



MYCRON STEEL BERHAD

(Company No. 622819-D)
(Incorporated in Malaysia)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT an Extraordinary General Meeting ("EGM") of Mycron Steel Berhad ("Mycron" or "Company") will be held at Crystal Function Room, 4th Floor, Mutiara Complex, 3½ Miles, Jalan Ipoh, 51200 Kuala Lumpur on Friday, 20 April 2018 at 11.00 a.m. or at any adjournment thereof for the purpose of considering and if thought fit, passing with or without modifications the following ordinary resolutions:-

ORDINARY RESOLUTION 1

PROPOSED RENOUNCEABLE RIGHTS ISSUE OF UP TO 56,709,091 SHARES IN MYCRON ("MYCRON SHARES") ("RIGHTS SHARE(S)") ON THE BASIS OF ONE (1) RIGHTS SHARE FOR EVERY FIVE (5) MYCRON SHARES HELD, TOGETHER WITH UP TO 28,354,546 FREE DETACHABLE WARRANTS ("WARRANTS") ON THE BASIS OF ONE (1) WARRANT FOR EVERY TWO (2) RIGHTS SHARES SUBSCRIBED ON AN ENTITLEMENT DATE TO BE DETERMINED LATER ("PROPOSED RIGHTS ISSUE WITH WARRANTS")

"THAT, subject to and conditional upon the approvals of all relevant authorities and/or parties being obtained (if required), approval be and is hereby given to the Board of Directors of Mycron ("**Board**") to:-

- provisionally allot and issue by way of a renounceable rights issue of up to 56,709,091 Rights Shares on the basis of one (1) Rights Share for every five (5) existing Mycron Shares held by the shareholders of the Company whose names appear in the Record of Depositors of the Company as at the close of business on an entitlement date to be determined later by the Board ("**Entitlement Date**") ("**Entitled Shareholders**"), together with up to 28,354,546 Warrants on the basis of one (1) Warrant for every two (2) Rights Shares subscribed, at an issue price to be determined later to the Entitled Shareholders and/or their renounee(s). The Rights Shares shall upon allotment and issue, rank *pari passu* in all respects with the then existing issued and paid up Mycron Shares, save and except that the Rights Shares will not be entitled to any dividends, rights, allotment and/or other distributions, the entitlement date of which is prior to the date of allotment of the Rights Shares;
- determine and fix the issue price of the Rights Shares at a later date, after receipt of all relevant approvals but before the announcement of the Entitlement Date, after taking into consideration, amongst others, the historical share price movement of Mycron;
- determine the final exercise price of the Warrants after taking into consideration the theoretical ex-rights price ("**TERP**") of Mycron Shares, based on the five (5)-day volume weighted average market price ("**5D-VWAMP**") of Mycron Shares, with a discount to the TERP deemed appropriate by the Board prior to the price fixing date to be determined later by the Board;
- allot and issue such number of Mycron Shares upon full payment arising from any exercise by the holders of the Warrants of their rights in accordance with the provisions of the deed poll constituting the Warrants to be executed by the Company ("**Deed Poll**") and such new Mycron Shares shall upon allotment and issuance, rank *pari passu* in all respects with the then existing issued and paid up Mycron Shares, save and except that such new Mycron Shares will not be entitled to any dividends, rights, allotment and/or other distributions, the entitlement date of which is prior to the date of allotment of the new Mycron Shares to be issued pursuant to the exercise of the Warrants;
- disregard and deal with fractional entitlements of the Rights Shares and/or Warrants, if any, in such manner and on such terms and conditions as the Board in its absolute discretion deem fit or expedient or in the best interest of the Company;
- make available for excess shares application to the Entitled Shareholders and/or their renounee(s) who have applied for the excess Rights Shares with Warrants, in the event there are any Rights Shares with Warrants which are not taken up or not validly taken up, and such excess Rights Shares with Warrants will be allocated in a fair and equitable manner on a basis to be determined by the Board;
- utilise the proceeds from the Proposed Rights Issue with Warrants for such purposes and in such manner as set out in Section 2.7, Part A of the Circular to Shareholders of the Company dated 5 April 2018 ("**Circular**") and the Board be authorised to revise the purpose and manner of the utilisation of proceeds as it may deem fit or expedient or in the best interest of the Company, subject to the approval of the relevant authorities, (where required);
- execute, sign and enter into the Deed Poll with full powers to assent to any condition, variation, modification and/or amendment from time to time, in accordance with and subject to the terms of the Deed Poll and in any manner as may be required by the relevant authorities or deemed necessary by the Board, and with full powers to implement and give effect to the terms and conditions of the Deed Poll and in the best interest of the Company; and
- issue and allot such additional Warrants and adjust from time to time the exercise price of the Warrants as may be required or permitted to be issued/adjusted as a consequence of the adjustments under the provisions of the Deed Poll, and issue and allot such additional number of Mycron Shares arising from any exercise of the additional Warrants and such new Mycron Shares shall upon allotment and issuance, rank *pari passu* in all respects with the then existing Mycron Shares, save and except that the new Mycron Shares will not be entitled to any dividends, rights, allotment and/or other distributions, the entitlement date of which is prior to the date of allotment of the new Mycron Shares to be issued pursuant to the exercise of such additional Warrants;

AND THAT the Board be and is hereby empowered and authorised to do all acts, deeds and things and to execute, sign, deliver and cause to be delivered on behalf of the Company all such documents and/or arrangements (including without limitation, the affixing of the Company's common seal) as may be necessary or expedient in order to implement, finalise, give effect and complete the Proposed Rights Issue with Warrants and with full powers to assent to any conditions, modifications, variations and/or amendments as may be required by the relevant authorities or as the Directors may deem necessary or expedient in the best interest of the Company."

ORDINARY RESOLUTION 2

PROPOSED ACQUISITION OF A PIECE OF LEASEHOLD LAND KNOWN AS LOT 53, PERSIARAN SELANGOR, SEKSYEN 15, 40200 SHAH ALAM, SELANGOR AND HELD UNDER TITLE NO. HSD 166735 BANDAR SHAH ALAM, DAERAH PETALING, NEGERI SELANGOR, TOGETHER WITH BUILDINGS ERRECTED THEREON ("PROPERTY") BY MELEWAR STEEL TUBE SDN BHD, A WHOLLY-OWNED SUBSIDIARY OF MYCRON STEEL BERHAD FROM MELEWAR INDUSTRIAL GROUP BERHAD FOR A TOTAL PURCHASE CONSIDERATION OF RM26.0 MILLION ("PROPOSED ACQUISITION")

"THAT, subject to all relevant approvals being obtained from the relevant authorities or parties, if any, approval be and is hereby given to Melewar Steel Tube Sdn Bhd, a wholly-owned subsidiary of Mycron, to acquire the Property, for a total consideration of RM26,000,000.00 in accordance with the terms and conditions as set out in the sale and purchase agreement dated 20 November 2017 between Melewar Industrial Group Berhad and Melewar Steel Tube Sdn Bhd in relation to the Proposed Acquisition.

AND THAT the Directors of the Company be and are hereby empowered and authorised to do all acts, deeds and things and to execute, sign and deliver and cause to be delivered on behalf of the Company all such documents and/or arrangements (including without limitation, the affixing of the Company's common seal) as may be necessary or expedient or appropriate in order to implement, finalise, give effect and/or complete the Proposed Acquisition and with full powers to assent to any conditions, modifications, variations and/or amendments as may be required by the relevant authorities or as the Directors may deem necessary or expedient in the best interest of the Company."

BY ORDER OF THE BOARD

LILY YIN KAM MAY (MAICSA 0878038)

Company Secretary

Kuala Lumpur

5 April 2018

Notes:-

- Applicable to shares held through a nominee account.
- A member entitled to attend, speak and vote at a meeting of the Company is entitled to appoint more than one (1) proxy to attend, speak and vote in his/her stead. A proxy may but need not be a member of the Company.
- Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he/she specifies the proportion of his/her shareholdings to be presented by each proxy.
- Where a member is an Exempt Authorised Nominee which holds shares in the Company for multiple beneficial owners in one securities account ("omnibus account") as defined under the Securities Industry (Central Depositories) Act, 1991, there is no limit to the number of proxies which the Exempt Authorised Nominee may appoint in respect of each omnibus account it holds.
- The instrument appointing a proxy, shall be in writing under the hand of the appointer or his attorney duly authorised in writing, and in the case of a corporation, either under seal or under hand of an officer or attorney duly authorised.
- The instrument appointing a proxy must be deposited at the Company's Registered Office, Suite 12.03, 12th Floor, No. 566, Jalan Ipoh, 51200 Kuala Lumpur, not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof.
- Any alteration in the form of proxy must be initialled.
- Form of Proxy sent through facsimile transmission shall not be accepted.
- For the purpose of determining a member who shall be entitled to attend this EGM, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd in accordance with Articles 79(a), 79(b) and 79(c) of the Company's Articles of Association and Section 34(1) of the Securities Industry (Central Depositories) Act, 1991 to issue a General Meeting Record of Depositors as at 16th April 2018. Only a depositor whose name appears on the Record of Depositors as at 16th April 2018 shall be entitled to attend, speak and vote at the said meeting or appoint proxy(ies) to attend, speak and/or vote on his/her behalf.