

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the Sixtieth (60th) Annual General Meeting (“60th AGM” and/or “AGM”) of the Company will be held at Kompleks Pejabat Behrang 2020, Jalan Persekutuan 1, 35900 Tanjung Malim, Perak, Malaysia on Thursday, 23 July 2020 at 11.30 a.m. for the following purposes:

AGENDA	ORDINARY RESOLUTION NO.
AS ORDINARY BUSINESS:	
1. To receive the Audited Financial Statements for the financial year ended 31 December 2019, together with the Directors’ and Auditors’ Reports thereon.	Please refer to Note 1
2. To approve the payment of Directors’ benefits payable to Non-Executive Directors up to RM162,000 from 24 July 2020 until the conclusion of the next AGM of the Company.	1
3. To re-elect the following Directors retiring in accordance with the Company’s Constitution:	
3.1 Tan Sri Dr Mah King Thian	2
3.2 Mr. Chan Kam Leong	3
4. To appoint Auditors and to authorise the Directors to fix their remuneration.	4
4.1 Messrs Ernst & Young PLT, the retiring Auditors have expressed that they do not wish to seek re-appointment at this 60th Annual General Meeting.	
4.2 Special Notice pursuant to Sections 280(2)(b)(ii) and 322 of the Companies Act, 2016, a copy of which is set out and marked “Annexure A”, has been received by the Company to propose the following Ordinary Resolution:	
“THAT Messrs PKF, be hereby appointed as Auditors of the Company in place of the outgoing Auditors, Messrs Ernst & Young PLT, to hold office until the conclusion of the next Annual General Meeting and that authority be hereby given to the Directors of the Company to determine their remuneration.”	
As SPECIAL BUSINESS , to consider and, if thought fit, with or without any modification, to pass the following ordinary resolutions:	
5. RETENTION OF MR. CHAN KAM LEONG AS INDEPENDENT NON-EXECUTIVE DIRECTOR	5
That subject to his re-election as a Director of the Company under Ordinary Resolution 3, Mr. Chan Kam Leong, who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine (9) years be retained, to continue to act as an Independent Non-Executive Director of the Company until the conclusion of the next AGM in accordance with the Malaysian Code of Corporate Governance (“MCCG”).	
6. RETENTION OF PUAN WAN SALMAH BINTI WAN ABDULLAH AS INDEPENDENT NON-EXECUTIVE DIRECTOR	6
That Puan Wan Salmah Binti Wan Abdullah, who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine (9) years be retained, to continue to act as an Independent Non-Executive Director of the Company until the conclusion of the next AGM in accordance with the Malaysian Code of Corporate Governance (“MCCG”).	

Notice of Annual General Meeting (cont'd)

As **SPECIAL BUSINESS**, to consider and, if thought fit, with or without any modification, to pass the following ordinary resolutions: (cont'd)

7. **AUTHORITY TO ALLOT AND ISSUE SHARES IN GENERAL PURSUANT TO SECTION 76 OF THE COMPANIES ACT, 2016** 7

"THAT pursuant to Section 76 of the Companies Act, 2016, the Directors be and are hereby empowered to allot and issue Shares in the share capital of the Company at any time until the conclusion of the next AGM 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 to be issued does not exceed ten per centum (10%) of the total number of issued shares of the Company at the time of issue, subject always to the Constitution of the Company and approval for the listing of and quotation for the additional Shares so issued on the Bursa Malaysia Securities Berhad ("Bursa Securities") and other relevant bodies where such approval is necessary."

8. To transact any other business of which due notice shall have been given in accordance with the Companies Act, 2016.

FURTHER NOTICE IS HEREBY GIVEN THAT only members whose names appear on the Record of Depositors as at 15 July 2020 shall be entitled to attend the AGM or appoint proxies in his/her stead or in the case of a corporation, a duly authorised representative to attend and to vote in his/her stead.

By Order of the Board

CHAN EOI LENG
(SSM PC No. 202008003055)
(MAICSA 7030866)

Chartered Secretary

Ipoh, Perak Darul Ridzuan, Malaysia
25 June 2020

EXPLANATORY NOTES:

1. AGENDA 1 - AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2019

Agenda item no. 1 is meant for discussion only as Section 340(1)(a) of the Companies Act, 2016 only requires the Audited Financial Statements to be laid before the Company at the AGM and does not require shareholders' approval. Hence, Agenda 1 is not put forward for voting.

2. DIRECTORS' BENEFITS TO NON-EXECUTIVE DIRECTORS

Section 230(1) of the Companies Act, 2016 provides amongst others, that "fees" of the Directors and "any benefits" payable to Directors of a listed company and its subsidiaries shall be approved at a general meeting. Pursuant thereto, shareholders' approval is sought for this payment in Ordinary Resolution 1 for Payment of Directors' benefits to Non-Executive Directors from 24 July 2020 until the next AGM of the Company.

The Directors' benefits payable to the Non-Executive Directors until the next AGM of the Company are calculated based on the current composition of the Board and Board Committees and the number of meetings scheduled for the Board and Board Committees.

The Company had, during its Fifty-Ninth (59th) AGM held on 10 May 2019, obtained its shareholders' approval for the mandate on the payment of Directors' benefits to Non-Executive Directors of RM160,000 which is insufficient due to the AGM of the Company has been extended to 23 July 2020. Therefore, the Company will seek for shareholders' approval at this coming AGM for the additional amount of RM2,000 to meet the shortfall.

Notice of Annual General Meeting (cont'd)

EXPLANATORY NOTES: (cont'd)

3. RE-ELECTION OF DIRECTORS

Tan Sri Dr Mah King Thian and Mr. Chan Kam Leong are standing for re-election as Directors of the Company and being eligible have offered themselves for re-election at this 60th AGM. Their profiles are shown in the Board of Directors' profile.

The Board has via the Nominating Committee conducted an assessment on the effectiveness and contributions of the above retiring Directors including their skills, experience, competency and commitments, and has recommended for them to be re-elected to the Board.

4. RETENTION OF INDEPENDENT NON-EXECUTIVE DIRECTORS

Practice 4.2 of the MCCG provides that shareholders' approval be sought in the event that the Company intends for an Independent Director who has served in the capacity for more than nine (9) years, to continue to act as Independent Director of the Company.

The Board is recommending to the shareholders for Mr. Chan Kam Leong and Puan Wan Salmah Binti Wan Abdullah who have served as Independent Non-Executive Directors of the Company for a cumulative term of eleven (11) years and ten (10) years respectively to continue to act as Independent Non-Executive Directors of the Company.

The Board through the Nomination Committee had assessed and endorsed that Mr. Chan Kam Leong and Puan Wan Salmah Binti Wan Abdullah be retained as Independent Non-Executive Directors of the Company as they have continued to display high level of integrity and are objective in their judgement and decision-making in the best interest of the Company, shareholders and stakeholders and are able to express unbiased views without any influence. The detailed justifications are as set out in the Corporate Governance Overview Statement.

5. AUTHORITY TO ALLOT AND ISSUE SHARES IN GENERAL PURSUANT TO SECTION 76 OF THE COMPANIES ACT, 2016

The Company had, during its Fifty-Ninth (59th) AGM held on 10 May 2019, obtained its shareholders' approval for the general mandate for issuance of shares pursuant to Section 76 of the Act. As at the date of this notice, the Company did not issue any shares pursuant to this mandate obtained.

The proposed Ordinary Resolution 7 is a renewal of the general mandate for issuance of shares by the Company under Section 76 of the Act. The mandate, if passed, will empower the Directors from the conclusion of this AGM, to allot and issue up to a maximum of 10% of the total number of issued shares of the Company at the time of issue (other than bonus or rights issue) for such purposes as they consider would be in the best interest of the Company. This would eliminate any delay arising from and cost involved in convening a general meeting to obtain approval of the shareholders for such issuance of shares. This authority, unless revoked or varied at a general meeting, will expire at the next AGM of the Company.

This authority 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 investment project(s), working capital and/or acquisition. At this juncture, there is no decision to issue new shares. If there should be a decision to issue new shares after the general mandate is sought, the Company will make an announcement in respect thereof.

Notice of Annual General Meeting (cont'd)

Notes:

IMPORTANT NOTICE: In view of the outbreak of COVID-19 which is now a global pandemic, the Company has in place rules and control for the AGM in order to safeguard the health of attendees at AGM. You are requested to read and adhere to the Administrative Details which can be downloaded from the Company's website or announcement via Bursa website.

- (1) Pursuant to Paragraph 8.29A of the Listing Requirements, voting at General Meeting will be conducted by poll rather than show of hands. Poll Administrator and Independent Scrutineers will be appointed to conduct the polling process and verify the results of the poll respectively.
- (2) A member entitled to attend and vote at the Meeting is entitled to appoint not more than two (2) proxies to attend and vote instead of him/her. A proxy must be 18 years and above and may but need not be a member of the Company.
- (3) Where a member appoints two (2) proxies, the appointments shall be invalid unless he/she specifies the proportions of his/her holdings to be represented by each proxy.
- (4) Where a member of the Company is an Exempt Authorised Nominee which holds ordinary shares in the Company in an 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 but the proportion of holdings to be represented by each proxy must be specified.
- (5) The instrument appointing a proxy shall be in writing under the hand of the appointer or his/her attorney duly authorised in writing or if the appointer is a corporation, either under the corporation's seal or under the hand of an officer or attorney duly authorised. If under the hand of attorney/authorised officer, the Power of Attorney or Letter of Authorisation must be attached.
- (6) The instrument appointing a proxy must be deposited at the office of the Share Registrar of our Company, Boardroom Share Registrar Sdn. Bhd. at 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia not less than 48 hours before the time appointed for holding the Meeting, either by hand, post, courier, electronic mail to (bsr.helpdesk@boardroomlimited.com) or fax (603)78904670, otherwise the instrument of proxy should not be treated as valid.
- (7) For verification purposes, members and proxies are required to produce their original identity card at the registration counter. No person will be allowed to register on behalf of another person even with the original identity card of that other person.

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.

ANNUAL REPORT 2019, CORPORATE GOVERNANCE REPORT 2019

The Annual Report 2019 and Corporate Governance Report 2019 may be downloaded at www.mhc.com.my