

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in any doubt as to the course of action to be taken, you should consult your stockbroker, bank manager, solicitor, accountant or other professional advisers immediately.

This Circular has been reviewed by Alliance Investment Bank Berhad as the Adviser of TechnoDex Bhd for the Proposed Share Capital Reduction (as defined herein).

Bursa Malaysia Securities Berhad ("**Bursa Securities**") takes no responsibility for the contents of this Circular, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Circular.

TechnoDex

TECHNODEX BHD
(Company No: 627634-A)
(Incorporated in Malaysia)

CIRCULAR TO SHAREHOLDERS IN RELATION TO THE PROPOSED REDUCTION OF THE ISSUED SHARE CAPITAL OF TECHNODEX BHD PURSUANT TO SECTION 115(a) READ TOGETHER WITH SECTION 116 OF THE COMPANIES ACT 2016 ("PROPOSED SHARE CAPITAL REDUCTION")

AND

NOTICE OF EXTRAORDINARY GENERAL MEETING

Adviser



ALLIANCE INVESTMENT BANK

Alliance Investment Bank Berhad (21605-D)
(A Participating Organisation of Bursa Malaysia Securities Berhad)

The Extraordinary General Meeting ("**EGM**") of TechnoDex Bhd has been scheduled to be held at Connexion Conference & Event Centre, The Vertical, Level M1 – Pinnacle 10, No. 8, Jalan Kerinchi, Bangsar South City, 59200 Kuala Lumpur on Monday, 7 January 2019 at 11:00 a.m. or at any adjournment thereof. The Notice of EGM together with the Proxy Form are enclosed herein.

If you are unable to attend, speak and vote at the EGM, you may appoint a proxy to attend, speak and vote on your behalf. If you wish to do so, you must deposit the Proxy Form at the Share Registrar of TechnoDex Bhd at Level 6, Symphony House, Pusat Dagangan Dana 1, Jalan PJU 1A/46, 47301 Petaling Jaya, Selangor Darul Ehsan not less than 48 hours before the time appointed for the EGM or any adjournment thereof. The lodgment of the Proxy Form will not preclude you from attending, speaking and voting in person at the EGM should you subsequently wish to do so.

Last date and time for lodging the Proxy Form	: Saturday, 5 January 2019, at 11:00 a.m.
Date and time of the EGM	: Monday, 7 January 2019, at 11:00 a.m. , or any adjournment thereof

This Circular is dated 14 December 2018

DEFINITIONS

Except where the context otherwise requires, the following definitions shall apply throughout this Circular:

Act	:	Companies Act 2016
AIBB or Adviser	:	Alliance Investment Bank Berhad (21605-D)
Board	:	Board of Directors of TDEX
Bursa Securities	:	Bursa Malaysia Securities Berhad (635998-W)
Circular	:	This circular to shareholders dated 14 December 2018 in relation to the Proposed Share Capital Reduction
Constitution	:	Constitution of TDEX
EGM	:	Extraordinary General Meeting
EPS	:	Earnings per TDEX Share
FPE	:	Financial period ended/ending, as the case may be
FYE	:	Financial year ended/ending, as the case may be
High Court	:	High Court of Malaya
Listing Requirements	:	ACE Market Listing Requirements of Bursa Securities
LPD	:	16 November 2018, being the latest practicable date prior to the issuance of this Circular
NA	:	Net assets
Proposed Share Capital Reduction	:	Proposed reduction of the issued share capital of TDEX pursuant to Section 115(a) read together with Section 116 of the Act
Record of Depositors	:	A record of depositors provided by Bursa Depository Sdn Bhd to TDEX
RM and sen	:	Ringgit Malaysia and sen, respectively
TDEX or Company	:	TechnoDex Bhd (627634-A)
TDEX Group or Group	:	TDEX and its subsidiaries
TDEX Shares or Shares	:	Ordinary shares of TDEX
VWAMP	:	Volume weighted average market price

All references to “TDEX” or “our Company” in this Circular are to TechnoDex Bhd, reference to “TDEX Group” or “Group” are to our Company and its subsidiaries and references to “we”, “us”, “our” and “ourselves” are to the Group, our Company, and where the context otherwise requires, the subsidiaries.

All references to “you” in this Circular are to the shareholders of our Company.

Words denoting the singular shall, where applicable, include the plural and vice versa and words denoting the masculine gender shall, where applicable, include the feminine and/or neuter genders and vice versa. References to persons shall include corporations, unless otherwise specified.

DEFINITIONS (Cont'd)

Any reference to a time of day in this Circular is reference to Malaysian time, unless otherwise stated.

Any reference in this Circular to any legislation and requirement issued by any regulatory authority is a reference to that legislation and requirement as for the time being amended or re-enacted.

Certain figures in this Circular have been subject to rounding adjustments.

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TechnoDex

TECHNODEX BHD
(Company No. 627634-A)
(Incorporated in Malaysia)

Registered Office:
Third Floor, No. 79 (Room A)
Jalan SS21/60, Damansara Utama
47400 Petaling Jaya
Selangor Darul Ehsan

14 December 2018

BOARD OF DIRECTORS:

Steven Wong Chin Fung (*Independent Non-Executive Chairman*)
Tan Sze Chong (*Group Managing Director*)
Tan Boon Wooi (*Executive Director*)
Saifulrizam Bin Zainal (*Independent Non-Executive Director*)
Datuk Abd Hamid Bin Abu Bakar (*Non-Independent Non-Executive Director*)
Chang Choon Ming (*Non-Independent Non-Executive Director*)

To : The Shareholders of TDEX

Dear Sir/Madam,

PROPOSED SHARE CAPITAL REDUCTION

1. INTRODUCTION

On 21 November 2018, on behalf of our Board, AIBB announced that our Company proposed to undertake the Proposed Share Capital Reduction.

THE PURPOSE OF THIS CIRCULAR IS TO PROVIDE YOU WITH RELEVANT INFORMATION ON THE PROPOSED SHARE CAPITAL REDUCTION, TO SET OUT OUR BOARD'S RECOMMENDATION ON THE PROPOSED SHARE CAPITAL REDUCTION AND TO SEEK YOUR APPROVAL BY WAY OF POLL FOR THE RESOLUTION PERTAINING TO THE PROPOSED SHARE CAPITAL REDUCTION TO BE TABLED AT THE FORTHCOMING EGM.

YOU ARE ADVISED TO READ AND CONSIDER CAREFULLY THE CONTENTS OF THIS CIRCULAR TOGETHER WITH THE APPENDICES BEFORE VOTING BY WAY OF POLL ON THE RESOLUTION PERTAINING TO THE PROPOSED SHARE CAPITAL REDUCTION AT THE FORTHCOMING EGM.

2. DETAILS OF THE PROPOSED SHARE CAPITAL REDUCTION

With the Act came into operation on 31 January 2017, any amount standing to the credit of TDEX's share premium account shall become part of TDEX's share capital, pursuant to Section 618 of the Act. By reason thereof, as at the LPD, the amount standing to the credit of the issued share capital of TDEX is RM70,862,819.43 (including share premium of RM1,303,918.80), comprising 590,421,123 TDEX Shares.

The Proposed Share Capital Reduction is proposed to be undertaken by TDEX to write down its accumulated losses (at our Company level) (“**Accumulated Losses**”). Any balance not utilised towards the write down will thereafter be credited to the capital reserve account which can be utilised to set-off future losses of our Company.

The Proposed Share Capital Reduction will be effected in the following manner:-

- (i) By reducing the issued share capital of our Company from RM70,862,819.43 (including share premium of RM1,303,918.80) to RM40,862,819.43, which will be a reduction of RM30,000,000.00; and
- (ii) thereafter by applying an amount equal to RM30,000,000.00 being the credit arising from the cancellation of the issued share capital of our Company, towards the writing down of the Accumulated Losses.

However, the Accumulated Losses of our Company is not a constant figure and may change from month to month. Accordingly, the Accumulated Losses may exceed or may be less than the credit of RM30,000,000.00 arising upon the Proposed Share Capital Reduction being effected.

If the credit arising from the reduction is less than the Accumulated Losses, there will be a balance of Accumulated Losses which cannot be eliminated. Whereas if there is any excess credit after offsetting the Accumulated Losses of TDEX, the excess credit shall be credited to a capital reserve account of our Company which shall be applied towards setting off future losses of our Company. Save for the mentioned purposes, the capital reserve account shall not be distributable without leave of the High Court.

For illustrative purpose, the Proposed Share Capital Reduction will have the following effects on accumulated losses:-

	(Audited)		(Unaudited)	
	As at 30 April 2018		As at 31 July 2018	
	Group level	Company level	Group level	Company level
Accumulated losses	(24,670,753)	(26,976,680)	(25,450,000)	(27,385,879)
Add: Credit arising from the Proposed Share Capital Reduction	30,000,000	30,000,000	30,000,000	30,000,000
Less: Estimated expenses for the Proposed Share Capital Reduction	(100,000)	(100,000)	(100,000)	(100,000)
Resultant capital reserve	5,229,247	2,923,320	4,450,000	2,514,121

The Proposed Share Capital Reduction will not result in any adjustment to the share price of TDEX and the existing number of TDEX Shares in issue.

An order by the High Court will be sought to confirm the Proposed Share Capital Reduction pursuant to Section 116 of the Act after receipt of approvals from the shareholders of the Company at an EGM to be convened.

The effective date for the Proposed Share Capital Reduction will be the date of lodgment of the sealed court order of the High Court for the Proposed Share Capital Reduction with the Companies Commission of Malaysia.

3. RATIONALE FOR THE PROPOSED SHARE CAPITAL REDUCTION

Our Board is of the view that the Proposed Share Capital Reduction will:-

- (i) rationalise the statement of financial positions of TDEX by eliminating the accumulated losses of our Company via cancellation of the existing issued share capital of our Company to reflect more accurately the value of its underlying assets and the financial position of our Company; and
- (ii) eliminate the deficit in retained earnings thereby allowing our Company to be in a better position to retain profits and enhance their ability to pay dividends out of its retained earnings in the future.

4. EFFECTS OF THE PROPOSED SHARE CAPITAL REDUCTION

4.1 Issued share capital

The pro forma effects of the Proposed Share Capital Reduction on the issued share capital of TDEX as at the LPD are as follows:-

	<u>No. of Shares</u>	<u>RM</u>
Issued share capital as at the LPD	590,421,123	70,862,820*
Reduction of issued share capital pursuant to the Proposed Share Capital Reduction	-	(30,000,000)
Resultant issued share capital after the Proposed Share Capital Reduction	<u>590,421,123</u>	<u>40,862,820</u>

Note:-

* Inclusive of share premium amounting to approximately RM1,303,919. Pursuant to the Act which came into effect on 31 January 2017, which abolished the concept of authorised share capital and par value, the amounts standing to the credit of the share premium account of approximately RM1,303,919 became part of the Company's share capital pursuant to the transition provisions set out in Section 618(2) of the Act.

4.2 NA, NA per share and gearing

Based on the latest audited consolidated financial statements of TDEX for the FYE 30 April 2018, the pro forma effects of the Proposed Share Capital Reduction on TDEX's consolidated NA, NA per Share and gearing (assuming the Proposed Share Capital Reduction is effective on 30 April 2018) are as follows:-

	Audited as at 30 April 2018	(I) Subsequent adjustment up to the LPD	(II) After the Proposed Share Capital Reduction
	RM	RM	RM
Share capital*	65,702,078	70,862,820 ^(a)	40,862,820
(Accumulated losses)/ Retained earnings	(24,670,753)	(24,670,753)	- ^(b)
Capital reserve	-	-	5,229,247
Total equity attributable to owners of our Company	<u>41,031,325</u>	<u>46,192,067</u>	<u>46,092,067</u>

	Audited as at 30 April 2018	(I) Subsequent adjustment up to the LPD	(II) After the Proposed Share Capital Reduction
	RM	RM	RM
Non-controlling interest	13,473	13,473	13,473
NA	41,044,798	46,205,540	46,105,540
No. of Shares	543,505,290	590,421,123	590,421,123
NA per Share (RM)	0.08	0.08	0.08
Total borrowings (RM)	3,657,462	3,657,462	3,657,462
Gearing (times)	0.09	0.08	0.08

Notes:-

- * *Inclusive of share premium amounting to approximately RM1,303,919. Pursuant to the Act which came into effect on 31 January 2017, which abolished the concept of authorised share capital and par value, the amounts standing to the credit of the share premium account of approximately RM1,303,919 became part of the Company's share capital pursuant to the transition provisions set out in Section 618(2) of the Act.*
- (a) *After adjusting for the issuance of 46,915,833 new TDEX Shares arising from the exercise of warrants at the exercise price of RM0.11 per warrant. For information, the warrants 2013/2018 have expired on 21 September 2018.*
- (b) *After deducting estimated expenses of RM100,000 for the Proposed Share Capital Reduction.*

4.3 Substantial shareholders' shareholdings

The Proposed Share Capital Reduction will not have any effect on the substantial shareholders' shareholdings of TDEX as it will not result in any adjustment to the number of Shares in our Company.

4.4 Earnings and EPS

The Proposed Share Capital Reduction will not have any effect on the earnings and EPS of our Group.

4.5 Convertible securities

Our Company does not have any convertible securities as at the LPD.

5. HISTORICAL SHARE PRICES

The monthly highest and lowest market prices of TDEX Shares transacted on Bursa Securities for the past 12 months from November 2017 to October 2018 are as follows:-

Year	Month	High (RM)	Low (RM)
2017	November	0.145	0.130
	December	0.145	0.130
2018	January	0.145	0.130
	February	0.135	0.125
	March	0.140	0.130
	April	0.130	0.115

Year	Month	High (RM)	Low (RM)
	May	0.125	0.120
	June	0.125	0.120
	July	0.125	0.115
	August	0.120	0.110
	September	0.120	0.110
	October	0.120	0.110

Last transacted market price of TDEX Shares on 19 November 2018, being the last transacted price immediately before the announcement of the Proposed Share Capital Reduction RM0.110

Last transacted market price of TDEX Shares as at the LPD RM0.110

(Source: Bloomberg)

6. APPROVALS REQUIRED

The Proposed Share Capital Reduction is conditional upon the approvals being obtained from the following:-

- (a) The shareholders of TDEX at an EGM to be convened;
- (b) The confirmation of the High Court for the Proposed Share Capital Reduction pursuant to Section 116 of the Act; and
- (c) Any other relevant authorities and/or approvals, if required.

The Proposed Share Capital Reduction is not conditional upon or inter-conditional with any other proposals undertaken or to be undertaken by the Company.

7. INTERESTS OF DIRECTORS, MAJOR SHAREHOLDERS AND/OR PERSON CONNECTED TO THEM

None of the directors and/or major shareholders of TDEX and/or person connected to them have any interest, either direct or indirect, in the Proposed Share Capital Reduction.

8. DIRECTORS' STATEMENT AND RECOMMENDATION

Our Board, having considered all aspects of the Proposed Share Capital Reduction, including but not limited to the rationale and effects, is of the opinion that the Proposed Share Capital Reduction is in the best interest of our Company.

Accordingly, our Board recommends that you vote in favour of the resolution pertaining to the Proposed Share Capital Reduction at our Company's forthcoming EGM.

9. CORPORATE EXERCISES ANNOUNCED BUT PENDING COMPLETION

Save for the Proposed Share Capital Reduction, TDEX does not have any other corporate exercises which are announced and pending completion.

10. ESTIMATED TIME FRAME FOR COMPLETION

Barring any unforeseen circumstances and subject to receipt of all relevant approvals being obtained from the relevant authorities and/or parties, the Proposed Share Capital Reduction is expected to be completed by the 1st quarter of 2019. The tentative timeline for the implementation of the Proposed Share Capital Reduction is as follows:-

Date	Event
7 January 2019	<ul style="list-style-type: none">EGM for the Proposed Share Capital Reduction
Early January 2019	<ul style="list-style-type: none">Application to the High Court for the Proposed Share Capital Reduction
Early March 2019	<ul style="list-style-type: none">Confirmation of the High Court for the Proposed Share Capital Reduction
Mid March 2019	<ul style="list-style-type: none">Lodgment of the sealed court order of the High Court with the Companies Commission of MalaysiaCompletion of Proposed Share Capital Reduction

11. EGM

The EGM, the notice of which is enclosed in this Circular, will be held at Connexion Conference & Event Centre, The Vertical, Level M1 – Pinnacle 10, No. 8, Jalan Kerinchi, Bangsar South City, 59200 Kuala Lumpur on Monday at 7 January 2019 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 resolution by way of poll to give effect to the Proposed Share Capital Reduction.

If you are unable to attend, speak and vote in person at the forthcoming EGM, you are requested to complete, sign and return the Proxy Form for the EGM in accordance with the instructions contained herein as soon as possible and in any event, so as to arrive at the Share Registrar of our Company at Level 6, Symphony House, Pusat Dagangan Dana 1, Jalan PJU 1A/46, 47301 Petaling Jaya, Selangor Darul Ehsan, not later than 48 hours before the time set for the EGM or at any adjournment thereof.

12. FURTHER INFORMATION

Shareholders are advised to refer to the appendices set out in this Circular for further information.

Yours faithfully,
For and on behalf of the Board of Directors
TECHNODEX BHD

TAN SZE CHONG
Group Managing Director

APPENDIX I - HISTORICAL FINANCIAL INFORMATION

The summary of the financial information of our Group for the past 3 FYE 30 April 2016 to 2018 and 3-month FPE 31 July 2017 and 2018 is as follows:-

	<-----Audited----->			Audited	Unaudited
	<-----FYE 30 April----->			<-----FPE 31 July----->	
	2016	2017	2018	2017	2018
	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue	23,973	53,494	56,411	14,552	12,384
Taxation	(251)	(306)	(401)	(104)	-
Profit/(Loss) after taxation attributable to:-					
Equity holder of the Company	290	430	(1,834)	78	(780)
Non-controlling interest	1783	1,893	99	334	(107)
	2,073	2,323	(1,735)	412	(887)
				<-----Unaudited----->	
				<-----FPE 31 July----->	
Total equity attributable to owners of the Company	25,817	29,451	41,031	29,550	40,252
Non-controlling interest	4,484	6,357	13	6,691	(94)
Total equity	30,301	35,808	41,044	36,241	40,158
No. of Shares in issue ('000 Shares)	375,394	412,933	543,505	412,933	543,505
NA per Share (RM)	0.08	0.09	0.08	0.09	0.07
Basic EPS/(Loss) per Share attributable to equity holders of the Company (sen)	0.08	0.10	(0.34)	0.02	(0.14)

Comparison between FYE 30 April 2016 and FYE 30 April 2017

Our Group's revenue for the FYE 30 April 2017 increased by RM29.52 million or 123.14% to RM53.49 million mainly due to increase in revenue contribution from information communication technology ("ICT") professional services, information technology ("IT") hardware solution development and support and maintenance and ICT recruitment and outsourcing services segments.

The increase in revenue from ICT professional services and ICT recruitment and outsourcing services segments were mainly due to the increased in customers' demand and the addition of new strategic clientele for the FYE 30 April 2017. The increase in IT hardware solution development and support and maintenance segments were mainly contributed by the increased IT hardware sales consolidated from SurfsTek Resources (R&D) Sdn Bhd.

The profit after taxation has increased by RM0.25 million or 12.08% from RM2.07 million to RM2.32 million. This is in tandem to higher Group's revenue contributed from the above mentioned revenue segments.

Comparison between FYE 30 April 2017 and FYE 30 April 2018

Our Group's revenue for the FYE 30 April 2018 increased by RM2.92 million or 5.46% to RM56.41 million. The increase in revenue was mainly due to the increase in revenue contribution from the IT hardware solution development and support and maintenance segments by RM6.80 million. The increase in revenue from these segments was mainly due to an increase in penetration of market share subsequent to adoption of price and quality competitive strategy.

APPENDIX I - HISTORICAL FINANCIAL INFORMATION (Cont'd)

However, the increase was offset by a decrease in revenue contribution from other segments such as ICT professional services, ICT recruitment and outsourcing services and SOOD (SurfsTeK Online Distribution Database) online hotel reservation platform and SurfsTeK rSupport intelligent solution by RM1.70 million, RM1.70 million and RM0.50 million respectively. The decrease in revenue from these segments was mainly due to decreased customers' demand and lesser new strategic clientele during the FYE 30 April 2018.

Notwithstanding the increase in revenue, our Group recorded a loss after taxation of RM1.74 million. This was mainly due to the IT hardware solution development and support and maintenance segment (which was a key contributor to the increased revenue in FYE 30 April 2018) is a lower margin segment as compared to other segments. In addition, our Group incurred higher operating costs in the FYE 30 April 2018 mainly due to the increase of staff costs in business development for the ICT recruitment and outsourcing services, IT hardware solution development and support and maintenance segments and commercialisation of property data sales and consulting services segment. The amortisation of intangible assets of our Group had also increased subsequent to our Group changes of the estimated useful life of online booking platform ("SODD") from indefinite useful life to 3 years based on management's best estimate on the current technological environment and product life cycle and is in accordance with accounting standard MFRS108 Accounting Policies, Changes in Accounting Estimates and Errors. The increase in finance costs was due to the increased of term loan and finance lease interest payments. In addition, during the FYE 30 April 2018, our Group also incurred a higher one-off impairment loss on goodwill on consolidation and corporate exercise expenses.

Comparison between 3-month FPE 31 July 2017 and 3-month FPE 31 July 2018

Our Group's revenue decreased by RM2.17 million or 14.91% to RM12.38 million for the 3-month FPE 31 July 2018 was mainly due to the decreased in revenue from ICT professional services, IT hardware solution development and support and maintenance and ICT recruitment and outsourcing services segments.

Our Group's loss after taxation for the 3-month FPE 31 July 2018 was RM0.89 million, as compared to Group's profit after taxation of RM0.41 million recorded in the preceding year for the 3-month FPE 31 July 2017. This was mainly due to decrease in revenue from higher profit margin segments of ICT professional services and ICT recruitment and outsourcing services. The decrease in revenue from these segments was mainly due to decreased customers' demand. In addition, our Group also incurred higher amortisation of intangible assets by RM0.29 million during the 3-month FPE 31 July 2018.

APPENDIX II - FURTHER INFORMATION

1. RESPONSIBILITY STATEMENT

This Circular has been seen and approved by our Board and they collectively and individually accept full responsibility for the accuracy of the information given in this Circular and confirm that after having made all reasonable enquiries and to the best of their knowledge and belief, there are no false or misleading statements or other facts, the omission of which would make any statement in this Circular false or misleading.

2. CONSENT AND CONFLICT OF INTEREST

AIBB, being the Adviser for the Proposed Share Capital Reduction, has given and has not subsequently withdrawn its written consent to the inclusion in this Circular of its name and all references thereto in the form and context in which it appears in this Circular.

AIBB has given its confirmation that it is not aware of any conflict of interest which exists or is likely to exist in its capacity as the Adviser for the Proposed Share Capital Reduction.

3. MATERIAL LITIGATION, CLAIMS OR ARBITRATION

As at the LPD, the Group is not engaged in any material litigation, claims or arbitration either as plaintiff or defendant or otherwise, and our Board is not aware of any proceedings pending or threatened against TDEX, or its subsidiaries or of any facts likely to give rise to any proceedings which may materially or adversely affect the position or business of TDEX and/or any of its subsidiaries.

4. MATERIAL COMMITMENTS

As at the LPD, our Board is not aware of any material commitments contracted or known to be contracted by our Group, which may have a material impact on the financial position of our Group.

5. MATERIAL CONTINGENT LIABILITIES

As at the LPD, our Board is not aware of any material contingent liabilities incurred or known to be incurred by our Group, which upon becoming enforceable may have a material impact on the financial position of our Group.

6. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents will be available for inspection at the registered office of TDEX at Third Floor, No. 79 (Room A), Jalan SS21/60, Damansara Utama, 47400 Petaling Jaya, Selangor Darul Ehsan during normal business hours from Mondays to Fridays (except on public holidays) from the date of this Circular up to and including the date of the EGM:-

- (i) the Constitution of TDEX;
- (ii) the audited consolidated financial statements of TDEX for the FYE 30 April 2017 and 2018 and unaudited consolidated financial statements of TDEX for the financial period ended 31 July 2018; and
- (iii) the letter of consent as set out in Section 2 of this Appendix II of this Circular.

TechnoDex

TECHNODEX BHD

(Company No: 627634-A)

(Incorporated in Malaysia)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT an Extraordinary General Meeting (“**EGM**”) of TechnoDex Bhd will be held at Connexion Conference & Event Centre, The Vertical, Level M1 – Pinnacle 10, No. 8, Jalan Kerinchi, Bangsar South City, 59200 Kuala Lumpur on Monday, 7 January 2019 at 11:00 a.m. or at any adjournment thereof, for the purpose of considering and, if thought fit, passing with or without modifications, by way of poll, the following resolution:-

SPECIAL RESOLUTION

PROPOSED REDUCTION OF THE ISSUED SHARE CAPITAL OF TECHNODEX BHD (“TDEX” OR “COMPANY”) PURSUANT TO SECTION 115(a) READ TOGETHER WITH SECTION 116 OF THE COMPANIES ACT 2016 (“PROPOSED SHARE CAPITAL REDUCTION”)

“THAT, subject to the approvals of all relevant authorities/parties being obtained, where required, including but not limited to the confirmation of the High Court of Malaya (“**the Court**”) pursuant to Section 116 of the Companies Act 2016, approval be and is hereby given to the Company to reduce its issued share capital from RM70,862,819.43 (which is inclusive of the Company’s share premium account of RM1,303,918.80) to RM40,862,819.43 by RM30,000,000.00;

THAT an amount up to RM30,000,000.00, being the credit arising from the cancellation of the issued share capital of the Company, be utilised to reduce the accumulated losses of the Company (“**Accumulated Losses**”);

THAT, any credit remaining that may be in excess of what is required towards offsetting the Accumulated Losses (if any) be and is hereby applied towards crediting into a capital reserve account of the Company which shall be applied towards setting off future losses and save for the mentioned purpose, the amount standing to the credit of the capital reserve account shall not be distributable without leave of the Court;

AND THAT the Board of Directors of the Company (“**Board**”) be and is hereby authorised to take all such steps as it may deem fit, necessary, expedient and appropriate to:-

- (i) implement, finalise and/or to give effect to the Proposed Share Capital Reduction with full power to assent to any conditions, modifications, variations as may be imposed or permitted by the Court and/or the relevant regulatory authorities;
- (ii) lodge the order of the Court referred to in this Special Resolution with the Companies Commission of Malaysia on such date as the Directors may determine; and
- (iii) do all acts, deeds and things and to execute all documents for and on behalf of the Company incidental and/ or as may be required or as it may be considered necessary or expedient in the best interest of the Company in order to give full effect to the Proposed Share Capital Reduction with full power to assent to any terms, conditions, modifications, variations and/ or amendments as may be imposed or permitted by the Court and/or the relevant regulatory authorities.”

By Order of the Board

TECHNODEX BHD

TEA SOR HUA (MACS 01324)

Company Secretary

Petaling Jaya, Selangor Darul Ehsan

14 December 2018

Notes:

- (i) *A member of the Company who is entitled to attend, speak and vote at the EGM is entitled to appoint more than one (1) proxy to attend, speak and vote at the EGM in his stead. Where a member appoints more than (1) proxy, the member shall specify the proportion of his shareholdings to be represented by each proxy.*
- (ii) *A proxy may but need not be a member of the Company. A proxy appointed to attend, speak, and vote at the EGM shall have the same rights as the members to speak at the EGM.*
- (iii) *Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, it may appoint at least one (1) proxy in respect of each securities account it holds with TDEX Shares standing to the credit of the said securities account.*
- (iv) *Where a member of the Company is an exempt authorised nominee which holds TDEX 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.*
- (v) *The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, either under the seal or under the hand of an officer or attorney duly authorised.*
- (vi) *The instrument appointing a proxy must be deposited at the Share Registrar of the Company situated at Level 6, Symphony House, Pusat Dagangan Dana 1, Jalan PJU 1A/46, 47301 Petaling Jaya, Selangor Darul Ehsan, not less than 48 hours before the time for holding the EGM or adjourned meeting.*
- (vii) *For the purpose of determining a member who shall be entitled to attend the EGM, TDEX will be requesting Bursa Malaysia Depository Sdn. Bhd. in accordance with Clause 63(b) of TDEX's Constitution to issue a General Meeting Record of Depositors as at 31 December 2018. Only members whose name appears in the Record of Depositors as at 31 December 2018 shall be entitled to attend the EGM and to speak and vote thereat.*
- (viii) *The resolution set out in this Notice of EGM will be put to vote by poll.*

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PROXY FORM

TechnoDex

TECHNODEX BHD
(Company No: 627634-A)
(Incorporated in Malaysia)

I/We _____ NRIC/Company No. _____
(full name in capital letters)

of _____
(full address)

being (a) member(s) of TECHNODEX BHD hereby appoint(s) _____

_____ NRIC No. _____
(full name in capital letters)

of _____
(full address)

and/or* _____ NRIC No. _____
(full name in capital letters)

of _____
(full address)

or failing him/her*, the Chairman of the Meeting as my/our* proxy to vote for me/us* on my/our* behalf at the Extraordinary General Meeting (“EGM”) of the Company to be held at Connexion Conference & Event Centre, The Vertical, Level M1 – Pinnacle 10, No. 8, Jalan Kerinchi, Bangsar South City, 59200 Kuala Lumpur on Monday, 7 January 2019 at 11:00 a.m. or at any adjournment thereof.

Please indicate with an “X” in the appropriate spaces how you wish your votes to be cast. If no specific direction as to vote is given, the Proxy will vote or abstain from voting at his/her discretion.

Resolution	Particular	FOR	AGAINST
Special Resolution	Proposed Share Capital Reduction		

* delete whichever not applicable

CDS Account No.	
No. of Shares Held	

Dated this _____ day of _____ 2018/2019.

Percentage of shareholdings to be represented by the proxies:		
	No. of Shares	%
Proxy 1		
Proxy 2		
TOTAL		100

Signature/Common Seal of Member(s)

Notes:

- (i) A member of the Company who is entitled to attend, speak and vote at the EGM is entitled to appoint more than one (1) proxy to attend, speak and vote at the EGM in his stead. Where a member appoints more than (1) proxy, the member shall specify the proportion of his shareholdings to be represented by each proxy.
- (ii) A proxy may but need not be a member of the Company. A proxy appointed to attend, speak and vote at the EGM shall have the same rights as the members to speak at the EGM.
- (iii) Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, it may appoint at least one (1) proxy in respect of each securities account it holds with TDEX Shares standing to the credit of the said securities account.
- (iv) Where a member of the Company is an exempt authorised nominee which holds TDEX 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.
- (v) The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, either under the seal or under the hand of an officer or attorney duly authorised.
- (vi) The instrument appointing a proxy must be deposited at the Share Registrar of the Company situated at Level 6, Symphony House, Pusat Dagangan Dana 1, Jalan PJU 1A/46, 47301 Petaling Jaya, Selangor Darul Ehsan, not less than 48 hours before the time for holding the EGM or adjourned meeting.
- (vii) For the purpose of determining a member who shall be entitled to attend the EGM, TDEX will be requesting Bursa Malaysia Depository Sdn. Bhd. in accordance with Clause 63(b) of TDEX’s Constitution to issue a General Meeting Record of Depositors as at 31 December 2018. Only members whose name appears in the Record of Depositors as at 31 December 2018 shall be entitled to attend the EGM and to speak and vote thereat.
- (viii) The resolution set out in this Notice of EGM will be put to vote by poll.

Fold this flap for sealing

Then fold here

Affix
stamp

The Share Registrar of
TECHNODEX BHD (627634-A)

Symphony Share Registrars Sdn. Bhd.
Level 6, Symphony House,
Pusat Dagangan Dana 1,
Jalan PJU 1A/46
47301 Petaling Jaya,
Selangor Darul Ehsan

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