



MBM RESOURCES BERHAD

(Company No. 284496-V)
(Incorporated in Malaysia under the Companies Act 1965)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting ("EGM") of MBM Resources Berhad ("MBMR" or "Company") will be held at The Auditorium, LG Floor, Sime Darby Convention Centre, 1A, Jalan Bukit Kiara 1, 60000 Kuala Lumpur on Wednesday, 19 November 2014 at 10.30 a.m., or at any adjournment, for the purpose of considering and if thought fit, passing with or without modifications the following ordinary resolutions:

ORDINARY RESOLUTION 1

PROPOSED ESTABLISHMENT OF A LONG TERM INCENTIVE PLAN OF UP TO 10% OF THE ISSUED AND PAID-UP ORDINARY SHARE CAPITAL OF MBM RESOURCES BERHAD ("MBMR") (EXCLUDING TREASURY SHARES) AT ANY POINT IN TIME OVER THE DURATION OF THE PROPOSED LTIP, FOR THE ELIGIBLE EMPLOYEES AND EXECUTIVE DIRECTORS OF MBMR AND ITS SUBSIDIARIES (EXCLUDING SUBSIDIARIES WHICH ARE DORMANT) ("PROPOSED LTIP")

"**THAT** subject to the approvals of Bursa Malaysia Securities Berhad ("**Bursa Securities**") and any other relevant authorities being obtained, approval be and is hereby given to the Company and to the extent permitted by law and the Memorandum and Articles of Association of the Company:

- to establish, implement and administer the Proposed LTIP which comprises the restricted share plan ("**RSP**") and performance share plan ("**PSP**") for the benefit of the Executive Directors of the Company and the employees of the Company and its subsidiaries who fulfil the conditions of eligibility for participation in the Proposed LTIP and are granted the RSP and/or the PSP (collectively the "**Grants**") ("**Grantees**") in accordance with the by-laws of the Proposed LTIP ("**By-Laws**"), a draft of which is set out in Appendix I of the Circular to Shareholders dated 4 November 2014 ("**Circular**");
- to allot and issue and/or acquire and/or transfer such number of fully paid new and/or existing fully paid ordinary shares of the Company ("**MBMR Shares**") from time to time as may be required by the committee appointed and authorised by the Board of Directors of the Company ("**Board**") to implement and administer the Proposed LTIP in accordance with the By-Laws ("**LTIP Committee**") pursuant to the vesting of Grants under the Proposed LTIP, provided always that the total number of MBMR Shares to be allotted and issued and/or acquired and/or transferred upon the vesting of MBMR Shares shall not in aggregate exceed 10% of the issued and paid-up ordinary share capital of the Company (excluding treasury shares, if any) at any point in time over the duration of the Proposed LTIP;
- if required, to establish a trust to be administered by a trustee to be appointed ("**Trustee**") to facilitate the implementation and administration of the Proposed LTIP and authorise the Trustee to, amongst others, subscribe for and/or purchase MBMR Shares for the purpose of the Proposed LTIP;
- to provide money or other assistance (financial or otherwise), and/or to authorise and/or procure any one or more of the subsidiaries of the Company, to provide money or other assistance (financial or otherwise) from time to time if required to enable the Trustee to subscribe for and/or purchase MBMR Shares from the market;
- to add, modify, alter, delete and/or amend the Proposed LTIP, the By-Laws and/or all rules, regulations and administration relating to the Proposed LTIP and/or the administration thereof, from time to time as may be required or permitted or deemed necessary by the authorities or the Board or the LTIP Committee, provided that such additions, modifications, alterations, deletions and/or amendments are effected and permitted in accordance with the provisions of the By-Laws; and
- to do all such acts, execute all such documents and to enter into all such transactions, arrangements and agreements, deeds or undertakings (including but not limited to the trust deed with the Trustee) and to make such rules or regulations, or impose such terms and conditions or delegate part of its power as may be necessary or expedient in order to give full effect to the Proposed LTIP and terms of the By-Laws;

THAT the proposed By-Laws, as set out in Appendix I of the Circular, which is in compliance with the Main Market Listing Requirements of Bursa Securities, be and is hereby approved;

THAT such new MBMR Shares issued pursuant to the Proposed LTIP shall, upon allotment and issuance, rank pari passu in all respects with the then existing ordinary shares in the Company and shall be entitled to any dividends, rights, allotments and/or distributions attached thereto and/or which may be declared, made or paid to the Company's shareholders, provided that the allotment date of such new MBMR Shares is prior to the entitlement date for any right, allotment and distribution;

AND THAT the Board be and is hereby empowered and authorised with full powers to amend and/or assent to any conditions, modifications, variations and/or amendments as the Board may deem fit, necessary and/or expedient in the best interest of the Company or as may be imposed by the relevant regulatory authorities and to take all steps as it may consider necessary or expedient to implement, finalise and give full effect to and in connection with the above."

ORDINARY RESOLUTION 2

PROPOSED LTIP GRANT TO LOOI KOK LOON

"**THAT** subject to the passing of Ordinary Resolution 1 and the approvals of all the relevant authorities for the Proposed LTIP, the Board be and is hereby authorised to, at any time and from time to time subject always to such terms and conditions and/or adjustments which may be made in accordance with the provisions of the By-Laws, grant Looi Kok Loon, the Group Managing Director, up to 4,000,000 MBMR Shares to be issued to and/or vested in him pursuant to the Proposed LTIP."

ORDINARY RESOLUTION 3

PROPOSED LTIP GRANT TO WONG FAY LEE

"**THAT** subject to the passing of Ordinary Resolution 1 and the approvals of all the relevant authorities for the Proposed LTIP, the Board be and is hereby authorised to, at any time and from time to time subject always to such terms and conditions and/or adjustments which may be made in accordance with the provisions of the By-Laws, grant Wong Fay Lee, the Executive Director, up to 1,600,000 MBMR Shares to be issued to and/or vested in her pursuant to the Proposed LTIP."

ORDINARY RESOLUTION 4

PROPOSED LTIP GRANT TO AZMI BIN DATO' ABD RAHIM

"**THAT** subject to the passing of Ordinary Resolution 1 and the approvals of all the relevant authorities for the Proposed LTIP, the Board be and is hereby authorised to, at any time and from time to time subject always to such terms and conditions and/or adjustments which may be made in accordance with the provisions of the By-Laws, grant Azmi bin Dato' Abd Rahim, who is the son of the chairman of the Board and the chief executive officer of Hirokata Acoustics Sdn Bhd (which is an indirect subsidiary of the Company), up to 500,000 MBMR Shares to be issued to and/or vested in him pursuant to the Proposed LTIP."

ORDINARY RESOLUTION 5

PROPOSED LTIP GRANT TO AHMAD ZAKI BIN DATO' ABD RAHIM

"**THAT** subject to the passing of Ordinary Resolution 1 and the approvals of all the relevant authorities for the Proposed LTIP, the Board be and is hereby authorised to, at any time and from time to time subject always to such terms and conditions and/or adjustments which may be made in accordance with the provisions of the By-Laws, grant Ahmad Zaki bin Dato' Abd Rahim, who is the son of the chairman of the Board and the executive director of Oriental Metal Industries (M) Sdn Bhd (which is an indirect subsidiary of the Company), up to 325,000 MBMR Shares to be issued to and/or vested in him pursuant to the Proposed LTIP."

BY ORDER OF THE BOARD

Wong Wai Foong (MAICSA 7001358)
Wong Peir Chyun (MAICSA 7018710)
Company Secretaries

Kuala Lumpur
4 November 2014

Notes:

- A member entitled to attend and vote at the meeting is entitled to appoint proxy(ies) (or in the case of a corporation, a duly authorised representative) to attend and vote in his stead. A proxy may but need not be a member of the Company and the provisions of Section 149(1)(b) of the Act shall not apply to the Company.
- 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.
- A member shall be entitled to appoint not more than two (2) proxies to attend and vote at the same meetings and that the provisions of Section 149(1)(c) of the Act shall apply. Where a member appoints two proxies, the appointment shall be invalid unless the member specifies the proportions of his/her 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 not more than two (2) proxies 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 holds ordinary shares in the Company for multiple beneficial owners in one (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.
- Where the authorised nominee appoints two (2) proxies, or where an exempt authorised nominee appoints two (2) or more proxies, the proportion of shareholdings to be represented by each proxy must be specified in the instrument appointing the proxies.
- The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority shall be deposited at the share registrar of the Company at Level 17, The Gardens North Tower, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur, not less than forty-eight (48) hours before the time for holding the meeting or any adjournment thereof.
- Only the members whose names appear on the Record of Depositors as at 12 November 2014 shall be entitled to attend and vote at this meeting or appoint proxy (ies) to attend and vote on their behalf.