

NOTICE OF 44TH ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the 44th Annual General Meeting ("AGM") of Mulpha International Bhd will be held at Bale Club, Multi-Purpose Hall, No. 1, Jalan Polo, Leisure Farm, 81560 Gelang Patah, Johor Darul Takzim, Malaysia on Thursday, 7 June 2018 at 2.30 p.m. for the following purposes:

AS ORDINARY BUSINESS

1. To receive the Audited Financial Statements for the financial year ended 31 December 2017 together with the Directors' and Auditors' Reports thereon. (Please refer to Explanatory Note 1)
2. To re-elect the following Directors who retire by rotation pursuant to Article 101 of the Company's Articles of Association and being eligible, have offered themselves for re-election:
 - a) Yato Yusif bin Mohamed Yusof (*Ordinary Resolution 1*)
 - b) Chew Hoy Ping (*Ordinary Resolution 2*)
 - c) Loong Caesar (*Ordinary Resolution 3*)
3. To re-elect Mr Lee Eng Leong who retires pursuant to Article 92 of the Company's Articles of Association and being eligible, has offered himself for re-election. (*Ordinary Resolution 4*)
4. To approve the payment of Directors' fees amounting to RM330,000 for the financial year ended 31 December 2017. (*Ordinary Resolution 5*)
5. To approve the payment of the following Directors' fees to the Non-Executive Directors for the period from 1 January 2018 until the next AGM of the Company to be held in 2019, to be paid monthly:
 - a) RM50,000 per annum for the Chairman of the Audit Committee; and
 - b) increase in Directors' Fees from RM60,000 to RM70,000 per annum for each of the Non-Executive Directors. (*Ordinary Resolution 6*)
6. To approve the payment of Directors' benefits (excluding Directors' fees) to the Non-Executive Directors of the Company. (*Ordinary Resolution 7*)
7. To re-appoint Messrs KPMG PLT as Auditors of the Company for the ensuing year and to authorise the Directors to fix their remuneration. (*Ordinary Resolution 8*)

AS SPECIAL BUSINESS

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

8. **ORDINARY RESOLUTION: Authority to Issue Shares pursuant to Sections 75 and 76 of the Companies Act 2016**
 "THAT subject always to the Companies Act 2016 ("the Act"), the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities"), the Company's Articles of Association and the approvals of the relevant government and/or regulatory authorities, the Directors be and are hereby empowered pursuant to Sections 75 and 76 of the Act to issue and allot new shares in the Company at any time at such price, upon such terms and conditions, for such purposes and for such person(s) whomsoever as the Directors may in their absolute discretion deem fit and expedient in the interest of the Company, provided that the aggregate number of shares issued pursuant to this resolution does not exceed 10% of the total number of issued shares of the Company for the time being and THAT the Directors be and are also empowered to obtain the approval from Bursa Securities for the listing of and quotation for the additional shares so issued and THAT such authority shall continue to be in force until the conclusion of the next AGM of the Company." (*Ordinary Resolution 9*)

9. **ORDINARY RESOLUTION: Proposed Renewal of Authority to Allot and Issue Shares pursuant to the Company's Dividend Reinvestment Plan**
 "THAT pursuant to the Dividend Reinvestment Plan as approved by the shareholders at the Extraordinary General Meeting held on 27 June 2011 and renewed at the AGM held on 8 June 2017, the Directors be and are hereby authorised to allot and issue new ordinary shares in the Company from time to time as may be required under the Company's Dividend Reinvestment Plan until the conclusion of the next AGM of the Company, upon such terms and conditions and to such persons as the Directors may, in their absolute discretion, deem fit and in the interest of the Company.

10. **ORDINARY RESOLUTION: Proposed Renewal of Authority for the Purchase by the Company of its Own Shares**

"THAT subject to compliance with the Act, the Company's Articles of Association, the Main Market Listing Requirements of Bursa Securities and any other relevant rules and regulations that may be in force from time to time, the Company be and is hereby authorised to purchase such amount of ordinary shares in the Company as may be determined by the Directors of the Company from time to time through Bursa Securities, upon such terms and conditions as the Directors may deem fit and expedient in the interest of the Company PROVIDED THAT:

- a) the aggregate number of ordinary shares in the Company which may be purchased and/or held by the Company shall not exceed 10% of the total number of issued shares of the Company at any point in time; and
- b) the maximum funds to be allocated by the Company for the purpose of purchasing the ordinary shares shall not exceed the latest audited retained profits of the Company.

THAT such authority shall commence upon the passing of this ordinary resolution and shall remain in force until:

- i) the conclusion of the next AGM of the Company at which time such authority shall lapse unless by ordinary resolution passed at that meeting, the authority is renewed, either unconditionally or subject to conditions; or
- ii) the expiration of the period within which the next AGM after that date is required by law to be held; or
- iii) revoked or varied by ordinary resolution passed by the shareholders of the Company in a general meeting,

whichever occurs first.

THAT authority be and is hereby given to the Directors of the Company to decide in their discretion to retain the ordinary shares in the Company so purchased by the Company as treasury shares and/or to cancel them and/or to resell the treasury shares and/or to distribute them as share dividends and/or subsequently cancel them or such other manner as may be allowed under the Act and the Main Market Listing Requirements of Bursa Securities.

AND THAT the Directors of the Company be and are hereby authorised to take all such steps as are necessary or expedient to implement, finalise or to give full effect to the aforesaid with full power to assent to any conditions, modifications, variations and/or amendments as may be required or imposed by the relevant authorities and to do all such acts and things (including executing all documents) as the Directors may deem fit and expedient in the best interest of the Company." (*Ordinary Resolution 11*)

11. **ORDINARY RESOLUTION: Continuing in Office as Independent Non-Executive Director**

"THAT subject to the passing of Ordinary Resolution 2, approval be and is hereby given to Mr Chew Hoy Ping, who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than 9 years, to continue to serve as an Independent Non-Executive Director of the Company, in accordance with the Malaysian Code on Corporate Governance 2017." (*Ordinary Resolution 12*)

By Order of the Board

LEE ENG LEONG (MIA 7313)
LEE SUAN CHOO (MAICSA 7017562)
Company Secretaries

Johor Darul Takzim
30 April 2018

NOTES:

1. A member of the Company who is entitled to attend and vote at a general meeting of the Company, may appoint not more than 2 proxies to attend and vote instead of the member at the meeting.
2. A proxy need not be a member of the Company. There shall be no restriction as to the qualification of the proxy and the proxy shall have the same rights as the member to speak at the meeting.
3. Where a member is an authorised nominee as defined in the Securities Industry (Credit) and Depositories Act, 1991 ("SICDA"), it may appoint not more than 2 proxies in respect of each securities account it holds in ordinary shares of the Company standing to the credit of the said securities account.
4. Where a member is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in a "securities-account" ("collective 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 the SICDA.
5. Where a member or the authorised nominee appoints 2 or more proxies, the proportion of shareholdings to be represented by each proxy must be specified in the instrument appointing proxies.
6. The instrument appointing a proxy shall be in writing under the hand of the appointer or of its attorney duly authorised in writing, or if the appointer is a corporation, either under its common seal or under the hand of its duly authorised officer.
7. The instrument appointing a proxy must be filed at the Registered Office of the Company at D'Rimbunan, No. 8, Jalan Peranginan, Leisure Farm, 81560 Gelang Patah, Johor Darul Takzim, Malaysia, not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof.
8. For the purpose of determining who shall be entitled to attend this meeting, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd to issue a Record of Depositors as at 31 May 2018 and only members whose names appear in the Record of Depositors shall be entitled to attend, speak and vote at this meeting.

Personal Data Privacy:

By 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 and/or any adjournment thereof; (ii) warrants that the member discloses the personal data of the member's proxy(ies) and/or representative(s) for the AGM and/or any adjournment thereof, and the preparation and completion of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in connection with the AGM and/or any adjournment thereof, in compliance with applicable laws, listing rules, regulations and/or guidelines (collectively, the "Purposes"); (iii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) for the AGM and/or any adjournment thereof, the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the AGM and/or any adjournment thereof; and (iv) 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.

EXPLANATORY NOTES:

1. Item 1 of the Agenda – Audited Financial Statements for the financial year ended 31 December 2017
 This agenda item is meant for discussion only as the provision of Section 340(1)(a) of the Act requires the Audited Financial Statements to be laid at the AGM. As such, this agenda item does not require shareholders' approval and hence, is not put forward for voting.
2. Ordinary Resolution 5 – Directors' Fees for the financial year ended 31 December 2017
 The proposed Directors' fees for the financial year 2017 payable to the Non-Executive Directors are the same as the previous financial year 2016.

3. **Ordinary Resolution 6 – Directors' Fees for the period from 1 January 2018 until the next AGM**
 As part of a periodic review to ensure the Group remains competitive with its peers and with the heightened responsibilities and accountabilities required of Directors under the current requirements of the Companies Act 2016, Main Market Listing Requirements of Bursa Securities, Capital Markets & Services Act 2007 and Malaysian Code on Corporate Governance 2017, it is recommended that the Directors' fees be revised as follows:

	Existing Fees	Proposed Fees
Chairman of Audit Committee	RM50,000 per annum	RM50,000 per annum (No change)
Non-Executive Directors	RM60,000 per annum	RM70,000 per annum

This Resolution, if approved, will authorise the payment of Directors' fees to the Non-Executive Directors for the period from 1 January 2018 until the next AGM of the Company to be held in 2019 and to be payable on a quarterly basis. This Resolution is to facilitate payment of Directors' fees on current financial year basis.

4. **Ordinary Resolution 7 – Directors' Benefits (excluding Directors' fees)**
 This Resolution relates to the proposed payment of Directors' benefits (excluding Directors' fees) to the Non-Executive Directors, which comprise the following:

	Chairman of Audit Committee	Chairman of other Board Committees	Non-Executive Directors
Fixed Allowance (payable on quarterly basis)	RM45,000 per annum	RM6,000 per annum	-
Meeting Allowance for attendance of Board and Board Committee Meetings (payable after each meeting)	RM2,000 per meeting	RM2,000 per meeting	RM2,000 per meeting

- a) It was proposed that fixed allowances of RM45,000 per annum and RM6,000 per annum be introduced for the Chairman of Audit Committee and other Board Committees respectively. The fixed allowances are given to the Chairman of Board Committees, in recognition of their significant roles in leadership and oversight, and their wide-ranging scope of responsibilities. This Resolution, if approved, will authorise the payment of fixed allowance for the period from 1 January 2018 until the next AGM of the Company to be held in 2019 and to be payable on a quarterly basis.
- b) It was further proposed that the meeting allowance be increased from RM1,000 per meeting to RM2,000 per meeting for attendance of Board and Board Committee meetings. This Resolution, if approved, will authorise the payment of meeting allowance at RM2,000 per meeting from 8 June 2018 until the next AGM of the Company to be held in 2019 and to be payable after each meeting.

5. **Ordinary Resolution 8 – Re-Appointment of Auditors**
 The proposed Paragraph has considered the re-appointment of Messrs KPMG PLT as Auditors of the Company based on the criteria prescribed under Paragraph 15.21 of the Main Market Listing Requirements of Bursa Securities. Both the Audit Committee and the Board have recommended the re-appointment of Messrs KPMG PLT as Auditors of the Company.

6. **Ordinary Resolution 9 – Authority to Issue Shares pursuant to Sections 75 and 76 of the Act**
 This Resolution is to empower the Directors to issue shares in the Company up to an aggregate amount not exceeding 10% of the total number of issued shares of the Company for such purposes as they consider would be in the interest of the Company, such as investments, acquisition of asset(s) or working capital. This authority, unless revoked or varied at a general meeting, will expire at the conclusion of the next AGM of the Company. The Company did not issue any shares pursuant to the mandate granted last year. Nevertheless, a renewal of the mandate is sought to avoid any delay and cost involved in convening a general meeting to approve such issue of shares.

7. **Ordinary Resolution 10 – Proposed Renewal of Authority to Allot and Issue Shares pursuant to the Company's Dividend Reinvestment Plan**
 This Resolution is to give authority to the Directors to allot and issue new ordinary shares in the Company from time to time as may be required under the Company's Dividend Reinvestment Plan until the conclusion of the next AGM of the Company. A renewal of this authority will be sought at the subsequent AGM.

8. **Ordinary Resolution 11 – Proposed Renewal of Authority for the Purchase by the Company of its Own Shares**
 The details on the proposed renewal of authority for the purchase by the Company of its own shares are set out in the Share Buy-Back Circular dated 30 April 2018.

9. **Ordinary Resolution 12 – Continuing in Office as Independent Non-Executive Director**
 This Resolution is to seek the shareholders' approval to retain Mr Chew Hoy Ping, who has served on the Board for a cumulative term of more than 9 years, as an Independent Non-Executive Director of the Company.

The Board has via the Nomination Committee, assessed the independence of Mr Chew Hoy Ping and recommended him to continue to serve the Company as an Independent Non-Executive Director based on the following justifications:

- a) Mr Chew fulfilled the criteria under the definition of "Independent Director" as stated in the Main Market Listing Requirements of Bursa Securities and thus, he would be able to function as a check and balance to the Board.
- b) Mr Chew performed his duties diligently and in the best interest of the Company and brings an element of objectivity and independent judgement to the Board without being subject to influence of the Management.
- c) Based on the Director's Peer Evaluation undertaken by the Board, Mr Chew has performed satisfactorily in fulfilling his duties and responsibilities, including among others, contribution to Board deliberations, regular and timely attendance at Board meetings and understanding of the roles and responsibilities of an Independent Director.
- d) Mr Chew, who is Chairman of the Audit Committee, has vast experience in the accounting and audit industry, which enabled him to provide constructive advice, expertise and independent judgement.

10. Retirement of Independent Non-Executive Director

Mr Lee Eng Leong who was appointed as an Independent Non-Executive Director of the Company on 21 November 2007, has exceeded the cumulative term of 12 years pursuant to the Malaysian Code on Corporate Governance 2017. He will not seek for retention as an Independent Non-Executive Director of the Company in line with the Malaysian Code on Corporate Governance 2017. Hence, Mr Kong will retire from office until the conclusion of the 44th AGM and thereafter he will step down from the Board.

STATEMENT ACCOMPANYING NOTICE OF 44TH ANNUAL GENERAL MEETING

1. Details of persons who are standing for election as Directors (excluding Directors standing for re-election)
 No individual is seeking for election as a Director at the 44th Annual General Meeting of the Company.
2. A statement relating to general mandate for issue of securities in accordance with Paragraph 6.03(3) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad
 The proposed Ordinary Resolution 9 for the general mandate for issue of securities is a renewal mandate. As at the date of this Notice, no new shares were issued pursuant to the said mandate granted to the Directors at the last Annual General Meeting held on 8 June 2017.