



HALEX GROUP

HALEX HOLDINGS BERHAD

(Company No. 206220-U)
(Incorporated in Malaysia)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT an Extraordinary General Meeting (“EGM”) of Halex Holdings Berhad (“Halex” or the “Company”) will be held at Grand Patio, Level 2, Concorde Hotel Shah Alam, 3, Jalan Tengku Ampuan Zabedah C9/C, 40100, Shah Alam, Selangor Darul Ehsan on Monday, 1 April 2019 at 10.30 a.m. or at any adjournment thereof, for the purpose of considering and if thought fit, passing the following resolution:

ORDINARY RESOLUTION

PROPOSED ACQUISITION OF THE ENTIRE EQUITY INTEREST IN HEXSTAR CHEMICALS LIMITED FROM HEXSTAR HOLDINGS SDN BHD FOR AN AGGREGATE PURCHASE CONSIDERATION OF RM596,794,275 TO BE SATISFIED THROUGH THE ISSUANCE AND ALLOTMENT OF 714,679,564 NEW ORDINARY SHARES IN HALEX (“CONSIDERATION SHARES”) AT AN ISSUE PRICE OF RM0.81 PER CONSIDERATION SHARE AND RM17,903,828 IN CASH (“PROPOSED ACQUISITION”)

“THAT subject to:

- (i) conditions precedent as set out in the sale of shares agreement dated 15 May 2018 and the supplemental letters dated 13 November 2018 entered into between the Company and Hextar Holdings Sdn Bhd (“Vendor”) in relation to the Proposed Acquisition (“SSA”) being fulfilled;
- (ii) the placement of part of the Consideration Shares by the Vendor to third party investors who are qualified under Schedules 6 or 7 of the Capital Markets and Services Act 2007, who are not persons connected to the Vendor, and as acceptable to the Company, in order to ensure that at least 25% of the total listed shares of the Company (excluding treasury shares) are in the hands of public shareholders on the completion date of the SSA in accordance with Paragraph 8.02(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad; and
- (iii) the approvals/consents of all relevant authorities and/or parties being obtained (where required),

approval and authority be and is hereby given to the Board of Directors of the Company (“Board”) to acquire from the Vendor the entire equity interest in HCL for an aggregate purchase consideration of RM596,794,275 (“Purchase Consideration”) to be satisfied through:

- (a) the issuance and allotment of 714,679,564 new ordinary shares in the Company (“Halex Shares”) at an issue price of RM0.81 per Consideration Share; and
- (b) payment of RM17,903,828 in cash,

in accordance to the terms and conditions of the SSA;

THAT the Consideration Shares will, upon issuance and allotment, rank equally in all respects with the existing Halex Shares, save and except that the Consideration Shares will not be entitled to any dividend, right, allotment and/or other distribution that may be declared, made or paid prior to the date of allotment of the Consideration Shares;

AND THAT the Board be and is hereby authorised to do or procure all acts, deeds and things that are necessary and to execute, sign and deliver on behalf of the Company, all such documents as may be required and/or as considered necessary, expedient and/or appropriate to implement, to give full effect and to complete the Proposed Acquisition, with full power to assent to any condition, modification, variation and/or amendment thereto as the Board may deem fit in connection with the Proposed Acquisition.”

By Order of the Board

LIM HOOI MOOI (MAICSA No. 0799764)

ONG WAI LENG (MAICSA No. 7065544)

ANG ENG SUN (MIA No. 16014)

Company Secretaries

Kuala Lumpur

15 March 2019

Notes:

- (i) A member of the Company who is entitled to attend and vote at the EGM is entitled to appoint not more than two (2) proxies to attend and vote at the EGM in his stead. Where a member appoints two (2) proxies, he shall specify the proportion of his shareholdings to be represented by each proxy.
- (ii) A member of the Company who is an authorised nominee as defined under the Securities Industry (Central Depositories) Act, 1991 (“SICDA”) may appoint not more than two (2) proxies in respect of each securities account it holds with the Company’s shares standing to the credit of the said securities account.
- (iii) For a member of the Company who is an exempt authorised nominee which holds the Company’s shares for multiple beneficial owners in one (1) securities account (“Omnibus Account”), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each Omnibus Account it holds. An exempt authorised nominee refers to an authorised nominee defined under the SICDA which is exempted from compliance with the provisions of subsection 25A(1) of the SICDA.
- (iv) Where an exempt authorised nominee appoints two (2) or more proxies, the proportion of shareholdings to be represented by each proxy must be specified in the instrument appointing the proxies.
- (v) A proxy may but need not be a member of the Company. A proxy appointed to attend and vote at the EGM shall have the same rights as the member to speak at the EGM.
- (vi) The instrument appointing a proxy shall be in writing under the hand of the appointer or of his attorney duly authorised in writing, or if the appointer is a corporation, either under its common seal or under the hand of its officer or its duly authorised attorney.
- (vii) The instrument appointing a proxy must be deposited at the office of the Company’s share registrar, Tricor Investors & Issuing House Securities Sdn Bhd at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or at its Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia, not less than 48 hours before the date and time fixed for holding the EGM or at any adjournment thereof.
- (viii) For the purpose of determining a member who shall be entitled to attend and vote at the EGM, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd to make available to the Company a Record of Depositors as at 25 March 2019 and only a depositor whose name appears in the said Record of Depositors shall be entitled to attend the EGM or appoint proxies to attend and vote in his stead.