



SAM ENGINEERING & EQUIPMENT (M) BERHAD

Company Registration No. 199401012509 (298188-A)
(Incorporated in Malaysia)

NOTICE OF 27TH ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Twenty-Seventh (27th) Annual General Meeting ("AGM") of SAM Engineering & Equipment (M) Berhad ("SAMEE" or the "Company") will be conducted on a fully virtual basis via the Online Meeting Platform hosted on Securities Services e-Portal at <https://sshsb.net.my/login.aspx> for the purpose of considering and if thought fit, passing with or without modifications, the resolutions set out in this notice:-

- Day and Date** : Tuesday, 24 August 2021
Time : 10.00 a.m.
Online Meeting Platform/Venue : Securities Services e-Portal <https://sshsb.net.my/login.aspx>
(Domain Registration No. with MyNIC Berhad: D4A004360)
at Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights,
50490 Kuala Lumpur, Wilayah Persekutuan, Malaysia
Modes of Communication : 1. Typed text in the Online Meeting Platform
2. Email your questions to investorrelations@sam-malaysia.com prior to 27th AGM by 17 August 2021

AGENDA

AS ORDINARY BUSINESS:-

- To receive the Audited Financial Statements for the financial year ended 31 March 2021 together with the Reports of the Directors and Auditors thereon. (Please refer to Explanatory Note (B)(1))
- To re-elect the following Directors who retire in accordance with Regulation 95 of the Company's Constitution and being eligible, offered themselves for re-election:-
2.1 Dato' Seri Wong Siew Hai
2.2 Mr. Lee Hock Chye
- To approve the payment of Directors' fee as tabulated below, payable to each Director, as applicable, for the period from the conclusion of this AGM until the next AGM of the Company:-

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:- - Nominating & Remuneration Committee - Risk & Sustainability Committee	RM7,500
Fee for each Member of Board Committees	RM5,000

- To approve the payment of the following benefits to Directors (excluding Directors' fee), payable to each Director, as applicable, for the period from the conclusion of this AGM until next AGM of the Company:-

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

- 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.

AS SPECIAL BUSINESS:-

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

- 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:-
(a) 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;
(b) 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
(c) revoked or varied by resolution passed by the Company's shareholders in a general meeting, whichever is earlier."

- Ordinary Resolution**
Proposed 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 of the Circular to Shareholders dated 26 July 2021 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:-
(a) 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;
(b) 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
(c) revoked or varied by resolution passed by the Company's shareholders in a general meeting, whichever is earlier.
AND THAT the Directors of the Company be and are hereby authorised to complete and do all such acts and things (including executing all such documents as may be required) as they may consider expedient or necessary to give effect to the RRPT."

- Ordinary Resolution**
Mandate for the Directors who have served as Independent Non-Executive Directors of the Company for a cumulative term of more than twelve (12) years, to continue to act as an Independent Non-Executive Director of the Company
"THAT subject to the passing of Resolution 1 and Resolution 2 above, 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 twelve (12) years, to continue to act as Independent Non-Executive Directors of the Company in compliance with the Malaysian Code on Corporate Governance 2017:-
(a) Dato' Seri Wong Siew Hai
(b) Mr. Lee Hock Chye

- Special Resolution**
Proposed Amendments to the Constitution of the Company
"THAT the amendments to the Constitution of the Company, as set out in Appendix A be and are hereby approved and adopted with immediate effect.
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."
- To transact any other business of which due notice shall have been given.

By Order of the Board,

THUM SOOK FUN, SSM PC NO. 201908000139 (MIA 24701)
CHEW PECK KHENG, SSM PC NO. 202008001118 (LS 0009559)
Company Secretaries
Date: 26 July 2021
Penang

(A) Notes:-

- As part of the initiatives and the safety measures to curb the spread of Coronavirus Disease 2019 ("COVID-19"), and having regard to the well-being and the safety of our shareholders, the 27th AGM will be conducted on a fully virtual basis via Remote Participation and Voting ("RPV") facilities provided by S S E Solution Sdn Bhd via its Securities Services e-Portal ("SSeP") at <https://sshsb.net.my/login.aspx>. Please follow the procedures provided in the Administrative Guide for the 27th AGM in order to register, participate and vote remotely via RPV facilities.
- According to the Guidance Note and Frequently Asked Questions on the Conduct of General Meetings for Listed Issuers revised by the Securities Commission Malaysia on 1 June 2021 ("Revised Guidance Note and FAQs"), an online meeting platform can be recognised as the meeting venue or place under Section 327(2) of the Act provided that the meeting online platform is registered with MyNIC Berhad or hosted in Malaysia.
By utilising the RPV facilities at Securities Services e-Portal (prior registration as a User is required), shareholders are to remotely attend, participate, speak (by way of posing questions to the Board via real time submission of typed texts) and cast their votes at the 27th AGM. Please refer to the Administrative Guide for procedures to utilise the RPV facilities in order to participate and vote remotely at the 27th AGM.
- As the 27th AGM will be conducted via a fully virtual meeting, a member entitled to participate and vote at the meeting may appoint up to two (2) proxies or the Chairman of the Meeting as his/her proxy(ies) to participate and vote in his or her stead, by indicating the voting instruction in the Form of Proxy:-
(a) A proxy may but need not to be a member of the Company. There shall be no restriction as to the qualification of the proxy.
(b) Where a member appoints more than one (1) proxy, the appointments shall be invalid unless he specifies the proportion of his shareholdings to be represented by each proxy.
(c) A proxy appointed to participate and vote at the meeting shall have the same rights as the member to speak at the meeting.
As guided by the Securities Commission Malaysia's Revised Guidance Note and FAQs, the right to speak is not limited to verbal communication only but includes other modes of expression. Therefore, all shareholders and proxies shall communicate with the main venue of the AGM via real time submission of typed texts through a text box within Securities Services e-Portal's platform during the live streaming of the AGM as the primary mode of communication. In the event of any technical glitch in this primary mode of communication, shareholders and proxies may email their questions to eservices@sshsb.com.my during the AGM. The questions and/or remarks submitted by the shareholders and/or proxies will be broadcasted and responded by the Chairman/Board/relevant adviser during the AGM.

(A) Notes:- (Cont'd)

- 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. The appointment of two (2) proxies in respect of any particular securities account shall be invalid unless the authorised nominee specifies the proportion of its shareholding to be represented by each proxy.
- 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. Where an Exempt Authorised Nominee appoints more than one (1) proxy in respect of each Omnibus Account, the appointment shall be invalid unless the Exempt Authorised Nominee specifies proportion of its shareholding to be represented by each proxy.
- The appointment of proxy(ies) may be made in hardcopy form or by electronic means as follow:-
(a) **In Hardcopy Form**
The instrument appointing a proxy or representative and the duly registered power of attorney or other authority (if any), under which it is signed or a duly notarized certified copy of that power or authority, shall be deposited at the Registered Office of the Company at Suite 18.05, MWE Plaza, No. 8, Lebuhr Farquhar, 10200 George Town, Pulau Pinang.
(b) **By SSeP**
The Form of Proxy may also be lodged electronically via SSeP at <https://sshsb.net.my/login.aspx>. (Please refer to the Administrative Guide for more details)

- Resolution 1**
Resolution 2
The Form of Proxy may also be lodged electronically via SSeP at <https://sshsb.net.my/login.aspx>. (Please refer to the Administrative Guide for more details)
in either case, not less than 48 hours before the time appointed for holding the meeting or at any adjournment thereof.
- The Company shall be entitled to reject an instrument of proxy which is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified on the instrument of proxy.
- In respect of deposited securities, only members whose names appear on the Record of Depositors on 17 August 2021 (General Meeting Record of Depositors) shall be eligible to participate, speak and vote at the meeting or appoint proxy(ies) to participate, speak and vote on his/her behalf.
- 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.

(B) Explanatory Notes to Ordinary Business:-

- 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 1 and 2 – Re-election of Directors who retires in accordance with Regulation 95 of the Company's Constitution**
Regulation 95 of the Company's Constitution states that all directors shall retire from office once at least in each 3 years, but shall be eligible for re-election. An election of directors shall take place each year. A retiring Director shall retain office until the close of the meeting at which he retires.
In determining the eligibility of the Directors to stand for re-election at the forthcoming AGM, the Nominating & Remuneration Committee's ("NRC") has assessed the Directors and was satisfied with the assessment.
The Board approved the NRC's recommendation for the re-election of the retiring Directors pursuant to Regulation 95 of the Company's Constitution at the forthcoming AGM of the Company. The retiring Directors had obtained from deliberation as well as decision on their own eligibility to stand for re-election at the relevant NRC and Board meetings.
- Resolution 3 and 4 – Proposed payment of Directors' Remuneration**
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 3 – Payment of Directors' fees in respect of the period from the conclusion of this AGM until the next AGM; and
Resolution 4 – Payment of Benefit to Directors for the period from the conclusion of this AGM until the next AGM.
The Board of Directors at its meeting held on 25 May 2021 approved the NRC's recommendation for the proposed Directors' fees for the period from the conclusion of this AGM until the next AGM. There is no revision to the proposed Directors' fees as compared to the previous 26th 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, all of whom have recognised 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 5 – 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 2022. 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.

(C) Explanatory Notes to Special Business:-

- Resolution 6 – 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 2 September 2020 of which will lapse at the conclusion of the 27th 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 7 – Proposed Renewal of Shareholders' Mandate**
The proposed Ordinary Resolution 7, if approved by shareholders, will authorise the Proposed 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 26 July 2021, 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 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/varied by resolutions passed by the shareholders of the Company in general meeting, whichever is the earlier. Further information on the Proposed Renewal of Existing Shareholders' Mandate is set out in the Circular dated 26 July 2021.
- Resolution 8 and 9 – Mandate for the Directors who have served as Independent Non-Executive Directors of the Company for a cumulative term of more than twelve (12) years, to continue to act as an Independent Non-Executive Directors of the Company**
The proposed resolution is to seek the shareholders' approval to retain Dato' Seri Wong Siew Hai and Mr. Lee Hock Chye ("Independent Non-Executive Directors") as Independent Non-Executive Directors of the Company.
Both the NRC and the Board have at the annual assessment assessed the independence of these Independent Non-Executive Directors, and recommended them to continue to serve as Independent Non-Executive Directors of the Company based on the following justifications:
(a) they have fulfilled the criteria under the definition of Independent Director as stated in the Main Market Listing Requirements, and thus, would, amongst others, be able to function as check and balance, provide relevant expert views and bring element of objectivity;
(b) their independence was not impaired despite their long tenure in office; and
(c) their continuous tenure brings stability and the Group benefits from their mix of skills, professional and commercial experience, technical expertise in their relevant fields and competencies that have contributed towards the Board making informed and balanced decisions.

- Subject to the passing of Resolution 1 and Resolution 2, the proposed Ordinary Resolutions 8 and 9 if passed, will enable the Company to retain Dato' Seri Wong Siew Hai and Mr. Lee Hock Chye as Independent Non-Executive Directors of the Company.
The approval of shareholders will be sought through two-tier voting process as described in the Guidance to Malaysian Code on Corporate Governance.
- Resolution 10 – Proposed Amendments to the Constitution of the Company**
The proposed amendments to the Constitution of the Company ("Proposed Amendments") are mainly to align with the Companies Act 2016 and to facilitate the participation of Directors in virtual meetings without being present at the meeting.
Based on the foregoing, the approval of shareholders will be sought under a Special Resolution for the Company to incorporate the Proposed Amendments into its existing Constitution, in accordance with Section 36(1) of the Act. The Proposed Amendments as per Appendix A, which is circulated together with the Notice of the 27th AGM dated 26 July 2021, shall take effect once the proposed Special Resolution has been passed by a majority of not less than seventy-five per centum (75%) of the members who are entitled to vote in person or by proxy at the 27th AGM.

- Resolution 8**
Resolution 9
Resolution 10

- Resolution 10**
The proposed amendments to the Constitution of the Company ("Proposed Amendments") are mainly to align with the Companies Act 2016 and to facilitate the participation of Directors in virtual meetings without being present at the meeting.
Based on the foregoing, the approval of shareholders will be sought under a Special Resolution for the Company to incorporate the Proposed Amendments into its existing Constitution, in accordance with Section 36(1) of the Act. The Proposed Amendments as per Appendix A, which is circulated together with the Notice of the 27th AGM dated 26 July 2021, shall take effect once the proposed Special Resolution has been passed by a majority of not less than seventy-five per centum (75%) of the members who are entitled to vote in person or by proxy at the 27th AGM.

- Resolution 10**
The proposed amendments to the Constitution of the Company ("Proposed Amendments") are mainly to align with the Companies Act 2016 and to facilitate the participation of Directors in virtual meetings without being present at the meeting.
Based on the foregoing, the approval of shareholders will be sought under a Special Resolution for the Company to incorporate the Proposed Amendments into its existing Constitution, in accordance with Section 36(1) of the Act. The Proposed Amendments as per Appendix A, which is circulated together with the Notice of the 27th AGM dated 26 July 2021, shall take effect once the proposed Special Resolution has been passed by a majority of not less than seventy-five per centum (75%) of the members who are entitled to vote in person or by proxy at the 27th AGM.

IMPORTANT NOTES:-

This Notice of 27th AGM takes into account the latest measures to-date to deal with the COVID-19 situation announced and/or implemented in Malaysia which affect the holding or conduct of general meetings. The Company will closely monitor the situation and reserves the right to take further measures or short-notice adjournments as and when appropriate. Any material development will be announced on Bursa Malaysia and Shareholders are advised to check the Company's announcements made on Bursa Malaysia regularly for the latest updates on the status of the AGM.

Personal data privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to participate, 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 completion 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

- 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 27th 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 (C)(1) of the Notice of the 27th AGM.