



## XYEC HOLDINGS CO., LTD.

(Incorporated in Japan as a stock corporation (kabushiki Kaisha) with limited liability on 9 September 2005)  
(Registration No. 0104-01-058968)

### NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting (the "AGM") of Xyec Holdings Co., Ltd. (the "Company") will be held at 6 Battery Road #10-01, Singapore 049909 and Convention Room AP Shinagawa P.Q Room, 9th Floor of Keikyu #2 Building 25-23, Takanawa 3-chome, Minato-ku, Tokyo on Friday, 27 June 2014 at 10:00 a.m. (11:00 a.m. at Tokyo time) to transact the following purposes:

#### MATTERS FOR REPORTING

- To note the Business Report for the financial year ended 31 March 2014.  
[See Explanatory Note (i)]

#### MATTERS FOR RESOLUTION

##### SPECIAL RESOLUTION

- The proposed alterations to the Articles of Incorporation of the Company**

That:

The current Article 4 of Articles of Incorporation of the Company is hereby altered as follows:

"The Company has the following organisations in addition to general shareholders' meeting and directors.

- Board of directors
- Statutory auditors
- Board of statutory auditors
- Accounting Auditor"

In addition, the following chapter shall be inserted as the Chapter 6 of the Articles of Incorporation and the current "Chapter 6 Accounts" is altered as "Chapter 7 Accounts".

"Chapter 6 Accounting Auditors

**(Election method)**

**Article 44**

Accounting Auditors are elected by resolution at a general shareholders' meeting.

**(Term of assignment)**

**Article 45**

- The office term of Accounting Auditors shall continue until the close of the general shareholders' meeting of the fiscal year ending within one year after such election.
- Accounting Auditors are regarded to be appointed at the next Annual General Meeting, unless proposed otherwise."

The new Articles of Incorporation incorporating the alterations as set out above, be approved and adopted as the Articles of Incorporation of the Company in substitution for, and to the exclusion of, the existing Articles of Incorporation, such amendments to the Articles of Incorporation to take effect from the passing thereof.

[See Explanatory Note (ii)]

**(Resolution 1)**

##### ORDINARY RESOLUTIONS

###### AS ORDINARY BUSINESS

- To receive and adopt (1) the International Financial Reporting Standard Consolidated Audited Financial Statements with the Directors' Report and the Auditors' Report; and (2) the Non-Consolidated Financial Statement (J-GAAP) audited by statutory auditor of the Company for the financial year ended 31 March 2014 thereon. **(Resolution 2)**
- To re-elect the following Directors of the Company retiring pursuant to Article 25 of the Articles of Incorporation of the Company:

Mr. Manabu Kobayashi

**(Resolution 3)**

Mr. Minoru Funakoshi

**(Resolution 4)**

Mr. Norio Ogiwara

**(Resolution 5)**

Mr. Susumu Hanada

**(Resolution 6)**

Mr. Yukihiko Shida

**(Resolution 7)**

Mr. Tan Poh Chye Allan

**(Resolution 8)**

[See Explanatory Note (iii)]

- Subject to and conditional upon passing of Special Resolution 1, to appoint Messrs Ernst & Young ShinNihon LLC as the Accounting Auditors of the Company and to hold office until the conclusion of the next Annual General Meeting. **(Resolution 9)**

###### AS SPECIAL BUSINESS

- Authority to allot and issue shares in the capital of the Company**

That pursuant to Rule 806(2) of the Listing Manual (Section B: Rules of Catalyst) of the Singapore Exchange Securities Trading Limited ("Rules of Catalyst") ("SGX-ST"), the Directors of the Company be authorised and empowered to:

- (i) issue shares in the Company ("Shares"); and/or
- (ii) issue stock acquisition rights or bonds with stock acquisition rights or making or granting offers of or agreements or options stipulating other rights to be issued shares of the Company ("Share Issuance Agreement"), and
- issue Shares under the Share Issuance Agreement, made or granted based on authority given to the Board of Directors through an ordinary resolution at a general shareholders' meeting (after the authority provided to the Board of Directors based on the ordinary resolution is expired),

until the earlier of the date 1 year from the date when this resolution is approved, or the date of next annual general meeting (or 30 June 2015, if next annual general meeting is not held by 30 June 2015), provided that:

- the aggregate number of shares to be issued pursuant to such ordinary resolutions (including shares to be issued pursuant to Share Issuance Agreement, made or granted based on the ordinary resolution of general shareholders' meeting) shall be subject to the limitations prescribed by the SGX-ST;
- in exercising the authority pursuant to such ordinary resolution of general shareholders' meeting, the Company shall comply with the Listing Rules (including but not limited to a listing manual prescribed by the SGX-ST being valid at the relevant time); and
- the effective period pursuant to the ordinary resolution of general shareholders' meeting shall not exceed the earlier of either the first anniversary of such ordinary resolution or the date of the next annual general shareholders' meeting after the general shareholders' meeting where such resolution was made (the date on which such shareholders' meeting is required by law to be held, where the next annual general shareholders' meeting does not take place by such date).

[See Explanatory Note (iv)]

**(Resolution 10)**

- The proposed Share Purchase Mandate**

That:

- The exercise by the Directors of the Company of all the powers of the Company to purchase or otherwise acquire issued Shares of the Company not exceeding in the aggregate 11,002,400 Shares, or in case the Company effected a consolidation of its share capital, 10% of the number of issued Shares (excluding treasury shares or cancelled Shares) of the Company, at such price or prices as may be determined by the Directors from time to time up to the maximum consideration of JPY 300 million be and is hereby authorised and approved during the period from the Approval Date to the day before first anniversary of the Approval Date (and under the Japan Companies Act, the amount of consideration for Shares purchased or acquired by the Company pursuant to the proposed Share Purchase Mandate shall not exceed the Distribution Surplus, so the number of issued Shares purchased or acquired shall not exceed the lowest of (i) the aggregate 10% of the number of issued Shares (excluding treasury shares or cancelled Shares) of the Company; (ii) the number of Shares affordable under the Distribution Surplus; or (iii) the number of Shares affordable under maximum consideration of JPY 300 million (the "Maximum Consideration Amount") (the "Maximum Limit").
- In Singapore, such exercise shall be made whether by way of:

- a market purchase transacted on the SGX-ST's trading system and/or through one or more duly licensed dealers appointed by the Company for that purpose ("Market Purchase"); and/or
- an off-market purchase under an equal access scheme for the purchase or acquisition of Shares from Shareholders as defined in Section 76C of the Act as may be determined or formulated by the Directors or they consider fit and in the best interests of the Company, which scheme shall satisfy all the conditions prescribed by the Act, the Japan Companies Act and the Rules of Catalyst ("Off-Market Purchase").

and otherwise in accordance with all other laws and regulations, including but not limited to, the Articles of Incorporation of the Company and the Rules of Catalyst as may for the time being be applicable, be and is hereby authorised and approved generally and unconditionally (the "Share Purchase Mandate");

- For the purpose of this Resolution:

"Distribution Surplus" means The Company's distribution surplus calculated pursuant to the Japan Companies Act and the relevant Ordinance of the Ministry of Justice of Japan based on the surplus (joyo kin) recorded in our Company's non-consolidated financial statement prepared in accordance with JGAAP with certain adjustments; and

"Approval Date" means the date of the general meeting on which this resolution authorising the proposed Share Purchase Mandate is passed.

- The Directors of the Company and/or any of them be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) as they and/or he may consider expedient or necessary or in the interests of the Company to give effect to the transactions contemplated and/or authorised by this Resolution.

[See Explanatory Note (v)]

**(Resolution 11)**

By Order of the Board

Manabu Kobayashi  
Executive Chairman, President,  
Chief Executive Officer and Representative Director  
Singapore, 5 June 2014

#### Explanatory Notes:

- In accordance with the Japan Companies Act, the Company is required to prepare the Business Report and report to the shareholders at the Company's Annual General Meeting. No shareholders' approval is required for the Company's Business Report.
- Resolution 1 above, if passed, will allow the Company to appoint an accounting auditor as an organisation of the Company. As at the Company's financial year ended 31 March 2014, the Company will categorised as a "Large company" under Article 2 Paragraph 6 of the Japan Companies Act as its issued and paid up share capital was JPY666,684,320. As such, the Company is required to appoint an accounting auditor pursuant to Article 328 of the Japan Companies Act. Pursuant to Article 328 of the Japan Companies Act, a public company whose capital at the end of the latest financial year is not less than JPY500 million or whose liability at the end of the latest financial year is not less than JPY20 billion, shall have an accounting auditor.
- Mr. Manabu Kobayashi will, upon re-election as a Director of the Company, remain as the Executive Chairman, President, Chief Executive Officer and Representative Director.  
Mr. Minoru Funakoshi will, upon re-election as a Director of the Company, remain as a Non-Executive Director and a member of the Nominating Committee and Remuneration Committee.  
Mr. Norio Ogiwara will, upon re-election as a Director of the Company, remain as a Non-Executive Director and a member of the Audit Committee and will be considered non-independent for the purposes of Rule 704(7) of the Rules of Catalyst.  
Mr. Susumu Hanada will, upon re-election as a Director of the Company, remain as the Lead Independent Director, Chairman of the Audit Committee and a member of the Remuneration Committee and Nominating Committee and will be considered independent for the purposes of Rule 704(7) of the Rules of Catalyst.  
Mr. Yukihiko Shida will, upon re-election as a Director of the Company, remain as an Independent Director, the Chairman of the Nominating Committee and Remuneration Committee and a member of the Audit Committee and will be considered independent for the purposes of Rule 704(7) of the Rules of Catalyst.  
Mr. Tan Poh Chye Allan will, upon re-election as a Director of the Company, remain as an Independent Director and a member of the Audit Committee, Nominating Committee and Remuneration Committee and will be considered independent for the purposes of Rule 704(7) of the Rules of Catalyst.
- Ordinary Resolution 10 above, if passed, will empower the Directors of the Company from the date of this AGM until the first anniversary of the Resolution, or the date of the next AGM of the Company (or the date by which the next AGM of the Company is required by law to be held (it is considered to be 30 June 2015 as to the Company) if next annual general meeting is not held by such date) or such authority is varied or revoked by the Company in a general meeting, whichever is the earlier, to 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 one hundred per cent (100%) of the total number of issued shares (excluding treasury shares) in the capital of the Company, of which up to fifty per cent (50%) may be issued other than on a pro rata basis to existing shareholders of the Company.  
For determining the aggregate number of shares that may be issued, the percentage of issued shares in the capital of the Company will be calculated based on the total number of issued shares (excluding treasury shares) in the capital of the Company at the time this Resolution is passed after adjusting for new shares arising from the conversion or exercise of any convertible securities, the exercise of share options or the vesting of share awards outstanding or subsisting at the time when this Resolution is passed (provided that the share options and/or share awards were granted in compliance with Part VIII of Chapter 8 of the Rules of Catalyst) and any subsequent bonus issue, consolidation or subdivision of shares.
- Resolution 11 above, if passed, will empower the Directors of the Company from the Approval Date until the date before the first anniversary of the Approval Date, to repurchase ordinary shares of the Company by way of market purchases or off-market purchases of up to the Maximum Limit. The details of the proposed Share Purchase Mandate, including the rationale for the share purchase, the authority and limitation on, the sources of funds to be used for the purchase or acquisition including the amount of financing and the financial effects of the purchase or acquisition of ordinary shares by the Company pursuant to the Share Purchase Mandate on the audited consolidated financial accounts of the Group for the financial year ended 31 March 2014 are set out in greater detail in the circular dated 5 June 2014.

#### Notes:

- A Shareholder holding multiple Shares entitled to attend and vote at the AGM is entitled to appoint multiple proxies to attend and vote in his/her stead and such proxy need not be a Shareholder of the Company.
- Where a Shareholder appoints multiple proxies, he shall specify the proportion of his shareholding to be represented by each proxy in the Depository Proxy Form.
- If the Shareholder is a corporation, the Depository Proxy Form must be executed under seal or the hand of its duly authorised officer or attorney.
- The Depository Proxy Form must be deposited at the registered office of the Company at 4-15, Konan 2-chome Minato-ku Tokyo, Japan or the Company's Singapore Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd. at 50 Raffles Place #32-01 Singapore Land Tower Singapore 048623, not less than forty-eight (48) hours before the time appointed for holding the AGM.
- Pursuant to Article 188 of the Japan Companies Act, and Article 10 of the Company's Articles of Incorporation, 1,000 shares in the capital of the Company constitutes one share unit. 1,000 shares or one share unit entitles a Shareholder to one vote. Shareholders who hold less than 1,000 shares have no right to attend the AGM or to exercise their right to vote in respect of such shares.
- The Shareholders who hold more than 1,000 shares but in odd lots that are not in multiples of 1,000 have the right to vote according to their number of shares units but have no right to vote in respect of the odd lot shares.

This notice has been prepared by the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. (the "Sponsor") for compliance with the relevant rules of the 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 Mr. Mark Liew, Managing Director, Corporate Finance, at 20 Cecil Street, #21-02 Equity Plaza, Singapore 049705, telephone +65 6229 8088.