



ENGINEERS

## HSS ENGINEERS BERHAD

(Company No. 1128564-U)  
(Incorporated in Malaysia)

### NOTICE OF EXTRAORDINARY GENERAL MEETING

**NOTICE IS HEREBY GIVEN THAT** an Extraordinary General Meeting (“EGM”) of HSS Engineers Berhad (“HEB” or “Company”) will be held at The Zenith Room, Level M1, Connexion Conference & Event Centre @ The Vertical, Bangsar South City, No. 7, Jalan Kerinchi, 59200 Kuala Lumpur on Tuesday, 30 January 2018 at 10.00 a.m. or any adjournment thereof, for the purpose of considering and, if thought fit, passing with or without modifications, the following resolutions:

#### ORDINARY RESOLUTION 1

**PROPOSED ACQUISITION OF THE ENTIRE EQUITY INTEREST IN SMHB ENGINEERING SDN BHD (“SMHB ENGINEERING”) FOR A PURCHASE CONSIDERATION OF RM270,000,000 (“PURCHASE CONSIDERATION”) TO BE SATISFIED VIA THE ISSUANCE OF 94,736,842 NEW ORDINARY SHARES IN HEB (“HEB SHARES”) AT AN ISSUE PRICE OF RM1.14 PER HEB SHARE AND RM162,000,000 IN CASH (“PROPOSED ACQUISITION”)**

“THAT, subject to the passing of Ordinary Resolution 2 and Ordinary Resolution 3 and approvals of all relevant authorities and/or parties (if required) being obtained and the conditions precedent as set out in the conditional share sale agreement dated 27 October 2017 (“SSA”) entered into between HEB and Datuk Ir. Teo Chok Boo, Ir. Mohd Rousdin bin Hassan, Ir. Syed Mohamed Adnan bin Mansor Alhabshi, Ir. Teo Koon Hau, Ir. Prem Kumar a/l M. Vasudevan, Tan Sri Dato’ Ir. Syed Muhammad Shahabudin Bin Syed Hassan Shahabudin, Ir. Loo Ai Choo, Ir. Zulkiflee bin Ab Hamid, Ir. Pritam Singh a/l Mahinder Singh, Ir. Ang Eng Kiat, Ir. Philip Gunn Kean Su, Ir. Ganeshalingam a/l Rasiah and Ir. Saiful Hazmi bin Abu Hasan (collectively, “Vendors”) being obtained/fulfilled or waived, approval and authority be and is hereby given to the Board of Directors of the Company (“Board”) to acquire 100,000 ordinary shares in SMHB Engineering, representing 100% of the equity interest in SMHB Engineering, for a purchase consideration of RM270,000,000 to be satisfied via:

- (i) allotment and issuance of 94,736,842 HEB Shares at the issue price of RM1.14 per HEB Share (“Consideration Shares”); and
- (ii) payment of RM162,000,000 in cash.

THAT the Consideration Shares shall, upon allotment and issuance, rank equally in all respects with each other and with the then existing HEB Shares, save and except that the Consideration Shares shall not be entitled to any dividends, rights (including voting rights), allotments and/or any other distributions which may be declared, made or paid to the shareholders of HEB, the entitlement date of which is prior to the date of allotment of the Consideration Shares.

AND THAT the Board be and is hereby authorised and empowered to give full effect to the Proposed Acquisition with full power to deal with all matters incidental, ancillary to and/or relating thereto and take all such steps and to execute and deliver and/or caused to be executed and delivered all the necessary documents, including the SSA and all such other agreements, deeds, arrangements, undertakings, indemnities, transfers, extensions, assignments, confirmations, declarations and/or guarantees to or with any party or parties, and to do all acts, deeds and things as they may consider necessary or expedient or in the best interest of the Company with full power to assent to any conditions, variations, modifications and/or amendments in any manner as may be required or permitted by any relevant authorities and to deal with all matters relating thereto and to take such steps and do all acts and things in any manner as they may deem necessary or expedient to implement, finalise and give full effect to the Proposed Acquisition.”

#### ORDINARY RESOLUTION 2

**PROPOSED PLACEMENT OF NEW HEB SHARES (“PLACEMENT SHARES”) TO INVESTORS TO BE IDENTIFIED TO RAISE GROSS PROCEEDS OF UP TO RM52,300,000 (“PROPOSED PLACEMENT”)**

“THAT, subject to the passing of Ordinary Resolution 1 and Ordinary Resolution 3 and approvals of all relevant authorities and/or parties (if required) being obtained, the Board be and is hereby authorised to allot and issue the Placement Shares to investors to be identified later for up to RM52,300,000 in accordance with the requirements of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

THAT the Board be and is hereby authorised to determine and vary, if deem fit, necessary or expedient, the issue price for the Placement Shares provided that the issue price is at a discount of not more than 10% to the theoretical ex-all price of HEB Shares based on the 5-day volume-weighted average market price.

THAT the Placement Shares shall, upon allotment and issuance, rank equally in all respects with the then existing HEB Shares, save and except that the Placement Shares shall not be entitled to any dividends, rights (including voting rights), allotments and/or any other distributions which may be declared, made or paid to shareholders of HEB, the entitlement date of which is before the date of allotment of the Placement Shares.

AND THAT the Board be and is hereby authorised and empowered to give full effect to the Proposed Placement with full power to deal with all matters incidental, ancillary to and/or relating thereto and take all such steps and to execute and deliver and/or caused to be executed and delivered all the necessary documents, and to do all acts, deeds and things as they may consider necessary or expedient or in the best interest of the Company with full power to assent to any conditions, variations, modifications and/or amendments in any manner as may be required or permitted by any relevant authorities and to deal with all matters relating thereto and to take such steps and do all acts and things in any manner as they may deem necessary or expedient to implement, finalise and give full effect to the Proposed Placement.”

#### ORDINARY RESOLUTION 3

**PROPOSED RENOUNCEABLE RIGHTS ISSUE OF UP TO 31,908,101 NEW HEB SHARES (“RIGHTS SHARES”) ON THE BASIS OF ONE (1) RIGHTS SHARE FOR EVERY TEN (10) EXISTING HEB SHARES HELD ON AN ENTITLEMENT DATE TO BE DETERMINED LATER (“ENTITLEMENT DATE”) TOGETHER WITH A BONUS ISSUE OF UP TO 15,954,050 NEW HEB SHARES (“BONUS SHARES”) ON THE BASIS OF ONE (1) BONUS SHARE FOR EVERY TWO (2) RIGHTS SHARES SUBSCRIBED AND UP TO 47,862,151 FREE DETACHABLE WARRANTS (“WARRANTS”) ON THE BASIS OF THREE (3) WARRANTS FOR EVERY TWO (2) RIGHTS SHARES SUBSCRIBED (“PROPOSED RIGHTS WITH BONUS ISSUE AND WARRANTS”)**

“THAT, subject to the passing of Ordinary Resolution 1 and Ordinary Resolution 2 and approvals of all relevant authorities being obtained, the Board be and is hereby authorised to –

- (a) provisionally allot and issue, by way of a renounceable rights issue to the shareholders of the Company whose names appear in the Record of Depositors as at 5.00 p.m. on the Entitlement Date (“Entitled Shareholders”) or their renouncee(s), up to 31,908,101 Rights Shares on the basis of 1 Rights Share for every 10 HEB Shares held on the Entitlement Date together with a bonus issue on the basis of 1 Bonus Share for every 2 Rights Shares subscribed by way of capitalising up to an amount of RM1,595,405 from the share premium account (which formed part of share capital) of the Company for the purpose of issuing up to 15,954,050 Bonus Shares;
- (b) allot and issue up to 47,862,151 Warrants on the basis of 3 Warrants for every 2 Rights Shares subscribed by the Entitled Shareholder and/ or their renouncee(s) who subscribed for the Rights Shares at an exercise price and entitlement basis to be determined by the Board at a later date;
- (c) enter into the Deed Poll with full powers to assent to any condition, modification or variation as the Board may deem fit and/or necessary or as may be imposed by the relevant authorities and to take all such steps as it may consider necessary in order to give full effect to the Deed Poll subject to all provisions and adjustments contained therein;
- (d) allot and issue new HEB Shares to the holders of the Warrants, credited as fully paid-up, arising from the exercise of the Warrants and such new HEB Shares shall upon allotment and issue, rank equally in all respects with each other and the then existing HEB Shares, save and except that they are not entitled to any dividends, rights (including voting rights), allotment and/or distributions which may be declared, made or paid to the shareholders of HEB, prior to the allotment and issue of new HEB Shares arising from the exercise of the Warrants; and
- (e) determine and vary if deem fit, necessary or expedient, the issue price for the Rights Share and the exercise price of the Warrants to be issued in connection with the Proposed Rights with Bonus Issue and Warrants.

THAT the Rights Shares shall, upon allotment and issue, rank equally in all respects with each other and the then existing HEB Shares, save and except that the Rights Shares shall not be entitled to any dividends, rights (including voting rights), allotments and/or distributions that may be declared, made or paid to the shareholders of HEB, the entitlement date of which is before the date of allotment of the Rights Shares.

THAT any Rights Shares which are not validly taken up or which are not allotted for any reason whatsoever shall first be made available for excess shares applications by the Entitled Shareholders and/ or their renouncee(s) and the Board be and is hereby authorised to allocate the excess Rights Shares in a fair and equitable manner as the Board in its absolute discretion deems fit and in the best interest of the Company.

THAT the Warrants shall be allotted and issued in the registered form on the basis that, subject to any adjustments to the subscription rights attached to the Warrants under the provisions of the deed poll to be executed by the Company constituting the Warrants (“Deed Poll”), each Warrant entitles its holder to subscribe for 1 new HEB Share at an exercise price to be determined, during its prescribed exercise period.

THAT the Board is hereby empowered and authorised to deal with any additional fractional entitlements that may arise from the Proposed Rights with Bonus Issue and Warrants in such manner and on such terms and conditions as the Board in its discretion as it deems fit or expedient and in the best interest of the Company.

THAT no offer document or abridged prospectus pertaining to the Proposed Rights with Bonus Issue and Warrants shall be issued or sent to shareholders of the Company having registered addresses outside Malaysia or who have not provided an address in Malaysia at which such documents may be delivered to prior to the Entitlement Date.

AND THAT the Board be and is hereby authorised and empowered to give full effect to the Proposed Rights with Bonus Issue and Warrants with full power to deal with all matters incidental, ancillary to and/or relating thereto and take all such steps and to execute and deliver and/or caused to be executed and delivered all the necessary documents, and to do all acts, deeds and things as they may consider necessary or expedient or in the best interest of the Company with full power to assent to any conditions, variations, modifications and/or amendments in any manner as may be required or permitted by any relevant authorities and to deal with all matters relating thereto and to take such steps and do all acts and things in any manner as they may deem necessary or expedient to implement, finalise and give full effect to the Proposed Rights with Bonus Issue and Warrants.”

#### BY ORDER OF THE BOARD

TAI YIT CHAN (MAICSA 7009143)

TAN AI NING (MAICSA 7015852)

NG KUAN YEE (MIA 17693)

Company Secretaries

Selangor Darul Ehsan

16 January 2018

#### Notes:

- (1) A member of the Company entitled to attend and vote at the meeting is entitled to appoint a proxy or proxies to attend and vote in his stead. A proxy may but need not be a member of the Company. There shall be no restriction as to the qualification of the proxy.
- (2) Where a member appoints more than one (1) proxy but not more than two (2) proxies, the appointments shall be invalid unless he specifies the proportions of his holdings to be represented by each proxy.
- (3) 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 shall be no limit to the number of proxies which the Exempt Authorised Nominee may appoint in respect of each Omnibus Account it holds.
- (4) The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, either under its Common Seal or signed by an officer or attorney so authorised.
- (5) The instrument appointing a proxy or proxies and the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of such power or authority, must be deposited at the Company’s Share Registrar’s office at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Wilayah Persekutuan, not less than 48 hours before the time appointed for the taking of the poll, and in default the instrument of proxy shall not be treated as valid.
- (6) In respect of deposited securities, only members whose names appear on the Record of Depositors on 23 January 2018 (General Meeting Record of Depositors) shall be eligible to attend the meeting or appoint proxy(ies) to attend and/or vote on his behalf.

#### Personal data privacy:

By submitting an instrument appointing a proxy(ies) and/ or representative(s) to attend, speak and vote at the EGM 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 agent) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the EGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the EGM (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) 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.