

SOLUTION ENGINEERING HOLDINGS BERHAD

(Company No.: 654575-P)
(Incorporated in Malaysia under the Companies Act, 1965)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Ninth Annual General Meeting of Solution Engineering Holdings Berhad will be held at Kinrara 1 Room, Kinrara Golf Club, Jalan Kinrara 6, Bandar Kinrara, 47100 Puchong, Selangor on Thursday, 27 June 2013 at 9.00 a.m. to transact the following businesses :

AGENDA

- To receive the Audited Financial Statements for the financial year ended 31 December 2012 and the Reports of the Directors' and Auditors' thereon **Please refer to Explanatory Note on Agenda 1**
- To re-appoint Messrs. Wong Weng Foo & Co. as Auditors of the Company and to authorise the Directors to determine their remuneration. **Ordinary Resolution 1**
- To approve the payment of Directors' fees of RM 136,400/= for the financial year ended 31 December 2012 **Ordinary Resolution 2**
- To re-elect the following Directors of the Company who are retiring pursuant to Article 83 of the Company's Articles of Association.
(a) Mr. Lim Yong Hew **Ordinary Resolution 3**
(b) Mr. Lim Hai Guan **Ordinary Resolution 4**
- To re-elect the following Director of the Company who is retiring pursuant to Article 90 of the Company's Articles of Association
(a) Mr. Zulkifli Fitri Bin Ismail **Ordinary Resolution 5**
- Special Businesses :**
To consider and if thought fit, pass with or without modifications, the following resolutions:
 - Authority to Directors to issue shares (Ordinary Resolution)** **Ordinary Resolution 6**

"That pursuant to Section 132D of the Companies Act 1965 and subject always to the approval from the relevant authorities, where such approval is necessary, the Board of Directors be authorised to issue and allot shares in the Company at any time and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion deem fit, PROVIDED ALWAYS THAT the aggregate number of ordinary shares to be issued pursuant to this resolution does not exceed ten percent (10%) of the issued capital of the Company for the time being and that the Directors be and are also empowered to obtain the approval for the listing of and quotation for the additional shares so issued on the ACE Market of Bursa Malaysia Securities Berhad and that such authority shall continue to be in force until the conclusion of the next Annual General Meeting ("AGM") of the Company or the expiration of the period within which the next AGM which is required by law to be held or revoked / varied by a resolution passed by the shareholders in general meeting whichever is the earlier."
 - Proposed amendment to the Company's Memorandum of Association – Increase in Authorised Share Capital (Ordinary Resolution)** **Ordinary Resolution 7**

"THAT the authorised share capital of the Company be increased to RM50,000,000/= by the creation of 250,000,000 ordinary shares of RM0.10 each to rank pari passu with the Company's present authorised share capital of RM25,000,000/= divided into 250,000,000 ordinary shares of RM0.10 each AND THAT the Directors of the Company be authorised to do the necessary."
 - Proposed share buy-back by the Company of up to 10% of its own issued and paid-up share capital** **Ordinary Resolution 8**

"THAT subject to the Companies Act, 1965 ("the Act"), rules, regulations, orders and guidelines made pursuant to the Act, and ACE Market Listing Requirements of Bursa Malaysia Securities Berhad ("BMSB"), and other relevant authorities, the Directors of the Company be and are hereby unconditionally and generally authorized to:
 - buy-back shares in the Company, at any time and upon such terms and conditions and for such purposes as the Directors may, in their discretion deem fit ("the Proposed Share Buy-Back"), provided that the aggregate number of shares which may be purchased and/or held by the Company pursuant to this Resolution shall not exceed ten per centum (10%) of the issued and paid-up share capital of the Company for the time being and the total funds allocated shall not exceed the total retained profits of the Company (re: Circular to Shareholders dated 5 June 2013) which would otherwise be available for dividends AND THAT such authority shall commence immediately upon passing of this Resolution and continue to be in force until the conclusion of the next annual general meeting ("AGM") of the Company unless earlier revoked or varied by ordinary resolution of the shareholders of the Company in general meeting or upon the expiration of the period within the next AGM is required by law to be held, whichever occurs first;
 - retain the shares so purchased as treasury shares or cancel them or both, with an appropriate announcement to be made to BMSB in respect of the intention of the Directors whether to retain the shares so purchased as treasury shares or cancel them or both together with the rationale of the decision so made;
 - deal with the shares purchased in the manner prescribed by the Act, rules, regulations and orders made pursuant to the Act and the requirements of BMSB and any other relevant authorities for the time being in force; and
 - take all such steps as are necessary or expedient to implement or to effect the purchase of the shares."
 - Proposed amendments to the Company's Articles of Association** **Special Resolution 1**

"That approval be and is hereby given for the Company to amend its Articles of Association in the manner set out in Appendix A in the Annual Report for the financial year ended 31 December 2012.

And that the Directors of the Company be and are hereby authorised to take all such steps and do all acts, deeds and things and execute, sign and deliver on behalf of the Company all necessary documents to give full effect to and implement the Proposed Amendments with full power to assent to any conditions, variations, modifications, and / or amendments in any manner as may be required or permitted by the relevant authorities."
- To transact any other business for which due notice shall have been given under the Companies Act, 1965.

BY ORDER OF THE BOARD

ONG WHEE TIONG

Secretary (MAICSA No. : 0739672)

Kuala Lumpur

Dated : 5 June 2013

NOTES :

- Depositors whose names appear in the Record of Depositors as at 20 June 2013 shall be regarded as members of the Company entitled to attend, speak and vote at the 9th Annual General Meeting
- A member entitled to attend and vote at the meeting is entitled to appoint one or more [but not more than three (3)] proxies, each representing a minimum of 100 shares held by the member to vote on his behalf. A proxy may but need not be a member of the Company and the provisions of Section 149(1)(a) and (b) of the Companies Act, 1965 shall not apply. Where a member appoints two (2) or more proxies to attend and vote at the meeting, the appointment shall be invalid unless he specifies the proportion of his shareholdings to be represented by each proxy.
- Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories) Act, 1991, ("SICDA") it may appoint at least one (1) proxy 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 as defined under the SICDA which is exempted from compliance with the provisions of Subsection 25(A)(1) of the SICDA, of which holds ordinary shares in the Company for multiple beneficial owners in one 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.
- The instrument appointing a proxy shall be in writing under the hand of the appointor or his attorney duly authorised in writing or if the appointor is a corporation, either under its common seal or under the hand of an attorney duly authorised.
- The instrument appointing a proxy and the power of attorney or other authority (if any), under which it is signed or notarially certified copy thereof, shall be deposited at the Registered Office of the Company at Suite 705, Block A, Kelana Business Centre, 97 Jalan SS 7/2, 47301 Petaling Jaya, Selangor Darul Ehsan not less than forty-eight (48) hours before the time set for holding the Ninth Annual General Meeting or any adjournment thereof.
- Explanatory Note on Agenda 1**
This Agenda is meant for discussion only as the provisions of Section 169(1) of the Companies Act, 1965 does not require a formal approval of shareholders for the Audited Financial Statements and hence, Agenda 1 is not put forward for voting.
- Explanatory statement on Special Businesses –**
 - Ordinary Resolution No. 6 - Authority to Directors to issue shares**
The Company had during its Eighth Annual General Meeting ("AGM") held on 17 May 2012 obtained from its shareholders, a general mandate pursuant to Section 132D of the Companies Act, 1965 ("the Act") to issue and allot shares in the Company up to an amount not exceeding 10% of the issued share capital of the Company and this mandate had not being exercised by the Company.
The Ordinary Resolution No. 6 proposed under item 6(a) of the Agenda is a renewal of the general mandate for the issuance of shares by the Company under Section 132D of the Act. The mandate, if passed, will give the Directors of the Company, the authority to issue and allot shares in the Company up to an amount not exceeding 10% of the issued share capital of the Company for the time being for such purposes as the Directors would consider to be in the best interest of the Company. This authority, unless revoked or varied by the Company in a general meeting will expire at the conclusion of the next Annual General Meeting of the Company.
This mandate would provide the Company the flexibility to raise fund including but not limited to placing of shares to finance future projects, working capital and / or acquisitions without having to convene a general meeting.
 - Ordinary Resolution No. 7 – Proposed Amendment to the Company's Memorandum of Association**
The proposed Ordinary Resolution No. 7, if passed, will allow the Company to increase its authorised share capital to RM50,000,000/= by the creation of 250,000,000 ordinary shares of RM0.10 each to rank pari passu with the Company's present authorised share capital of RM25,000,000/= divided into 250,000,000 ordinary shares of RM0.10 each and will allow the Company, the authority to increase its issued share capital up to RM50,000,000/=.
 - Ordinary Resolution No. 8 – Proposed Share Buy-Back by the Company**
The proposed Ordinary Resolution No. 8, if passed, will allow the Company to purchase its own shares up to 10% of the total issued and paid-up capital of the Company by utilising the funds allocated which shall not exceed the retained profits of the Company as per the Circular to Shareholders of the Company dated 5 June 2013.
 - Special Resolution No. 1 – Proposed Amendments to the Company's Articles of Association**
The proposed Special Resolution No. 1 to amend the Company's Articles of Association if passed, will authorise the Company to amend its Articles of Association to be in compliance with the recent amendments to Chapter 7 of the Ace Market Listing Requirements of Bursa Malaysia Securities Berhad.