

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting ("**EGM**") of Favelle Favco Berhad ("**FFB**" or "**Company**") will be convened and held at Kayangan 5, Quality Hotel Shah Alam, Ground Floor, Plaza Perangsang, Persiaran Perbandaran, 40000 Shah Alam, Selangor Darul Ehsan, Malaysia on Monday, 5 November 2012 at 2.00 p.m. or any adjournment thereof for the purpose of considering and, if thought fit, passing with or without modifications the following resolution:

ORDINARY RESOLUTION

PROPOSED ACQUISITION BY FFB OF A CRANE FABRICATION YARD COMPRISING FREEHOLD INDUSTRIAL LAND, BUILDINGS AND IMPROVEMENTS, LOCATED AT NO. 28 YARRUNGA STREET, PRESTONS, NEW SOUTH WALES, 2170 AUSTRALIA WITH A TOTAL LAND AREA MEASURING APPROXIMATELY 11.6 ACRES ("PROPERTY") FROM MUHIBBAH ENGINEERING (M) BHD ("MEB**") FOR A TOTAL PURCHASE CONSIDERATION OF AUD15,000,000 (EQUIVALENT TO RM48,091,500) TO BE SATISFIED VIA THE ISSUANCE OF 31,678,743 NEW ORDINARY SHARES OF RM0.50 EACH IN FFB ("**FFB SHARES**") AT AN ISSUE PRICE OF RM1.5181 PER FFB SHARE ONLY UPON THE TERMS AS STIPULATED IN THE CONDITIONAL SALE AND PURCHASE AGREEMENT DATED 25 JUNE 2012 ENTERED BETWEEN FFB AND MEB ("**SPA**") ("**PROPOSED ACQUISITION**")**

"THAT, subject to the requisite approvals being obtained from all relevant authorities and/or parties as may be required, approval be and is hereby given to FFB to acquire the Property from MEB for a total purchase consideration of AUD15,000,000 (equivalent to RM48,091,500) to be satisfied via the allotment and issuance of 31,678,743 new ordinary shares of RM0.50 each in FFB at an issue price of RM1.5181 per FFB Share only upon the terms as stipulated in the conditional SPA;

THAT the Directors of the Company be and are hereby authorised to give effect to the Proposed Acquisition by FFB with full powers to assent to any modifications, revaluation, variations, arrangement, condition and/or amendment in relation to the Proposed Acquisition as they may deem fit in the best interest of the Company and/or as may be required and/or imposed by the relevant authorities;

THAT approval be and is hereby given for the Company to allot and issue 31,678,743 new FFB Shares at an issue price of RM1.5181 per FFB Share credited as fully paid-up upon the terms as stipulated in the conditional SPA and FFB to satisfy the total purchase consideration of AUD15,000,000 (equivalent to RM48,091,500) pursuant to the Proposed Acquisition;

AND THAT such new FFB Shares shall, upon allotment and issuance, rank equally in all respects with the existing FFB Shares save and except that they shall not be entitled to any dividends, rights, allotments and/or other distributions unless the allotment and issuance of the new FFB Shares were made on or prior to the entitlement date of such dividends, rights, allotments and/or other distributions;

AND FURTHER THAT the Directors of the Company be and are hereby authorised to take all steps as they may deem fit and expedient in order to implement, finalise, complete and do all acts, deeds and things as the Directors may deem fit or expedient in the best interest of the Company (including to execute, sign and deliver on behalf of the Company all such documents as may be necessary) so as to give full effect to the Proposed Acquisition."

By Order of the Board

CATHERINE MAH SUIK CHING (LS 01302)

TEW SIEW CHONG (MIA 20729)

LIM SUAK GUAK (MIA 19689)

Company Secretaries

Selangor Darul Ehsan

17 October 2012

Notes:

- (1) A depositor whose name appears in the Record of Depositors as at 29 October 2012 is entitled to attend, speak and vote at the meeting or appoint proxies to attend and/or vote on his/her behalf*
- (2) A member entitled to attend and vote at the Extraordinary General Meeting is entitled to appoint a proxy/proxies to attend and vote in his/her stead. A proxy/proxies may but need not be a member of the Company and the provision of Section 149(1)(b) of the Act shall not apply to the Company*
- (3) A member shall not be entitled to appoint more than two (2) proxies to attend and vote at the same meeting and where a member appoints two (2) proxies, such appointment shall be invalid unless he/she specifies the proportion of his/her holdings to be represented by each proxy. Each proxy appointed, shall represent a minimum of one hundred (100) shares*
- (4) The instrument appointing a proxy shall be in writing under the hand of the appointor or his/her attorney duly authorised in writing or if the appointor is a corporation, either under its Common Seal or under the hand of an officer or attorney duly authorised*
- (5) The duly completed Form of Proxy must be deposited at the office of Tricor Investor Services Sdn Bhd, the Company's Share Registrar at Level 17, The Gardens North Tower, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur, Malaysia at least forty-eight (48) hours before the time set for holding the meeting or adjourned meeting*