



NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Twenty-Third Annual General Meeting ("AGM") of SAM Engineering & Equipment (M) Berhad will be held at the First Floor, SAM Meerkat (M) Sdn Bhd, Plot 103, Hillir Sungai Keluang Lima, Taman Perindustrian Bayan Lepas 4, 11900 Penang on Thursday, 17 August 2017 at 11.00 am to transact the following business:

As Ordinary Business

- To receive the Audited Financial Statements for the financial year ended 31 March 2017 and the Reports of Directors and Auditors thereon.
- To re-elect the following Directors who are retiring pursuant to Article 91 of the Company's Articles of Association and being eligible, offer themselves for re-election:
 - Dato' Mohamed Salleh Bin Bajuri Ordinary Resolution 1
 - Mr Shum Sze Keong Ordinary Resolution 2
- To re-elect Datuk Dr Wong Lai Sum who is retiring pursuant to Article 98 of the Company's Articles of Association and being eligible, offers herself for re-election. Ordinary Resolution 3
- To approve the payment of Directors' fees amounting to RM500,000 for the financial year ended 31 March 2017. Ordinary Resolution 4
- To approve the payment of fees and benefits as tabulated below to each Director, as applicable, for the period from 1 April 2017 until next AGM of the Company payable quarterly in arrear after each month of completed service of the Directors: Ordinary Resolution 5

Directors' fees	RM50,000 per Director
Committee' fees	RM5,000 per Director per Committee
Meeting allowance	RM2,000 per Director per meeting

- To re-appoint Messrs KPMG PLT as Auditors of the Company, to hold office until the conclusion of the next AGM, at a remuneration to be determined by the Directors. Ordinary Resolution 6

As Special Business

To consider and if thought fit, to pass the following Ordinary Resolutions with or without modification:

- Authority to Issue Shares Pursuant to Section 76 of the Companies Act, 2016** Ordinary Resolution 7
THAT pursuant to Section 76 of the Companies Act, 2016 and subject to the approval of the relevant authorities, the Directors be and are hereby empowered to issue shares in the Company from time to time and upon such terms and conditions and for such purposes as the Directors may deem fit provided that the aggregate number of shares issued pursuant to this resolution does not exceed 10% of the total number of issued share capital/total number of voting shares of the Company for the time being and that the Directors be and are also empowered to obtain the approval for the listing of and quotation for the additional shares so issued on the Bursa Malaysia Securities Berhad and that such authority shall continue to be in force until the conclusion of the next Annual General Meeting ("AGM") or the expiration of the period within which the next AGM is required by law to be held or revoked/varied by resolution passed by the shareholders in general meeting whichever is the earlier.
- Proposed New and Renewal of Existing Shareholders' Mandate for Recurrent Related Party Transactions ("RRPT")** Ordinary Resolution 8
THAT subject to the provisions of the Listing Requirements of Bursa Malaysia Securities Berhad, approval be and is hereby given to the Company and/or its subsidiaries ("SAM Malaysia Group") to enter into recurrent related party transactions of a revenue or trading nature as specified in **Section 2.5(a)** and **Section 2.5(b)** of the Circular to Shareholders dated **26 July 2017** which transactions are necessary for the day-to-day operations in the ordinary course of business of SAM Malaysia Group on terms not more favourable to the related parties than those generally available to the public or unrelated third parties and are not to the detriment of the minority shareholders of the Company and the shareholders' mandate is subject to annual renewal and disclosure being made in the Annual Report of the aggregate value of transactions conducted pursuant to the shareholders' mandate during the financial year and that such approval shall continue to be in force until:
 - the conclusion of the next AGM of the Company following the general meeting at which the authorisation is obtained, at which time it shall lapse, unless by ordinary resolution passed at the meeting, the authority is renewed;
 - the expiration of the period within which the next AGM after that date is required to be held pursuant to Section 340(2) of the Act (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or
 - revoked or varied by resolution passed by the shareholders of the Company in a general meeting; whichever is the earliest.
 AND THAT the Directors of the Company be and are hereby authorised to complete and to do all such acts and things (including executing all such documents as may be required) as they may consider expedient or necessary to give effect to the transactions contemplated and/or authorised by this resolution.
- Continuation in office as Independent Non-Executive Directors**
THAT the following Directors be retained as Independent Non-Executive Directors of the Company, in accordance with the Malaysian Code on Corporate Governance 2012 until the conclusion of the next AGM:
 - Dato' Mohamed Salleh Bin Bajuri Ordinary Resolution 9
 - Dato' Wong Siew Hai Ordinary Resolution 10
 - Dato' Sri Lee Tuck Fook Ordinary Resolution 11
 - Lee Hock Chye Ordinary Resolution 12
- To transact any other business of which due notice shall have been given.

By Order of the Board

Ong Tze-En (MAICSA 7026537)
Chin Lee Phing (MAICSA 7057836)
Joint Company Secretaries

Penang, 26 July 2017

Notes:

- A Member may appoint up to two (2) proxies to attend on the same occasion. A proxy may but need not be a Member of the Company. If a Member appoints more than one (1) proxy, the appointments shall be invalid unless he specifies the proportions of his holdings to be represented by each proxy.
- Where a Member of the Company is an authorised nominee as defined under the Securities Industry (Central Depository) Act, 1991 ("SICDA"), it may appoint up to 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 (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 SICDA.
- 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.
- To be valid, the form of proxy must be deposited at the Company's Registered Office at Suite 16-1 (Penthouse Upper), Menara Penang Garden, 42A Jalan Sultan Ahmad Shah, 10050 Pulau Pinang at least forty-eight (48) hours before the time appointed for holding the meeting or any adjournments thereof.
- In respect of deposited securities, only members whose names appear on the Record of Depositors on 10 August 2017 (General Meeting Record of Depositors) shall be eligible to attend the meeting or appoint proxy(ies) to attend and/or vote on his behalf.

Explanatory Notes on Special Business:

- The proposed Ordinary Resolution 7 is for the purpose of granting a renewed general mandate ("General Mandate") empowering the Directors of the Company, pursuant to Section 76 of the Act to issue and allot new shares in the Company from time to time provided that the aggregate number of shares issued pursuant to the General Mandate does not exceed 10% of the total number of issued share capital/total number of voting shares of the Company for the time being. The General Mandate, unless revoked or varied by the Company in general meeting, will expire at the next Annual General Meeting ("AGM") of the Company.
As at the date of this Notice, no new shares in the Company were issued pursuant to the General Mandate granted to the Directors at the last AGM held on 17 August 2016 and which will lapse at the conclusion of the Twenty-Third AGM.
The General Mandate will provide flexibility to the Company for any possible fund raising activities, including but not limited to further placing of shares, for purpose of funding future investment project(s), working capital and/or acquisitions.
- The proposed Ordinary Resolution 8, if approved by shareholders, will authorise the Proposed New and Renewal of Existing Shareholders' Mandate for RRPT of a revenue or trading nature and allow the Company and its subsidiaries to enter into RRPT of a revenue or trading nature as set out in **Section 2.5** of the Circular to Shareholders dated 26 July 2017, with the related parties in the ordinary course of business which are necessary for the day-to-day operations based on terms which are not more favourable to the related parties than those generally available to the public and are not to the detriment of the minority shareholders of the Company. This approval shall continue to be in force until the conclusion of the next AGM of the Company at which time it will lapse unless the authority is renewed by a resolution passed at the meeting; or the expiration of the period within which the next AGM after the date it is required to be held pursuant to Section 340(2) of the Act (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or revoked/varied by resolutions passed by the shareholders of the Company in general meeting; whichever is the earlier. Further information on the Proposed New and Renewal of Existing Shareholders' Mandate is set out in the Circular to Shareholders dated 26 July 2017.
- The proposed Ordinary Resolutions 9, 10, 11, and 12, if passed, will retain Dato' Mohamed Salleh Bin Bajuri, Dato' Wong Siew Hai, Dato' Sri Lee Tuck Fook and Mr Lee Hock Chye as Independent Non-Executive Directors of the Company to fulfil the requirements of Paragraph 3.04 of Bursa Securities' Main Market Listing Requirements and in line with the recommendation No. 3.2 of the Malaysian Code on Corporate Governance 2012. The detail of the Board's justification and recommendation for the retention of the Independent Directors are set out under the Corporate Governance Statement in the 2017 Annual Report.

Personal data privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the AGM and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "Purposes"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

STATEMENT ACCOMPANYING NOTICE OF ANNUAL GENERAL MEETING

(Pursuant to Paragraph 8.27(2) of the Listing Requirements of Bursa Malaysia Securities Berhad)
No individual is standing for election as a Director at the forthcoming Twenty-Third Annual General Meeting of the Company.

BUSINESS PRESENTATION (This is a separate announcement)

A business presentation will commence at 10.30 am at the meeting venue and will end at 11.00 am sharp.