

### NOTICE OF FIFTEENTH ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN** the Fifteenth (15th) Annual General Meeting ("AGM") of Solution Engineering Holdings Berhad will be held at PT 13796, Jalan Tekno Usahawan 2, Technology Park Malaysia, 57000 Kuala Lumpur on Tuesday, 28 May 2019 at 10.00 a.m. to transact the following businesses:

#### AGENDA

#### ORDINARY BUSINESS

1. To receive the Audited Financial Statements for the financial year ended 31 December 2018 together with the Reports of the Directors and Auditors thereon.
2. To approve the payment of Directors' Fees of RM188,400 for the financial year ended 31 December 2018.
3. To approve the payment of Directors' benefits of RM188,400 for the period from 28 May 2019 until the next Annual General Meeting of the Company.
4. To re-elect the following Directors, who retire in accordance with Article 83 of the Company's Constitution and being eligible, have offered themselves for re-election:
  - (i) Mr Lim Yong Hew
  - (ii) Mr Lim Hai Guan
5. To re-elect Dato' Dr Mohd Nazlee bin Kamal, who retires pursuant to Article 90 of the Company's Constitution and, being eligible, offers himself for re-election.
6. To re-appoint Messrs Folk DFK & Co. as Auditors of the Company and to authorise the Directors to fix their remuneration.

(Please refer to  
Explanatory Note A)

**ORDINARY  
RESOLUTION 1**

**ORDINARY  
RESOLUTION 2**

**ORDINARY  
RESOLUTION 3**

**ORDINARY  
RESOLUTION 4**

**ORDINARY  
RESOLUTION 5**

**ORDINARY  
RESOLUTION 6**

#### SPECIAL BUSINESS

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

#### 7. RETENTION OF INDEPENDENT NON-EXECUTIVE DIRECTORS

"THAT approval be and is hereby given to retain the following Directors, who have served as Independent Non-Executive Directors of the Company for more than twelve (12) years, to continue to serve as Independent Non-Executive Directors of the Company until the conclusion of the next Annual General Meeting:

(i) Datuk Dr. Syed Muhamad Bin Syed Abdul Kadir

(ii) Mr. Low Wei Ngee

#### 8. AUTHORITY UNDER SECTIONS 75 AND 76 OF THE COMPANIES ACT 2016 FOR THE DIRECTORS TO ALLOT AND ISSUE SHARES

"THAT pursuant to Sections 75 and 76 of the Companies Act 2016 and subject always to the approval from the relevant authorities, where such approval is necessary, the Board of Directors be authorised to issue and allot shares in the Company at any time and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion deem fit, PROVIDED ALWAYS THAT the aggregate number of ordinary shares to be issued pursuant to this resolution does not exceed ten percent (10%) of the issued capital 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 ACE Market of Bursa Malaysia Securities Berhad and that such authority shall continue to be in force until the conclusion of the next Annual General Meeting ("AGM") of the Company or the expiration of the period within which the next AGM which is required by law to be held or revoked / varied by a resolution passed by the shareholders in general meeting whichever is the earlier."

#### 9. PROPOSED RENEWAL OF AUTHORITY FOR THE COMPANY TO PURCHASE ITS OWN SHARES

"THAT subject to the provisions under the Act, the Constitution of the Company, the ACE Market Listing Requirements and any other applicable laws, rules, regulations and guidelines for the time being in force, the Company be and is hereby authorised to purchase such number of ordinary shares in the Company ("Shares") as may be determined by the Directors 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 the aggregate number of shares purchased pursuant to this resolution shall not exceed 10% of the total issued and paid-up share capital of the Company.

THAT the maximum amount of funds to be allocated for the purpose of purchasing the Shares shall not exceed the retained profits of the Company.

THAT authority be and is hereby given to the Directors to decide at their discretion, as may be permitted and prescribed by the Act and/or any prevailing laws, rules, regulations, orders, guidelines and requirements issued by the relevant authorities for the time being in force to deal with any of the Shares so purchased by the Company in the following manner:

- (a) the Shares so purchased could be cancelled; or
- (b) the Shares so purchased could be retained as treasury shares for distribution as dividends or bonus shares to the shareholders of the Company and/or be resold through Bursa Securities in accordance with the relevant rules of Bursa Securities and/or transferred in accordance with the Act and/or be cancelled subsequently; or
- (c) combination of (a) and (b) above.

THAT the authority conferred by this resolution will be effective immediately from the passing of this ordinary resolution and shall continue to be in force until:

- (i) the conclusion of the next AGM of the Company, at which time the said authority would lapse unless by an 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 is required by law to be held; or
- (iii) the authority is revoked or varied by an ordinary resolution of the shareholders of the Company in a general meeting, whichever occurs first.

AND THAT the Directors be and are hereby authorised to take such steps as are necessary or expedient to implement or to effect the purchase(s) of the Shares with full power to assent to any conditions, modifications, variations and/or amendments as may be imposed by the relevant authorities and to take such steps as they may deem necessary or expedient in order to implement, finalise and give full effect in relation thereto."

#### 10. PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE

"THAT, subject to the provisions of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad, approval be given to the Company and/or its subsidiary companies to enter into recurrent related party transactions of a revenue or trading nature ("Recurrent Related Party Transactions") as set out in Section 3 of Part B of the Circular to Shareholders dated 30 April 2019, subject to the following:-

- (a) The Recurrent Related Party Transactions are undertaken in the ordinary course of business which are necessary for the day-to-day operations on arm's length basis, on normal commercial terms which are not more favourable to the related party than those generally available to the public and are not detrimental to the minority shareholders of the Company; and
- (b) Disclosure is made in the annual report of the aggregate value of transactions conducted pursuant to the Proposed Renewal of Shareholders' Mandate during the financial year.

THAT the authority conferred by this resolution will be effective immediately from the passing of this ordinary resolution and shall continue to be in force until:

- (i) the conclusion of the next AGM of the Company, at which time the said authority would lapse unless by an ordinary resolution passed at that meeting, the authority is renewed, either unconditionally or subject to conditions;
- (ii) the expiration of the period within which the next AGM is required by law to be held; or
- (iii) the authority is revoked or varied by an ordinary resolution of the shareholders of the Company in a general meeting, whichever occurs first.

AND THAT the Directors be and are hereby authorised to take such steps as are necessary or expedient to implement or to effect the Proposed Renewal of Shareholders' Mandate."

#### 11. PROPOSED ADOPTION OF NEW CONSTITUTION OF THE COMPANY

"THAT approval be and is hereby given to revoke the existing Constitution (previously referred to as the Memorandum

and Articles of Association) of the Company with immediate effect and in place thereof, the proposed new Constitution of the Company, as set out in Appendix I of the Circular to Shareholders dated 30 April 2019, be adopted as the Constitution of the Company AND THAT the Directors of the Company be authorised to assent to any modification, variation 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."

#### 12. PROPOSED CHANGE OF COMPANY NAME FROM "SOLUTION ENGINEERING HOLDINGS BERHAD" TO "SOLUTION GROUP BERHAD" ("PROPOSED CHANGE OF NAME")

"THAT the name of the Company be changed from "Solution Engineering Holdings Berhad" to "Solution Group Berhad" effective from the date of the Notice of Registration of New Name to be issued by the Companies Commission of Malaysia to the Company and that all references in the Constitution of the Company in relation to the name "Solution Engineering Holdings Berhad", wherever the same may appear, shall be deleted and substituted with "Solution Group Berhad".

AND THAT the Board be and is hereby authorised to carry out all the necessary steps and formalities in effecting the Proposed Change of Name."

#### 13. To transact any other business for which due notice shall have been given.

BY ORDER OF THE BOARD

**SIEW SUET WEI (MAICSA 7011254)**  
**LIM YEN TENG (LS0010182)**  
Company Secretaries

Kuala Lumpur  
Date: 30 April 2019

NOTES: -

1. Depositors whose names appear in the Record of Depositors as at 21 May 2019 shall be regarded as members of the Company entitled to attend, speak and vote at the 15th Annual General Meeting.
2. A member entitled to attend and vote at the meeting is entitled to appoint one or more [but not more than three (3)] proxies, each representing a minimum of 100 shares held by the member to vote on his behalf. A proxy may but need not be a member of the Company. Where a member appoints two (2) or more proxies to attend and vote at the meeting, the appointment shall be invalid unless he specifies the proportion of his shareholdings to be represented by each proxy.
3. Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories) Act, 1991, ("SICDA") it may appoint at least one (1) proxy in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.
4. Where a member of the Company is an exempt authorised nominee as defined under the SICDA which is exempted from compliance with the provisions of Subsection 25(A)(1) of the SICDA, of 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. The instrument appointing a proxy shall be in writing under the hand of the appointer or his attorney duly authorised in writing or if the appointer is a corporation, either under its common seal or under the hand of an attorney duly authorised.
6. The instrument appointing a proxy and the power of attorney or other authority (if any), under which it is signed or notarially certified copy thereof, shall be deposited at the Registered Office of the Company at 5-9A, The Boulevard Offices, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur not less than forty-eight (48) hours before the time set for holding the 15th Annual General Meeting or any adjournment thereof.

#### EXPLANATORY NOTE A

This Agenda item is meant for discussion only as under the provisions of Section 340(1) of the Companies Act 2016, the audited financial statements do not require the approval of the shareholders. As such, this matter will not be put forward for voting.

#### EXPLANATORY NOTES TO SPECIAL BUSINESS

##### 1. Ordinary Resolutions 7 and 8

Both, Datuk Dr. Syed Muhamad Bin Syed Abdul Kadir and Mr. Low Wei Ngee were appointed as Independent Non-Executive Directors of the Company on 28 May 2005 and have therefore served for more than twelve (12) years.

The Board vide the assessment conducted by the Nomination and Remuneration Committee, has recommended that both Datuk Dr. Syed Muhamad Bin Syed Abdul Kadir and Mr. Low Wei Ngee continue to act as Independent Non-Executive Directors of the Company based on the following reasons and subject to the approval of the Company's shareholders through a two-tier voting process as described in the Guidance to Practice 4.2 of the Malaysian Code of Corporate Governance 2017:

- (i) They fulfil the criteria under the definition on Independent Directors as per Guidance Note 9 of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad.
- (ii) They have devoted sufficient time and attention to their professional obligation and make informed and balanced decisions.
- (iii) They are able to bring independent and objective judgment and act in the best interest of the Company.
- (iv) Their wide range of business experience relevant to the Group enables them to provide the Board with diverse set of corporate expertise, skills and competence.
- (v) They or persons connected with them have not developed, established or entered into any significant relationship with the Executive Directors, Substantial Shareholders or management of the Company.

The proposed Ordinary Resolutions 7 and 8, if passed, will enable Datuk Dr. Syed Muhamad Bin Syed Abdul Kadir and Mr. Low Wei Ngee to continue serving as the Independent Non-Executive Directors of the Company.

##### 2. Ordinary Resolution 9

The Company had during its 14th Annual General Meeting held on 31 May 2018 obtained from its shareholders, a general mandate pursuant to Sections 75 and 76 of the Companies Act 2016 to issue and allot shares in the Company up to an amount not exceeding 10% of the issued share capital of the Company and this mandate had not being exercised by the Company.

The Ordinary Resolution 9 is a renewal mandate of the general mandate for the issuance of shares by the Company under Sections 75 and 76 of the Companies Act 2016. The mandate, if passed, will give the Directors of the Company, the authority to issue and allot shares in the Company up to an amount not exceeding 10% of the issued share capital of the Company for the time being for such purposes as the Directors would consider to be in the best interest of the Company. This authority, unless revoked or varied by the Company in a general meeting will expire at the conclusion of the next Annual General Meeting of the Company.

This mandate would provide the Company the flexibility to raise fund including but not limited to placing of shares to finance future projects, working capital and / or acquisitions without having to convene a general meeting.

##### 3. Ordinary Resolution 10

The proposed Ordinary Resolution 10, if passed, will give the Directors of the Company the authority to take all such steps as are necessary or expedient to implement, finalise, complete and/or effect the purchase(s) of Shares by the Company as the Directors may deem fit and expedient in the best interest of the Company. This authority will, unless renewed or revoked or varied by the Company at a general meeting, continue to be in force until the conclusion of the next AGM of the Company or the expiry of the period within which the next AGM of the Company following the 15th AGM is required by the law to be held. Please refer to Part D of the Circular to Shareholders dated 30 April 2019 which is despatched together with this Annual Report for more information.

##### 4. Ordinary Resolution 11

The proposed Ordinary Resolution 11, if passed, will renew the authority for the Company and / or its subsidiary companies to enter into recurrent related party transactions of a revenue or trading nature are undertaken in the ordinary course of business which are necessary for the day-to-day operations on arm's length basis, on normal commercial terms which are not more favourable to the related party than those generally available to the public and are not to the detrimental to the minority shareholders of the Company and shall lapse at the conclusion of the next AGM unless authority for its renewal is obtained from shareholders of the Company at the next general meeting. Please refer to Part B of the Circular of Shareholders dated 30 April 2019 which is despatched together with this Annual Report for more information.

##### 5. Special Resolution 1

The proposed adoption of new Constitution (formerly known as the Memorandum and Articles of Association) of the Company is primarily for the purposes of streamlining the Company's existing Memorandum and Articles of Association to be aligned with the Companies Act 2016 which was implemented with effect from 31 January 2017 and the amendments to the Listing Requirements of Bursa Malaysia Securities Berhad and the prevailing statutory and regulatory requirement applicable to the Company.

In view of the numerous amendments which would entail substantial amendments to the existing Memorandum and Articles of Association, the Board had proposed that a new Constitution as set out in Part C of the Circular to Shareholders dated 30 April 2019, be adopted. The proposed adoption shall take effect immediately once Special Resolution is passed by a majority of not less than seventy-five per centum (75%) of such members who are entitled to vote and do vote in person or by proxy at the 15th AGM.

##### 6. Special Resolution 2

The Board had proposed for the Proposed Change of Name which will be beneficial to the Company by more accurately reflecting the Group's current structure and the various business activities which is not solely focused on Engineering. The details of the Proposed Change of Name are set out in Part A of the Circular to Shareholders dated 30 April 2019. The Proposed Change of Name shall take effect from the date of the Notice of Registration of New Name to be issued by the Companies Commission of Malaysia to the Company.

**SPECIAL  
RESOLUTION 1**