



MKH BERHAD

(Company No. 50948-T)
(Incorporated in Malaysia)

NOTICE IS HEREBY GIVEN THAT an Extraordinary General Meeting (“EGM”) of MKH Berhad (“**MKH**” or “**Company**”) will be held at Ballroom, 1st Floor, Prescott Hotel Kajang, Jalan Semenyih, 43000 Kajang, Selangor Darul Ehsan on Thursday, 23 February 2017 at 11.30 a.m. or immediately after the conclusion or adjournment (as the case may be) of the Thirty-Seventh (37th) Annual General Meeting of MKH, which will be held at the same venue and on the same day at 10:00 a.m., for the purpose of considering and, if thought fit, passing with or without modifications, the following resolution by way of poll:-

ORDINARY RESOLUTION

PROPOSED RENOUNCEABLE RIGHTS ISSUE OF UP TO 45,402,742 NEW ORDINARY SHARES IN THE CAPITAL OF MKH (“MKH SHARES”) AT AN ISSUE PRICE TO BE DETERMINED AND ANNOUNCED LATER (“RIGHTS SHARES”), TOGETHER WITH A BONUS ISSUE OF UP TO 90,805,484 NEW MKH SHARES (“BONUS SHARES”) TO BE CREDITED AS FULLY PAID-UP, ON THE BASIS OF ONE (1) RIGHTS SHARE FOR EVERY TEN (10) EXISTING MKH SHARES HELD AND TWO (2) BONUS SHARES FOR EVERY ONE (1) RIGHTS SHARE SUBSCRIBED FOR ON AN ENTITLEMENT DATE TO BE DETERMINED AND ANNOUNCED LATER (“ENTITLEMENT DATE”) (“PROPOSED RIGHTS WITH BONUS ISSUE”)

“THAT, subject to the approvals of all relevant authorities and/or parties (if required) being obtained, the Board of Directors of MKH (“**Board**”) be and is hereby authorised to:-

- (i) provisionally allot and issue by way of a renounceable rights issue of up to 45,402,742 Rights Shares together with up to 90,805,484 Bonus Shares on the basis of one (1) Rights Share for every ten (10) existing MKH Shares held and two (2) Bonus Shares for every one (1) Rights Share subscribed by the shareholders of MKH whose names appear in the Record of Depositors of the Company as at the close of business on the Entitlement Date (“**Entitled Shareholders**”) and/or their renounee(s);
- (ii) determine the final issue price of the Rights Shares after taking into consideration the following:-
 - (a) the theoretical ex-all price of MKH Shares based on the five (5) day-volume weighted average market price of MKH Shares immediately preceding the price-fixing date;
 - (b) the then prevailing market conditions and market price of MKH Share; and
 - (c) the funding requirement of MKH.
- (iii) allot and issue up to 7,446,858 additional warrants 2012/2017 in MKH (“**MKH Warrants**”) to be issued pursuant to the adjustments in accordance with the provisions of the deed poll dated 23 November 2012 (“**Deed Poll**”) as a result of the Proposed Rights with Bonus Issue (“**Additional MKH Warrants**”) to the holders of the MKH Warrants as at the Entitlement Date; and
- (iv) allot and issue up to 7,446,858 new MKH Shares arising from the exercise of the Additional MKH Warrants by the holders of the MKH Warrants in accordance with the provisions of the Deed Poll during the tenure of the MKH Warrants.

THAT the Board be and is hereby authorised to deal with all or any fractional entitlements of the Rights Shares and Bonus Shares under the Proposed Rights with Bonus Issue, in such manner as the Board shall in its absolute discretion deems fit and in the best interests of the Company.

THAT any Rights Shares which are not taken up or not validly taken up shall be made available for excess applications by the other Entitled Shareholders and/or their renounee(s) and the Board be and is hereby authorised to allocate such excess Rights Shares in a fair and equitable manner on a basis to be determined by the Board at its absolute discretion.

THAT the proceeds from the Proposed Rights with Bonus Issue be utilised in the manner as set out in Section 4 of the circular to the shareholders dated 7 February 2017, and the Board be and is hereby authorised with full power to vary the manner and/or purposes of utilisation of such proceeds in such manner as the Board, may at its absolute discretion, deem fit, necessary, expedient and/or in the best interest of the Company, subject to the approval of the relevant authorities, where required.

THAT the Rights Shares and Bonus Shares shall, upon allotment and issuance, be of the same class and rank *pari passu* in all respects with each other and the then existing MKH Shares, save and except that the Rights Shares and Bonus Shares shall not be entitled to any dividends, rights, allotments and/or any other distributions which may be declared, made or paid to the shareholders of the Company, the entitlement date of which is prior to or on the date of allotment of the Rights Shares and Bonus Shares.

AND THAT the Board be and is hereby authorised to do all acts, things and to execute, sign and deliver or caused to be delivered for and on behalf of the Company, all such documents (including, without limitation, the affixing of the Company’s common seal in accordance with the Articles of Association of the Company, where necessary) as it may consider necessary and/or expedient in the best interest of the Company in order to implement, finalise and give full effect to the Proposed Rights with Bonus Issue with full power to assent to any terms, conditions, modifications, variations and/or amendments in any manner as the Board may deem necessary and/or expedient in the best interest of the Company or as may be required or imposed by any relevant authority.”

BY ORDER OF THE BOARD

TAN WAN SAN (MIA 10195)

Company Secretary
Kajang, Selangor Darul Ehsan
7 February 2017

Notes:-

- (i) A member entitled to attend and vote at the EGM 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.
- (ii) 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.
- (iii) 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.
- (iv) 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.
- (v) Only members whose names appear in the Record of Depositors as at 16 February 2017 will be entitled to attend and vote at the EGM or appoint a proxy or proxies to attend and vote in his/her stead.
- (vi) 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 registered office of the Company at Suite 1, 5th Floor, Wisma MKH, Jalan Semenyih, 43000 Kajang, Selangor Darul Ehsan not less than twenty-four (24) hours before the time appointed for taking of the poll, and in default the instrument of proxy shall not be treated as valid.
- (vii) Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the Resolution set out in the Notice of EGM will be put to vote by poll.