



NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT an Extraordinary General Meeting of MKH Berhad ("MKH" or the "Company") will be held at the Ballroom, First Floor, Prescott Metro Inn, Jalan Semenyih, 43000 Kajang, Selangor Darul Ehsan on Thursday, 8 November 2012 at 2.30 p.m. for the purpose of considering and if thought fit, passing with or without modification, the following resolutions:-

ORDINARY RESOLUTION 1

PROPOSED RENOUNCEABLE RIGHTS ISSUE OF 29,104,378 NEW ORDINARY SHARES OF RM1.00 EACH IN MKH ("MKH SHARE(S)") ("RIGHTS SHARE(S)") ON THE BASIS OF ONE (1) RIGHTS SHARE FOR EVERY TEN (10) EXISTING MKH SHARES HELD TOGETHER WITH 29,104,378 FREE DETACHABLE WARRANTS IN MKH ("WARRANT(S)") ON THE BASIS OF ONE (1) WARRANT FOR EVERY ONE (1) RIGHTS SHARE SUBSCRIBED FOR, HELD ON AN ENTITLEMENT DATE TO BE DETERMINED LATER ("PROPOSED RIGHTS ISSUE WITH WARRANTS")

"THAT, subject to the passing of Ordinary Resolution 2, the approval-in-principle granted by Bursa Malaysia Securities Berhad ("Bursa Securities"), the approval of Bank Negara Malaysia, and all other relevant authorities/ parties (if applicable), approval be and is hereby given to the Directors of the Company for the following:-

- to provisionally allot and issue by way of a renounceable rights issue of 29,104,378 Rights Shares at an issue price to be determined and announced later, but in any case, not lower than the par value of the existing ordinary shares of RM1.00 each in MKH on the basis of one (1) Rights Share for every ten (10) MKH Shares held together with 29,104,378 Warrants on the basis of one (1) Warrant for every one (1) Rights Share subscribed by way of provisional allotment to shareholders whose names appear in the Record of Depositors at the close of business on an entitlement date to be determined and announced later by the Board of Directors of MKH ("Board") ("Entitlement Date");
- wherein each of the Warrants will carry the right to subscribe, subject to any adjustment in accordance with a deed poll ("Deed Poll") to be executed, at any time during the "Exercise Period" as defined in the Deed Poll, for one (1) new MKH Share at an exercise price to be determined later by the Board, but in any case the exercise price will not be lower than the par value of the existing ordinary shares of RM1.00 per share;
- to allot and issue such number of new MKH Shares pursuant to the exercise of the Warrants, from time to time during the tenure of the Warrants, and such new MKH Shares shall, upon allotment and issuance, rank *pari passu* in all respects with the existing MKH Shares provided that such new MKH Shares then issued, shall not be entitled to any dividend, right, allotment and/ or other distribution declared, made or paid, the entitlement date of which is prior to the date of allotment and issuance of the said new MKH Shares;
- to allot and issue such further Warrants and new MKH Shares arising from the subscription of further Warrants as a consequence of any adjustment in accordance with the provisions of the Deed Poll and/ or as may be required by the relevant authorities;
- to do all such acts and things including but not limited to the application to Bursa Securities for the listing of and quotation for the new MKH Shares which may from time to time be allotted and issued upon exercise of the Warrants;

THAT any fractional entitlements under the Proposed Rights Issue with Warrants will be disregarded and shall be dealt with in such manner as the Directors shall in their absolute discretion deem expedient in the interest of the Company;

THAT the proceeds of the Proposed Rights Issue with Warrants be utilised for the purposes as set out in the circular to shareholders of the Company dated 11 October 2012 ("Circular"), and the Directors be authorised with full powers to vary the manner and/ or purpose of utilisation of such proceeds in such manner as the Directors may deem fit, necessary and/ or expedient, subject (where required) to the approval of the relevant authorities;

THAT the Rights Shares and new MKH Shares arising from the exercise of the Warrants will, upon allotment and issue, rank *pari passu* in all respects with the existing ordinary shares of the Company then, save and except that they will not be entitled to any dividend, right, allotment and/ or other distribution that may be declared, made or paid, the entitlement date of which is prior to the date of allotment and issuance of the Rights Shares or new MKH Shares arising from the exercise of the Warrants;

AND THAT the Board be and is hereby authorised to sign and execute all documents, do all things and acts as may be required to give effect to the aforesaid Proposed Rights Issue with Warrants with full power to assent to any conditions, variations, modifications and/ or amendments in any manner as may be required or permitted by any relevant authorities and to deal with all matters relating thereto and to take all such steps to enter into all such agreement, arrangement, undertaking, indemnities, transfer, assignment and guarantee with any party or parties and to do all acts and things in any manner as they may deem necessary or expedient to implement, finalise and give full effect to the Proposed Rights Issue with Warrants."

ORDINARY RESOLUTION 2

PROPOSED BONUS ISSUE OF 29,104,378 NEW MKH SHARES ("BONUS SHARE(S)") TO BE CREDITED AS FULLY PAID-UP ON THE BASIS OF ONE (1) BONUS SHARE FOR EVERY ONE (1) RIGHTS SHARE SUBSCRIBED BY THE SHAREHOLDERS OF MKH AND/ OR THEIR RENOUNCEE(S) PURSUANT TO THE PROPOSED RIGHTS ISSUE WITH WARRANTS ("PROPOSED BONUS ISSUE")

"THAT, subject to the passing of Ordinary Resolution 1 and the approvals of all relevant authorities or parties, the Board be and is hereby authorised to capitalise RM29,104,378 from the Company's retained earnings account for the purpose of the Proposed Bonus Issue;

THAT the Board be and is hereby authorised to apply such capitalised sums in making payment in full and at par for 29,104,378 new MKH Shares to be credited as fully paid-up and such new MKH Shares be allotted and issued to the entitled shareholders of the Company and/ or their renounee(s) who subscribe for the Rights Shares pursuant to the Proposed Rights Issue with Warrants on the basis of one (1) Bonus Share for every one (1) Rights Share subscribed for;

THAT any fractional entitlements shall be disregarded and dealt with by the Board in such manner at their absolute discretion as they deem fit and think expedient in the best interest of the Company;

THAT such Bonus Shares shall, upon allotment and issuance, rank *pari passu* in all respects with the existing MKH Shares, save and except that they shall not be entitled to any dividends, rights, allotments and/ or other distributions that may be declared, made or paid, the entitlement date of which is prior to the date of the allotment and issuance of the Bonus Shares;

AND THAT the Board be and is hereby authorised to sign and execute all documents, do all things and acts as may be required to give effect to the aforesaid Proposed Bonus Issue with full power to assent to any conditions, variations, modifications and/ or amendments in any manner as may be required or permitted by any relevant authorities and to deal with all matters relating thereto and to take all such steps and do all acts and things in any manner as they may deem necessary or expedient to implement, finalise and give full effect to the Proposed Bonus Issue."

ORDINARY RESOLUTION 3

PROPOSED INCREASE IN THE AUTHORISED SHARE CAPITAL OF MKH FROM RM500,000,000 COMPRISING 500,000,000 MKH SHARES TO RM1,000,000,000 COMPRISING 1,000,000,000 MKH SHARES ("PROPOSED INCREASE IN AUTHORISED SHARE CAPITAL")

"THAT, subject to the passing of the Special Resolution 1, the authorised share capital of the Company be increased from RM500,000,000 comprising 500,000,000 MKH shares to RM1,000,000,000 comprising 1,000,000,000 MKH Shares.

AND THAT the Board be and is hereby authorised to do all such acts and things and to take such step that are necessary to give full effect to the Proposed Increase in The Authorised Share Capital."

SPECIAL RESOLUTION 1

PROPOSED AMENDMENTS TO THE MEMORANDUM AND ARTICLES OF ASSOCIATION OF MKH ("PROPOSED AMENDMENTS")

"THAT, subject to the passing of Ordinary Resolution 3 and all approvals being obtained from the relevant authorities, approval be and is hereby given to the Company to amend the Memorandum of Association of MKH by deleting the first sentence of Clause 5 in its entirety and replace with the following new Clause 5 as set out below:-

Existing

Clause 5

The capital of the Company is RM500,000,000 divided into 500,000,000 shares of RM1.00 each.

THAT, subject to the passing of Ordinary Resolution 3 and all approvals being obtained from the relevant authorities, approval be and is hereby given to the Company to amend the Articles of Association of MKH by inserting the interpretation of exempt authorised nominee into the existing Article 2 and deleting the existing Articles 3, 97(1), 103 and 104 in their entirety and replace with the following new Articles 3, 97(1), 103 and 104 as set out below:

Existing

Article 2 Interpretation

Words & Expressions

No Provision

Meanings

No Provision

Article 3

The authorised capital of the Company at the date of adoption of these Articles is Ringgit Malaysia Five Hundred Million (RM500,000,000) divided into 500,000,000 ordinary shares of RM1.00 each.

Article 97(1)

Subject to Article 81 and any rights or restrictions for the time being attached to any class or classes of shares, at meetings of members or classes of members, each member shall be entitled to be present and to vote at any general meeting of the Company either personally or by proxy or by attorney and to be reckoned in a quorum in respect of shares fully paid and in respect of partly paid shares where calls are not due and unpaid.

Article 103

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 corporation's seal or under the hand of an officer or attorney duly authorised. The Directors may, but shall not be bound to require evidence of the authority of any such attorney or officer. A proxy may but need not be a member of the Company and a member may appoint any person to be his proxy without limitation and the provisions of Section 149(1)(b) of the Act shall not apply to the Company. Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he specifies the proportions of his holdings to be represented by each proxy and the provisions of Section 149(1)(a) of the Act shall not apply to the Company. The instrument appointing a proxy shall be deemed to confer authority to demand or join in demanding a poll.

Article 104

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 proxy in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.

THAT the Board be and is hereby authorised to give effect to the Proposed Amendments and to take all such steps and do all acts and things in any manner as they may deem necessary to complete, finalise, implement and give full effect to the Proposed Amendments."

By Order of the Board

Tan Wan San (MIA 10195)
Company Secretary

Kajang, Selangor Darul Ehsan
11 October 2012

Notes:-

- A member entitled to attend and vote at the Extraordinary General Meeting is entitled to attend and vote in person or by proxy or by attorney or by duly authorised representative. A proxy or attorney or duly authorised representative may but need not be a member of the Company.
- A proxy of attorney or an office copy or a notarially certified copy thereof or the instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing. If the appointor is a corporation, it must be executed under its common seal or in the manner authorised by its constitution.
- If the Form of Proxy is returned without any indication as to how the proxy shall vote, the proxy will vote or abstain as he thinks fit. Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he specifies the proportion of his holdings to be represented by each proxy.
- Only members whose names appear in the Record of Depositors as at 31 October 2012 will be entitled to attend and vote at the meeting or appoint a proxy or proxies to attend and vote in his/ her stead.
- The instrument appointing a proxy together with the power of attorney (if any) under which it is signed or an office copy or a notarially certified copy thereof must be deposited at the registered office at Suite 1, 5th Floor, Wisma MKH, Jalan Semenyih, 43000 Kajang, Selangor Darul Ehsan, at least 48 hours before the time appointed for holding the meeting.