

**NOTICE OF 40<sup>TH</sup> ANNUAL GENERAL MEETING**

**NOTICE IS HEREBY GIVEN** THAT the 40<sup>th</sup> Annual General Meeting of Mulpha International Bhd will be held at Level 11, Menara Mudajaya, No. 12A, Jalan PJJ 7/3, Mutiara Damansara, 47810 Petaling Jaya, Selangor Darul Ehsan on Thursday, 26 June 2014 at 2.30 p.m. for the following purposes:-

**AS ORDINARY BUSINESS**

1. To receive the Audited Financial Statements for the financial year ended 31 December 2013 together with the Directors' and Auditors' Reports thereon. (Please refer to Explanatory Note A)
2. To re-elect the following Directors who retire by rotation pursuant to Article 101 of the Company's Articles of Association and being eligible, have offered themselves for re-election:- (Ordinary Resolution 1)
  - (a) Law Chin Wat (Ordinary Resolution 2)
  - (b) Chung Tze Hien
3. To consider and if thought fit, to pass the following resolution pursuant to Section 129(6) of the Companies Act, 1965:- (Ordinary Resolution 3)  
 "THAT pursuant to Section 129(6) of the Companies Act, 1965, Dato' Lim Say Chong who is over the age of 70 years, be and is hereby re-appointed as a Director of the Company to hold office until the conclusion of the next Annual General Meeting of the Company."
4. To approve the increase in Directors' fees from RM75,000 to RM90,000 per annum for the Chairman of the Audit Committee and from RM50,000 to RM60,000 per annum for the Non-Executive Directors, and further to approve the payment of Directors' fees totalling RM415,000 for the financial year ended 31 December 2013. (Ordinary Resolution 4)
5. To re-appoint Messrs KPMG as Auditors of the Company for the ensuing year and to authorise the Directors to fix their remuneration. (Ordinary Resolution 5)

**AS SPECIAL BUSINESS**

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

6. **ORDINARY RESOLUTION:**  
**Authority to Issue Shares pursuant to Section 132D of the Companies Act, 1965**  
 "THAT subject always to the Companies Act, 1965, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the Company's Articles of Association and the approvals of the relevant government and/or regulatory authorities, the Directors be and are hereby empowered pursuant to Section 132D of the Companies Act, 1965 to issue and allot new shares in the Company at any time at such price, upon such terms and conditions, for such purposes and to such person(s) whomsoever as the Directors may in their absolute discretion deem fit and expedient in the interest of the Company, provided that the aggregate number of shares issued pursuant to this resolution does not exceed 10% of the total issued share capital of the Company for the time being and THAT the Directors be and are also empowered to obtain the approval from Bursa Malaysia Securities Berhad for the listing of and quotation for the additional shares so issued and THAT such authority shall continue to be in force until the conclusion of the next Annual General Meeting of the Company." (Ordinary Resolution 6)
7. **ORDINARY RESOLUTION:**  
**Proposed Renewal of Authority to Allot and Issue Shares pursuant to the Company's Dividend Reinvestment Plan**  
 "THAT pursuant to the Dividend Reinvestment Plan as approved by the shareholders at the Extraordinary General Meeting held on 27 June 2011, the Directors be and are hereby authorised to allot and issue new ordinary shares of RM0.50 each in the Company from time to time as may be required under the Company's Dividend Reinvestment Plan until the conclusion of the next Annual General Meeting of the Company, upon such terms and conditions and to such persons as the Directors may, in their absolute discretion, deem fit and in the interest of the Company.  
 THAT the Directors and the Secretary be and are hereby authorised to do all such acts and enter into all such transactions, agreements, arrangements and documents as may be necessary or expedient in order to give full effect to the Dividend Reinvestment Plan, with full power to assent to any conditions, modifications, variations and/or amendments (if any) as may be imposed or agreed to by any relevant authorities or at the discretion of the Directors in the best interest of the Company." (Ordinary Resolution 7)
8. **ORDINARY RESOLUTION:**  
**Proposed Renewal of Authority for the Purchase by the Company of its Own Shares**  
 "THAT subject to compliance with the Companies Act, 1965, the Company's Memorandum and Articles of Association, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") and any other relevant rules and regulations that may be in force from time to time, the Company be and is hereby authorised to purchase such amount of ordinary shares of RM0.50 each in the Company as may be determined by the Directors of the Company from time to time through Bursa Securities, upon such terms and conditions as the Directors may deem fit and expedient in the interest of the Company PROVIDED THAT:-  
 (a) the aggregate number of ordinary shares in the Company which may be purchased and/or held by the Company shall not exceed 10% of the issued and paid-up share capital of the Company at any point in time; and  
 (b) the maximum funds to be allocated by the Company for the purpose of purchasing the ordinary shares shall not exceed the Company's share premium account.  
 THAT such authority shall commence upon the passing of this ordinary resolution and shall remain in force until:-  
 (i) the conclusion of the next Annual General Meeting of the Company at which time such authority shall lapse unless by ordinary resolution passed at that meeting, the authority is renewed, either unconditionally or subject to conditions; or  
 (ii) the expiration of the period within which the next Annual General Meeting after that date is required by law to be held; or  
 (iii) revoked or varied by ordinary resolution passed by the shareholders of the Company in a general meeting, whichever occurs first.  
 THAT authority be and is hereby given to the Directors of the Company to decide in their discretion to retain the ordinary shares in the Company so purchased by the Company as treasury shares and/or to cancel them and/or to resell the treasury shares and/or to distribute them as share dividend and/or subsequently cancel them.  
 AND THAT the Directors of the Company be and are hereby authorised to take all such steps as are necessary or expedient to implement, finalise or to give full effect to the aforesaid with full power to assent to any conditions, modifications, variations and/or amendments as may be required or imposed by the relevant authorities and to do all such acts and things (including executing all documents) as the Directors may deem fit and expedient in the best interest of the Company." (Ordinary Resolution 8)
9. **ORDINARY RESOLUTION:**  
**Continuing in Office as Independent Non-Executive Director**  
 "THAT approval be and is hereby given to Kong Wah Sang, who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than 9 years, to continue to serve as an Independent Non-Executive Director of the Company, in accordance with the Malaysian Code on Corporate Governance 2012." (Ordinary Resolution 9)
10. **SPECIAL RESOLUTION:**  
**Proposed Amendment to Article 124 of the Company's Articles of Association on Directors' Circular Resolutions**  
 "THAT the Company's Articles of Association be hereby amended by deleting the existing Article 124 in its entirety and substituting the following new Article 124:-  
**Existing Article 124**  
 A resolution in writing signed or approved by letter or telegram by all the Directors who may at the time be present in Malaysia and the Republic of Singapore being not less than are sufficient to form a quorum, shall be as valid and effectual as if it had been passed at a meeting of the Directors duly called and constituted, provided that where a Director is not so present but has an alternate who is so present, then such resolution must also be signed by such alternate. All such resolutions shall be described as "Directors' Resolutions" and shall be forwarded or otherwise delivered to the Secretary without delay, and shall be recorded by him in the Company's Minute Book and submitted for confirmation at a meeting of the Board next following the receipt thereof by him. A Directors' Resolution shall be inoperative if it shall purport to authorise or to do any act which a meeting of the Board has decided shall not be authorised or done, until confirmed by meeting of the Board.  
**New Article 124**  
 A resolution in writing signed and approved by all Directors shall be as valid and effectual as if it had been passed at a meeting of the Directors duly convened, held and constituted, and an alternate director may sign such resolution on behalf of his appointor. All such resolutions shall be described as "Directors' Circular Resolutions" and may be forwarded to the Secretary by telefax, electronic mail or other forms of electronic communication. All such resolutions may consist of several documents in like form, each signed by one (1) or more Directors, or their alternates." (Special Resolution 1)

By Order of the Board

**LEE ENG LEONG** (MIA 7313)  
**LEE SUAN CHOO** (MAICSA 7017562)  
 Company Secretaries

Petaling Jaya  
 2 June 2014

**NOTES:**

1. A member of the Company who is entitled to attend and vote at a general meeting of the Company, may appoint not more than 2 proxies to attend and vote instead of the member at the meeting.
2. A proxy need not be a member of the Company. There shall be no restriction as to the qualification of the proxy and the proxy shall have the same rights as the member to speak at the meeting.
3. Where a member is an authorised nominee as defined in the Securities Industry (Central Depositories) Act, 1991 ("SICDA"), it may appoint not more than 2 proxies in respect of each securities account it holds in ordinary shares of the Company standing to the credit of the said securities account.
4. Where a member is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in 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 compliance with the provisions of subsection 25A(1) of the SICDA.
5. Where a member or the authorised nominee appoints 2 proxies, or where an exempt authorised nominee appoints 2 or more proxies, the proportion of shareholdings to be represented by each proxy must be specified in the instrument appointing the proxies.
6. 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 its common seal or under the hand of its officer duly authorised.
7. The instrument appointing a proxy must be deposited at the Registered Office of the Company at PH2, Menara Mudajaya, No. 12A, Jalan PJJ 7/3, Mutiara Damansara, 47810 Petaling Jaya, Selangor Darul Ehsan, Malaysia not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof.
8. For the purpose of determining who shall be entitled to attend this meeting, the Company shall be requesting Bursa Malaysia Securities Berhad to issue a Record of Depositors as at 18 June 2014 and only members whose names appear in the Record of Depositors shall be entitled to attend, speak and vote at this meeting.

**EXPLANATORY NOTE A:**

This agenda item is meant for discussion only as the provision of Section 169(1) of the Companies Act, 1965 does not require the Audited Financial Statements to be formally approved by the shareholders. As such, this item on the agenda is not put forward for voting.

**EXPLANATORY NOTES ON SPECIAL BUSINESS:**

1. **Ordinary Resolution 6 - Authority to Issue Shares pursuant to Section 132D of the Companies Act, 1965**  
 The proposed Ordinary Resolution 6 is to empower the Directors to issue shares in the Company up to an aggregate amount not exceeding 10% of the total issued share capital of the Company for such purposes as they consider would be in the interest of the Company, such as investment(s), acquisition of asset(s) or working capital. This authority, unless revoked or varied at a general meeting, will expire at the conclusion of the next Annual General Meeting of the Company. The Company did not issue any shares pursuant to the mandate granted last year. Nevertheless, a renewal of the mandate is sought to avoid any delay and cost involved in convening a general meeting to approve such issue of shares.
2. **Ordinary Resolution 7 - Proposed Renewal of Authority to Allot and Issue Shares pursuant to the Company's Dividend Reinvestment Plan**  
 The proposed Ordinary Resolution 7 will give authority to the Directors to allot and issue new ordinary shares in the Company from time to time as may be required under the Company's Dividend Reinvestment Plan until the conclusion of the next Annual General Meeting of the Company. A renewal of this authority will be sought at the subsequent Annual General Meeting.
3. **Ordinary Resolution 8 - Proposed Renewal of Authority for the Purchase by the Company of its Own Shares**  
 The details on the proposed renewal of authority for the purchase by the Company of its own shares are set out in the Share Buy-back Statement dated 2 June 2014.
4. **Ordinary Resolution 9 - Continuing in Office as Independent Non-Executive Director**  
 The proposed Ordinary Resolution 9 is to seek the shareholders' approval to retain Kong Wah Sang who has served on the Board for a cumulative term of more than 9 years, as an Independent Non-Executive Director of the Company. The Board has via the Nomination Committee, assessed the independence of Kong Wah Sang and recommended him to continue to serve as an Independent Non-Executive Director based on the following justifications:-  
 (a) Mr Kong fulfilled the criteria under the definition of "Independent Director" as stated in the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and thus, he would be able to function as a check and balance to the Board.  
 (b) Mr Kong performed his duties diligently and in the best interest of the Company and brings an element of objectivity and independent judgment to the Board without being subject to influence of the management.  
 (c) Based on the Director's Peer Evaluation undertaken by the Board, Mr Kong has performed satisfactorily in fulfilling his duties and responsibilities, including among others, contribution to Board deliberations, regular and timely attendance of Board meetings and understanding of the roles and responsibilities of an Independent Director.
5. **Special Resolution 1 - Proposed Amendment to Article 124 of the Company's Articles of Association on Directors' Circular Resolutions**  
 The proposed Special Resolution 1, if passed, will allow Directors' Circular Resolutions to be circulated to all the Directors concurrently and signed in several documents in like form, each signed by one or more Directors, or their alternates. Such duly signed Directors' Circular Resolutions may be forwarded to the Secretary by telefax or electronic mail. This will enable urgent matters or proposals to be approved by the Directors in a speedier manner.