



THONG GUAN INDUSTRIES BERHAD

(Company No. 324203-K)
(Incorporated in Malaysia)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting of Thong Guan Industries Berhad ("TGIB" or the "Company") will be held at Conference Room, 1st Floor, Plot 96, Jalan PKNK 1/6, Kawasan Perusahaan Sungai Petani, 08000 Sungai Petani, Kedah, Malaysia on Thursday, 18 April 2019, at 11.00 a.m., or at any adjournment thereof, for the purpose of considering and if thought fit, passing with or without modification, the following resolutions:

ORDINARY RESOLUTION 1

PROPOSED ESTABLISHMENT OF EMPLOYEES' SHARE OPTION SCHEME ("ESOS") OF UP TO 15% OF THE TOTAL NUMBER OF SHARES OF THE COMPANY (EXCLUDING TREASURY SHARES) AT ANY POINT IN TIME DURING THE DURATION OF THE SCHEME FOR THE ELIGIBLE DIRECTORS AND EMPLOYEES OF TGIB AND ITS SUBSIDIARY COMPANIES (EXCLUDING SUBSIDIARY COMPANIES WHICH ARE DORMANT) ("ELIGIBLE PERSON(S)") ("TGIB GROUP" OR "GROUP") ("PROPOSED ESOS" OR "ESOS SCHEME");

"THAT subject to the approvals of all relevant regulatory authorities and/or parties (if required) approval and authority be and is hereby given to the Board to:

- establish, implement and administer the Proposed ESOS for the benefit of the eligible directors and employees of the TGIB Group (excluding subsidiaries companies which are dormant) who meet the criteria of eligibility for participation in the Proposed ESOS ("Eligible Person(s)") in accordance with the by-laws governing the Proposed ESOS ("By-Laws"), a draft of which is set out in Appendix I of the Circular to the shareholders of TGIB dated 27 March 2019 ("Circular");
- to make necessary applications to Bursa Malaysia Securities Berhad ("Bursa Securities") and do all things necessary at the appropriate time or times for permission to deal in and for the listing and quotation of the new ordinary shares in TGIB ("TGIB Shares") that may hereafter or from time to time be allotted and issued pursuant to the Proposed ESOS;
- to modify and/or amend the By-Laws from time to time as may be required provided that such modifications and/or amendments are effected and permitted in accordance with the provisions of the By-Laws;
- to do all such acts and things, execute all such documents and to enter into such transactions, arrangements and agreements, deeds or undertakings and to make such rules or regulations, or impose such terms and conditions or delegate part of its power as may be necessary or expedient in order to give full effect to the Proposed ESOS and terms of the By-Laws; and
- to allot and issue such number of new TGIB Shares and/or procure for delivery such number of TGIB Shares to the Eligible Person(s) pursuant to the Proposed ESOS from time to time, which may be available under the Proposed ESOS, provided that the maximum number of TGIB Shares to be allotted and issued, acquired or delivered pursuant to the Proposed ESOS shall not at any point in time in aggregate exceed 15% of the total number of Shares of the Company (excluding treasury shares) or such other percentage of the total number of Shares of the Company (excluding treasury shares) that may be permitted by Bursa Securities or any other relevant authorities from time to time during the duration of the Proposed ESOS.

THAT the Board be and is hereby authorised to give effect to the Proposed ESOS with full power to assent to any conditions, modifications, variations and/or amendments in any manner as it may deem fit and/or as may be required or imposed by the relevant authorities;

AND THAT the proposed By-Laws of the Proposed ESOS as set out in Appendix I of this Circular, be and is hereby approved."

ORDINARY RESOLUTION 2

PROPOSED ALLOCATION OF ESOS OPTIONS TO DATO' ANG POON CHUAN

"THAT subject to the passing of the Ordinary Resolution 1 and the approvals of all relevant regulatory authorities being obtained, the Directors be and are hereby authorised at any time and from time to time grant to Dato' Ang Poon Chuan, being the Managing Director of the Company, such number of Shares in the Company which will be vested in him at a specified future date and to allot and issue and/or deliver such number of ESOS Options comprised in the Proposed ESOS granted and/or awarded to him from time to time, provided always that:

- not more than 50% of TGIB Shares available under the Proposed ESOS on any date shall be allocated to the executive directors of TGIB Group (excluding dormant subsidiaries within TGIB Group); and
- the allocation to any Eligible Person who, either singly or collectively through persons connected (as defined under the Listing Requirements) to the Eligible Person, holds 20% or more of the share capital (excluding treasury shares) of the Company, shall not exceed 10% (or such percentage as the relevant authorities may permit) of the maximum TGIB Shares available under the Proposed ESOS,

provided always that it is in accordance with the Listing Requirements or any prevailing guidelines issued by Bursa Securities or any other relevant authorities, as amended from time to time."

ORDINARY RESOLUTION 3

PROPOSED ALLOCATION OF ESOS OPTIONS TO DATO' ANG POON KHIM

"THAT subject to the passing of the Ordinary Resolution 1 and the approvals of all relevant regulatory authorities being obtained, the Directors be and are hereby authorised at any time and from time to time grant to Dato' Ang Poon Khim, being the Executive Director of the Company, such number of Shares in the Company which will be vested in him at a specified future date and to allot and issue and/or deliver such number of ESOS Options comprised in the Proposed ESOS granted and/or awarded to him from time to time, provided always that:

- not more than 50% of TGIB Shares available under the Proposed ESOS on any date shall be allocated to the executive directors of TGIB Group (excluding dormant subsidiaries within TGIB Group); and
- the allocation to any Eligible Person who, either singly or collectively through persons connected (as defined under the Listing Requirements) to the Eligible Person, holds 20% or more of the share capital (excluding treasury shares) of the Company, shall not exceed 10% (or such percentage as the relevant authorities may permit) of the maximum TGIB Shares available under the Proposed ESOS,

provided always that it is in accordance with the Listing Requirements or any prevailing guidelines issued by Bursa Securities or any other relevant authorities, as amended from time to time."

ORDINARY RESOLUTION 4

PROPOSED ALLOCATION OF ESOS OPTIONS TO DATUK ANG POON SEONG

"THAT subject to the passing of the Ordinary Resolution 1 and the approvals of all relevant regulatory authorities being obtained, the Directors be and are hereby authorised at any time and from time to time grant to Datuk Ang Poon Seong, being the Executive Director of the Company, such number of Shares in the Company which will be vested in him at a specified future date and to allot and issue and/or deliver such number of ESOS Options comprised in the Proposed ESOS granted and/or awarded to him from time to time, provided always that:

- not more than 50% of TGIB Shares available under the Proposed ESOS on any date shall be allocated to the executive directors of TGIB Group (excluding dormant subsidiaries within TGIB Group); and
- the allocation to any Eligible Person who, either singly or collectively through persons connected (as defined under the Listing Requirements) to the Eligible Person, holds 20% or more of the share capital (excluding treasury shares) of the Company, shall not exceed 10% (or such percentage as the relevant authorities may permit) of the maximum TGIB Shares available under the Proposed ESOS,

provided always that it is in accordance with the Listing Requirements or any prevailing guidelines issued by Bursa Securities or any other relevant authorities, as amended from time to time."

ORDINARY RESOLUTION 5

PROPOSED ALLOCATION OF ESOS OPTIONS TO ANG SEE MING

"THAT subject to the passing of the Ordinary Resolution 1 and the approvals of all relevant regulatory authorities being obtained, the Directors be and are hereby authorised at any time and from time to time grant to Ang See Ming, being the Executive Director of the Company, such

number of Shares in the Company which will be vested in him at a specified future date and to allot and issue and/or deliver such number of ESOS Options comprised in the Proposed ESOS granted and/or awarded to him from time to time, provided always that:

- not more than 50% of TGIB Shares available under the Proposed ESOS on any date shall be allocated to the executive directors of TGIB Group (excluding dormant subsidiaries within TGIB Group); and
- the allocation to any Eligible Person who, either singly or collectively through persons connected (as defined under the Listing Requirements) to the Eligible Person, holds 20% or more of the share capital (excluding treasury shares) of the Company, shall not exceed 10% (or such percentage as the relevant authorities may permit) of the maximum TGIB Shares available under the Proposed ESOS,

provided always that it is in accordance with the Listing Requirements or any prevailing guidelines issued by Bursa Securities or any other relevant authorities, as amended from time to time."

ORDINARY RESOLUTION 6

PROPOSED EXEMPTION UNDER PARAGRAPH 4.08(1)(C) OF THE RULES ON TAKE-OVERS, MERGERS AND COMPULSORY ACQUISITIONS ("RULES") TO FOREMOST EQUALS SDN BHD ("FOREMOST EQUALS") AND ITS PERSONS ACTING IN CONCERT ("PAC") FROM THE OBLIGATION TO UNDERTAKE A MANDATORY TAKE-OVER OFFER FOR ALL TGIB SHARES, IRREDEEMABLE CONVERTIBLE UNSECURED LOAN STOCK ("ICULS") AND WARRANTS (ICULS AND WARRANTS ARE COLLECTIVELY REFERRED TO AS THE "CONVERTIBLE SECURITIES") AND NEW TGIB SHARES TO BE ISSUED PURSUANT TO THE CONVERSION OF ICULS AND/OR THE EXERCISE OF THE WARRANTS NOT HELD BY FOREMOST EQUALS OR ITS PAC ("PROPOSED EXEMPTION I")

"THAT subject to the approvals of all relevant regulatory authorities being obtained, approval be and is hereby given to Foremost Equals and its PAC to be exempted from the obligation to undertake a mandatory take-over offer on the remaining voting shares and Convertible Securities not already held by Foremost Equals and its PAC upon the conversion of ICULS and exercise of Warrants by Foremost Equals and its PAC in accordance with Paragraph 4.08(1)(c) of the Rules which encompasses the following:

- Full or partial conversion of the ICULS by Foremost Equals and/or its PAC during the entire tenure of the ICULS; and/or
- Full or partial exercise of the Warrants by Foremost Equals and/or its PAC during the entire tenure of the Warrants

AND THAT in order to implement, complete and give full effect to the Proposed Exemption I, approval be and is hereby given to the Board to do or procure to be done all acts, deeds and things and to execute, sign and deliver on behalf of the Company, all such documents as it may deem necessary, expedient and/or appropriate to implement, give full effect to and complete the Proposed Exemption I, with full powers to assent to any conditions, modifications, variations and/or amendments thereto as may be imposed by the relevant authority and/or as the Board may deem fit."

ORDINARY RESOLUTION 7

PROPOSED EXEMPTION UNDER PARAGRAPH 4.15(1) OF THE RULES TO FOREMOST EQUALS AND ITS PAC FROM THE OBLIGATION TO UNDERTAKE A MANDATORY TAKE-OVER OFFER FOR ALL TGIB SHARES, CONVERTIBLE SECURITIES AND NEW TGIB SHARES TO BE ISSUED PURSUANT TO THE CONVERSION OF ICULS AND/OR THE EXERCISE OF THE WARRANTS NOT HELD BY THEM, UPON THE PURCHASE BY TGIB OF ITS OWN SHARES PURSUANT TO THE RENEWAL OF SHARE BUY-BACK AUTHORITY ("PROPOSED EXEMPTION II").

"THAT subject to the the approvals of all relevant regulatory authorities being obtained, approval be and is hereby given for the shareholdings of Foremost Equals and its PAC to increase, either collectively and/or individually to more than 33% and/or increase by more than 2% in any 6-month period, as a result of a reduction of the voting shares of the Company arising from the purchase by the Company of its own shares under the authority to the Company to purchase and/or hold its own shares of up to 10% of the issued and paid-up share capital of the Company under the renewal of share buy-back authority without having to undertake any mandatory take-over offer on the remaining voting shares and Convertible Securities not already held by Foremost Equals and its PAC in accordance with Paragraph 4.15(1) of the Rules;

AND THAT in order to implement, complete and give full effect to the Proposed Exemption II, approval be and is hereby given to the Board to do or procure to be done all acts, deeds and things and to execute, sign and deliver on behalf of the Company, all such documents as it may deem necessary, expedient and/or appropriate to implement, give full effect to and complete the Proposed Exemption II, with full powers to assent to any conditions, modifications, variations and/or amendments thereto as may be imposed by the relevant authority and/or as the Board may deem fit."

SPECIAL RESOLUTION 1

PROPOSED ADOPTION OF NEW CONSTITUTION OF THE COMPANY ("PROPOSED NEW CONSTITUTION")

"THAT the Company's existing Memorandum & Articles of Association to be deleted in its entirety with immediate effect and in place thereof, the new Constitution of the Company as set out in Appendix II of the Circular to shareholders of TGIB AND THAT the Directors and Secretaries of the Company be and are hereby authorised to assent to any modifications, variations and/or amendments as may be required by the relevant authorities and to do all things and take all such steps as may be considered necessary and/or expedient in order to give full effect to the Proposed New Constitution."

BY ORDER OF THE BOARD

**ONG TZE EN (MAICSA 7026537)
LAU YOKE LENG (MAICSA 7034778)
Joint Company Secretaries
Penang, 27 March 2019**

Notes:

Appointment of Proxy

- A Member entitled to attend and vote at this meeting may appoint a proxy to attend, speak and vote on his behalf. A proxy may but need not be a Member. A Member may appoint 2 proxies to attend on the same occasion. If a Member appoints 2 or more proxies, the appointment shall be invalid unless he specifies the proportions of his shareholdings to be represented by each proxy.
- Where a Member of the Company is an authorised nominee as defined under the Securities Industries (Central Depositories) Act, 1991 ("SICDA"), it may appoint up to 2 proxies in respect of each securities account it may holds with ordinary shares of the Company standing to the credit of the said securities account.
- Where a Member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in 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 SICDA.
- The instrument appointing a proxy shall be in writing under the hand of the appointer or his attorney duly authorised writing, or if the appointer is a corporation, either under Common Seal of the company or under the hand of an officer attorney duly authorised.
- For a proxy to be valid, the Form of Proxy duly completed must be deposited at the Registered Office of the Company, 170-09-01 Livingston Tower, Jalan Argyll, 10050 George Town, Pulau Pinang, Malaysia, not less than forty eight (48) hours before the time appointed for holding the meeting or at any adjournment thereof.
- In respect of deposited securities, only a depositor whose name appears on the Record of Depositors on 10 April 2019 (General Meeting Record of Depositors) shall be eligible to attend the meeting or appoint proxy to attend and/or vote on his/her behalf.

Personal Data Privacy

By submitting the duly executed Form of Proxy, the member and his/her proxy consent to the Company (and/or its agents/service providers) collecting, using and disclosing the personal data therein in accordance with the Personal Data Protection Act 2010, for the purpose of the AGM, and any adjournment thereof.