



NOTICE IS HEREBY GIVEN that the Twenty-Fourth (24th) Annual General Meeting ("AGM") of SAM Engineering & Equipment (M) Berhad ("SAMEE" or the "Company") will be held at First Floor, SAM Meerkat (M) Sdn. Bhd., Plot 103, Hilir Sungai Keluang Lima, Taman Perindustrian Bayan Lepas 4, 11900 Penang on Tuesday, 14 August 2018 at 10.00 a.m. for the following purposes:

AGENDA

AS ORDINARY BUSINESS:

- To receive the Audited Financial Statements for the financial year ended 31 March 2018 together with the Reports of the Directors and Auditors thereon.
- To re-elect the following Directors who are retiring pursuant to Article 91 of the Company's Constitution and being eligible, offer themselves for re-election:
 - Dato' Sri Lee Tuck Fook
 - Dato' Wong Siew Hai
 - Mr. Lee Hock Chye

(Please refer to Note 1)

Resolution 1
Resolution 2
Resolution 3
Resolution 4

- To re-appoint Messrs. KPMG PLT as Auditors of the Company, to hold office until the conclusion of the next AGM, at a remuneration to be determined by the Directors.

AS SPECIAL BUSINESS:

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

- Ordinary Resolution**
Proposed payment of Directors' fee for the period from 15 August 2018 until the next AGM

"THAT the Directors' fee as tabulated below payable to each Director, as applicable, for the period from 15 August 2018 until the next AGM of the Company pursuant to Section 230(1)(b) of the Companies Act, 2016 ("Act"), be and are hereby approved:

Fee for each Director	RM50,000 per annum
Fee for Chairman of the Audit Committee	RM10,000 per annum
Fee for Chairman of the following: - Nominating & Remuneration Committee - Risk & Sustainability Committee	RM7,500 per annum
Fee for each Member of Committee	RM5,000 per annum

Resolution 5

- Ordinary Resolution**
Proposed payment of the following benefits to Directors for the period from 15 August 2018 until next AGM of the Company

"THAT the payment of the following benefits payable to each Director, as applicable, for the period from 15 August 2018 until the next AGM of the Company pursuant to Section 230(1)(b) of the Act, be and are hereby approved:

Meeting Allowance for each Non-Executive Director	RM2,000 per meeting
Benefits-In-Kind (for all Directors)	RM30,000 per annum

Resolution 6

- Ordinary Resolution**
Authority to issue and allot shares

"THAT subject always to the Act, the Constitution of the Company and approvals of the relevant governmental/regulatory authorities, if applicable, the Directors be and are hereby empowered to issue and allot shares in the Company, pursuant to Section 75 and Section 76 of the Act, at any time to such persons and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion, deem fit, provided that the aggregate number of shares issued pursuant to this Resolution does not exceed ten per centum (10%) of the issued and paid-up share capital (excluding treasury shares) of the Company for the time being and the Directors be and are also empowered to obtain the approval for the listing of and quotation for the additional shares so issued on Bursa Malaysia Securities Berhad;

AND THAT such authority shall commence immediately upon the passing of this Resolution and continue to be in force until:

- the conclusion of the Company's next AGM, at which time it will lapse, unless the authority is renewed by a resolution passed at the general meeting;
- the expiration of the period within which the next AGM after that date is required to be held pursuant to Section 340(2) of the Act (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or
- revoked or varied by resolution passed by the Company's shareholders in a general meeting,

whichever is earlier."

Resolution 7

- Ordinary Resolution**
Proposed New and Renewal of Existing Shareholders' Mandate for Recurrent Related Party Transactions ("RRPT")

"THAT subject to the provisions of the Listing Requirements of Bursa Malaysia Securities Berhad ("Listing Requirements"), approval be and is hereby given to the Company and/or its subsidiaries ("SAMEE Group") to enter into recurrent related party transactions of a revenue or trading nature as specified in Section 2.5(a) and Section 2.5(b) of the Circular to Shareholders dated 16 July 2018 which transactions are necessary for the day-to-day operations in the ordinary course of business of SAMEE Group on terms not more favourable to the related parties than those generally available to the public or unrelated third parties and are not to the detriment of the minority shareholders of the Company and the shareholders mandate is subject to annual renewal and disclosure being made in the Annual Report of the aggregate value of transactions conducted pursuant to the shareholders' mandate during the financial year and that such approval shall continue to be in force until:

- the conclusion of the Company's next AGM, at which time it will lapse, unless the authority is renewed by a resolution passed at the general meeting;
- the expiration of the period within which the next AGM after that date is required to be held pursuant to Section 340(2) of the Act (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or
- revoked or varied by resolution passed by the Company's shareholders in a general meeting,

whichever is earlier.

AND THAT the Directors of the Company be and are hereby authorised to complete and do all such acts and things (including executing all such documents as may be required) as they may consider expedient or necessary to give effect to the RRPT."

Resolution 8

- Ordinary Resolution**
Mandate for the Directors who have served as Independent Non-Executive Directors of the Company for a cumulative term of more than nine (9) years, to continue to act as an Independent Non-Executive Director of the Company

"THAT approval be and is hereby given to the following Directors who have served as Independent Non-Executive Directors of the Company for a cumulative term of more than nine (9) years to continue to act as Independent Non-Executive Directors of the Company in compliance with the Malaysian Code on Corporate Governance 2017 ("MCCG"):

- Dato' Mohamed Salleh Bin Bajuri
- Dato' Wong Siew Hai
- Dato' Sri Lee Tuck Fook
- Mr. Lee Hock Chye

Resolution 9
Resolution 10
Resolution 11
Resolution 12

By Order of the Board,

CHIN LEE PHING (MAICSA 7057836)
THUM SOOK FUN (MIA 24701)
CHEW PECK KHENG (LS 0009559)
Company Secretaries

Date: 16 July 2018
Penang

Notes:

- The first agenda of this meeting is meant for discussion only, as the provision of Section 340 (1) (a) of the Act does not require a formal approval for the audited financial statements from the shareholders. Hence, this Agenda is not put forward to shareholders for voting.

2. Resolution 4 – Re-appointment of Auditors

Pursuant to Section 271(3)(b) of the Act, shareholders shall appoint auditors who shall hold office until the conclusion of the next AGM in year 2019. The current auditors, Messrs. KPMG PLT has expressed their willingness to continue in office. The Board of Directors and Audit Committee of the Company have considered the re-appointment of Messrs. KPMG PLT as auditors of the Company and collectively agreed that Messrs. KPMG PLT has met the relevant criteria prescribed by Paragraph 15.21 of Listing Requirements. The Board of Directors wishes to seek shareholders' approval for the re-appointment of Messrs. KPMG PLT as external auditors of the Company to hold the office until the conclusion of the next AGM.

3. Explanatory Notes to Special Business:

i) Resolution 5 and 6 – Proposed payment of Directors' Remuneration

Section 230(1) of the Act provides amongst others, that the "fee" of the Directors and "any benefits" payable to the Directors of a listed company shall be approved at the general meeting. Pursuant thereto, shareholders' approval is sought for the payment of fees and benefits payable to Directors, in two separate resolutions as follows:

Resolution 5 – On payment of Directors' fees in respect of the period from 15 August 2018 until the next AGM; and

Resolution 6 – On payment of Benefits to Directors for the period from 15 August 2018 until the next AGM.

The Board of Directors at its meeting held on 24 May 2018 approved the Nominating & Remuneration Committee's ("NRC") recommendation for the proposed Directors' fees for the period from 15 August 2018 until the next AGM. The comparison between the current Directors' fee as approved by the shareholders of the Company at the Twenty-Third AGM held on 17 August 2017 and the proposed fees are as follows:

	Current Fee	Proposed Fee
Fee for each Director	RM50,000 per annum	No change
Fee for Chairman of Audit Committee	RM5,000 per annum	RM10,000 per annum
Fee for Chairman of - Nominating & Remuneration Committee - Risk & Sustainability Committee	RM5,000 per annum	RM7,500 per annum
Fee for each Member of Committee (except for the Chairman of Committee whose fees disclosed above)	RM5,000 per annum	No change

The benefits payable to Directors pursuant to Section 230(1)(b) of the Act have been reviewed by the Board of Directors of the Company, which recognises that the benefits payable is in the best interest of the Company. As for the meeting allowance it will only be accorded based on the actual attendance of meetings by the Directors.

ii) Resolution 7 – Authority to issue and allot shares

The Ordinary Resolution proposed herein is primarily to seek for the renewal of the Previous Mandate (as defined herein) to give flexibility to the Board of Directors to issue and allot shares up to 10% of the total number of issued share (excluding treasury shares) of the Company for the time being, at any time in their absolute discretion for such purposes as the Board of Directors considers to be in the best interests of the Company (hereinafter referred to as the "General Mandate"). This General Mandate is sought to avoid any delays and costs involved with the convening of a general meeting. This General Mandate, unless revoked or varied by the Company in general meeting, will expire at the conclusion of the next AGM of the Company.

The Company had been granted a general mandate by its shareholders at the last AGM held on 17 August 2017, of which will lapse at the conclusion of the 24th AGM (hereinafter referred to as the "Previous Mandate").

As at the date of this Notice, the Previous Mandate granted by the shareholders had not been utilised and hence, no proceeds were raised therefrom.

The General Mandate upon renewal will provide flexibility to the Company for any possible fund-raising activities, including but not limited to placing of shares for the purpose of funding future investment project(s), working capital and/or acquisitions.

iii) Resolution 8 – Proposed New and Renewal of Shareholders' Mandate

The proposed Ordinary Resolution 8, if approved by shareholders, will authorise the Proposed New and Renewal of Existing Shareholders' Mandate for RRPT of a revenue or trading nature and allow the Company and its subsidiaries to enter into RRPT of a revenue or trading nature as set out in Section 2.5 of the Circular to Shareholders dated 16 July 2018, with the related parties in the ordinary course of business which are necessary for the day-to-day operations based on terms which are not more favourable to the related parties than those generally available to the public and are not to the detriment of the minority shareholders of the Company. This approval shall continue to be in force until the conclusion of the next AGM of the Company at which time it will lapse unless the authority is renewed by a resolution passed at the meeting; or the expiration of the period within which the next AGM after the date it is required to be held pursuant to Section 340(2) of the Act (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or revoked/varied by resolutions passed by the shareholders of the Company in general meeting; whichever is the earlier. Further information on the Proposed New and Renewal of Existing Shareholders' Mandate is set out in the Circular to Shareholders dated 16 July 2018.

iv) Resolution 9 to 12 – Mandate for the Directors who have served as Independent Non-Executive Directors of the Company for a cumulative term of more than nine (9) years, to continue to act as an Independent Non-Executive Director of the Company

Pursuant to MCCG, the Company is required to seek shareholders' approval if intends to retain an independent director who has served the Company for a cumulative term of nine (9) years. The proposed Ordinary Resolutions 9, 10, 11, and 12, if passed, will retain Dato' Mohamed Salleh Bin Bajuri, Dato' Wong Siew Hai, Dato' Sri Lee Tuck Fook and Mr. Lee Hock Chye ("Independent Non- Executive Directors") who will attain 9 years tenure at this AGM, to continue to act as Independent Non-Executive Directors of the Company.

Both the NRC and Board have at the annual assessment assessed the independence of Independent Non-Executive Directors, and recommended them to continue to serve as an Independent Non-Executive Director of the Company based on the following justifications:

- They fulfilled the criteria for independence as stated in the Listing Requirements.
- Their long tenure of service has allowed them to be thoroughly acquainted with the business operations of the Group which in turn has enabled them to participate actively and contribute positively to deliberation at Board Committees and Board meetings.
- Their wide-ranging professional, corporate and commercial experience provide the Board with diverse set of expertise, skills and competencies.
- They are objective and impartial in expressing their views and opinions during meetings, have always exercised due care and carried out their duties in the best interest of the Company and shareholders.
- They have devoted their time and effort for an informed and balanced deliberation at Board and Board Committees meetings and their attendance record at these meetings reflect their commitment to the Group.

4. Appointment of Proxy

- A Member may appoint up to two (2) proxies to attend on the same occasion. A proxy may but need not be a Member of the Company. If a Member appoints more than one (1) proxy, the appointments shall be invalid unless he/she specifies the proportions of his/her holdings to be represented by each proxy.
- Where a Member of the Company is an authorised nominee as defined under the Securities Industry (Central Depository) Act, 1991 ("SICDA"), it may appoint up to two (2) proxies in respect of each securities account it 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 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. An exempt authorised nominee refers to an authorised nominee defined under the SICDA which is exempted from the provisions of subsection 25A(1) of SICDA.
- The instrument appointing a proxy shall be in writing under the hand of the appointor or of his/her attorney duly authorised in writing or, if the appointor is a corporation, either under the corporation's seal or under the hand of an officer or attorney duly authorised.
- To be valid, the form of proxy must be deposited at the Company's Registered Office at Suite 18.05, MWE Plaza, No. 8, Lebuh Farquhar, 10200 Georgetown, Pulau Pinang, Malaysia at least forty-eight (48) hours before the time appointed for holding the meeting or any adjournments thereof.
- In respect of deposited securities, only members whose names appear on the Record of Depositors on 8 August 2018 (General Meeting Record of Depositors) shall be eligible to attend, speak and vote at the meeting or appoint proxy(ies) to attend, speak and vote on his/her behalf.

5. Poll Voting

Pursuant to Paragraph 8.29A(1) of the Listing Requirements, all resolutions set out in this notice will be put to vote by way of a poll.

Personal data privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the AGM and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "Purposes"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

STATEMENT ACCOMPANYING NOTICE OF AGM

(Pursuant to Paragraph 8.27(2) of the Listing Requirements)

As at date of this notice, there are no individuals who are standing for election as Directors (excluding the above Directors who are standing for re-election or re-appointment) at this forthcoming 24th AGM.