

MUHIBBAH ENGINEERING (M) BHD
Registration No.: 197201001137 (12737-K)
(Incorporated in Malaysia)

MINUTES OF THE FIFTIETH ANNUAL GENERAL MEETING (“50TH AGM”) OF THE COMPANY HELD FULLY VIRTUAL VIA REMOTE PARTICIPATION AND VOTING AT THE ONLINE MEETING PLATFORM OF TIIH ONLINE ON MONDAY, 26 JUNE 2023 AT 2.00 P.M.

PRESENT : As per the Attendance List

AGM50/1 PRELIMINARY

Dato’ Mohamad Kamarudin bin Hassan (“**Dato’ Kamarudin**” or “**the Chairman**”), the Chairman of the Board of Directors (“**the Board**”) took the chair and he welcomed everyone to the Meeting.

The Chairman then introduced the Board members to everyone and informed that the External Auditors from Messrs Crowe Malaysia PLT, the Company Secretaries and Scrutineers were also joining the Meeting.

The Chairman highlighted that the virtual Annual General Meeting (“**AGM**”) held through the online platform was in accordance with Section 327 of the Companies Act 2016 (“**the Act**”) and the Company’s Constitution.

The Chairman requested the shareholders to raise questions that are kept strictly to the agenda as specified in the notice of the meeting, and that recording of any form on the Meeting was prohibited.

AGM50/2 QUORUM

With the requisite quorum being present pursuant to Article 63 of the Company's Constitution, the Chairman declared the Meeting duly convened at 2.00 p.m. and informed that shareholders of 325,933,207 shares have lodged their proxies within the stipulated time and the holders of 305,382,548 shares have appointed the Chairman of the Meeting to be their proxy.

AGM50/3 NOTICE OF MEETING

The Notice of Meeting having been circulated to shareholders and published in “The Star” newspaper on 27 April 2023 was taken as read. Only members whose names appeared in the Record of Depositors on 16 June 2023 were eligible to attend the meeting.

AGM50/4 POLLING AND VOTING PROCEDURES

The Chairman informed the shareholders that in accordance with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all the resolutions set out in the Notice of the Meeting shall be put to vote by poll.

The Chairman added that the Company has appointed Tricor Investor & Issuing House Services Sdn Bhd (“**Tricor**”) as the Poll Administrator to conduct the e-polling exercise and Coopers Professional Scrutineers Sdn Bhd as the Scrutineer to verify the poll results.

Tricor proceeded to provide a video briefing on the voting procedures to the shareholders. The Chairman announced that the voting session has commenced since 2.00 p.m. and will be closed at a later time to be informed by the Chairman.

The Chairman welcomed the shareholders and proxies to send in their questions and the Board shall respond to the relevant questions after the conclusion of the Agenda of the Meeting under the Question & Answer (“**Q&A**”) session.

AGM50/5 MINORITY SHAREHOLDERS WATCH GROUP Q&A

It was noted that the Company had received questions from the Minority Shareholders Watch Group (“**MSWG**”) before the AGM. Mr. Mac Chung Jin (“**Mr. Mac CJ**”) presented to the shareholders the questions raised by the **MSWG** via its letter dated 7 June 2023 along with the Company’s reply. A copy of the presentation is set out in “Annexure A” of this minutes.

ORDINARY BUSINESS

AGM50/6 AUDITED FINANCIAL STATEMENTS OF THE COMPANY FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022 TOGETHER WITH THE REPORTS OF THE DIRECTORS AND THE AUDITORS

The Company’s Audited Financial Statements (“**AFS**”) for the financial year ended 31 December 2022 together with the Reports of the Directors and Auditors thereon, were tabled for discussion.

The Chairman informed the shareholders that the AFS for the financial year ended 31 December 2022 were intended for discussion only as the provision of the Section 340(1) of the Act provides that the AFS are to be laid before the members at the AGM. There is no requirement for formal approval of the shareholders and hence, it would not put for voting.

The Chairman declared that the Audited Financial Statements have been duly received and adopted by the shareholders.

**AGM50/7 ORDINARY RESOLUTIONS 1, 2 AND 3
RE-ELECTION OF DIRECTORS RETIRING BY ROTATION PURSUANT
TO ARTICLE 85 OF THE COMPANY'S CONSTITUTION**

As Dato' Kamarudin was one (1) of the Directors seeking for re-election, the Chairmanship was then handed to Mr. Mac CJ to chair this segment of the Meeting.

Mr. Mac CJ informed the Meeting that Ordinary Resolutions no. 1, 2 and 3 were on the re-election of the following Directors who retire by rotation pursuant to Article 85 of the Company's Constitution, and that the retiring Directors have offered themselves for re-election:-

Ordinary Resolution 1 - Re-election of Dato' Mohamad Kamarudin bin Hassan

Ordinary Resolution 2 - Re-election of Mr. Mac Ngan Boon @ Mac Yin Boon

Ordinary Resolution 3 - Re-election of Encik Mazlan bin Abdul Hamid

Mr. Mac CJ put each of the abovementioned motion to vote by poll later.

**AGM50/8 ORDINARY RESOLUTION 4
RE-ELECTION OF DATO' KHODIJAH BINTI ABDULLAH WHO
RETIRES PURSUANT TO ARTICLE 91 OF THE COMPANY'S
CONSTITUTION**

The Chairman informed the Meeting that Ordinary Resolution no. 4 was on the re-election of Dato' Khodijah binti Abdullah who retires pursuant to Article 91 of the Company's Constitution, and that the retiring Director has offered herself for re-election.

The Chairman put the motion to vote by poll later.

**AGM50/9 ORDINARY RESOLUTION 5
APPROVAL FOR THE PAYMENT OF DIRECTORS' FEES AND
BENEFITS PAYABLE UP TO RM1,300,000 FROM 27 JUNE 2023 UNTIL
THE NEXT AGM OF THE COMPANY**

The Chairman proceeded to the next item on the Agenda, which was to approve the payment of directors' fees and benefits payable up to an amount of RM1,300,000 from 27 June 2023 until the next AGM of the Company.

The Chairman put the motion to vote by poll later.

**AGM50/10 ORDINARY RESOLUTION 6
RE-APPOINTMENT OF AUDITORS**

The Chairman informed the Meeting that next item on the Agenda was to approve the re-appointment of the retiring Auditors, Messrs Crowe Malaysia PLT which had indicated their willingness to continue in office as Auditors of the Company for the ensuing year and to authorise the Directors of the Company to fix their remuneration.

The Chairman put the motion to vote by poll later.

SPECIAL BUSINESS

**AGM50/11 ORDINARY RESOLUTIONS 7 AND 8
RETENTION OF INDEPENDENT DIRECTORS**

As Dato' Kamarudin was one (1) of the Directors seeking for retention, the Chairmanship was then handed to Mr. Mac CJ to chair this segment of the Meeting.

Mr. Mac CJ proceeded to the first agenda item under special business which was to seek shareholders' approval on the retention of the following Independent Directors, who have served for a cumulative term of more than nine (9) years:-

**Ordinary Resolution 7 - Retention of Dato' Mohamad Kamarudin bin
Hassan**

Ordinary Resolution 8 - Retention of Encik Sobri bin Abu

Mr. Mac CJ informed the Meeting that the Nominating Committee and the Board have assessed Dato' Mohamad Kamarudin bin Hassan and Encik Sobri bin Abu as having met the guidelines on independence as set out in the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

Mr. Mac CJ put the motion to vote by poll later.

**AGM50/12 ORDINARY RESOLUTION 9
AUTHORITY FOR DIRECTORS TO ISSUE AND ALLOT SHARES IN
THE COMPANY PURSUANT TO SECTION 75 OF THE COMPANIES
ACT 2016**

The Chairman proceeded to the second item under special business which was to seek shareholders' approval on the authority for the Directors to issue and allot new shares up to an aggregate amount not exceeding 10% of the total issued share capital of the Company pursuant to Section 75 of the Act.

This authority, unless revoked or varied at a general meeting, will expire at the next AGM of the Company.

The Chairman put the motion to vote by poll later.

**AGM50/13 ORDINARY RESOLUTION 10
PROPOSED RENEWAL OF AUTHORITY FOR SHARES BUY-BACK**

The Chairman proceeded to the next item under special business which was to seek shareholders' approval on the Proposed Renewal of authority for the Company to purchase its own ordinary shares of up to 10% of the total number of issued share capital of the Company, as detailed in the Statement to Shareholders dated 27 April 2023.

The Chairman put the motion to vote by poll later.

**AGM50/14 ORDINARY RESOLUTION 11
PROPOSED RENEWAL OF THE EXISTING SHAREHOLDERS'
MANDATE AND PROPOSED NEW SHAREHOLDERS' MANDATE
FOR RECURRENT RELATED PARTY TRANSACTIONS OF A
REVENUE OR TRADING NATURE**

The Chairman proceeded to the last item under special business which was to seek approval from shareholders for the proposed renewal of the existing shareholders' mandate and proposed new shareholders' mandate for recurrent related party transactions of a revenue or trading nature, as detailed in the Circular to Shareholders dated 27 April 2023.

The Chairman put the motion to vote by poll later.

After concluding all items of the Agenda, the Chairman proceeded to the Q&A session and invited Mr. Mac CJ to answer the questions posted by the shareholders.

AGM50/15 QUESTION AND ANSWER SESSION

Mr. Mac CJ presented to the shareholders the Company's responses to the questions received prior to the AGM, a copy of the presentation is set out in "Annexure B" of this minutes.

Mr. Mac CJ and Ms. Lee Poh Kwee ("**Ms. Lee**"), the Group Finance Director addressed the live questions received from the shareholders respectively as follows:-

LIVE QUESTIONS AND ANSWERS

A1: **Question:** Will Year 2023 be better than Year 2022 or worsen due to new challenges?

Answer: Underpinned by the current order book of approximately RM1.7 billion, the Group is expected to have better performance in year 2023.

A2: **Question:** What is the business outlook in the next three (3) and six (6) months?

Answer: The Director has answered this to the question no. 1 of MSWG questions earlier. The Group will keep pursuing the construction projects in the oil and gas as well as non-oil and gas industries.

A3: **Question:** Any labour issues? Supply chain issues?

Answer: Labour issues generally exist all the time. Our Human Resources Department continuously search for talent and we are able to secured labour and workforce. The supply chain is a bit more stable at the moment, it was nonetheless impacted by global issues like microchip shortage around the world.

A4: **Question:** Raw material trend? Steel prices up? How to manage?

Answer: Raw materials have generally on an uptrend since the Ukraine war whereby the price has probably increased by 5% to 10%. However, the price is constantly fluctuating. Mr. Mac CJ further stated that the Group would purchase the material and lock in material prices as soon as the projects was awarded.

A5: **Question:** Please elaborate further on the construction activities for Petronas OSV under Safina Project. How many vessels have been awarded, total project value and the expected completion date?

Answer: The Director has answered this under the question no. 4 of Pre-AGM questions earlier. Petronas is working on Safina Phase 2 and the Company is not able to disclose the total project value due to the study is not finalise yet by Petronas.

A6: **Question:** The Marine Division is still reporting losses for the financial year (“FY”) 2022, Please provide an update on the business in this financial year and whether the projects on hand will enable the Division to return to profitability in FY2023.

Answer: The Marine Division is currently building a vessel of approximately RM20 million. The Marine Division should be benefits from Safina Phase 2 project when it’s come through.

A7: **Question:** (1) Is there any update on the airport concessionaire in Cambodia as it is reported via newspaper that the current Cambodian airport near Angkor Wat to close in October 2023. (2) If it were to close, may I know how much compensation does the Company (based on 21% stake in the airport) is expected to receive? (3) Does the compensation amount derived based on net asset value or discounted amount based on net asset value or discounted of future expected cash flow? (4) Is there any plan to diversify into different industries?

Answer: The Director has answered this under the question 3 of Pre-AGM questions earlier. The Company respects confidentiality clause of this negotiation and Management continues open for good business opportunity.

- A8: **Question:** The net repayment of the Group's borrowings amounted to RM198.347 million in FY2022 (Statement of Cash Flows – Page 63). However, finance cost for FY2022 is still similar to FY2021 which was approximately RM19 million. What are the reasons for finance cost to remain high despite the substantial repayment of borrowings?

Answer: Ms. Lee responded that the interest rate for borrowings was increasing as Bank Negara Malaysia did increased the interest rate several round in 2022. Ms. Lee further highlighted that by referring to Annual Report 2022, the interest income was also increased by RM12 million, from RM4.4 million to RM16.6 million in FY2022 mainly due to temporary placement of some fund received through the right issues and dividends declared from Favelle Favco Berhad to fixed deposits to earn interest income while pending maturity of short term borrowings.

- A9: **Question:** (1) Muhibbah has been buying FAVCO shares in the market. May I know if there is any plan for share buyback of Muhibbah shares from the market? (2) if there is any plan for Muhibbah to resume paying dividend in short or medium term?

Answer: Ms. Lee responded that Ordinary Resolution No. 10 is to seek for shareholder's standby mandate to buy back shares. The current share price has exceeded the right issue price of RM0.50 per share. The Company did not perceive the need for a share buyback at this moment, however, the Company will utilise the mandate where there is a need arise. (2) The dividend declaration is dependent on the Group's performance from time to time.

- A10: **Question:** The Pulau Indah location of Company's factory is linked with port, does raw material import from shipment via sea delivery? (Direct without agencies / 3rd party) How will Muhibbah benefit from the government's action to impose investing in Malaysia and among memorandum of understanding (“MOU”) with China?

Answer: The destination was not impacted/directly related to the raw material import or prices as the Company was not a licensed container or commercial terminal. With regards to the MOU with China, there is no direct impact to the Group.

- A11: **Question:** Any compensation from the Cambodia Government after the airport concession terminate? Amount range?

Answer: The Director has answered this under the question 3 of Pre-AGM questions earlier.

A12: **Question:** Looking at the existing business order, do you think the Company is able to continue make profit for the upcoming three (3) years? Please advise.

Answer: The Company is not allowed to provide any profit guarantee. However, in view of the Group's current order book, the Management could foresee 2023 will be better than 2022.

A13: **Question:** Why did the infrastructure construction segment able to achieve better results amid lower revenue? What has been changed since then? Is this commendable result sustainable?

Answer: In the last three (3) years since Covid, the Company had gone through significant internal restructuring exercise (such as the BSS, MAS, pay cut), together with more careful procurement and the type of contracts we are targeting which ultimately contribute better results of the Company. This should be sustainable.

A14: **Question:** What is order book replenishment target for the year after secured several oil & gas and building construction projects of total RM611 million over the last six (6) months period?

Answer: The Company do not set or commit order book replenishment target but be flexible to the tender book, pricing and market outlook. The projects that the Company is tendering now are sizable enough to have positive contribution to the Group.

A15: **Question:** On page 125 of Annual Report 2022, what is the elimination of profit before tax of RM125.57 million?

Answer: Ms. Lee responded that the profit before tax of RM125.57 million mainly contributed from the dividend received from Favelle Favco Berhad which is RM130 million during the year 2022 and such interco transactions have to be eliminated at the group consolidation level.

A16: **Question:** Can the management kindly share the current operating landscape in Cambodia airport? Is there any more new airport being built to compete against our airport?

Answer: The Director has answered this under the question 3 of Pre-AGM questions earlier

A17: **Question:** Do you mind to share your bidding book now? how much (in term of percentage) that the company could win? In view of intense competition within the industry coupled with inflation, do you foresee margin squeeze for the year? How much is the contraction likely to be?

Answer: We are able to maintain the margin and the current bidding book is approximately RM1.5 billion.

A18: **Question:** The Company raised RM120 million via rights issue last year as part of its effort to build up your war chest. Is the Company considering acquisition for further growth? If yes, are there any talk so far? What are the targeted companies or industries the company is looking at? If successful, what is the potential deal size?

Answer: The Company is consistently looking for potential acquisition for additional growth. The Company is not able to disclose the details of target companies at this moment due to those targets are at review stage and bound by confidentiality clause.

A19: **Question:** The amount of Trade receivables which are past due more than 90 days remained high at RM123 million as at 31 Dec 2022 (Note30.3 - Page 130 of AR) (1) Which business segments does this overdue trade receivables falls under? (2) How much of the Trade Receivables have been written-off for FY2022?

Answer: (1) Ms. Lee responded that the amount of RM123 million was primarily related to legal case which are pursuing in the courts for recovery. (2) As at 2022 year end, the Company has make a total accumulated provision of RM58 million and the recovery will based on the court's judgment and development.

A20: **Question:** What will happen after Seam Reap airport closure?

Answer: The Director has answered this under the question 3 of Pre-AGM questions earlier.

A21: **Question:** Sihanoukville airport still seeing a very low passenger load. Any particular reason on that?

Answer: The low passenger load in Sihanoukville airport was mainly due to the impact of some local social issue and such issues are since be under control.

A22: **Question:** What are the management's plans for the Cambodia's airports associate as the government has allowed new airports to be constructed? Are there any potential compensation?

Answer: The Director has answered this under the question 3 of Pre-AGM questions earlier.

A23: **Question:** When is the concession for the maintenance of roadways and bridges under Roadcare (M) Sdn Bhd expiring?

Answer: The Company is in the discussion process with the Government of Malaysia on the extension of the concession, the concession estimated for approximately twenty-five (25) years which will expire in three (3) to five (5) years. The Company is in the midst of application for further extension and not able to disclose the outcome at this point of time.

A24: **Question:** What is the status of the development in Kuantan?

Answer: This project is at early stage of development.

A25: **Question:** What is current usage capacity/workload percentage of Muhibbah yard?

Answer: The workload of the Muhibbah Steel is currently at about 60%. Muhibbah Steel yard is primarily used for the two ongoing oil & gas projects and also for offshores crane manufacturing for Favelle Favco Berhad.

A26: **Question:** Could you please provide details on the Societe Concessionaire de l'Aeroport ("SCA") balance sheet? Does it have high debt? What's the Debt to Asset ratio?

Answer: Ms. Lee responded that SCA is an associate company, not a subsidiary of Muhibbah Group. SCA has no debt and it is in net cash position.

As there was no notice of any other business for the AGM received by the Company, the Chairman declared the closure of the agenda and the Q&A session.

AGM50/16 POLLING PROCESS

For the polling process, the Chairman declared the closure of the registration for attendance at the 50th AGM.

The Chairman adjourned the 50th AGM for approximately 10 minutes for the voting and polling process.

AGM50/17 ANNOUCEMENT OF POLL RESULTS

The 50th AGM was re-convened and the Chairman called the meeting to order for the declaration of the results. The Chairman informed the Meeting that the Scrutineers had verified the poll voting results and that the poll voting results were as projected on the screen. The poll voting results is attached herewith as "Annexure C".

Based on the poll results verified by the Scrutineers, the Chairman announced that all the resolutions tabled at the 50th AGM of the Company had been duly carried.

Therefore, it was **RESOLVED:-**

ORDINARY RESOLUTION 1

RE-ELECTION OF DATO' MOHAMAD KAMARUDIN BIN HASSAN, WHO RETIRES PURSUANT TO ARTICLE 85 OF THE COMPANY'S CONSTITUTION

THAT Dato' Mohamad Kamarudin bin Hassan, who retires by rotation pursuant to Article 85 of the Company's Constitution, be and is hereby re-elected to the Board.

ORDINARY RESOLUTION 2

RE-ELECTION OF MR MAC NGAN BOON @ MAC YIN BOON, WHO RETIRES PURSUANT TO ARTICLE 85 OF THE COMPANY'S CONSTITUTION

THAT Mr Mac Ngan Boon @ Mac Ngan Boon, who retires by rotation pursuant to Article 85 of the Company's Constitution, be and is hereby re-elected to the Board.

ORDINARY RESOLUTION 3

RE-ELECTION OF ENCIK MAZLAN BIN ABDUL HAMID, WHO RETIRES PURSUANT TO ARTICLE 85 OF THE COMPANY'S CONSTITUTION

THAT Encik Mazlan bin Abdul Hamid, who retires by rotation pursuant to Article 85 of the Company's Constitution, be and is hereby re-elected to the Board.

ORDINARY RESOLUTION 4

RE-ELECTION OF DATO' KHODIJAH BINTI ABDULLAH, WHO RETIRES PURSUANT TO ARTICLE 91 OF THE COMPANY'S CONSTITUTION

THAT Dato' Khodijah binti Abdullah, who retires pursuant to Article 91 of the Company's Constitution, be and is hereby re-elected to the Board.

ORDINARY RESOLUTION 5

APPROVAL FOR THE PAYMENT OF DIRECTORS' FEES AND BENEFITS PAYABLE UP TO RM1,300,000.00 FROM 27 JUNE 2023 UNTIL THE NEXT AGM OF THE COMPANY

THAT the payment of Directors' fees and benefits payable up to an amount of RM1,300,000.00 from 27 June 2023 until the next AGM of the Company be and is hereby approved.

ORDINARY RESOLUTION 6

RE-APPOINTMENT OF AUDITORS

THAT the retiring Auditors, Messrs Crowe Malaysia PLT, having indicated their willingness to continue in office, be and are hereby re-appointed as Auditors of the Company for the ensuing year and to hold office until the conclusion of the next AGM of the Company and that the Directors be and are hereby authorised to fix their remuneration.

ORDINARY RESOLUTION 7

AUTHORITY FOR DATO' MOHAMAD KAMARUDIN BIN HASSAN TO CONTINUE IN OFFICE AS INDEPENDENT DIRECTOR

THAT Dato' Mohamad Kamarudin bin Hassan be and is hereby retained as an Independent Director of the Company, in accordance with the Malaysian Code on Corporate Governance until the conclusion of the next AGM.

ORDINARY RESOLUTION 8

AUTHORITY FOR ENCIK SOBRI BIN ABU TO CONTINUE IN OFFICE AS INDEPENDENT DIRECTOR

THAT Encik Sobri bin Abu be and is hereby retained as an Independent Director of the Company, in accordance with the Malaysian Code on Corporate Governance until the conclusion of the next AGM.

ORDINARY RESOLUTION 9

AUTHORITY FOR DIRECTORS TO ISSUE AND ALLOT SHARES IN THE COMPANY PURSUANT TO SECTION 75 OF THE COMPANIES ACT 2016

THAT subject to Section 75 of the Act and approvals of the relevant government/regulatory authorities, the Directors 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 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 10% of the total number of issued share capital 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** that such authority shall commence immediately upon the passing of this resolution and continue in force until the conclusion of the next AGM of the Company in accordance with Section 76 of Act.

THAT in connection with the above, pursuant to Section 85(1) of the Act read together with Article 47 of the Constitution of the Company, the shareholders do hereby waive the statutory pre-emptive rights of the offered shares in proportion as their holdings at such price and at such terms to be offered arising from any issuance of new shares above by the Company.

AND THAT the new shares to be issued shall, upon allotment and issuance, rank equally in all respects with the existing shares of the Company, save and except that they shall not be entitled to any dividends, rights, allotments and/or any other forms of distribution that which may be declared, made, or paid before the date of allotment of such new shares.

ORDINARY RESOLUTION 10

RENEWAL OF AUTHORITY FOR SHARE BUY-BACK

THAT subject to the requirements of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“**Bursa Securities**”), Companies Act 2016, and the Constitution of the Company, the Company be and is hereby authorised to purchase such number of ordinary shares in the Company through Bursa Securities (“**Share Buy-Back**”), as may be determined by the Directors of the Company from time to time upon such terms and conditions as the Directors may deem fit and expedient in the interest of the Company provided that :-

- (i) the aggregate number of ordinary shares purchased and/or held by the Company as treasury shares shall not exceed ten percent (10%) of the total number of issued share capital of the Company at any point in time; and
- (ii) the funds allocated by the Company for the Share Buy-Back shall not exceed the aggregate retained profits of the Company; and
- (iii) the authority conferred by this resolution shall continue to be in force until:-
 - a) the conclusion of the next AGM of the Company following the general meeting at which this resolution was passed, at which time it shall lapse, unless by ordinary resolution passed at that meeting, the authority is renewed, whether unconditionally or subject to conditions; or
 - b) the expiration of the period within which the next AGM of the Company 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 an ordinary resolution passed by the shareholders of the Company at a general meeting, whichever occurs first.

THAT the Directors of the Company be and are hereby authorised to deal with the shares purchased in the following manner:-

- a) cancel all the shares so purchased; and/or

- b) retain the shares so purchased as treasury shares, for distribution as share dividends to the shareholders and/or resell on the market of Bursa Securities; and/or
- c) retain part thereof as treasury shares and cancel the remainder.

AND THAT the Directors of the Company be and are hereby authorised to give effect to the Share Buy-Back with full power to assent to any modifications and/or amendments as may be required by the relevant authorities.

ORDINARY RESOLUTION 11

RENEWAL OF THE EXISTING SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE ("SHAREHOLDERS' MANDATES")

THAT subject to the Main Market Listing Requirements of Bursa Securities, approval be and is hereby given for the Renewal of the Existing Shareholders' Mandate for the Company and/or its subsidiaries to enter into recurrent related party transactions of a revenue or trading nature with the related parties as set out in Section 2.1.2 of the Statement/Circular to Shareholders ("**Circular**") dated 27 April 2023 provided that such transactions are undertaken in the ordinary course of business, at arm's length basis and on normal commercial terms which are not more favourable to the related parties than those generally available to the public and are not detrimental to the interests of the minority shareholders of the Company; and

THAT a New Shareholders' Mandate be and is hereby granted for the Company and/or its subsidiaries to enter into additional recurrent related party transactions of a revenue or trading nature with related parties which are necessary for the day-to-day operations and no normal commercial terms not more favourable to the related parties than those generally available to the public and are not to the detriment of the minority shareholders as set out in section 2.1.2 of the Circular dated 27 April 2023; (collectively known as the "Shareholders' Mandate")

THAT the Shareholders' Mandate conferred by this resolution shall continue to be in force until:-

- a) the conclusion of the next AGM of the Company at which time it will lapse, unless by ordinary resolution passed at the next AGM, the Shareholders' Mandate is renewed; or
- b) the expiration of the period within which the next AGM of the Company 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 an ordinary resolution passed by the Company's shareholders in a general meeting, whichever is the earliest.

AND THAT the Directors of the Company be and are hereby authorised to take all steps and to do all such acts and deeds as they may consider expedient or necessary to give effect to the Shareholders' Mandate.

AGM50/18 CONCLUSION

There being no further business, the Chairman declared the Meeting closed at 3.41 p.m. and thanked all present at the Meeting.

**SIGNED AS A CORRECT RECORD
OF THE PROCEEDING THEREAT**

CHAIRMAN



ANNEXURE A

MINORITY SHAREHOLDERS WATCH GROUP ("MSWG") Q&A

Minority Shareholders Watch Group (“MSWG”) Q&A



Operational & Financial Matters: Question 1

Financial Performance

	2018	2019	2020	2021	2022
Turnover (RM'000)*	2,077,281	2,024,324	1,460,371	1,189,858	1,124,201
Profit/(Loss) Profit Before Tax (RM'000)	273,829	156,021	(56,204)	15,900	24,310

As reported above, Muhibbah recorded another profit before tax (“PBT”) in FY2022 with a higher PBT of RM24,310,000 compared to the previous year, with all business segments except the Cranes segment recording an improvement in pre-tax results (Page 125 of AR2022).

What is the Group's financial performance and business segment outlook in FY2023? Does the Group expect all segments to record improvements in their pre-tax results in FY2023?

MEB's response:

The group had secured oil & gas and building construction projects of total TM611 million over the last six month's period.

Global oil & gas prices has recovered over last 2 years. Oil and gas investment is expected to move in an upward trend, including investments that reduce the greenhouse gas intensity of natural gas and its related infrastructure.

As such, it is anticipated there could be higher demand for offshore platform structures, offshore cranes, automation of offshore platforms systems and offshore support vessels from global market, which are the core business of Muhibbah Group's Construction, Intelligent Automation and Shipyard Division respectively.

With the China border re-opening in January 2023, this has positive impact on airport traffic flow as compared to last year. The airports concession is expected to have better performance as well.



Operational & Financial Matters: Question 2

Higher distribution costs of RM23,255,000 were incurred in FY2022 (FY2021: RM13,646,000), representing a year-on-year increase of RM9,609,000 or 70.42% (Page 56 of AR2022).

What are the reasons for the significant increase in distribution costs? Does MEB Group expect the costs to remain at the same level or higher in FY2023?

MEB’s response:

This is mainly due to classification and grouping of distribution cost as administrative cost in 2021.

The total administrative and distribution cost actually lower in 2022 as compared to 2021.

	2022	2021
Distribution cost	23,255	13,646
Administrative expenses (include depreciation)	172,191	185,731
Total	195,446	199,377

For year 2023, the total administrative and distribution cost is expected to be in tandem with the level of revenue and business activities.



Operational & Financial Matters: Question 3

There was a significant improvement in the share of loss of associates, net of tax of RM1,200,000 recorded in FY2022 (FY2021: Loss of RM28,053,000) (Page 56 of AR2022).

What is the prospect of recording a positive contribution from associate companies in the next financial year?

MEB’s response:

The improvement in associate result is mainly from an airport concession in Cambodia. With the China border re-opening in January 2023, this has positive impact on airport traffic flow as compared to 2022. The airports concession is expected to have better performance in year 2023.

Minority Shareholders Watch Group (“MSWG”) Q&A



Operational & Financial Matters: Question 4

What is the current total orderbook from all segment, and targeted orderbook replenishment for each segment in the next two financial years?

MEB’s response:

The current orderbook as reported in our 2023Q1 result are as per table below:

Business Divisions	Order Book as at 2023 Q1
	RM’mil
Construction	1,010
Cranes	699
Total (RM’mil)	1,709

In tandem with the improvement in oil & gas industry capital expenditure, group will endeavour to secure more order books moving forward.

Minority Shareholders Watch Group (“MSWG”) Q&A



Operational & Financial Matters: Question 5

The number of passengers at the Cambodia Airports surged to 2.38 million for the year 2022 (2021: 0.27 million passengers), representing an increase by 780%. The total number of aircraft movements at the Cambodia Airports also increased accordingly. On 8 January 2023, the People’s Republic of China (“China”) lifted its Zero Covid-19 policy and released the Covid-19 pandemic restrictions on foreign travel, ending the quarantine requirements for inbound travellers into China and the three years of self-imposed isolation (Page 5 of AR2022).

With the abovementioned statistics and the re-opening of China's borders, does MEB Group expect the Cambodia Airports division to record a better financial result in FY2023 than the pre-tax profit of RM186,000 (Page 125 of AR2022) recorded in FY2022? What is the current performance of the Cambodia Airports?

MEB’s response:

The airports concession is expected to have better performance in year 2023 as Q123 results already showing improved results compared to Q122 and whole year 2022 as below.

Division	Q1 2023 result announced	Q1 2022 result announced	2022 (12 months)
	RM’000	RM’000	RM’000
Share of PAT of concession	9,233	(5,096)	186



Sustainability Matters: Question 6

Muhibbah is cognisant that embedding sustainability effectively across the Group is a journey. Moving forward, it will continue to build and enhance its initiatives progressively with the ultimate goal of achieving its sustainability vision (Page 46 of AR2022).

What initiatives will the Group embed across the Group in FY2023, and what is the budget requirement for those initiatives?

MEB’s response:

Our sustainability initiative is an ongoing effort.

For instance, we have been implementing solar energy by stages for our office and plants with solar PV capacity. Muhibbah and its listed subsidiary, Favelle Favco, have been using solar energy as renewal energy to reduce electricity consumption last year and our shipyard has also began to use solar energy in Feb 2023. These investments are budgeted and borne by the respective business units or subsidiaries. The Group has therefore invested RM5 million in this aspect.

Another ongoing recurring initiative is Waste Heat Recovery Unit under our Citech Group whereby it manufactures “green energy” product. This would mean it has embedded sustainability effectively into every unit of product it sold. By end of Mar-2023, the minimized thermal energy released to the environment has been equated to a reduction of 1.6 billion of CO2 in kilotonne.



ANNEXURE B

PRE-AGM QUESTIONS AND ANSWERS (Q&A)



PRE-AGM QUESTIONS AND ANSWERS

Question 1

There are shareholders who have requested for door gift/e-vouchers/TnG e-wallet reload pin.

MEB's response:

Consistent with the cost cutting & streamlining mission of the Group, the Group does not provide door gift/e-vouchers/TnG e-wallet reload pin for the AGM.

Question 2

There are shareholders who have requested for printed annual report.

MEB's response:

You may submit your request at <https://tjih.online> by selecting "Request for Annual Report" under the "Investor Services". A printed copy of the Annual Report 2022 will be posted to you as reasonably practicable from the date of the receipt of your request.



PRE-AGM QUESTIONS AND ANSWERS

Question 3

What is the status of new airports development in Cambodia and the impact to the SCA current airport concession? Any compensation?

MEB's response:

The Company is in discussion with relevant parties on the concession of operations at existing Siem Reap International Airport. The cessation will only occur when full compensation is received by the Company and all terms complied with under the agreement to be concluded and signed by relevant parties.

Question 4

Any update on Petronas's safina project?

MEB's response:

PETRONAS is currently studying with various stakeholders to explore more built in "green" features for upcoming vessels under Safina phase 2; which will roll out after finalisation.



ANNEXURE C

50TH AGM

POLL RESULTS

MUHIBBAH ENGINEERING (M) BHD

(12737-K)

Fiftieth Annual General MeetingTIIH Online website at <https://tiih.online>

as provided by Tricor Investor & Issuing House Services Sdn Bhd, Malaysia

On 26-June-2023 at 02:00PM

Result On Voting By Poll

Resolution(s)	Vote For		Vote Against		Total Votes	
	No of Units	%	No of Units	%	No of Units	%
Ordinary Resolution 1	313,059,850	98.6868	4,165,766	1.3132	317,225,616	100.0000
Ordinary Resolution 2	193,540,874	99.9759	46,618	0.0241	193,587,492	100.0000
Ordinary Resolution 3	316,561,125	99.9564	137,991	0.0436	316,699,116	100.0000
Ordinary Resolution 4	317,052,473	99.9538	146,643	0.0462	317,199,116	100.0000
Ordinary Resolution 5	172,687,823	99.9012	170,861	0.0988	172,858,684	100.0000
Ordinary Resolution 6	316,416,313	99.7449	809,303	0.2551	317,225,616	100.0000
Ordinary Resolution 9	312,728,511	98.5824	4,497,105	1.4176	317,225,616	100.0000
Ordinary Resolution 10	317,164,773	99.9808	60,843	0.0192	317,225,616	100.0000
Ordinary Resolution 11	147,445,174	99.9609	57,618	0.0391	147,502,792	100.0000



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