

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

**MINUTES OF THE FIFTY-FIRST ANNUAL GENERAL MEETING (“51ST AGM”) OF
THE COMPANY HELD FULLY VIRTUAL VIA REMOTE PARTICIPATION AND
VOTING AT THE ONLINE MEETING PLATFORM OF TIIH ONLINE ON
WEDNESDAY, 12 JUNE 2024 AT 2.00 P.M.**

PRESENT : As per the Attendance List

AGM51/1 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.

AGM51/2 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 331,875,924 shares have lodged their proxies within the stipulated time and the holders of 331,654,796 shares have appointed the Chairman of the Meeting to be their proxy.

AGM51/3 NOTICE OF MEETING

The Notice of Meeting having been circulated to shareholders and published in “The Star” newspaper on 26 April 2024 was taken as read. Only members whose names appeared in the Record of Depositors on 4 June 2024 were eligible to attend the meeting.

AGM51/4 POLLING AND VOTING PROCEDURES

The Chairman informed the shareholders that in accordance with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“**Bursa Securities**”), 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 Cooper 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.

AGM51/5 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 5 June 2024 along with the Company’s reply. A copy of the presentation is set out in “Annexure A” of this minutes.

ORDINARY BUSINESS

AGM51/6 AUDITED FINANCIAL STATEMENTS OF THE COMPANY FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023 TOGETHER WITH THE REPORTS OF THE DIRECTORS AND THE AUDITORS

The Company’s Audited Financial Statements (“**AFS**”) for the financial year ended 31 December 2023 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 2023 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.

**AGM51/7 ORDINARY RESOLUTIONS 1, 2 AND 3
RE-ELECTION OF DIRECTORS RETIRING BY ROTATION PURSUANT
TO ARTICLE 85 OF THE COMPANY'S CONSTITUTION**

Dato' Kamarudin 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' Sri Khazali bin Haji Ahmad

Ordinary Resolution 2 - Re-election of Encik Sobri bin Abu

Ordinary Resolution 3 - Re-election of Mr. Mac Chung Jin

Dato' Kamarudin put each of the abovementioned motion to vote by poll later.

**AGM51/8 ORDINARY RESOLUTION 4
APPROVAL FOR THE PAYMENT OF DIRECTORS' FEES AND
BENEFITS PAYABLE UP TO RM1,500,000 FROM 13 JUNE 2024 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 RM1,500,000 from 13 June 2024 until the next AGM of the Company.

The Chairman put the motion to vote by poll later.

**AGM51/9 ORDINARY RESOLUTION 5
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

**AGM51/10 ORDINARY RESOLUTIONS 6 AND 7
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 6 - Retention of Dato' Mohamad Kamarudin bin Hassan

Ordinary Resolution 7 - 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.

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

**AGM51/11 ORDINARY RESOLUTION 8
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.

**AGM51/12 ORDINARY RESOLUTION 9
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 26 April 2024.

The Chairman put the motion to vote by poll later.

**AGM51/13 ORDINARY RESOLUTION 10
PROPOSED RENEWAL OF THE EXISTING SHAREHOLDERS'
MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS
OF A REVENUE OR TRADING NATURE**

The Chairman proceeded to the next item under special business which was to seek approval from shareholders for the proposed renewal of the existing shareholders' mandate for recurrent related party transactions of a revenue or trading nature, as detailed in the Circular to Shareholders dated 26 April 2024.

The Chairman put the motion to vote by poll later.

**AGM51/14 ORDINARY RESOLUTION 11
PROPOSED GRANTING OF EMPLOYEES' SHARE OPTIONS
SCHEME AND SHARE GRANT PLAN AWARD TO MR. MAC CHUNG
HUI UNDER THE EXISTING MUHIBBAH ENGINEERING (M) BHD
EMPLOYEES' SHARE ISSUANCE SCHEME 2022/2027**

The Chairman proceeded to the last item under special business which was to seek approval from shareholders for the proposed granting of Employees' Share Options Scheme and Share Grant Plan Award to Mr. Mac Chung Hui, the Strategy Development Manager for MEB Construction Sdn Bhd, a wholly-owned subsidiary of the Company and a person connected to Mr. Mac Ngan Boon @ Mac Yin Boon, the Group Managing Director to subscribe for new ordinary shares as well as Share Grant Plan Awards under the existing Muhibbah Engineering (M) Bhd Employees' Share Issuance Scheme 2022/2027.

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.

AGM51/15 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. Shirleen 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:** (1) May I know what the book value of Phnom Penh airport is as of Annual Report 2023? (2) May I confirm if SCA has secured the key operator right for New Techno Airport in Cambodia? Any profit guidance? (3) Is there any update on termination of concessionaire agreement for Phnom Penh Airport? (4) Is Muhibbah engineering planning to bid for projects related to The Line, Saudi Arabia? (5) Is there any plans to utilize the airport compensation to SCA? E.g. Special Dividend?

Answer: (1) Phnom Penh is basically under Société Concessionnaire de l' Aéroport ("SCA") of which the Company holds 21%. The book value is something that the Management are not able to be disclosed at this point in time. (2) & (3) & (5) This is still in discussions and negotiations with the Cambodian Government so it has not been finalized. (4) Not at the moment, but Saudi Arabia or the Middle Eastern countries are always on the Company's radar as the Company had done projects in Qatar. Currently, the Company is focusing in Malaysia before start expanding out.

A2: **Question:** (1) In overall company are using energy power and also some time use diesel to generate power? (2) Does company impact from raise of non-subsidy and might not able fully claim or remain RM1.88 of raise by apply flet card (subsidy systems) does overall cost of operate and material cost raise accordingly?

Answer: (1) In terms of projects, the Company is often on Tenaga Nasional Berhad's power, including our head office. Diesel used to operate its generator sets depending on the remoteness of project sites. (2) Some of the projects are claimable but there is something that is studied by the Company in terms of contracts as it is new.

A3: **Question:** (1) What is total value of projects that Muhibbah has currently bid on? (2) What is the current bidding win rate for projects? (3) May I suggest if Muhibbah can publish any corporate presentation related to analyst briefing on the company website?

Answer: (1) In terms of construction projects, the current project size that the Company is bidding roughly about RM3 billion in total. (2) In construction, it is quite difficult to put a certain percentage on it. In 2023, the win rate should be fairly medium to high. (3) The Management will take into consideration of this suggestion.

A4: **Question:** The Profit for financial year ended 2023 reported for the major associates amounted to RM211.431 million (Note 6 – Page 99 of Annual Report 2023) (1) Please confirm that the profit included the compensation of USD64 million for the closure of operations at the old Siem Reap International Airport. (2) Which associates listed in Note 6 are considered "major associates" and their contribution to the results in financial year ended 2023?

Answer: Ms. Lee responded that the contributions to the results are mainly from the Cambodian Airports of which the Company has effective interests of 21%.

A5: **Question:** The Group Revenue from its Infrastructure Construction segment increased by more than 62% to RM453.771 million in financial year ended 2023. However, the segment profit dropped by more than 80% to RM16.874 million (Note 28 – Page 126 of Annual Report 2023) (1) What are the reasons(s) for the poor performance in the Infrastructure Construction segment? (2) Can management provide an update of this segment's performance for the last 5 months in FY2024?

Answer: (1) Most of the projects that secured in 2023 will only be reflected in 2024 results. (2) For the past five to six months, the construction that the Group had been getting strong. The Group has roughly six (6) projects going on for both oil & gas and non-oil & gas sectors. In all, the 6 projects are doing well.

A6: **Question:** (1) How much is the outstanding book order currently at? (2) How much is the tender book currently?

Answer: (1) In terms of the outstanding book order, the remaining order is at RM1.3 billion for construction. For Favelle Favco Berhad, it is roughly at RM750 million. (2) The tender book for the construction side is roughly around RM3 billion.

A7: **Question:** The Group generated RM211.311 million of net cash from operations in financial year ended 2023(1) Please explain why isn't the Company declaring any dividends for FY2023 in spite of the much better cashflows received? (2) Assuming continued improvements in its operations and cashflows, will dividend payment resume in FY2024? If no, please provide timeline for resumption of dividend payment.

Answer: Dividends are always being monitored. 2023 was still a year of struggle due to the impact from COVID-19. First quarter of 2024 is showing stronger results as such the Management will be evaluating the issuance of dividends and will provide updates to the shareholders.

A8: **Question:** Which projects are making profit, which are making loss, which had break-even?

Answer: The six (6) projects mentioned earlier are all profitable.

A9: **Question:** Any potential tender in near term? Which sector?

Answer: As mentioned earlier, the construction's tender book is roughly at RM3 billion for both oil & gas and non-oil & gas sectors. The Company are not allowed to disclose the projects tendered due to confidentiality and competitiveness issues.

A10: **Question:** Will the company benefit from the recent AI and data center boom Malaysia? Has the company bid for any contracts in this area.

Answer: The Director has answered this under question A6 of the Pre-AGM questions earlier.

A11: **Question:** What is the value of the contracts the company is currently bidding for? What is the value of the contracts the company has successfully bid for since the beginning of the year?

Answer: The Director has answered this under question A3 of the live questions earlier.

A12: **Question:** How much share will be buy-back?

Answer: This is for standby purpose only.

A13: **Question:** Considering the Company is not performing, what is the outlook for the next few years?

Answer: 2023 was still showing impacts carried over from COVID-19 and the Ukraine War. With First quarter of 2024 showing positive changes, the Company is looking optimistic but there are still many external factors to be considered in the construction industry.

A14: **Question:** What is the current use of the Australian property at 29, Yarrunga Street, Prestons New South Wales 2170, Australia (List of Top 10 Properties – page 146 of Annual Report 2023)? Is the carrying value of RM184.492 million marked to market and when has the last revaluation done for this property?

Answer: Ms. Lee responded that the 11.5-acres land is located at Sydney and is currently owned by Favelle Favco Berhad with half of the land with an existing factory being currently used by the Group's crane manufacturing subsidiary, Favelle Favco Cranes Pty. Limited. Favelle Favco Berhad plans to build two new units of warehouses on the other half of the land to generate recurring rental income. She added that Favelle Favco Berhad appointed the developer company, Dexus Property Services Pty Limited to carry out the constructions of the two new warehouses and to look for qualified tenants. The value of RM184.9 million comprises of market value of land at the end of 2022 and the factory value is stated at the historical net book value.

A15: **Question:** Is the subsidy rationalization affecting your financial? If yes, how much is the profit erosion from this?

Answer: The Director has answered this under question A2 of the live questions earlier.

A16: **Question:** What is the status of the negotiation for the Phnom Penh airport?

Answer: The Director has answered this under the question A1 of the live questions earlier.

A17: **Question:** What is the current utilization rate of the yard? What would be the projection for year 2024?

Answer: The current utilization rate of the Company's fabrication yard in Port Klang is roughly about 50% with one of the oil & gas projects completed.

A18: **Question:** Knowing from the press that Muhibbah is venturing into Laos Tank Farm business. What is the status of the project? When the project will be completed and what is the projection of the revenue and profit from this new venture?

Answer: The project is at the design stage. Although some minor physical works have begun, the main constructions work will begin after secure of loan financing for this project. The Company is not able to provide the projection of the revenue and profit for the new venture.

A19: **Question:** Should Muhibbah be able to become an operator with partnership of Vinci for the newly built Phnom Penh, how would the profit contribution be different from what Muhibbah is making now from the existing Phnom Penh Airport?

Answer: The Director has answered this under the question A1 of the live questions earlier.

A20: **Question:** How many vessels will Muhibbah Marine build under Safina Project Phase 2?

Answer: No vessels have been built for the Safina Project Phase 2 as the project has been delayed. However, Petronas is reviewing this Safina project again.

A21: **Question:** What is the status of expansion work of Sihanoukville airport? Please explain about the low passenger load of Sihanoukville airport. What is the rationale for expansion with current low passenger load?

Answer: Cambodia had some regulations changes over the past few years and the impact from COVID-19 on the world; resulting in the low traffic in Sihanoukville airport. The expansion to Sihanoukville airport is put on hold at the moment, pending positive development of this airport.

A22: **Question:** OSV market is hot recently. Does the company really benefit from this?

Answer: As the market for OSV is very hot, the rental rates have increased significantly. The Company currently focuses on building OSVs to order.

A23: **Question:** May I know how is the marine shipyard business outlook for the groups?

Answer: The Company has secured some order for new build tugs, small-size OSV along with repairs and maintenance.

A24: **Question:** Could you please provide some outlook or future prospects of the Company? Is business picking up a lot after Covid?

Answer: The Company has picked up since COVID-19. Although the results of 2023 still experiencing the tail end effects of COVID-19, there is a turnaround in 2024. The prospects are looking promising for Favelle Favco Berhad Group and the constructions sector. However, there are still numerous external factors that could easily impact the Company.

A25: **Question:** See other ship building/repairing companies' profit improved a lot in the past quarter. How about Muhibbah Marine?

Answer: For the First quarter of 2024, Muhibbah Marine's performance has improved with fewer new builds and more repair and maintenance work.

A26: **Question:** May I know what is the rationale behind Muhibbah Engineering investing in Master-Pack Group Berhad?

Answer: Ms. Lee responded that this is a small investment.

A27: **Question:** Refer to the Annual Report 2023 – Balance Sheet, the total amount for investments in associates is \$807,475,000. May I know what does it comprise of? What's the amount and percentage of 21% of stake in SCA?

Answer: The Company is unable to divulge the actual value of the amount of stake in SCA, but the Company is pleased to report that the investment in SCA has been good. Ms. Lee added that RM807,475,000 does not just comprise of cost of investment but also retained profits made over the years by various associated companies.

A28: **Question:** The Group have huge amount of unrecognized deferred tax assets of which RM902.776 million is attributed to tax losses carry forward. (Note 8 – Page 102 of Annual Report 2023) Please explain in layman terms, the statement, "Deferred tax assets have not been recognized because it is not probable that future taxable profits will be available against which the Group can utilise the benefits thereon."

Answer: Ms. Lee responded that the deferred tax assets have not been recognized due to prudence grounds. The Company preferred to utilize this deferred tax assets as and when the relevant companies generates chargeable income in the next few years.

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.

It was recorded that the Audited Financial Statements together with the Directors' and the Auditors' Reports were duly received and adopted by the shareholders.

AGM51/16 POLLING PROCESS

For the polling process, the Chairman declared the closure of the registration for attendance at the 51st AGM.

The Chairman adjourned the 51st AGM for approximately 10 minutes for the voting and polling process.

AGM51/17 ANNOUCEMENT OF POLL RESULTS

The 51st 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 Resolution 1 to 10 tabled at the 51st AGM of the Company had been duly carried.

Therefore, it was **RESOLVED:-**

ORDINARY RESOLUTION 1

RE-ELECTION OF DATO' SRI KHAZALI BIN HAJI AHMAD, WHO RETIRES PURSUANT TO ARTICLE 85 OF THE COMPANY'S CONSTITUTION

THAT Dato' Sri Khazali bin Haji Ahmad, 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 ENCIK SOBRI BIN ABU, WHO RETIRES PURSUANT TO ARTICLE 85 OF THE COMPANY'S CONSTITUTION

THAT Encik Sobri bin Abu, 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 MR. MAC CHUNG JIN, WHO RETIRES PURSUANT TO ARTICLE 85 OF THE COMPANY'S CONSTITUTION

THAT Mr. Mac Chung Jin, 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

APPROVAL FOR THE PAYMENT OF DIRECTORS' FEES AND BENEFITS PAYABLE UP TO RM1,500,000.00 FROM 13 JUNE 2024 UNTIL THE NEXT AGM OF THE COMPANY

THAT the payment of Directors' fees and benefits payable up to an amount of RM1,500,000.00 from 13 June 2024 until the next AGM of the Company be and is hereby approved.

ORDINARY RESOLUTION 5

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 6

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 7

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 8

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 **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 9

RENEWAL OF AUTHORITY FOR SHARE BUY-BACK

THAT subject to the requirements of the Main Market Listing Requirements of Bursa Malaysia, the Act, 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 Proposed 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 10

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

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 26 April 2024 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 ("**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 a 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 a 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.

ORDINARY RESOLUTION 11

Furthermore, the Chairman announced that resolution 11 on proposed granting of Employees' Share Options Scheme and Share Grant Plan Award to Mr. Mac Chung Hui under the existing Muhibbah Engineering (M) Bhd Employees' Share Issuance Scheme 2022/2027 tabled at the 51st AGM of the Company was not carried.

AGM51/18 CONCLUSION

There being no further business, the Chairman declared the Meeting closed at 3.25 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

Operating profit

	2023 RM'000	2022 RM'000
Group's operating profit*	3,710	25,510
Less : Favco's operating profit#	(84,532)	(59,731)
Operating loss excluding Favco	(80,822)	(34,221)

* Refer to page 58 of AR2023

Refer to page 54 of Favco's AR2023

Excluding operating profit from Favelle Favco Berhad (Favco), a listed subsidiary of the Company involved in the Crane and Intelligent Automation divisions, the Group actually incurred an operating loss of RM80.8 million in FY2023 (FY2022: RM34.2 million). This indicates poorer performance in the remaining divisions, namely the Construction & Engineering division and the Marine division.

a) Please elaborate on the reasons for the underperformance in the Construction & Engineering division and Marine division, respectively.

MEB's response:

There are provisions made for the Construction and Marine divisions in 2023 such as, for long outstanding debts of RM40 million, provision made under MFRS 9 of RM14 million and impairment on vessels, plant and machinery of RM11 million. There is also tail end losses incurred for completed project in Qatar of RM4.7 million.

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



Operational & Financial Matters: Question 1 (continued)

b) What is the outlook for the underperformed divisions for the rest of 2024? What action plans have been taken to improve earnings?

MEB’s response:

Both Infrastructure construction and Marine Shipyard division reported better performance in Q12024.

The Marine division went through dry period of order book in 2020 to 2023. It just secured RM40.0 million order book for 2 vessels in April 2024.

In view of ongoing massive capital expenditure by Petronas and related Oil & Gas industry as well as National Energy Transition Roadmap (“NETR”) and continuous inflow of Foreign Direct Investments into Malaysia, we will focus our target tender of construction projects in Malaysia. In addition, actions are taken to tighten up project cost control and factor in increase of project tender value to take into account the increasing inflation cost in respect of salaries, SST and logistic cost.

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



Operational & Financial Matters: Question 2

The Cambodia Airports Division was compensated in cash of approximately USD64 million from the Royal Government of Cambodia for the closure of operations at old Siem Reap International Airport in 2023. (Page 6 of AR2023)

a) What was the compensation amount that was recorded in the share of profit of associates totaling RM62.9 million?

MEB’s response:

The compensation of USD64 million were based on net book value of Siem Reap Airport, which is on no gain no loss basis and hence there was no impact to Cambodia Airport’s profit reported in 2023.

b) What was the share of profits of associates from the airport concession excluding compensation in FY2022 and FY2023, respectively?

MEB’s response:

Please refer to answer 2(a) above.

c) Does the Group anticipate a significant impact on associates’ share of profit in FY2024 following the closure of one of the three airport operations in Cambodia?

MEB’s response:

Cambodia airport concession have reported higher contribution of RM13.4mil (+32% yoy) in Q12024, after excluded Siem Reap Airport which was handed over to the Cambodia government in Oct 2023.

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



Operational & Financial Matters: Question 3

As at 31 December 2023, the Group’s cash and bank balances increased by RM79.6million to RM260.1million, while the revolving credit which carries an interest rate of up to 5.4% per annum increased by RM81.5 million to RM317.9 million. (Pages 108 and 112 of AR2023)

Please explain the rationale for increasing cash and bank balances at the expense of incurring higher interest costs.

MEB’s response:

The drawdown of revolving credit were for a few days of timing difference across the year end. The Company will have to standby cash to repay bills payable as and when due on timely manner.

For your information, majority of revolving credit interest rate ranges from 3.5% - 4.5%. Only small amount of RM2.0 million was at 5.4% for a small subsidiary which will be finetuned with banker accordingly.

Besides, the short-term cash and bank balances in the bank account were also earning interest ranges from 2.8% to 3.3% across the year end.

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



Operational & Financial Matters: Question 4

The Group recorded consecutive impairment losses on property, plant and motor vehicles amounting to RM11.3 million in FY2023 and RM12.8 million in FT2022. (Page 88 of AR2023)

- a) Please specify which assets were subject to impairment losses and under which business division?

MEB’s response:

The impairment loss of RM11.3 million for FY2023 mainly on plant and machinery under Infrastructure construction division, whereas RM12.8 million for FY2022 mainly on vessels under Marine Shipyard division.

- b) What factors contributed to the recoverable amount of these assets being lower than their carrying amount?

MEB’s response:

The assessment of recoverable amount is based on the fair value less cost of disposal or value in use, whichever is higher.

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



Operational & Financial Matters: Question 5

In FY2023, the Group recorded impairment losses on contract assets and receivables amounting to RM50.0 million and 14.2 million respectively. (Page 118 of AR2023)

- a) Please elaborate on which projects and customers are related to these impairment losses and what efforts have been made to recover them.

MEB’s response:

These provision are mainly provision made by Group on prudence ground for some long outstanding claims for project completed in previous years of which the group is still pursuing recovery via legal actions.

- b) Has the Group recovered any of these impairment losses to date?

MEB’s response:

As of now, the recovery of these long outstanding legal claims are still ongoing.

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



Corporate Governance Matters

MCCG Practice 5.9 – The board comprises at least 30% women directors.

Last year Muhibbah’s response : The Board recognizes the benefits of diversity in gender and hence gender had been inherently considered in the recruitment and appointment of Director. However, the Board is of the view that selection of candidates should base on a range of diversity perspective but not limited to gender, merit and contribution that the selected candidates will bring to the Board should be prioritized in deciding appointment to the Board. Nevertheless, the Board will continue take into consideration this factor for future appointment of new director and endeavor to search for suitable female candidate as new director of the company.

MSWG’s comment : The Company has yet to achieve at least 30% women directors on its Board. What specific plans and strategies does the Board have in place to work towards this goal? And when do you expect to comply with Practice 5.9?

MEB’s response:

We would like to highlight that the Company has recently appointed a new female director, Dato’ Khodijah in August 2022. As such, currently 2 out of 8 of MEB Board of Directors are female directors, namely Miss Shirleen Lee and Dato’ Khodijah. This ratio of 25% is just slightly lower than the non-mandatory ratio of 30% under MCCG best practices. As such, the Board is of the view that the current position is satisfactory and will continue monitor this matter accordingly.



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 2023 will be posted to you as reasonably practicable from the date of the receipt of your request.

PRE-AGM QUESTIONS AND ANSWERS



Question 3

There are shareholders who ask when the Company able distribute more value of dividend.

MEB's response:

The dividend declaration is based on the Group's audited results, cash flow position and anticipated capital expenditure from time to time. The Company will constantly evaluate this matter accordingly.

Question 4

Can you give forward guidance on airport in Cambodia in light of newly operated competitor airport?

MEB's response:

Techo International Airport ("TIA") and Royal Government of Cambodia ("RGC") are having ongoing discussion with SCA for the relevant compensation and Management Service Agreement for SCA to act as operator for TIA upon completion of the new TIA airport.

PRE-AGM QUESTIONS AND ANSWERS



Question 5

i) Muhibbah still involve the operation of new Phnom Penh airport after the recent award to SCA?

MEB's response:

MEB is holding effective 21% stake in SCA. SCA is in the process of negotiating with Cambodia government on the various option of compensation and operational arrangement for the upcoming Techo International Airport ("TIA") at Kandal, Cambodia.

ii) Any award from Petronas Safina project so far?

MEB's response:

PETRONAS is still in the process of evaluating tender.

iii) Refer to annual report 2022, there is a provision for impairment of RM16mil on ready built OSV, what is the latest update?

MEB's response:

The provision remain status quo and will be reviewed from time to time.

PRE-AGM QUESTIONS AND ANSWERS



Question 6

- i) The Government has been attracting foreign companies to invest in AI, data centers, and technology industries. Do company see any opportunities here? How can companies benefit?
- ii) What is the amount of projects the company has participated in bidding for?

MEB's response:

The Group will continue pursuing the construction projects in the oil and gas industry as well as infrastructure & building sector including data centers. The current ongoing tender book of construction division is RM1.3 billion.

Question 7

- i) Can the director explain in detail the company's impairment loss on contract assets and receivables totaling RM64.2mil during the financial year?

MEB's response:

These provision are mainly provision made by Group on prudence ground for long outstanding claims of which the group is still pursuing recovery, including taking legal actions.

PRE-AGM QUESTIONS AND ANSWERS



Question 8

- i) Can you explain the performance of the company's current airport in Cambodia in 2024? How much profit did it contribute to the company in the most recent quarter? Did new airport operations impact company Phnom Penh International Airport and Sihanoukville International Airport passenger traffic?
- ii) How can companies increase the proportion of recurring income in their business?

MEB's response:

- (i) There is an increase of contribution by 30% to RM13 million (+30%) by airport division in Q124. This Q124 results already excluded Siem Reap airport which was handed over to the Cambodia government in Oct 2023. Traffic in Phnom Penh and Sihanoukville airport concession rose 23% QoQ to 1.2mil pax passengers in Q12024 vs Q12023.
- (ii) The Group provides after sales repair & maintenance, spare parts and components sales for Cranes and Ships which are recurring in nature. There are also recurring rental income from some of the properties owned by the Group.

PRE-AGM QUESTIONS AND ANSWERS

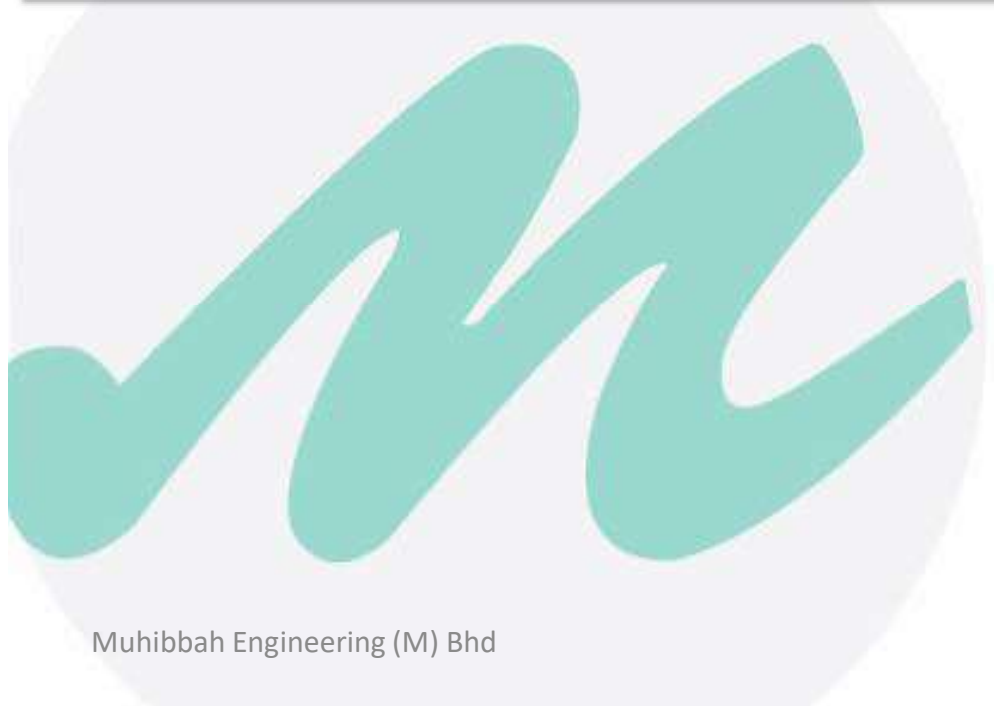


Question 8 (continued)

iii) Where does the other income worth RM29.2mil in the profit and loss statement come from?

MEB's response:

The other income of the Group of RM29 mil in year 2023 mainly consist of RM15 million unrealized gain on foreign exchange hedged contracts, gain on disposal of a factory during the year of RM5 mil, rental income from properties and insurance claim.





ANNEXURE C

51ST AGM

POLL RESULTS



MUHIBBAH ENGINEERING (M) BHD
(12737-K)

Fifty-First Annual General Meeting

TIIH Online website at <https://tiih.online>

provided by Tricor Investor & Issuing House Services Sdn. Bhd. in Malaysia

On 12-June-2024 at 02:00PM

Result On Voting By Poll

Resolution(s)	Vote For				Vote Against				Total Votes			
	No of Units	%	No of P/S	%	No of Units	%	No of P/S	%	No of Units	%	No of P/S	%
Ordinary Resolution 1	290,670,478	86.3336	354	81.0069	46,012,343	13.6664	83	18.9931	336,682,821	100.0000	437	100.0000
Ordinary Resolution 2	292,675,866	86.9293	348	79.6339	44,006,955	13.0707	89	20.3661	336,682,821	100.0000	437	100.0000
Ordinary Resolution 3	295,220,303	90.3663	360	82.3799	31,472,618	9.6337	77	17.6201	326,692,921	100.0000	437	100.0000
Ordinary Resolution 4	192,176,840	99.9140	344	80.0000	165,449	0.0860	86	20.0000	192,342,289	100.0000	430	100.0000
Ordinary Resolution 5	335,271,027	99.5806	382	86.6213	1,412,194	0.4194	59	13.3787	336,683,221	100.0000	441	100.0000
Ordinary Resolution 8	324,129,227	96.2727	367	83.5991	12,548,894	3.7273	72	16.4009	336,678,121	100.0000	439	100.0000
Ordinary Resolution 9	336,632,927	99.9851	383	87.0455	50,194	0.0149	57	12.9545	336,683,121	100.0000	440	100.0000
Ordinary Resolution 10	172,491,253	99.9739	366	85.9155	44,994	0.0261	60	14.0845	172,536,247	100.0000	426	100.0000
Ordinary Resolution 11	85,047,891	49.1503	305	71.4286	87,988,356	50.8497	122	28.5714	173,036,247	100.0000	427	100.0000

