



Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN THAT the Forty-Second Annual General Meeting of Muhibbah Engineering (M) Bhd will be held at Concorde Hotel Shah Alam, Concorde II, Level 2, No. 3, Jalan Tengku Ampuan Zabedah C9/C, 40100 Shah Alam, Selangor Darul Ehsan on Wednesday, 24 June 2015 at 3.45 p.m. for the following purposes:-

Agenda

As Ordinary Business

- To receive the Audited Financial Statements for the financial year ended 31 December 2014 and the Reports of the Directors and Auditors thereon.

Please refer to Note (a)

- To approve the declaration of a first and final tax exempt dividend of 8% (4.00 sen) per ordinary share of RM0.50 each in respect of the financial year ended 31 December 2014.

Resolution 1

- To re-elect the following Directors who retire pursuant to Article 79 of the Company's Articles of Association:-

- Abd Hamid bin Ibrahim; and
- Sobri bin Abu

Resolution 2

Resolution 3

- To consider and, if thought fit, to re-appoint the following Directors who retire pursuant to Section 129(2) of the Companies Act, 1965 and in accordance with Section 129(6) of the Companies Act, 1965 to be re-appointed to hold office until the conclusion of the next Annual General Meeting:-

- Tan Sri Zakaria bin Abdul Hamid;
- Mac Ngan Boon @ Mac Yin Boon; and
- Ooi Sen Eng

Resolution 4

Resolution 5

Resolution 6

- To re-appoint Messrs Crowe Horwath as the Company's Auditors for the ensuing year and to authorise the Directors to fix their remuneration.

Resolution 7

As Special Business

To consider and, if thought fit, to pass with or without modifications, the following resolutions:-

6. Ordinary Resolution

Continuation of Terms of Office as Independent Director

"THAT pursuant to the Recommendation 3.3 of the Malaysian Code on Corporate Governance 2012 ("MCCG 2012"), approval be and is hereby given to the following Directors, who have served as Independent Non-Executive Director of the Company for a cumulative term of more than nine (9) years, to continue to act as an Independent Non-Executive Director of the Company:-

- Tan Sri Zakaria bin Abdul Hamid; and
- Abd Hamid bin Ibrahim

Resolution 8

Resolution 9

7. Ordinary Resolution

Authority for Directors to issue and allot shares in the Company pursuant to Section 132D of the Companies Act, 1965

"THAT pursuant to Section 132D of the Companies Act, 1965, and subject always to approval of the relevant authorities, the Directors be and are hereby empowered to issue and allot shares in the Company, from time to time to such persons 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 to be issued pursuant to this resolution does not exceed 10% of the issued share capital of the Company for the time being and that such authority shall continue in force until the conclusion of the next Annual General Meeting of the Company AND THAT the Directors be and are also empowered to obtain the approval for the listing of and quotation for the additional shares on Bursa Malaysia Securities Berhad."

8. Ordinary Resolution

Proposed Renewal of Authority for Share Buy-Back

"THAT subject to the requirements of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities"), Companies Act, 1965 ("the Act"), and the Articles of Association of the Company, the Company be and is hereby authorised to purchase such number of ordinary shares of RM0.50 each in the Company through Bursa Securities ("Proposed Share Buy-Back"), as may be determined by the Directors of the Company from time to time upon such terms and conditions as the Directors may deem fit and expedient in the interest of the Company provided that:-

- the aggregate number of ordinary shares purchased and/or held by the Company as treasury shares shall not exceed ten percent (10%) of the issued and paid-up ordinary share capital of the Company at any point in time;
- the funds allocated by the Company for the Proposed Share Buy-Back shall not exceed the aggregate retained profits and share premium accounts of the Company; and
- the authority conferred by this resolution shall continue to be in force until:-
 - the conclusion of the next Annual General Meeting ("AGM") of the Company following the general meeting at which this resolution was passed, at which time it shall lapse, unless by ordinary resolution passed at that meeting, the authority is renewed, whether unconditionally or subject to conditions; or
 - the expiration of the period within which the next AGM of the Company is required to be held pursuant to Section 143(1) of the Act (but shall not extend to such extension as may be allowed pursuant to Section 143(2) of the Act); or
 - revoked or varied by an ordinary resolution passed by the shareholders of the Company in a general meeting, whichever occurs first.

THAT the Directors of the Company be and are hereby authorised to deal with the shares purchased in the following manner:-

- cancel all the shares so purchased; and/or
- retain the shares so purchased as treasury shares, for distribution as share dividends to the shareholders and/or resell on the market of Bursa Securities; and/or
- retain part thereof as treasury shares and cancel the remainder.

AND THAT the Directors of the Company be and are hereby authorised to give effect to the Proposed Share Buy-Back with full power to assent to any modifications and/or amendments as may be required by the relevant authorities."

9. Ordinary Resolution

Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature

"THAT subject to the Main Market Listing Requirements of Bursa Securities, approval be and is hereby given to the Company and/or its subsidiaries to enter into recurrent related party transactions of a revenue or trading nature with the related parties as set out in 2.1.2 of the Circular to Shareholders ("Circular") dated 29 May 2015 ("Proposed Shareholders' Mandate") provided that such transactions are undertaken in the ordinary course of business, at arm's length basis and on normal commercial terms which are not more favourable to the related parties than those generally available to the public and are not detrimental to the interests of the minority shareholders of the Company.

THAT the Proposed Shareholders' Mandate conferred by this resolution shall continue to be in force until:-

- the conclusion of the next AGM of the Company at which time it will lapse, unless by a resolution passed at the next AGM, the Proposed Shareholders' Mandate is renewed; or
- the expiration of the period within which the next AGM of the Company is required to be held pursuant to Section 143(1) of the Act (but shall not extend to such extension as may be allowed pursuant to Section 143(2) of the Act); or
- revoked or varied by a resolution passed by the Company's shareholders in a general meeting, whichever is the earliest.

AND THAT the Directors of the Company be and are hereby authorised to take all steps and to do all such acts and deeds as they may consider expedient or necessary to give effect to the Proposed Shareholders' Mandate."

- To transact any other business of which due notice shall have been given.

FURTHER NOTICE IS HEREBY GIVEN THAT for the purpose of determining who shall be entitled to attend this meeting, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd to make available to the Company pursuant to Article 59(d) of the Articles of Association of the Company and Paragraph 7.16(2) of the Main Market Listing Requirements of Bursa Securities, a Record of Depositors as at 16 June 2015 and only a Depositor whose name appears on such Record of Depositors shall be entitled to attend this meeting or appoint proxies to attend and/or vote on his/her behalf.

Notes:-

- The Audited Financial Statements in Agenda 1 is intended for discussion only as the provision of the Section 169(1) of the Act does not require a formal approval of the members and hence is not put for voting.
- A member entitled to attend and vote at this meeting is entitled to appoint a proxy/proxies to attend and vote in his/her stead. A proxy may but need not be a member of the Company. There shall be no restriction as to the qualification of the proxy and the provision of Section 149(1)(b) of the Act shall not apply to the Company.
- A member shall not be entitled to appoint more than two (2) proxies to attend, speak and vote at the same meeting. Each proxy appointed, shall represent a minimum of one hundred (100) shares. Where a member appoints two (2) proxies, the appointment shall be invalid unless the member specifies the proportion of his/her shareholdings to be represented by each proxy.
- 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.
- Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, 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 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 duly completed Proxy Form must be deposited at the Share Registrar's Office, Tricor Investor Services Sdn Bhd, 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 the holding of the Meeting or any adjournment thereof.

Explanatory Notes on Special Business

1. Resolution pertaining to the Continuation of Terms of Office as Independent Director

For Resolution 8 and 9, in line with the Recommendation 3.1 of the MCCG 2012, the Board had conducted an assessment of independence of the following Directors, who have served as Independent Non-Executive Directors of the Company for a cumulative terms of more than nine (9) years, and recommended them to continue to act as Independent Non-Executive Director of the Company based on the following justifications:-

Tan Sri Zakaria bin Abdul Hamid ("Tan Sri Zakaria")

Tan Sri Zakaria fulfilled the Independence guidelines as set out in the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, and therefore he is able to exercise his independent judgment and ability to act in the best interest of the Company. His vast experience in the government service sectors enable him to provide constructive thought in the Board deliberations and decision making judgment.

Abd Hamid bin Ibrahim ("En Abd Hamid")

En Abd Hamid fulfilled the Independence guidelines as set out in the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, and therefore he is able to exercise his independent judgment and ability to act in the best interest of the Company. He possesses vast commercial experience and knowledge that complements the Company's composition and continues to provide valuable insights and contributions to the Board.

Both of them understand the Company's operations well which allow them to participate actively and contribute positively during deliberations or discussions at meetings. They have exercised care as Independent Director of the Company and carry out their professional and fiduciaries duties in the interest of Company and its shareholders.

2. Resolution pertaining to the Authority for Directors to issue and allot shares in the Company pursuant to Section 132D of the Companies Act, 1965

For Resolution 10, Authority for Directors to issue and allot shares in the Company pursuant to Section 132D of the Companies Act, 1965 if passed will give the Directors of the Company from the date of the above meeting, authority to allot and issue ordinary shares from the unissued capital of the Company for such purposes as the Directors consider would be in the interest of the Company. The purposes of this general mandate is for possible fund raising exercise but not limited to further placing of the shares for purpose of funding investment(s), working capital and/or acquisitions at any time to such persons in their absolute discretion without convening a general meeting as it would be both costs and time-consuming to organise a general meeting. This authorisation will expire at the conclusion of the next Annual General Meeting of the Company.

This general mandate is a renewal of the mandate obtained from the shareholders at the Annual General Meeting of the Company held on 26 June 2014. The Company did not utilise the mandate obtained at the last Annual General Meeting and thus no proceeds were raised from the previous mandate.

3. Resolution pertaining to the Proposed Renewal of Authority for Share Buy-Back

For Resolution 11, the detailed information on the Proposed Renewal of Authority for Share Buy-Back Authority is set out in the Statement/Circular to Shareholders dated 29 May 2015 which is despatched together with the Company's Annual Report 2014.

4. Resolution pertaining to the Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature ("Proposed Shareholders' Mandate")

For Resolution 12, the detailed information on the Proposed Shareholders' Mandate is set out in Statement/Circular to Shareholders dated 29 May 2015 which is despatched together with the Company's Annual Report 2014.

Notice of Dividend Entitlement and Payment Date

NOTICE IS HEREBY GIVEN THAT a first and final tax exempt Dividend of 8% (4.00 sen) per ordinary share of RM0.50 each of the financial year ended 31 December 2014, if approved by the shareholders at the forthcoming Forty-Second Annual General Meeting, will be paid on 11 September 2015 to Depositors whose names appear in the Record of Depositors at the close of business on 3 September 2015. A Depositor shall qualify for entitlement to the dividend only in respect of:-

- Shares transferred into the Depositor's securities account before 4.00 p.m. on 3 September 2015 in respect of ordinary transfers; and
- Shares bought on Bursa Malaysia Securities Berhad on a cum entitlement basis according to the Rules of Bursa Malaysia Securities Berhad.

BY ORDER OF THE BOARD

IRENE CHOE MEE KAM @ IRENE CHOW MEE KAM (MIA 16775)

LIM SUAK GUAK (MIA 19689)

TIA HWEI PING (MAICSA 7057636)

Company Secretaries

Selangor Darul Ehsan

29 May 2015