



**MKH BERHAD**  
(50948-T)  
(Incorporated In Malaysia)

# NOTICE OF THIRTY-SEVENTH ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Thirty-Seventh Annual General Meeting ("37th AGM") of MKH Berhad will be held at Ballroom, 1st Floor, Prescott Hotel Kajang, Jalan Semenyih, 43000 Kajang, Selangor Darul Ehsan on Thursday, 23 February 2017 at 10.00 a.m. to transact the following businesses:

## ORDINARY BUSINESS:

- To receive the Audited Financial Statements for the financial year ended 30 September 2016 together with the Directors' and Auditors' reports thereon. **(Please refer to Explanatory Note A)**
- To approve the payment of Directors' fees amounting to RM250,000-00 for the financial year ended 30 September 2016. **(Ordinary Resolution 1)**
- To re-elect Datuk Chen Fook Wah, who retires by rotation pursuant to Article 110(1) of the Company's Articles of Association and being eligible, has offered himself for re-election. **(Ordinary Resolution 2)**
- To re-appoint the following Directors who retire pursuant to Section 129(6) of the Companies Act, 1965:-
  - Tan Sri Dato' Chen Kooi Chiew @ Cheng Ngi Chong **(Ordinary Resolution 3)**
  - Datuk Mohammad Bin Maidon **(Ordinary Resolution 4)**
  - Mohammed Chudi Bin Haji Ghazali **(Ordinary Resolution 5)**
  - Haji Mohamed Bin Ismail **(Ordinary Resolution 6)**
  - Haji Hasan Aziz Bin Mohd Johan **(Ordinary Resolution 7)**
- To re-appoint Messrs Deloitte as the Company's Auditors for the financial year ending 30 September 2017 and to authorise the Directors to fix their remuneration. **(Ordinary Resolution 8)**

## SPECIAL BUSINESS:

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

- Ordinary Resolution  
*Authority To Issue Shares Pursuant To Section 132D Of The Companies Act, 1965*

"**THAT** pursuant to Section 132D of the Companies Act, 1965, the Directors be and are hereby empowered to issue shares of the Company at any time until the conclusion of the next Annual General Meeting of the Company 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 per centum of the issued share capital of the Company for the time being and that the Directors are also empowered to obtain the approval for the listing of and quotation for the additional shares so issued on Bursa Malaysia Securities Berhad." **(Ordinary Resolution 9)**
- Ordinary Resolution  
*Proposed Renewal Of Authority For The Company To Purchase Its Own Shares ("Proposed Renewal Of Share Buy-Back")*

"**THAT** subject to Section 67A of the Companies Act, 1965, provisions of the Memorandum and Articles of Association of the Company, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") and any other relevant authorities, the Directors of the Company be and are hereby authorised to exercise the power of the Company to purchase such amount of ordinary shares in the Company from time to time through Bursa Securities subject further to the following:

  - the aggregate number of shares purchased does not exceed 10% of the total issued and paid-up share capital of the Company ("Purchased Shares") at the point of purchase;
  - the maximum funds to be allocated by the Company for the purpose of purchasing the Purchased Shares shall not exceed the total retained profits and share premium account of the Company at the time of the purchase(s); and
  - the authority conferred by this resolution will commence immediately upon passing of this resolution and will continue to be in force until:
    - the conclusion of the next Annual General Meeting ("AGM") of the Company unless the authority is renewed subject to conditions; or
    - the expiration of the period within which the next AGM after that date is required by law to be held; or
    - it is revoked or varied by ordinary resolution passed by the shareholders of the Company in general meeting; whichever occurs first;
  - upon the completion of the purchase(s) of the Purchased Shares, the Directors of the Company be and are hereby authorised to deal with the Purchased Shares in the following manner:-
    - to cancel the Purchased Shares so purchased; or
    - to retain the Purchased Shares so purchased as treasury shares for distribution as dividend to the shareholders and/or resell on the market of Bursa Securities; or
    - to retain part of the Purchased Shares so purchased as treasury shares and cancel the remainder; or
    - to deal in such other manner as the Bursa Securities and such other relevant authorities may allow from time to time.

**AND THAT** the Directors of the Company be and are hereby authorised to take all such steps as are necessary to implement, finalise and give full effect to the Proposed Renewal of Share Buy-Back with full power to assent to any conditions, modifications, variations and/or amendments (if any) as may be imposed by the relevant authorities and with fullest power to do all such acts and things thereafter as the Directors may deem fit and expedient in the best interest of the Company." **(Ordinary Resolution 10)**
- Ordinary Resolution  
*Retention of Independent Directors*
  - "**THAT** subject to the passing of Ordinary Resolution 5, approval be and is hereby given to Mohammed Chudi Bin Haji Ghazali, who has served as an 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 in accordance with the Malaysian Code on Corporate Governance 2012." **(Ordinary Resolution 11)**
  - "**THAT** subject to the passing of Ordinary Resolution 6, approval be and is hereby given to Haji Mohamed Bin Ismail, who has served as an 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 in accordance with the Malaysian Code on Corporate Governance 2012." **(Ordinary Resolution 12)**

## ANY OTHER BUSINESS:

- To transact any other business of the Company of which due notice shall have been given in accordance with the Company's Articles of Association and the Companies Act, 1965.

By Order of the Board,

**TAN WAN SAN** (MIA 10195)  
Group Company Secretary  
Kajang, Selangor Darul Ehsan  
Date : 24 January 2017

## Notes:

- Appointment of Proxy**
  - A member entitled to attend and vote at the meeting is entitled to attend and vote in person or by proxy or by attorney or by duly authorised representative. A proxy or attorney or duly authorised representative may but need not be a member of the Company.
  - The power of attorney or an office copy or a notarially certified copy thereof or the instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing. If the appointor is a corporation, it must be executed under its common seal or in the manner authorised by its constitution.
  - 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"), the exempt authorised nominee may appoint any number of proxy (no limit) in respect of each omnibus account it holds.
  - If the Form of Proxy is returned without any indication as to how the proxy shall vote, the proxy will vote or abstain as he thinks fit. Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he specifies the proportion of his holdings to be represented by each proxy.
  - Only members whose names appear in the Record of Depositors as at 16 February 2017 will be entitled to attend and vote at the meeting or appoint a proxy or proxies to attend and vote in his/her stead.
  - The instrument appointing a proxy together with the power of attorney (if any) under which it is signed or an office copy or a notarially certified copy thereof must be deposited at the registered office at Suite 1, 5th Floor, Wisma MKH, Jalan Semenyih, 43000 Kajang, Selangor Darul Ehsan, at least 48 hours before the time appointed for holding the meeting.
- Poll Voting**

Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all the Resolutions set out in the notice of 37th Annual General Meeting will be put to vote by poll.
- 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 a formal approval of the shareholders for the audited financial statements. As such, this item is not put forward for voting.
- Explanatory Statement Pertaining to Ordinary Business**

**Ordinary Resolutions 3, 4, 5, 6 and 7**

The proposed Ordinary Resolutions 3, 4, 5, 6 and 7 under item 4 is in accordance with Section 129(6) of the Companies Act, 1965 which requires that a separate resolution be passed to re-appoint Tan Sri Dato' Chen Kooi Chiew @ Cheng Ngi Chong, Datuk Mohammad Bin Maidon, Mohammed Chudi Bin Haji Ghazali, Haji Mohamed Bin Ismail and Haji Hasan Aziz Bin Mohd Johan who are over 70 years of age as Directors of the Company and to hold office until the conclusion of the next Annual General Meeting ("AGM") of the Company. This resolution must be passed by a majority of not less than three-fourth of such members of the Company as being entitled to vote in person or where proxies are allowed, by proxy at the AGM of the Company.
- Explanatory Statement Pertaining to Special Business**

**Ordinary Resolution 9**

The proposed Ordinary Resolution 9, if passed, will give the Directors authority to issue and allot new shares of the Company at any time and upon such terms and conditions and for such purposes as the Directors may in their absolute discretion consider to be in the best interest of the Company, without having to convene a general meeting, provided that the aggregate number of shares issued pursuant thereto does not exceed 10% of the issued and paid-up share capital of the Company for the time being. This authority, unless revoked or varied by the Company in a general meeting, will expire at the next AGM of the Company.

The general mandate sought to grant authority to Directors to allot and issue shares is a renewal of the mandate that was approved by the shareholders at the Thirty-Sixth AGM held on 10 March 2016. The renewal of the general mandate is to provide flexibility to the Company to issue new shares without the need to convene a separate general meeting to obtain shareholders' approval so as to avoid incurring additional cost and time. The purpose of this general mandate is for possible future bonus issue and/or fund raising exercises including but not limited to further placement of shares for the purpose of funding current and/or future investment projects, working capital and/or acquisitions.

As at the date of this Notice, no new shares in the Company were issued pursuant to the mandate granted to the Directors at the last AGM which shall lapse at the conclusion of the 37th AGM to be held on Thursday, 23 February 2017.

### Ordinary Resolution 10

The proposed Ordinary Resolution 10, if passed, will give authority to the Directors of the Company to exercise the power of the Company to purchase up to 10% of the issued and paid-up share capital of the Company for the time being. This authority, unless revoked or varied at a general meeting, will expire at the conclusion of the next AGM of the Company or the expiration of the period within which the next AGM is required by law to be held, whichever is the earlier.

The detailed information on the Proposed Renewal of Share Buy-Back is set out in the Statement to Shareholders dated 24 January 2017 which is dispatched together with the Annual Report 2016.

### Ordinary Resolutions 11 and 12

The Nomination Committee has assessed the independence of the following Directors, who have served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine (9) years, and recommended them to continue to act as Independent Non-Executive Directors of the Company based on the following justifications:-

#### Ordinary Resolution 11: Mohammed Chudi Bin Haji Ghazali

- He fulfilled the criteria under the definition of an Independent Director as stated in the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Malaysia"), and thus, he would be able to function as check and balance, provide a broader view and brings an element of objectivity to the Board.
- His vast experience in the banking industry enabled him to provide the Board and Board Committees with proven experience and competency in advising the management in term of cost of funding as he has detailed knowledge of the business of the Company, and able to exercise independent and objective judgement without fear or favour.
- He has performed his duty diligently and in the best interest of the Company and provides a broader view, independent and balanced assessment of proposals from the management.
- He has attended all the meetings of the Board and Board Committees (i.e. devoted sufficient time and attention) which he sits on, and has participated actively in the Board and Board Committees deliberations.

#### Ordinary Resolution 12: Haji Mohamed Bin Ismail

- He fulfilled the criteria under the definition of an Independent Director as stated in the Main Market Listing Requirements of Bursa Malaysia, and thus, he would be able to function as check and balance, provide a broader view and brings an element of objectivity to the Board.
- His vast experience in the civil servant and agricultural sector enabled him to provide the Board with a diverse set of experience, expertise and independent judgment.
- He has performed his duty diligently and in the best interest of the Company and provides a broader view, independent and balanced assessment of proposals from the management.
- He has contributed sufficient time and effort in his capacity as an Independent Non-Executive Director, and has attended all the meetings of the Board and Board Committees which he sits on for informed and balanced decision making.