



MTD ACPI ENGINEERING BERHAD (258836-V)
(Incorporated in Malaysia)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Twenty-Sixth Annual General Meeting of MTD ACPI Engineering Berhad ("the Company") will be held at the Registered Office of the Company at Menara MTD, 1, Jalan Batu Caves, 68100 Batu Caves, Selangor Darul Ehsan on **Thursday, 5 September 2019 at 9.30 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.
(Please refer to Explanatory Note 1)
- To approve the payment of additional Directors' allowance (excluding Directors' fees) of RM9,000 payable for the period from 6 September 2018 to 4 September 2019.
(Please refer to Explanatory Note 2)
Ordinary Resolution 1
- To approve the payment of Directors' fees and allowance of up to an aggregate amount of RM303,000 payable for the period from 5 September 2019 until the next Annual General Meeting of the Company.
(Please refer to Explanatory Note 2)
Ordinary Resolution 2
- To re-elect Nik Din bin Nik Sulaiman who retires by rotation in accordance with Article 85 of the Constitution of the Company.
Ordinary Resolution 3
- To re-elect Nik Faeruz binti Tan Sri Nik Hussain who retires in accordance with Article 92 of the Constitution of the Company.
(Please refer to Explanatory Note 3)
Ordinary Resolution 4
- To re-appoint Messrs. BDO PLT as Auditors of the Company until the conclusion of the next Annual General Meeting and to authorise the Directors to fix their remuneration.
Ordinary Resolution 5

AS SPECIAL BUSINESS

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

- Continuation in Office as Independent Non-Executive Director**
 - "That subject to the passing of Ordinary Resolution 3, Nik Din bin Nik Sulaiman who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine (9) years since 31 October 2008, be and is hereby retained as an Independent Non-Executive Director of the Company until the conclusion of the next Annual General Meeting of the Company."
(Please refer to Explanatory Note 4)
Ordinary Resolution 6
 - "That Dato' Ir. Kalid bin Alias who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than twelve (12) years since 15 August 2006, be and is hereby retained as an Independent Non-Executive Director of the Company until the conclusion of the next Annual General Meeting of the Company."
(Please refer to Explanatory Note 4)
Ordinary Resolution 7

8. Authority to Issue and Allot Shares Pursuant to Sections 75 and 76 of the Companies Act 2016

"That subject to Sections 75 and 76 of the Companies Act 2016, the Constitution of the Company, requirements of Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") and relevant laws, the Directors of the Company be and are hereby empowered to issue and allot shares in the Company at any time, to such persons and upon such terms and conditions for such purposes as the Directors of the Company may in their absolute discretion deem fit and expedient in the best interest of the Company, provided that the aggregate number of shares to be issued pursuant to this resolution does not exceed ten percent (10%) of the total number of issued shares of the Company for the time being and that the Directors be and are hereby further empowered to obtain the approval from Bursa Securities for the listing of and quotation for the additional shares so issued on Bursa Securities, and that such authority shall commence immediately upon the passing of this resolution and continue to be in force until the conclusion of the next Annual General Meeting of the Company."
(Please refer to Explanatory Note 5)
Ordinary Resolution 8

9. Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature

"That subject to the provisions of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, approval be given to the Company and/or its subsidiaries companies ("the Group") to enter into recurrent related party transactions of a revenue or trading nature which are necessary for the day-to-day operations of the Group, with those related parties as set out in Section 2.3 of the Circular to Shareholders dated 31 July 2019, subject to the following:

- the transactions are in the ordinary course of business on normal commercial terms which are not more favourable to the related parties than those generally available to the public; and
- disclosure is made in the annual report of the aggregate value of transactions conducted pursuant to this mandate during the financial year.

And That the authority conferred by this mandate shall commence immediately upon the passing of this ordinary resolution and continue to be in force until:

- the conclusion of the next Annual General Meeting ("AGM") of the Company at which time the authority will lapse, unless by a resolution passed at a general meeting of the Company, the authority is renewed;
- the expiration of the period within which the next AGM is required to be held pursuant to Section 340(2) of the Companies Act 2016 ("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 shareholders in general meeting,

whichever is the earlier.

And That the Directors be and are hereby authorised to complete and do all such acts and things including, executing all such documents as may be required, to give effect to the transactions contemplated and/or authorised by this resolution."
(Please refer to Explanatory Note 6)
Ordinary Resolution 9

10. Proposed Shareholders' Mandate for Additional Recurrent Related Party Transactions of a Revenue or Trading Nature

"That subject to the provisions of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, approval be given to the Company and/or its subsidiaries companies ("the Group") to enter into additional recurrent related party transactions of a revenue or trading nature which are necessary for the day-to-day operations of the Group, with those related parties as set out in Section 2.3 of the Circular to Shareholders dated 31 July 2019, subject to the following:

- the transactions are in the ordinary course of business on normal commercial terms which are not more favourable to the related parties than those generally available to the public; and

- disclosure is made in the annual report of the aggregate value of transactions conducted pursuant to this mandate during the financial year.

And That the authority conferred by this mandate shall commence immediately upon the passing of this ordinary resolution and continue to be in force until:

- the conclusion of the next Annual General Meeting ("AGM") at which time the authority will lapse, unless by a resolution passed at a general meeting of the Company, the authority is renewed;
- the expiration of the period within which the next AGM is required to be held pursuant to Section 340(2) of the Companies Act 2016 ("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 shareholders in a general meeting,

whichever is the earlier.

And That the Directors be and are hereby authorised to complete and do all such acts and things including, executing all such documents as may be required, to give effect to the transactions contemplated and/or authorised by this resolution."
(Please refer to Explanatory Note 6)
Ordinary Resolution 10

11. Proposed Adoption of New Constitution of the Company ("Proposed New Constitution")

"That approval be and is hereby given to revoke the existing Memorandum and Articles of Association of the Company with immediate effect and in place thereof, to adopt the Proposed New Constitution of the Company, as set out in 'Annexure A'.

And That the Directors of the Company be and are hereby authorised to do all such acts and things as they may deem necessary to give full effect to the Proposed New Constitution with full power to assent to any modifications and/or amendments in any manner as may be required by any relevant authorities."
(Please refer to Explanatory Note 7)
Special Resolution

- To transact any other ordinary business of which due notice shall have been given.

By Order of the Board

Chan Bee Kuan (MAICSA 7003851)
Cheong Wei Ling (MAICSA 7009208)
Company Secretaries

Selangor Darul Ehsan
31 July 2019

Notes:

- In respect of deposited securities, only members whose names appear in the Record of Depositors on 30 August 2019 shall be eligible to attend the meeting or appoint proxy(ies) to attend, speak and/or vote on his behalf.
- A member entitled to attend and vote at the meeting is entitled to appoint up to two (2) proxies to attend, speak and vote in his stead. A proxy need not be a member of the Company and there shall be no restriction as to the qualification of the proxy.
- Where a member is an authorised nominee as defined under the Securities Industry (Central Depositories) Act, 1991, it may appoint at least one (1) proxy but not more than 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 is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account") as defined under the Securities Industry (Central Depositories) Act, 1991, there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
- The instrument appointing a proxy in the case of an individual member, shall be in writing under the hand of the appointor or his attorney duly authorised in writing or in the case of a corporate member, shall be either under its common seal or under the hand of an officer or attorney, duly authorised.
- Where a member / authorised nominee appoints two (2) proxies or an exempt authorised nominee appoints multiple proxies, the appointment shall be invalid unless he specifies the proportions of his shareholdings to be represented by each proxy.
- The instrument appointing a proxy must be deposited at the Registered Office of the Company at Menara MTD, 1, Jalan Batu Caves, 68100 Batu Caves, Selangor Darul Ehsan, not less than twenty-four (24) hours before the time set for the meeting, i.e. latest by **Wednesday, 4 September 2019 at 9.30 a.m.** and in default, the instrument of proxy shall not be treated as valid and the person so named shall not be entitled to vote in respect thereof.
- Registration will commence at 8.30 a.m. and close at 9.30 a.m. on the day of the meeting. Members and proxies are advised to be punctual. For verification purposes, members and proxies are required to produce their original identity card at the registration counter.
- Pursuant to Paragraph 8.29A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all resolutions set out in the notice of general meeting will be put to vote by way of poll. Poll Administrator and Independent Scrutineers will be appointed to conduct the polling process and verify the results of the poll respectively.

Explanatory Notes:

- Audited Financial Statements for the financial year ended 31 March 2019**
The Audited Financial Statements under Agenda 1 are laid in accordance with Section 340(1) of the Companies Act 2016 ("Act"), for discussion. This Agenda does not require the approval of the shareholders and **will not be put forward for voting.**
- Ordinary Resolution 1 & 2 - Payment of Directors' fees and allowance**
Section 230(1) of the Act provide amongst others, that "fees" and "benefits" payable to the directors of a listed company shall be approved at a general meeting.

The Company is seeking shareholders' approval for the following:-

- Resolution 1 on additional Directors' allowance (excluding Directors' fees) of RM9,000 payable to the Risk Management Committee ("RMC") members for the period from 6 September 2018 to 4 September 2019.
The RMC was established on 28 August 2018 and comprised 3 members. Each RMC member is entitled to RM1,000 per meeting. The proposed amount payable reflect the meeting allowance for 3 meetings scheduled from 6 September 2018 to 4 September 2019.
- Resolution 2 on the payment of Directors' fees and allowance of up to an aggregate amount of RM303,000 for the period from 5 September 2019 until the next Annual General Meeting ("AGM") of the Company to be held in 2020, to be made payable on a monthly basis and as when incurred.

The estimated amount payable for Directors' fees of RM234,000 and allowance of RM69,000 are based on the same amount for the existing Board composition of the Company and provision for one (1) additional director to be appointed. In the event the estimated amount is insufficient due to more meetings or enlarged Board size, approval will be sought at the next AGM for the additional fees and allowance to meet the shortfall.

Monthly Directors' fees and allowance payable to each Director are set out below.

Directors' fee	Non-Executive Chairman (RM)	Senior Independent Director (RM)	Each Other Directors (RM)
	4,000	3,500	3,000

Directors' Allowance	Executive Director (RM)	Chairman of Audit Committee (RM)	Each Member of Audit Committee (RM)
	2,000	1,000	500

Board Committee Meeting allowance payable for each meeting to the Chairman of Board Committee and its member are set out below.

Board Committee	Chairman/ Each Member (RM)
Nomination and Remuneration Committee	1,000
Risk Management Committee	1,000

3. Ordinary Resolution 4 - Re-election of Director in accordance to Article 92 of the Constitution of the Company

Article 92 of the Constitution of the Company provides that any Director appointed by the Board of Directors to fill a casual vacancy, shall hold office until the next following AGM of the Company, and shall be eligible for re-election but shall not be taken into account in determining the Directors who are to retire by rotation at that meeting.

Accordingly, Puan Nik Faeruz binti Tan Sri Nik Hussain, the newly appointed Director of the Company shall hold office until the Twenty-Sixth AGM and shall then be eligible for re-election pursuant to Article 92 of the Constitution of the Company.

4. Ordinary Resolution 6 & 7 - Continuation in Office as Independent Directors

The Malaysian Code on Corporate Governance provides that the tenure of an independent director does not exceed a cumulative term limit of nine (9) years. If the Board intends to retain an independent director beyond nine (9) years, it should justify and seek annual shareholders' approval. In addition, if the Board continues to retain the independent director after twelve (12) years, the Board should seek annual shareholders' approval through a two-tier voting process.

The proposed ordinary resolution 6 & 7, if passed, will allow Nik Din bin Nik Sulaiman and Dato' Ir. Kalid bin Alias to continue to act as Independent Non-Executive Director of the Company, until the conclusion of the next AGM of the Company.

The Board through the Nomination and Remuneration Committee conducted assessment of their independence notwithstanding, they have served as independent director for a cumulative term exceeding nine (9) years based on the following justifications:

- They fulfilled the criteria of independence contained in the Corporate Governance Guide issued by Bursa Malaysia Securities Berhad; and
- Their long service do not affect their independence and they continue to actively participate in the Board and Board Committee meetings, challenged and guided the management in an effective manner without compromising their independent judgement and objectivity in the best interest of the Company.

Dato' Ir. Kalid bin Alias who has served the Company as an Independent Director for a cumulative term exceeding twelve (12) years would be subject to shareholders' approval through a two-tier voting process. Tier 1 : voting by large shareholders and Tier 2 : voting by other shareholders.

5. Ordinary Resolution 8 - Authority to Issue and Allot Shares Pursuant to Sections 75 and 76 of the Companies Act 2016

Sections 75 and 76 of the Companies Act 2016 provides amongst others, our Directors are empowered to issue and allot new ordinary shares in the Company at any time, up to an aggregate amount not exceeding ten percent (10%) of the issued shares of the Company (excluding treasury shares), for such purposes as our Directors deem necessary and in the best interest of the Company, without having to convene a general meeting. This authority, unless revoked or varied by the Company at a general meeting, will expire at the conclusion of the next AGM.

This mandate will provide flexibility to our Directors to undertake any corporate exercise or fund raising activities, including but not limited to placement of shares for the purpose of funding current or future investments, working capital and/or acquisitions, which involves issuance of new shares.

As at the date of this Notice, the Company has not issued any new shares pursuant to the shareholders' mandate obtained on 6 September 2018, which will lapse upon the conclusion of this AGM.

6. Ordinary Resolution 9 & 10 - Proposed Shareholders' Mandate for Recurrent Related Party Transactions

Further information in relation to the shareholders' mandate for proposed renewal and additional recurrent related party transactions are set out in the Circular to Shareholders dated 31 July 2019, which is despatched together with the Company's 2019 Annual Report.

7. Special Resolution - Proposed Adoption of New Constitution of the Company ("Proposed New Constitution")

The Special Resolution, if passed, will streamline the Constitution of the Company with the Companies Act 2016 (which came into effect on 31 January 2017) and the revised Main Market Listing Requirements of Bursa Malaysia Securities Berhad as well as, the Malaysian Code on Corporate Governance.

The Board proposed that the existing Memorandum and Articles of Association of the Company be revoked in its entirety and be replaced thereof with a new Constitution in view of the substantial amendments to the Memorandum and Articles of Association of the Company.

The Proposed New Constitution will take effect upon the passing of the Special Resolution by a majority of not less than seventy-five percent (75%) of such members, who attended and are entitled to vote in person or in proxy at the meeting.

The Proposed New Constitution as set out in 'Annexure A' is despatched together with the Company's 2019 Annual Report and is available on the Company's website at www.mtdacpi.com.

Personal data privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the Annual General Meeting ("AGM") of the Company 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.