

# MMC CORPORATION BERHAD (30245-H)

**NOTICE IS HEREBY GIVEN THAT** the Forty-Second Annual General Meeting (42<sup>nd</sup> AGM) of MMC Corporation Berhad will be held at the Mahkota II, Hotel Istana, 73, Jalan Raja Chulan, 50200 Kuala Lumpur, Malaysia on Monday, 14 May 2018 at 10.00 a.m. for the purpose of considering and, if thought fit, passing the following resolutions:

**AS ORDINARY BUSINESS:**

1. To receive the Audited Financial Statements of the Company for the financial year ended 31 December 2017 and the Directors' Report and Auditors' Report thereon. **Please refer to Note A**
2. To approve the declaration of a final single-tier dividend of 4.0 sen per share for the financial year ended 31 December 2017. **Resolution 1**
3. To approve the payment of Directors' fees amounting to RM1,174,880.02 to the Non-Executive Directors (NEDs) of the Company for the financial year ended 31 December 2017. **Resolution 2**
4. To approve the payment of Directors' fees up to an amount of RM1,938,000.00 to the NEDs of the Company for the period from 1 January 2018 until the conclusion of the next Annual General Meeting (AGM). **Resolution 3**
5. To approve the benefits payable to the Directors of the Company up to an amount of RM3,258,490.00, for the period from 1 January 2018 until the conclusion of the next AGM. **Resolution 4**
- 6a. To re-elect Tan Sri Dato' Seri Shamsul Azhar Abbas who retires by rotation in accordance with Article 78 of the Company's Constitution and who being eligible, offers himself for re-election. **Resolution 5**
- 6b. Dato' Abdullah Mohd Yusof who retires in accordance with Article 78 of the Company's Constitution, has expressed his intention not to seek re-election. Hence, he will only retain office until the conclusion of the 42<sup>nd</sup> AGM.
7. To re-elect the following Directors who retire in accordance with Article 85 of the Company's Constitution and who being eligible, offer themselves for re-election:
  - (a) Dato' Ir. Jamaludin Osman **Resolution 6**
  - (b) Mr. Tee Beng Thong **Resolution 7**
8. To re-appoint Messrs. PricewaterhouseCoopers PLT (PwC), having consented to act as Auditors of the Company, to hold office until the conclusion of the next AGM and to authorise the Board of Directors to determine their remuneration. **Resolution 8**

**AS SPECIAL BUSINESS:**

To consider and if thought fit, to pass the following Ordinary Resolutions:

9. Continuing in office as Independent Non-Executive Director  
 "That authority be and is hereby given to Datuk Ooi Teik Huat 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 and to hold office until the conclusion of the next AGM of the Company". **Resolution 9**
10. Continuing in office as Independent Non-Executive Director  
 "That authority be and is hereby given to Dato' Abdul Hamid Sh Mohamed 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 and to hold office until the conclusion of the next AGM of the Company". **Resolution 10**

To consider and if thought fit, to pass the following Special Resolution:

11. Proposed Adoption of a new Constitution of the Company in place of the existing Constitution (Proposed Adoption)  
 "That approval be and is hereby given for the Company to adopt the new Constitution in the form and manner as set out in the Circular to Shareholders dated 20 April 2018, in place of the existing Constitution AND That the Board of Directors of the Company be and is hereby authorised to assent to any modifications, variations and/or amendments as may be required by the relevant authorities, and to do all acts and things and take all such steps as may be considered necessary to give full effect to the foregoing". **Resolution 11**

**FURTHER NOTICE IS HEREBY GIVEN THAT** for the purpose of determining a member who shall be entitled to attend the 42<sup>nd</sup> AGM, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd in accordance with Article 55(a) of the Company's Constitution and Section 34(1) of the Securities Industry (Central Depositories) Act 1991 to issue a General Meeting Record of Depositors as at 7 May 2018. Only a depositor whose name appears on the Record of Depositors as at 7 May 2018 shall be entitled to attend the said meeting or appoint proxies to attend and/or vote on his/her behalf.

**NOTICE OF BOOK CLOSURE AND NOTICE OF DIVIDEND ENTITLEMENT AND PAYMENT:**

NOTICE IS ALSO HEREBY GIVEN THAT subject to the shareholders' approval for the payment of the final single-tier dividend of 4.0 sen per share for the financial year ended 31 December 2017 (Dividend) under Resolution 1 at the 42<sup>nd</sup> AGM of the Company, the Dividend will be paid to the shareholders on 5 July 2018. The entitlement date for the Dividend shall be on 20 June 2018.

A depositor shall qualify for dividend entitlement only in respect of:

- (a) Shares transferred into the Depositor's securities account before 4.00 p.m. on 20 June 2018 in respect of ordinary transfers; and
- (b) Shares bought on Bursa Malaysia Securities Berhad (Bursa Malaysia Securities) on a cum entitlement basis according to the Rules of Bursa Malaysia Securities.

**BY ORDER OF THE BOARD**

**Ahmad Aznan Mohd Nawawi**  
**Sazlin Ayesha Abdul Samat**  
 Company Secretaries

Kuala Lumpur  
 20 April 2018

**Notes:**

1. A member of the Company entitled to attend and vote at this meeting is entitled to appoint a proxy or proxies or attorney or other duly authorised representative to attend and vote instead of him/her. A member of the Company may appoint up to two (2) proxies to attend the same meeting. Where the member of the Company appoints two (2) proxies, the appointment shall be invalid unless the member specifies the proportion of his/her shareholding to be represented by each proxy.
2. In the case of a corporation, the proxy form should be under its common seal or under the hand of an officer or attorney duly authorised on its behalf. A proxy need not be a member of the Company, and a member may appoint any person to be his/her proxy. The instrument appointing a proxy shall be deemed to confer authority to demand or join in demanding a poll.
3. In the case of joint holders, the signature of any one of them will suffice.
4. Where a member is an exempt authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991 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.
5. Unless voting instructions are indicated in the spaces provided in the proxy form, the proxy may vote as he/she thinks fit.
6. The proxy form, to be valid, must be deposited at the Company's Share Registrar, Symphony Share Registrars Sdn Bhd, Level 6, Symphony House, Pusat Dagangan Dana 1, Jalan PJU 1A/46, 47301 Petaling Jaya, Selangor Darul Ehsan, Malaysia not less than 24 hours before the time appointed for the meeting or any adjournment thereof.
7. Pursuant to Paragraph 8.29A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (Listing Requirements), all resolutions set out in the Notice of AGM will be put to the vote by poll.

**Registration of Members/Proxies**

Registration of members/proxies attending the meeting will commence at 8.00 a.m. on the day of the meeting and shall remain open until such time as may be determined by the Chairman of the meeting. Members/proxies are required to produce identification documents for registration.

**EXPLANATORY NOTES ON ORDINARY BUSINESSSES:**

**Note A**

This Agenda item is meant for discussion only as under the provisions of Section 340(1)(a) of the Companies Act 2016, the Audited Financial Statements do not require the formal approval of shareholders, and hence, the matter will not be put forward for voting.

**Directors' Remuneration**

Section 230(1) of the Companies Act 2016 stipulates among others, that the fees and benefits payable to the Directors of listed companies and its subsidiaries shall be approved at a general meeting. In this respect, the Board of Directors of the Company (the Board) had agreed that the shareholders' approval shall be sought at the Company's 42<sup>nd</sup> AGM on the Directors' remuneration in three (3) separate resolutions as follows:

- (a) **Resolution 2** on payment of Directors' fees in respect of Financial Year 2017;
- (b) **Resolution 3** on payment of Directors' fees for the period from 1 January 2018 until the conclusion of the next AGM; and
- (c) **Resolution 4** on benefits payable to the Directors for the period from 1 January 2018 until the conclusion of the next AGM.

The remuneration policy for the NEDs of the Company is as depicted below:

Description	NEDS		
	Group Chairman	Chairman	Members
<b>Board Fees (per month)</b>	RM50,000	-	RM8,000
<b>Fixed Allowance (per month)</b>			
• Audit Committee	-	RM4,000	RM2,000
• Nomination and Remuneration Committee	-	-	RM1,000
• Finance, Investment and Risk Committee	-	RM1,000	RM1,000
<b>Meeting Allowance (per meeting)</b>			
• Board	RM2,500	-	RM2,500
• Audit Committee	-	RM2,500	RM2,500
• Nomination and Remuneration Committee	RM2,000	-	RM2,000
• Finance, Investment and Risk Committee	-	RM2,000	RM2,000
<b>Benefits (per annum)</b>			
• Annual Leave Passage	RM30,000	-	RM30,000
• Token of Appreciation	RM5,000	-	RM5,000

Payment of remuneration payable to the Directors will be made on a monthly basis and/or as and when incurred, if the proposed Resolutions 3 and 4 are passed and approved at the Company's 42<sup>nd</sup> AGM. The Board is of the view that it is just and equitable for the Directors to be paid the remuneration on a monthly basis and/or as and when incurred, particularly after they have discharged their responsibilities and rendered their services to MMC Group throughout the period.

**Resolution 3 – Payment of Directors' fees to the NEDs for the period from 1 January 2018 until the conclusion of the next AGM**

The total amount of Directors' fees payable to the NEDs is estimated to be up to RM1,938,000.00 for the period from 1 January 2018 until the conclusion of the next AGM.

**Resolution 4 – Approval on benefits payable to the Directors for the period from 1 January 2018 until the conclusion of the next AGM**

The benefits payable to the Directors consists of meeting allowances, Committees' fixed allowance and benefits. The total amount of benefits payable to the Directors is estimated to be up to RM3,258,490.00 for the period from 1 January 2018 until the conclusion of the next AGM, taking into account various factors, among others, the number of scheduled and special meetings for the Board and Board Committees, Board of Subsidiaries, the number of Directors involved in these meetings, etc.

**Resolutions 5, 6 and 7 – Proposed Re-election of Directors**

In determining the eligibility of the Directors to stand for re-election at the 42<sup>nd</sup> AGM, the Board and the Board Nomination and Remuneration Committee have considered the performance and contribution of each Director based on the Board of Directors' Annual Assessment Exercise.

Based on the assessment conducted for the Financial Year 2017, all the affected Directors met the performance criteria required for an effective and high performance Board. As such, the Board recommended for the affected Directors to be re-elected on the Board of the Company.

**Resolution 8 – Re-appointment of Auditors**

The Board and the Board Audit Committee has assessed the performance of Messrs. PricewaterhouseCoopers PLT (PwC) and is satisfied with the quality of service rendered and the competency and sufficiency of resources provided to the Company. The Board at its meeting held on 9 March 2018 agreed to recommend to the shareholders of the Company to approve the re-appointment of PwC as the Company's External Auditors for 2018.

**EXPLANATORY NOTES ON SPECIAL BUSINESSSES:**

**Resolutions 9 and 10 – Continuation in office as Independent Non-Executive Director**

Malaysian Code on Corporate Governance 2017 recommends that shareholders' approval be sought in the event that the Company intends to retain an Independent Non-Executive Director who has served in that capacity for more than nine (9) years.

In relation, thereto, the Board, through the Board Nomination and Remuneration Committee, has assessed the independence of Datuk Ooi Teik Huat and Dato' Abdul Hamid Sh Mohamed who have served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine (9) years.

The Board recommends that Datuk Ooi Teik Huat and Dato' Abdul Hamid Sh Mohamed continue to act as Independent Non-Executive Directors of the Company for the following reasons:

- (a) They fulfill the criteria as Independent Non-Executive Director as defined in the Listing Requirements, and therefore are able to bring independent and objective judgment to the Board;
- (b) Their immense experience in their respective fields/background enable them to provide the Board with a diverse set of experience, expertise, skills and competence;
- (c) They understand the Company's business operations which allow them to participate actively and contribute during deliberations or discussions at the Committee and Board meetings;
- (d) They devote sufficient time and effort and attends all the Board and Committee meetings, for informed and balanced decision making; and
- (e) They exercise due care as Independent Non-Executive Director of the Company and carry out their professional and fiduciary duties in the interest of the Company and shareholders.

**Resolution 11 – Proposed Adoption of a new Constitution of the Company**

The Proposed Adoption is to be in line with the Companies Act 2016, the updated provisions of the Listing Requirements and other prevailing statutory and regulatory requirements.

The new Constitution shall take effect once the proposed Resolution 11 is approved by a majority of not less than seventy-five percent (75%) of such members who are entitled to attend and vote at the Company's 42<sup>nd</sup> AGM.

**Notice:** Kindly note that, each shareholder or proxy present at the meeting will be entitled to only one (1) packed breakfast and one (1) meal voucher irrespective of the number of shareholders/proxies he/she represents. Request for meal voucher after the conclusion of the AGM will not be entertained.

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