

SCOMI ENGINEERING BHD

(Company No. 111633 M)
(Incorporated in Malaysia)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Twenty Ninth Annual General Meeting of SCOMI ENGINEERING BHD [“the Company”] will be held at Ballroom 1, 1st Floor, Sime Darby Convention Centre, 1A Jalan Bukit Kiara 1, 60000 Kuala Lumpur on Wednesday, 25 September 2013 at 10.00 a.m. for the following purposes :-

AGENDA

AS ORDINARY BUSINESS

1. To receive the Audited Financial Statements for the financial period ended 31 March 2013 and the Reports of the Directors and Auditors thereon.
2. To re-elect the following Directors who retire pursuant to Article 80 of the Company’s Articles of Association and being eligible, offer themselves for re-election:-
 - a) En Fad’l Bin Mohamed Resolution 1
 - b) En Abdul Hamid Bin Sheikh Mohamed. Resolution 2
3. To re-elect the following Directors who retire pursuant to Article 87 of the Company’s Articles of Association and being eligible, offer themselves for re-election:-
 - a) Mr. Lee Chun Fai Resolution 3
 - b) Mdm Loong Chun Nee Resolution 4
4. To approve the payment of Directors’ fees of RM367,500.00 for the financial period ended 31 March 2013 Resolution 5
5. To appoint Messrs KPMG as Auditors of the Company for the financial year ending 31st March 2014, in replacement of the retiring Auditors, Messrs PricewaterhouseCoopers, and to authorise the Directors to fix their remuneration. Resolution 6

AS SPECIAL BUSINESS

To consider and, if thought fit, to pass the following Ordinary resolutions:-

6. **Authority to Allot Shares pursuant to Section 132D of the Companies Act, 1965 (“the Act”)** Resolution 7

“THAT pursuant to Section 132D of the Act, and subject to the approval of the relevant authorities, the Directors be and are hereby empowered to issue shares in the Company from time to time 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 10% of the issued share capital of the Company for the time being and that the Directors be and are hereby also empowered to obtain approval from Bursa Malaysia Securities Berhad for the listing of and quotation for the additional shares so issued and that such authority shall continue in force until the conclusion of the next Annual General Meeting.”
7. **Proposed Renewal of Share Buy-Back Authority for purchase by the Company of its ordinary shares of up to 10% of the issued and paid up share capital** Resolution 8

“THAT subject to the Company’s compliance with all applicable rules, regulations, orders and guidelines made pursuant to the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”), Companies Act, 1965, the provisions of the Company’s Memorandum and Articles of Association and the approvals of all relevant regulatory authorities, the Company be and is hereby authorised, to the fullest extent permitted by law, to buy-back and/or hold from time to time and at any time such amount of ordinary shares of RM1.00 each in the Company as may be determined by the Directors of the Company from time to time through Bursa Securities (“the Proposed Share Buy-Back”) upon such terms and conditions as the Directors may deem fit and expedient in the interests of the Company, in the manner set out under section 1 (Part A) of the Share Buy-back Statement to the Company’s shareholders dated 3 September 2013 [“Statement”];

THAT the maximum number of shares which may be purchased and/or held by the Company at any point of time pursuant to the Proposed Share Buy-Back shall not exceed ten per centum (10%) of the total issued and paid-up share capital of the Company for the time being quoted on Bursa Securities provided always that in the event that the Company ceases to hold all or any part of such shares as a result of, amongst others, cancellation of shares, sale of shares on the market of Bursa Securities or distribution of treasury shares to shareholders as dividend in respect of shares bought back under the previous shareholders’ mandate for share buy-back which was obtained at the Annual General Meeting (“AGM”) held on 26 June 2012, the Company shall be entitled to further purchase and/or hold such additional number of shares and shall (in aggregate with the shares then still held by the Company) not exceed ten per centum (10%) of the total issued and paid-up share capital of the Company for the time being quoted on Bursa Securities;

The shares purchased by the Company pursuant to the Proposed Share Buy-Back may be dealt with by the Directors in all or any of the following manner :-

 - a) the shares so purchased may be cancelled; and/or
 - b) the shares so purchased may be retained as treasury shares for distribution as dividend to the shareholders and/or resold on the market of Bursa Securities and/or subsequently cancelled; and/or
 - c) part of the shares so purchased may be retained as treasury shares with the remainder being cancelled.

THAT such authority shall commence upon the passing of this resolution, until the conclusion of the next AGM of the Company or the expiry of the period within which the next AGM is required by law to be held unless revoked or varied by Ordinary Resolution of the shareholders of the Company in general meeting but so as not to prejudice the completion of a purchase made before such expiry date;

AND THAT the Directors of the Company be and are hereby authorised to take all steps as are necessary or expedient to implement or to give effect to the Proposed Share Buy-Back with full powers to amend and/or assent to any conditions, modifications, variations or amendments (if any) as may be imposed by all relevant regulatory authorities from time to time and with full powers to do all such acts and things thereafter in accordance with the Companies Act, 1965, the provisions of the Company’s Memorandum and Articles of Association and the Main Market Listing Requirements of Bursa Securities and all other relevant regulatory authorities.”

To consider and, if thought fit, to pass the following as a Special Resolution:

8. **Proposed Amendments to Articles of Association** Resolution 9

“THAT the deletion, alterations, modifications and/or additions to the Articles of Association of the Company as set out under Section 2 (Part B) of the Circular to shareholders of the Company dated 3 September 2013 be and are hereby approved **AND THAT** the Directors of the Company be and are hereby authorised to take all steps as may be considered necessary or expedient to give full effect to the said deletion, alterations, modifications and/or additions to the Articles of Association of the Company.”
9. To transact any other business of the Company for which due notice shall have been given.

BY ORDER OF THE BOARD

CHUA HOOI SIAN (MAICSA 7014565)
CATHERINE MAH SUIK CHING (LS 01302)

Company Secretaries
Selangor Darul Ehsan

3 September 2013

Notes :-

1. A member of the Company who is entitled to attend and vote at the Meeting is entitled to appoint a proxy or more than one proxy to attend and vote in his/her stead. A proxy may but need not be a member of the Company and the provisions of Section 149(1)(b) of the Companies Act, 1965 shall not apply to the Company.
2. When a member appoints more than one proxy, the appointments shall be invalid unless he/she specifies the proportions of his/her holdings to be represented by each proxy.
3. Where a member is an authorized nominee as defined under the Securities Industry (Central Depositories) Act, 1991, it may appoint at least one proxy but not more than two proxies in respect of each securities account it holds with ordinary shares standing to the credit of the said securities account.
4. The instrument appointing a proxy shall be in writing under the hands 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 its officer or its duly authorised attorney. If no name is inserted in the space for the name of the proxy, the Chairman of the Meeting will act as your proxy.
5. The instrument appointing a proxy must be completed and deposited at the office of the Share Registrar of the Company, Symphony Share Registrars Sdn Bhd at Level 6, Symphony House, Block D13, Pusat Dagangan Dana 1, Jalan PJU1A/46, 47301 Petaling Jaya, Selangor Darul Ehsan, Malaysia not less than forty-eight (48) hours before the time set for holding the AGM or at any adjournment thereof or in the case of a poll, not less than twenty-four (24) hours before the time appointed for the taking of the poll.
6. Only a depositor whose name appears on the Record of Depositors as at 19 September 2013 shall be entitled to attend the said meeting or appoint proxies to attend and/or vote on his/her behalf.

Explanatory notes

Resolution 7 on Authority to Allot Shares

The Company is seeking a renewal of mandate to allot and issue shares in the Company up to an amount not exceeding in total 10% of the issued share capital of the Company for such purposes as the Directors consider would be in the interest of the Company.

This mandate is a renewal of the last mandate granted to the directors at the Twenty Eighth Annual General Meeting held on 26 June 2012 and will lapse at the conclusion of the Twenty Ninth Annual General Meeting. As at the date of this Notice, no new shares have been issued pursuant to the mandate granted to the Directors at the last AGM held on 26 June 2012 and which will lapse at the conclusion of the forthcoming 29th Annual General Meeting to be held on 25 September 2013.

The proposed Ordinary Resolution 7, if passed, will provide flexibility to the Company for any possible fund raising activities including but not limited to any placing of shares for purposes of funding future investments, working capital and/or acquisition or such other purposes as the Directors consider would be in the interest of the Company without incurring additional costs by having an Extraordinary General Meeting.

Resolution 8 on Proposed Renewal of Share Buy-Back Authority

The ordinary resolution under item 7 if passed will empower the Directors to purchase the shares of up to ten (10%) of the issued and paid up share capital of the Company by utilizing funds not exceeding the retained profits and the share premium account of the Company.

For the detailed information on the Proposed Share Buy-Back, shareholders are advised to refer to the Statement to Shareholders dated 3 September 2013 which is circulated together with the Company’s Annual Report 2013.

Resolution 9 on Proposed Amendments to Articles of Association

The special resolution under item 8, if passed, will streamline the Company’s Articles of Association to be in line with the recent amendments to the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and Malaysian Code on Corporate Governance 2012.