

MIKRO MSC BERHAD
(Company No: 738171 M)
(Incorporated in Malaysia)

NOTICE IS HEREBY GIVEN THAT the Eleventh (“11th”) Annual General Meeting ("AGM") of the Company will be held at No.1, Jalan TP 7/7, Sime UEP Industrial Park, 40400 Shah Alam, Selangor Darul Ehsan on Monday, 13 November 2017 at 10.00 a.m. for the purpose of transacting the following businesses: -

AGENDA

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| 1. To receive the Audited Financial Statements of the Company for the financial year ended 30 June 2017 together with the Directors’ and Auditors’ Reports thereon. | |
| 2. To approve the payment of a final single tier dividend of one (1) sen per ordinary share for the financial year ended 30 June 2017. | Ordinary Resolution 1 |
| 3. To approve the payment of Directors’ fees and Meeting Allowance totaling to RM 216,000 for the financial year ended 30 June 2017. | Ordinary Resolution 2 |
| 4. To re-elect the Director, Mr Yim Yuen Wah retiring in accordance with Article 83 of the Company’s Articles of Association, and being eligible, offered himself for re-election. | Ordinary Resolution 3 |
| 5. To re-appoint Messrs BDO as Auditors of the Company to hold office until the conclusion of the next AGM and to authorise the Board of Directors to fix their remuneration. | Ordinary Resolution 4 |

AS SPECIAL BUSINESS

To consider, and if thought fit, to pass the following resolutions: -

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| 6. PROPOSED RENEWAL OF AUTHORITY TO ALLOT SHARES IN GENERAL PURSUANT TO SECTION 75 (1) OF THE COMPANIES ACT 2016 | Ordinary Resolution 5 |
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“THAT pursuant to Section 75 (1) of the Companies Act 2016 (“Act”) and subject to the approvals of the relevant governmental and/or regulatory authorities, the Directors be and are hereby empowered to allot new shares in the Company from time to time 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 allotted pursuant to this resolution does not exceed (10%) of the issued share capital of the Company thereat AND THAT the Directors be and are hereby also authorised to obtain the approval from Bursa Malaysia Securities Berhad for the listing and quotation of the additional shares so allotted AND THAT such authority shall continue in force until the conclusion of the next AGM of the Company.”

7. **RETENTION OF DIRECTORS AS INDEPENDENT DIRECTORS OF THE COMPANY**

“THAT the following directors who have served the Company for more than 9 years be retained as Independent Non-Executive Directors and to hold office until the conclusion of the next Annual General Meeting.”

- (a) Datuk Aznam Bin Mansor
- (b) Mr Lu Chee Leong
- (c) Dr Tou Teck Yong

Ordinary Resolution 6
Ordinary Resolution 7
Ordinary Resolution 8

8. To transact any other business which may properly be transacted at an AGM for which due notice shall have been given.

NOTICE OF DIVIDEND ENTITLEMENT AND PAYMENT

Subject to the approval of the shareholders, a final single tier dividend of one (1) sen per ordinary share for the financial year ended 30 June 2017 will be paid on 5 December 2017 to depositors registered in the Record of Depositors at the close of business at 5.00 p.m. on 20 November 2017.

A depositor shall qualify for entitlement only in respect of :-

- (a) Shares transferred into the Depositor’s Securities Account before 4.00 p.m. on 20 November 2017 in respect of ordinary transfers; and
- (b) Shares bought on Bursa Malaysia Securities Berhad on a cum entitlement basis according to the Rules of the Bursa Malaysia Securities Berhad.

By Order of the Board

M. CHANDRASEGARAN A/L S. MURUGASU (MAICSA NO. 0781031)
GOH YOKE CHEE (MIA 20583)
Company Secretaries

Dated: 20 October 2017
Selangor Darul Ehsan

Notes:-

- A. Mr Wong Yin Wah who is due for retirement pursuant to Articles 83 of the Company's Articles of Association at this 11th AGM of the Company and being eligible for re-election, does not wish to seek for re-election as Director of the Company.
1. For the purpose of determining a member who shall be entitled to attend, speak and vote at the Annual General Meeting, the Company shall be requesting the Record of Depositors as at 7 November 2017. Only a depositor whose name appears on the Record of Depositors as at 7 November 2017 shall be entitled to attend the said meeting or appoint proxies to attend, speak and vote in his/her stead.
 2. A member entitled to attend and vote at this meeting is entitled to appoint up to two (2) proxies to attend in his/her stead. A proxy may but need not be a member of the Company and a member may appoint any person to be his proxy. Where a member appoints two (2) proxies, the appointment shall be invalid unless he/she specifies the proportion of his/her holdings to be represented by each proxy.
 3.
 - (i) Where a member of the Company is an authorized nominee, as defined under the Central Depositories Act, it may appoint at least one (1) proxy but not more than two (2) proxies in respect of each securities account it holds which is credited with ordinary shares of the Company. The appointment of two (2) proxies in respect of any particular securities account shall be invalid unless the authorized nominee specifies the proportion of its shareholding to be represented by each proxy.
 - (ii) Where a member of the Company is an exempt authorized 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 which the exempt authorized nominee may appoint in respect of each omnibus account it holds. The appointment of two (2) or more proxies in respect of any particular omnibus account shall be invalid unless the exempt authorized nominee specifies the proportion of its shareholding to be represented by each proxy.
 4. The instrument appointing a proxy, in the case of an individual, shall be signed by the appointer or by his attorney duly authorised in writing, and in the case of a corporation, shall be executed under its Common Seal or under the hand of an officer or attorney of the corporation duly authorised.
 5. The instrument appointing the proxy, together with the power of attorney or other authority (if any) under which it is signed or a notarially certified or office copy of such power of attorney, must be deposited at the Share Registrar's Office of the Company at Unit 32-01, Level 32, Tower A, Vertical Business Suites, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur not less than forty-eight (48) hours before the time set for holding the meeting or any adjournment thereof.

6. Explanatory notes on Special Business

6.1 Resolution on Renewal of Authority To Allot Shares

The proposed Ordinary Resolution 5 is to seek renewal of the mandate from shareholders. The resolution if duly passed, is primarily to give the flexibility and authority to the Directors of the Company, from the date of the forthcoming 11th AGM, to issue and allot new shares in the Company up to and not exceeding in total 10% of the issued and paid-up share capital of the Company thereat, for such purposes as they consider would be in the best interest of the Company. This authority, unless revoked or varied at a general meeting, will expire at the conclusion of the next AGM of the Company.

The Company continues to consider opportunities to broaden its earnings potential. If any of the expansion/diversification proposals involves the issue of new shares, the Directors, under certain circumstance when the opportunity arises, would have to convene a general meeting to approve the issue of new shares even though the number involved may be less than 10% of the issued capital.

In order to avoid any delay and costs involved in convening a general meeting to approve such issue of shares, the Board would like to renew the mandate to enable the Directors of the Company to issue and allot shares at any time to such persons in their absolute discretion. This authority will provide flexibility to the Company for the allotment of shares for the purpose of funding future investment, working capital and/or acquisitions.

No shares have been issued and allotted by the Company pursuant to Section 75(1) of the Companies Act 2016 since obtaining the said authority from its shareholders at the last AGM held on 30 November 2016.

6.2 Resolution Pursuant to Retention As Independent Directors

The proposed Ordinary Resolutions 6, 7 and 8 will allow the Directors, Datuk Aznam Bin Mansor, Mr Lu Chee Leong and Dr Tou Teck Yong who have served for more than 9 consecutive years, to continue to act as Independent Non-Executive Directors of the Company as: -

- i) They fulfil the criteria under the definition of an Independent Director as stated in the Main Market Listing Requirement of Bursa Malaysia Securities Berhad, and thus they are able to function as check and balance, provide a broader view and bring an element of objectivity to the Board;
- ii) They understand the business nature and office structure;
- iii) They provide the Board valuable advice and insight;
- iv) They actively participate in Board deliberations and decision making in an objective manner; and
- v) They uphold independent decision and challenges the management objectively.