



METAL COMPONENT ENGINEERING LIMITED
(Incorporated in the Republic of Singapore)
(Company Registration No. 198804700N)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting of METAL COMPONENT ENGINEERING LIMITED ("Company") will be held at 10 Ang Mo Kio Street 65, Techpoint #04-02, Singapore 569059 on Friday, 25 April 2014 at 9 a.m. for the following purposes:

AS ORDINARY BUSINESS

- To receive and adopt the Directors' Report and the Audited Accounts of the Company for the year ended 31 December 2013 together with the Auditors' Report thereon. **(Resolution 1)**
- To re-elect Mr Tan Soo Yong as Director, who will retire pursuant to Article 92 of the Company's Articles of Association, and who, being eligible, offer himself for re-election. **(Resolution 2)**
[See Explanatory Note (i)]
- To re-elect Mr Lim Chin Tong as Director, who will retire pursuant to Article 92 of the Company's Articles of Association, and who, being eligible, offer himself for re-election. **(Resolution 3)**
[See Explanatory Note (ii)]
- To declare a final dividend of 0.075 Singapore cent per share one-tier tax exempt for the year ended 31 December 2013 (2012: 0.15 Singapore cent). **(Resolution 4)**
- To approve the payment of Directors' fees of S\$110,000 for the year ending 31 December 2014 to be paid quarterly in arrears at the end of each calendar quarter (2013: S\$110,000). **(Resolution 5)**
- To re-appoint Foo Kon Tan Grant Thornton LLP, as the Company's Auditors and to authorise the Directors to fix their remuneration. **(Resolution 6)**
- To transact any other ordinary business which may properly be transacted at an Annual General Meeting.

AS SPECIAL BUSINESS

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

- Authority to allot and issue shares.
"That pursuant to Section 161 of the Companies Act, Cap. 50 and Rule 806 of the Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited (the "SGX-ST"): the Directors of the Company be authorised and empowered to:
(a) (i) allot and issue shares in the Company ("shares") whether by way of rights, bonus or otherwise; and/or
(ii) make or grant offers, agreements or options (collectively, "Instruments") that might or would require shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) options, warrants, debentures or other instruments convertible into shares, at any time and upon such terms and conditions and for such purposes and to such persons as the Directors of the Company may in their absolute discretion deem fit; and
(b) notwithstanding the authority conferred by this Ordinary Resolution may have ceased to be in force) issue shares in pursuance of any Instruments made or granted by the Directors of the Company while this Ordinary Resolution was in force, provided that:
(1) the aggregate number of shares (including shares to be issued in pursuance of the Instruments, made or granted pursuant to this Ordinary Resolution) and Instruments to be issued pursuant to this Ordinary Resolution shall not exceed 100% of the total number of issued shares (excluding treasury shares) in the capital of the Company (as calculated in accordance with sub-paragraph (2) below), of which the aggregate number of shares to be issued (including shares to be issued pursuant to the Instruments) other than on a pro rata basis to existing shareholders of the Company shall not exceed 50% of the total number of issued shares (excluding treasury shares) in the capital of the Company (as calculated in accordance with sub-paragraph (2) below);
(2) (subject to such calculation as may be prescribed by the SGX-ST) for the purpose of determining the aggregate number of shares (including shares to be issued pursuant to the Instruments) that may be issued under subparagraph (1) above, the percentage of shares that may be issued shall be based on the total number of issued shares (excluding treasury shares) in the capital of the Company at the time of the passing of this Ordinary Resolution, after adjusting for:
(a) new shares arising from the conversion or exercise of the Instruments or any convertible securities;
(b) new shares arising from exercising share options or vesting of share awards outstanding and subsisting at the time of the passing of this Ordinary Resolution; provided that such share options or share awards were granted in compliance with Part VIII of the Chapter 8 of the Catalist Rules and
(c) any subsequent bonus issue, consolidation or subdivision of shares;
(3) in exercising the authority conferred by this Ordinary Resolution, the Company shall comply with the provisions of the Catalist Rules for the time being in force (unless such compliance has been waived by SGXST) and the Articles of Association of the Company; and
(4) unless revoked or varied by the Company in a general meeting, such authority shall continue in force until (i) the conclusion of the next Annual General Meeting of the Company or (ii) the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is earlier."
[See Explanatory Note (iii)] **(Resolution 7)**
- Authority to allot and issue shares under the MCE Share Option Scheme 2003.
"That the Directors be authorised and empowered to allot and issue shares in the capital of the Company to all the holders of the Company of options granted by the Company prior to the subsistence of this authority under the MCE Share Option Scheme 2003 ("2003 Scheme") upon the exercise of such options and in accordance with the terms and conditions of the 2003 Scheme.
[See Explanatory Note (iv)] **(Resolution 8)**
- Renewal of Shareholders' Mandate for Interested Person Transactions.
"That:
(a) approval be and is given for the purpose of Chapter 9 of the Singapore Exchange Securities Trading Limited Listing Manual Section B: Rules of Catalist ("Catalist Rules"), for the Company, its subsidiaries (as defined in the Companies Act, Chapter 50 of Singapore) and associated companies (as defined in the Catalist Rules) or any of them to enter into any of the transactions falling within the types of recurrent transactions, particulars of which are set out in the Appendix 1 to this Notice of Annual General Meeting (the "Appendix 1") with any party who is of the class of interested persons described in Appendix 1 in accordance with the guidelines of the Company for recurrent transactions as set out in the Appendix 1;
(b) such approval shall, unless revoked or varied by the Company in general meeting, continue in force until the next Annual General Meeting of the Company; and
(c) the Directors and each of them be and are hereby authorised to do all such acts and things (including executing all such documents as may be required) as they or he may consider necessary, desirable or expedient to give effect to this Resolution 9."
[See Explanatory Note (v)] **(Resolution 9)**
- Proposed Adoption of the MCE Share Option Scheme 2014**
"That the share option scheme to be known as the MCE Share Option Scheme 2014 (the "2014 Scheme"), the rules of which have been set out in the Letter to Shareholders dated 9 April 2014 as set out in Appendix 2 of the Notice of Annual General Meeting dated 9 April 2014 (the "Letter"), be and is hereby approved and adopted substantially in the form set out in the rules of the 2014 Scheme, and the Board of Directors of the Company be and is hereby authorised:
(a) to establish and administer the 2014 Scheme;
(b) to modify and/or amend the 2014 Scheme from time to time provided that such modifications and/or amendments are effected in accordance with the provisions of the 2014 Scheme and to do all such acts and to enter into all such transactions, arrangements and agreements as may be necessary or expedient in order to give full effect to the 2014 Scheme;
(c) to offer and grant Options in accordance with the rules of the 2014 Scheme and to allot and issue from time to time such number of shares in the capital of the Company as may be required to be issued pursuant to the exercise of the Options under the 2014 Scheme; and
(d) the Directors of the Company and/or any of them be and are/is hereby authorised to complete and do all such acts and things (including executing such documents as may be required) and to enter into such transactions, arrangements and agreements as they and/or he may consider necessary, expedient, incidental or in the interests of the Company, in order to give full effect to the 2014 Scheme and the transactions contemplated and/or authorised in this Resolution."
[See Explanatory Note (vi)] **(Resolution 10)**

By Order of the Board

Seah Jim Hong, Gerard
Tan Kwang Hwee, William
Secretaries

Singapore, 9 April 2014

Explanatory Notes:

- Mr Tan Soo Yong does not have any relationships, including immediate family relationships with the Directors of the Group, the company or its 10% shareholders.
- Mr Lim Chin Tong, if re-elected, will remain as Lead Independent Director, Chairman of the Audit Committee, and continue as a member of the Nominating Committee and Remuneration Committee. The Board considers Mr Lim Chin Tong to be independent for the purpose of Rule 704 (7) of the Catalist Rules. Mr Lim Chin Tong does not have any relationships, including immediate family relationships with the Directors of the Group, the company or its 10% shareholders.
- Ordinary Resolution 7 proposed in item 8 above, if passed, will authorise and empower the Directors from the date of this Annual General Meeting until the date of the next Annual General Meeting, or the date by which the next Annual General Meeting is required by law to be held or the date such authority is revoked by the Company in a general meeting, whichever is the earliest, to allot and issue shares, make or grant Instruments convertible into shares and to issue shares pursuant to such Instruments, up to a number not exceeding, in total, 100% of the total number of issued shares (excluding treasury shares) in the capital of the Company, of which up to 50% of the total number of issued shares (excluding treasury shares) in the capital of the Company may be issued other than on a pro-rata basis to existing shareholders. For determining the aggregate number of shares that may be issued, the percentage of shares that may be issued (including shares that are to be issued pursuant to the Instruments) will be calculated based on the issued shares in the capital of the Company at the time this Ordinary Resolution is passed after adjusting for new shares arising from the conversion or exercise of the Instruments or any convertible securities, new shares arising from exercising share options or vesting of share awards outstanding and subsisting at the time of passing of this Ordinary Resolution and any subsequent bonus issue, consolidation or subdivision of shares.
- Ordinary Resolution 8 proposed in item 9 above, if passed, will authorise and empower the Directors of the Company, from the date of this Annual General Meeting until the next Annual General Meeting, to allot and issue shares in the Company pursuant to the exercise of Options under the MCE Share Option Scheme 2003. Although the MCE Share Option Scheme 2003 expired on or about 3 November 2013, there are still outstanding options which have been previously granted under this scheme.
- Ordinary Resolution 9 proposed in item 10 above, relates to the renewal of a mandate given by Shareholders on 19 April 2013 allowing the Company, its subsidiaries and associated companies (as defined in Appendix 1) to enter into transactions with the interested persons (as defined in Chapter 9 of the Catalist Rules) described in Appendix 1. Please refer to Appendix 1 to this Notice of Annual General Meeting for details.
- Ordinary Resolution 10 proposed in item 11 above, relates to the adoption of the MCE Share Option Scheme 2014. This is a new share option scheme to replace the MCE Share Option Scheme 2003 which expired on or about 3 November 2013. Please refer to the Appendix 2 to this Notice of Annual General Meeting for details.

Notes:

- A Member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote in his/her stead. A proxy need not be a Member of the Company.
- If the appointor is a corporation, the proxy must be executed under seal or the hand of its duly authorised officer or attorney.
- The instrument appointing a proxy must be deposited at the Registered Office of the Company at 10 Ang Mo Kio Street 65, Techpoint #04-02, Singapore 569059 not less than 48 hours before the time appointed for holding the Annual General Meeting.

This notice has been prepared by the Company and its contents have been reviewed by the Company's Sponsor ("Sponsor"), Canaccord Genuity Singapore Pte. Ltd. for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited ("SGX-ST"). The Sponsor has not independently verified the contents of this notice. This notice has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this notice, including the correctness of any of the statements or opinions made, or reports contained in this notice.

The contact person for the Sponsor is Ms. Karen Soh, Managing Director, Canaccord Genuity Singapore Pte. Ltd., at 77 Robinson Road #21-02 Singapore 068896, telephone (65) 6854-6160.