydin who had served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine (9) years to continue to act as an Independent Non-Executive Director of the Company and to hold office until the conclusion of the next AGM of the Company."

8. PROPOSED CONTINUATION IN OFFICE BY DR. KAMARUDIN BIN NGAH AS INDEPENDENT NON-EXECUTIVE DIRECTOR

"That, authority be and is hereby given to Dr. Kamarudin Bin Nгах who had served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine (9) years to continue to act as an Independent Non-Executive Director of the Company and to hold office until the conclusion of the next AGM of the Company."

9. PROPOSED RENEWAL OF GENERAL MANDATE FOR THE DIRECTORS TO ALLOT AND ISSUE SHARES IN THE COMPANY

"That, subject always to the provisions of the Companies Act, 2016, the Company's Constitution, the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") and the regulations, guidelines and practice notes issued from time to time by Bursa Securities or any other regulatory authorities, approval be hereby given for the Directors of the Company to allot and issue shares in the Company at any time and upon such terms and conditions and for such purposes as the Directors may deem fit, PROVIDED THAT the aggregate number of shares to be issued does not exceed 10% of the total number of issued shares of the Company and that the approval conferred by this resolution shall take effect immediately upon the passing of this resolution and shall continue to be in force until :

- the conclusion of the AGM of the Company held next after the approval was given;
- the expiration of the period within which the next AGM of the Company is required to be held after the approval was given,
- revoked or varied at any time by an ordinary resolution passed by the shareholders in a general meeting; whichever is the earlier;

That, the Directors of the Company be hereby authorised to enter into such transactions, arrangements, agreements and documents as are necessary with full power to assent to any conditions, modifications, variations and/or amendments as may be required by the relevant authorities or as the Directors, in their absolute discretion deem fit and in the best interest of the Company.

And that, any Executive Director and/or the Secretary of the Company be hereby authorised to obtain the approval from Bursa Securities for the listing and quotation of the additional shares to be issued and to do all such acts and things as are necessary to give full effect to such transactions as authorised by this resolution."

10. To transact any other business of which due notice shall have been given in accordance with the Company's Constitution and the Companies Act, 2016.

FURTHER NOTICE IS HEREBY GIVEN THAT for the purpose of determining a member who shall be entitled to attend the 15th AGM, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd to issue a General Meeting Record of Depositors as at 17 May 2017. Only a depositor whose name appears on the Record of Depositors as at 17 May 2017 shall be entitled to attend the AGM or appoint proxies to attend and/or vote on his/her behalf.

By Order of the Board,

LEE PENG LOON (MACS 01258)
PNG CHIEW KEEM (MAICSA 7026443)
Company Secretaries

Penang
Date : 27 April 2017

NOTES ON APPOINTMENT OF PROXY

- A proxy may but need not be a member of the Company.
- For a proxy to be valid, the Proxy Form, 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 forty-eight (48) hours before the time for holding the meeting.
- A member shall be entitled to appoint one (1) or more proxies to attend 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 proportion of his shareholding to be represented by each proxy.
- Where a member is an Exempt Authorised Nominee which holds ordinary shares of 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.
- In the case of a corporate member, the Proxy Form must be executed under the corporation's common seal or under the hand of an officer or attorney duly authorised.

EXPLANATORY NOTES ON ORDINARY BUSINESS

- The Audited Financial Statements in Agenda 1 had been approved by the Board pursuant to Section 251(1) of the Companies Act 2016. Hence, this agenda does not require formal approval of shareholders of the Company and is meant for discussion pursuant to Section 248(2) of the Companies Act 2016.

EXPLANATORY NOTES ON SPECIAL BUSINESS

- The Resolution 6, if passed, will allow TS Solartech Sdn Bhd., a 50.69% owned subsidiary of the Company to enter into recurrent transactions involving the interests of a related party, Solartech Energy Corp. which are of a revenue or trading nature and necessary for the Group's day-to-day operations, subject to the transactions being carried out in the ordinary course of business and on terms not to the detriment of minority shareholders of the Company. Further information of the Proposed Renewal of Shareholders' Mandate is set out in the Circular to Shareholders dated 27 April 2017 which has been dispatched together with the Company's Annual Report for the financial year ended 31 December 2016 ("AR 2016").
- The Resolutions 7 and 8, if passed, will allow the Independent Non-Executive Directors to be retained and continued to act as independent non-executive directors to fulfill the requirements of paragraph 15.02 of the Main Market Listing Requirements of Bursa Securities and to be in line with the recommendation 3.3 of the Malaysian Code of Corporate Governance 2012. The details of justifications are set out in the Company's AR 2016.
- The Resolution 9, if passed, will allow the Directors to allot and issue shares in the Company up to an amount not exceeding 10% of the total number of issued shares of the Company for the time being for such purposes as the Directors consider will be in the best interest of the Company. This authority, unless revoked or varied by the shareholders of the Company in a general meeting will expire at the conclusion of the next AGM.

As at the date of this notice, a total of 3,627,500 ordinary shares were issued and allotted pursuant to the general mandate granted at the last AGM of the Company. The total proceeds of RM3,627,500.00 had been utilised by the Group for its capital expenditure, working capital requirements, repayment of bank borrowings as well as to defray the expenses relating to the placement of shares.

The proposed renewal of general mandate for issuance of shares will provide flexibility to the Company for any possible fund raising activities, including but not limited to further placing of shares for the purpose of funding future investment, working capital and/or acquisition.