



MUAR BAN LEE GROUP BERHAD

(COMPANY NO. 753588-P)

(Incorporated in Malaysia under the Companies Act, 1965)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Eleventh Annual General Meeting ("11th AGM") of MUAR BAN LEE GROUP BERHAD ("MBL"/"the Company") will be held at No. JR52, Lot 1818, Jalan Raja, Kawasan Perindustrian Bukit Pasir, 84300 Muar, Johor Darul Takzim on Tuesday, 30 May 2017 at 12.00 noon to transact the following matters:-

AGENDA

AS ORDINARY BUSINESSES

- 1) To receive the Audited Financial Statements for the financial year ended 31 December 2016 together with the Reports of the Directors and Auditors thereon.
(Please refer to Note A)
- 2) To re-elect the following Directors retiring under the Article 97 of the Company's Articles of Association, and who, being eligible offer themselves for re-election:
 - a) Tuan Hj Ismail Bin Tunggak @ Hj Ahmad (Resolution 1)
 - b) Chua Heok Wee (Resolution 2)
 (Please refer to Note B)
- 3) To re-appoint Dato' Chua Ah Ba @ Chua Eng Ka as Director of the Company. (Resolution 3)
(Please refer to Note C)
- 4) To approve the payment of Directors' fees of RM288,000.00 for the financial year ended 31 December 2016. (Resolution 4)
(Please refer to Note D)
- 5) To re-appoint Messrs. UHY as Auditors of the Company and to authorise the Directors to fix their remuneration. (Resolution 5)
(Please refer to Note E)

As Special Businesses

To consider and, if thought fit, to pass the following resolutions as Ordinary Resolutions:-

- 6) Ordinary Resolution I
Authority to Issue Shares
"THAT pursuant to Section 75 and 76 of the Companies Act 2016, and subject to the approvals of the relevant governmental and/or regulatory authorities, the Directors be and are hereby empowered to issue shares in the Company from time to time upon such terms and conditions and for such purposes and to such person or persons whomsoever as the Directors may, in their absolute discretion, deem fit, provided that the aggregate number of shares issued pursuant to this resolution in any one financial year does not exceed 10% of the issued share capital of the Company for the time being and that the Directors be and are also empowered to obtain the approval from the Bursa Malaysia Securities Berhad for the listing of and quotation for the additional shares so issued and that such authority shall continue in force until the conclusion of the next Annual General Meeting of the Company."
(Please refer to Note F) (Resolution 6)

- 7) Ordinary Resolution II

Proposed Renewal of Authority for Share Buy-Back

"THAT subject to the Companies Act 2016 ("the Act"), rules, regulations and orders made pursuant to the Act, provisions of the Company's Memorandum and Articles of Association, the Listing Requirements of Bursa Malaysia Securities Berhad and any other relevant authorities, the Directors of the Company be hereby unconditionally and generally authorised to make purchases of ordinary shares of the Company's issued capital through Bursa Securities at anytime and upon such terms and conditions and for such purposes as the Directors may, in their discretion deem fit, subject to the following:-

- i. the maximum number of MBL shares which may be purchased by the Company shall not be exceed ten per centum (10%) of the issued share capital of the Company at any point of time
- ii. the maximum fund to be allocated by the Company for the purpose of purchasing its own shares shall not exceed the retained profits and share premium account of the Company, as at 31 December 2016;
- iii. the authority conferred by this Resolution will be effective immediately upon the passing of this Resolution and will continue in force until:-
 - a. the conclusion of the next Annual General Meeting ("AGM") of the Company, unless by ordinary resolution passed at the meeting, the authority is renewed, either unconditionally or subject to conditions;
 - b. the expiration of the period within which the next AGM is required by law to be held (unless earlier revoked or varied by ordinary resolution of the shareholders of the Company in general meeting) but not so as to prejudice the completion of purchase(s) by the Company made before the aforesaid expiry date and, in any event, in accordance with the Listing Requirements of Bursa Securities or any other relevant authorities;
- iv. upon completion of the purchase(s) of the MBL Shares by the Company ("Purchase Shares"), the Purchase Shares shall be dealt with either of the following manners:-
 - a. cancel the Purchase Shares if the Directors of the Company deem that there is excess share capital and wish to reduce the number of shares in circulation; or
 - b. retain the Purchase Shares as treasury shares held by the Company; or
 - c. retain part of the Purchase Shares as treasury shares and cancel the remainder; or
 - d. resell the treasury shares on Bursa Securities in accordance with the relevant rules of Bursa Securities; or
 - e. distribute the Purchase Shares as share dividends if the Directors of the Company wish to reward the shareholders of MBL, which will depend on the availability of, among others, retained profits, share premium and tax credits of the Company.

AND THAT the Directors of the Company be and are hereby authorised to take all such actions and steps as are necessary or expedient to implement or to effect the purchase of MBL Shares."
(Please refer to Note G) (Resolution 7)

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

BY ORDER OF THE BOARD

Lee Hong Lim (MIA 12949)

Company Secretary

Muar, Johor Darul Takzim

Date: 28 April 2017

Explanatory Notes:-

- Note A Audited Financial Statements**
This Agenda item is meant for discussion only as the provision of Section 340(1)(a) of the Companies Act 2016 ("the Act") does not require a formal approval of the shareholders for the Audited Financial Statements. Hence, this Agenda is not put forward for voting.
- Note B Resolution 1 and 2**
Tuan Hj Ismail Bin Tunggak @ Hj Ahmad and Chua Heok Wee are standing for re-election as Directors of the Company. The Nomination Committee ("NC") and the Board of Directors of the Company ("the Board") have considered the assessment of the two Directors and collectively agree that they meet the criteria of character, experience, integrity, competence and time to effectively discharge their respective roles as Directors, as prescribed by Paragraph 2.20A of the Main Market Listing Requirements ("MMLR").
The Board endorsed the NC's recommendation that Tuan Hj Ismail Bin Tunggak @ Hj Ahmad and Chua Heok Wee be re-elected as Directors of the Company.
- Note C Resolution 3**
With the coming into force the Act on 31 January 2017, there is no age limit for directors.
At the 10th AGM of the Company held on 23 May 2016, Dato' Chua Ah Ba @ Chua Eng Ka, who was above the age of 70, was re-appointed pursuant to Section 129 of the Companies Act 1965 to hold office until the conclusion of the 11th AGM. His term of office will end at the conclusion of the 11th AGM and he has offered himself for re-appointment.
The proposed Ordinary Resolutions 3, if passed, will enable Dato' Chua Ah Ba @ Chua Eng Ka to continue to act as Directors of the Company and he shall subject to retirement by rotation at a later date.
The NC and the Board have assessed the criteria and contribution of Dato' Chua Ah Ba @ Chua Eng Ka and collectively agree that he meet the criteria of character, experience, integrity, competence and time to effectively discharge his role as Director, as prescribed by Paragraph 2.20A of the MMLR and recommended for his re-appointment. The Board endorsed the NC's recommendation that Dato' Chua Ah Ba @ Chua Eng Ka be re-appointed as Director of the Company.
- Note D Resolution 4**
Section 230(1) of the Act provides amongst others, that the fees of the Directors and any benefits payable to the Directors of a listed company shall be approved at a general meeting.
In this respect, the Board wishes to seek shareholders' approval for the following payments to Directors at the 11th AGM in the Resolution 4 on the payment of Directors' fees of RM288,000.00 for the financial year ended 31 December 2016.
- Note E Resolution 5**
The Audit Committee and the Board have considered the re-appointment of UHY as Auditors of the Company and collectively agree that UHY meets the criteria of the adequacy of experience and resources of the firm and the person assigned to the audit as prescribed by Paragraph 15.21 of MMLR.
- Note F Resolution 6**
The Ordinary Resolution 6, if passed, will renew the authority to empower the Directors of the Company to issue and allot shares up to an amount not exceeding in total ten per centum (10%) of the issued share capital of the Company from time to time and for such purpose as the Directors consider would be in the interest of the Company. The renewed mandate 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 future investment project(s), working capital and/or acquisitions. This authority will, unless revoked or varied by the Company in general meeting, expire at the next Annual General Meeting of the Company.
As at the date of this Notice, no new shares in the Company were issued pursuant to the mandate granted to the Directors at the last AGM held on 23 May 2016 and which will lapse at the conclusion of the 11th AGM.
- Note G Resolution 7**
The Ordinary Resolution 7, if passed, will allow the Company to purchase its own shares. The total number of shares purchased shall not exceed 10% of the issued share capital of the Company. This authority will, unless revoked or varied by the Company in general meeting, expires at the next AGM of the Company.
Please refer to the Statement to Shareholders dated 28 April 2017 for further information.

Notes :

- 1) For the purpose of determining a member who shall be entitled to attend at the AGM, the Company shall be requesting a General Meeting Record of Depositors as at 23 May 2017. Only a depositor whose name appears on the Record of Depositors as at 23 May 2017 shall be entitled to attend the said meeting or appoint proxies to attend and/or vote on his/her behalf. A proxy appointed to attend and vote at the meeting shall have the same rights as the member to speak at the meeting.
- 2) A proxy may but need not be a member of the Company and the provisions of Section 334(1) of the Companies Act 2016 shall not apply to the Company.
- 3) Where a member appoints two proxies, the appointment shall be invalid unless the member specifies the proportions of his holding to be represented by each proxy.
- 4) The instrument appointing a proxy in the case of any individual shall be signed by the appointor or his attorney duly authorised in writing and in the case of a corporation under its common seal or under the hand of an officer or attorney duly authorised.
- 5) Where a member of the Company is an exempt authorised nominee 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.
- 6) The Proxy Form must be deposited at the Registered Office of the Company at 85, Muntri Street, 10200 Penang, Malaysia not less than twenty-four (24) hours before the time set for holding the Meeting or any adjournment thereof.
- 7) Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Securities, all the Resolutions set out in this Notice will be put to vote by poll.