



**NOTICE IS HEREBY GIVEN** that the Twenty-Fifth (25<sup>th</sup>) Annual General Meeting ("AGM") of SAM Engineering & Equipment (M) Berhad ("SAMEE" or the "Company") will be held at First Floor, SAM Meerkat (M) Sdn. Bhd., Plot 103, Hilir Sungai Keluang Lima, Taman Perindustrian Bayan Lepas 4, 11900 Penang on Wednesday, 28 August 2019 at 10.00 a.m. for the following purposes:-

**AGENDA**

**AS ORDINARY BUSINESS:-**

- To receive the Audited Financial Statements for the financial year ended 31 March 2019 together with the Reports of the Directors and Auditors thereon.
- To re-elect the following Directors who are retiring pursuant to Article 91 of the Company's Constitution and being eligible, offer themselves for re-election:-
  - Mr. Goh Wee Keng
  - Mr. Tan Kai Hee
  - Mr. Shum Sze Keong
- 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.

(Please refer to Note 1)

**Resolution 1**  
**Resolution 2**  
**Resolution 3**  
**Resolution 4**

**AS SPECIAL BUSINESS:-**

To consider and if thought fit, to pass the following as resolutions, with or without any modifications:-

**4. Special Resolution Proposed adoption of the New Constitution of the Company**

"THAT approval be and is hereby given to revoke the existing Constitution of the Company and in place thereof, the proposed new Constitution, as set out in the Appendix I of the Circular dated 29 July 2019 dispatched together with the Company's Annual Report be and is hereby adopted as the Constitution of the Company ("Proposed Adoption").

THAT the adoption of new Constitution shall be effective from 1 September 2019.

AND THAT the Directors of the Company be and are hereby authorised to assent to any modification, variation and/or amendment in any manner as may be required or imposed by the relevant authorities (if any) and to take all steps and do all acts and things as may be considered necessary or expedient in order to implement, finalise and give full effect to the Proposed Adoption."

**Resolution 5**

**5. Ordinary Resolution Proposed payment of Directors' fee for the period from 29 August 2019 until the next AGM**

"THAT the Directors' fee as tabulated below payable to each Director, as applicable, for the period from 29 August 2019 until the next AGM of the Company pursuant to Section 230(1)(b) of the Companies Act, 2016, be and are hereby approved:-

|  |          |
|--|----------|
| Fee for each Director  | RM50,000 |
| Fee for the Chairman of the Audit Committee  | RM10,000 |
| Fee for the Chairman of the following Board Committees:-<br>- Nominating & Remuneration Committee<br>- Risk & Sustainability Committee | RM7,500  |
| Fee for each Member of Board Committees  | RM5,000  |

**Resolution 6**

**6. Ordinary Resolution Proposed payment of the following benefits to Directors for the period from 29 August 2019 until next AGM of the Company**

"THAT the following benefits payable to each Director, as applicable, for the period from 29 August 2019 until the next AGM of the Company pursuant to Section 230(1)(b) of the Companies Act, 2016, be and are hereby approved:-

|                                      |                     |
|--------------------------------------|---------------------|
| Meeting Allowance for each Director  | RM2,000 per meeting |
| Benefits-In-Kind (for all Directors) | RM50,000            |

**Resolution 7**

**7. Ordinary Resolution Authority to issue and allot shares**

"THAT subject always to the Companies Act, 2016 ("Act"), the Constitution of the Company and approvals of the relevant governmental and/or regulatory authorities, if applicable, the Directors be and are hereby empowered to issue and allot shares in the Company, pursuant to Section 75 and Section 76 of the Act, at any time to such persons and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion, deem fit, provided that the aggregate number of shares issued pursuant to this Resolution does not exceed ten per centum (10%) of the issued and paid-up share capital (excluding treasury shares) of the Company for the time being and the Directors be and are also empowered to obtain the approval for the listing of and quotation for the additional shares so issued on Bursa Malaysia Securities Berhad;

AND THAT such authority shall commence immediately upon the passing of this Resolution and continue to be in force until:-

- the conclusion of the Company's next AGM, at which time it will lapse, unless the authority is renewed by a resolution passed at the general meeting;
- 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 Company's shareholders in a general meeting,

whichever is earlier."

**Resolution 8**

**8. Ordinary Resolution Proposed New and Renewal of Existing Shareholders' Mandate for Recurrent Related Party Transactions ("RRPT")**

"THAT subject to the provisions of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, approval be and is hereby given to the Company and/or its subsidiaries ("SAMEE 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 29 July 2019 which transactions are necessary for the day-to-day operations in the ordinary course of business of SAMEE 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 Company's next AGM, at which time it will lapse, unless the authority is renewed by a resolution passed at the general meeting;
- 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 Company's shareholders in a general meeting,

whichever is earlier.

**Resolution 9**

**9. Ordinary Resolution Mandate for the Directors who has served as Independent Non-Executive Directors 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**

"THAT approval be and is hereby given to the following Directors who have served as Independent Non-Executive Directors of the Company for a cumulative term of more than nine (9) years to continue to act as Independent Non-Executive Directors of the Company:-

- Dato' Mohamed Salleh Bin Bajuri
- Dato' Seri Wong Siew Hai
- Dato' Sri Lee Tuck Fook
- Mr. Lee Hock Chye"

**Resolution 10**  
**Resolution 11**  
**Resolution 12**  
**Resolution 13**

By Order of the Board,

THUM SOOK FUN (MIA 24701)  
CHEW PECK KHENG (LS 0009559)  
Company Secretaries

Date: 29 July 2019  
Penang

**Notes:-**

- The first agenda of this meeting is meant for discussion only, as the provision of Section 340(1)(a) of the Act, does not require a formal approval for the Audited Financial Statements from the shareholders. Hence, this Agenda is not put forward to shareholders for voting.
- Resolution 4 – Re-appointment of Auditors**  
Pursuant to Section 271(3)(b) of the Act, shareholders shall appoint auditors who shall hold office until the conclusion of the next AGM in year 2020. The current auditors, Messrs. KPMG PLT has expressed their willingness to continue in office. The Board and Audit Committee of the Company have considered the re-appointment of Messrs. KPMG PLT as auditors of the Company and collectively agreed that Messrs. KPMG PLT has met the relevant criteria prescribed by Paragraph 15.21 of Main Market Listing Requirements of Bursa Securities ("Listing Requirements"). The Board of Directors recommends the re-appointment of Messrs. KPMG PLT as External Auditors of the Company to hold the office until the conclusion of the next AGM.

**3. Explanatory Notes to Special Business:-**

- Resolution 5 – Proposed Adoption of the new Constitution of the Company ("Proposed Adoption")**  
The Resolution 5, if passed, will streamline the Company's Constitution with the new provisions of the Act, amendments made to Listing Requirements and to enhance administrative efficiency. The proposed adoption of new Company's Constitution is set out in the Part B of the Circular dated 29 July 2019, which is dispatched together with the Company's Annual Report 2019. The Proposed Adoption shall take effect once it has been passed by a majority of not less than 75% of such members who are entitled to vote and do vote in person or by proxy at the 25<sup>th</sup> AGM of the Company.
- Resolution 6 and 7 – Proposed payment of Directors' Remuneration and other benefits**  
Section 230(1) of the Act provides amongst others, that the "fee" of the Directors and "any benefits" payable to the Directors of a listed company shall be approved at the general meeting. Pursuant thereto, shareholders' approval is sought for the payment of fees and benefits payable to Directors, in two separate resolutions as follows:-  
Resolution 6 – On payment of Directors' fees in respect of the period from 29 August 2019 until the next AGM; and  
Resolution 7 – On payment of Benefit to Directors for the period from 29 August 2019 until the next AGM.  
The Board of Directors at its meeting held on 21 May 2019 approved the Nominating & Remuneration Committee's ("NRC") recommendation for the proposed Directors' fees for the period from 29 August 2019 until the next AGM. There is no revision to the proposed Directors' fees as compared to the previous 24<sup>th</sup> AGM of the Company.  
The benefits payable to each Director pursuant to Section 230(1)(b) of the Act have been reviewed by the Board of Directors of the Company based on the current Board size, all of whom have recognized that the benefits payable are in the best interest of the Company. As for the meeting allowance it will be accorded based on the attendance of the Director at meetings.  
In the event, the proposed amount is insufficient, e.g. due to enlarged Board size, approval will be sought at the next AGM for the shortfall.
- Resolution 8 – Authority to issue and allot shares**  
The Ordinary Resolution proposed herein is primarily to seek for the renewal of the Previous Mandate (as defined herein) to give flexibility to the Board of Directors to issue and allot shares up to 10% of the total number of issued share (excluding treasury shares) of the Company for the time being, at any time in their absolute discretion for such purposes as the Board of Directors considers to be in the best interests of the Company (hereinafter referred to as the "General Mandate"). This General Mandate is sought to avoid any delays and costs involved with the convening of a general meeting. This General Mandate, unless revoked or varied by the Company in a general meeting, will expire at the conclusion of the next AGM of the Company.  
The Company had been granted a general mandate by its shareholders at the last AGM held on 14 August 2018 of which will lapse at the conclusion of the 25<sup>th</sup> AGM (hereinafter referred to as the "Previous Mandate"). As at the date of this Notice, the Previous Mandate granted by the shareholders had not been utilised and hence, no proceeds were raised therefrom.  
The General Mandate, upon renewal, will provide flexibility to the Company for any possible fund-raising activities, including but not limited to placing of shares for the purpose of funding future investment project(s), working capital and/or acquisitions.
- Resolution 9 – Proposed New and Renewal of Shareholders' Mandate**  
The proposed Ordinary Resolution 9, 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 dated 29 July 2019, 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 earlier. Further information on the Proposed New and Renewal of Existing Shareholders' Mandate is set out in the Circular dated 29 July 2019.
- Resolution 10 to 13 – Mandate for the Directors who has served as Independent Non-Executive Directors 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**  
Pursuant to Malaysian Code on Corporate Governance 2017 ("MCCG"), the Company is required to seek shareholders' approval if intends to retain an independent director who has served the Company for a cumulative term of nine (9) years.  
The proposed Ordinary Resolutions 10, 11, 12, and 13, if passed, will retain Dato' Mohamed Salleh Bin Bajuri, Dato' Seri Wong Siew Hai, Dato' Sri Lee Tuck Fook and Mr. Lee Hock Chye ("Independent Non-Executive Directors") who have 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 Independent Non-Executive Directors of the Company.  
Both the NRC and the Board have at the annual assessment assessed the independence of Independent Non-Executive Directors, and recommended them to continue to serve as an Independent Non-Executive Director of the Company based on the justifications that the above Independent Directors remain objective and independent in expressing their views and in participating in deliberation and decision making of the Board and Board Committees. Their length of service on the Board does not in any way interfere with their exercise of independent judgement and ability to act in the best interests of the company. In addition, they have also confirmed and declared in writing that they are Independent Directors and have satisfied all the criteria of an Independent Director set out in Paragraph 1.01 of the Listing Requirements.

**4. Appointment of Proxy**

- 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/she specifies the proportions of his/her 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/her 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 18.05, MWE Plaza, No. 8, Lebuh Farquhar, 10200 George Town, Pulau Pinang, Malaysia 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 21 August 2019 (General Meeting Record of Depositors) shall be eligible to attend, speak and vote at the meeting or appoint proxy(ies) to attend, speak and vote on his/her behalf.

**5. Poll Voting**

Pursuant to Paragraph 8.29A(1) of the Listing Requirements, all resolutions set out in this notice will be put to vote by way of a poll.

**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 AGM**

(Pursuant to Paragraph 8.27(2) of the Listing Requirements)

- Details of individuals who are standing for election as Directors**  
As at date of this notice, there are no individuals who are standing for election as Directors (excluding the above Directors who are standing for re-election or re-appointment) at this forthcoming 25<sup>th</sup> AGM.
- General mandate for issue of securities in accordance with Paragraph 6.03(3) of the Listing Requirements**  
Details of the general mandate to issue securities in the Company pursuant to Section 75 and Section 76 of the Act are set out in Explanatory Note (iii) of the Notice of the 25<sup>th</sup> AGM.