



**MALAYSIA BUILDING SOCIETY BERHAD**  
(Incorporated in Malaysia)  
(Company No. 9417-K)

**NOTICE OF ANNUAL GENERAL MEETING**

**NOTICE IS HEREBY GIVEN** THAT THE 49th ANNUAL GENERAL MEETING ("AGM") of the Company will be held at Grand Nexus, Level 3A, Connexion Conference & Event Centre @ Nexus, Bangsar South City, No. 7 Jalan Kerinchi, 59200 Kuala Lumpur on Tuesday, 11 June 2019 at 10.00 a.m. for the following purposes:

**ORDINARY BUSINESS:**

- To receive the Audited Financial Statements of the Company and of the Group for the year ended 31 December 2018 and Reports of the Directors and Auditors thereon.
- To declare a Single-Tier Final Dividend of 5.0 sen per ordinary share for the financial year ended 31 December 2018.
- To approve payment of Directors' Fees amounting to RM1,877,013.52 (MBSB : RM839,999.00 and MBSB Bank : RM1,037,014.52) for the financial year ended 31 December 2018.
- To approve payment of benefits (excluding Directors' Fees) payable to Directors from the date of this AGM until the next AGM of the Company in 2020.
- To re-elect Ir. Moslim bin Othman who retire in accordance with Article 86 of the Company's Constitution, and who being eligible offer himself for re-election.
- To appoint Messrs. KPMG PLT as Auditors of the Company in place of the retiring auditors, Messrs. Ernst & Young and to authorise the Directors to determine their remuneration.

**SPECIAL BUSINESS:**

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

**7. Authority to allot and issue shares**

"THAT subject always to the Companies Act, 2016 ("the Act"), the Constitution of the Company, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and the approvals of the relevant government/regulatory authorities, where such approval is required, the Directors be and are hereby authorised and empowered pursuant to Section 75 of the Act, to allot and issue shares in the Company to such persons, at any time, 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 to be issued does not exceed 10% of the total number of issued shares of the Company for the time being AND THAT the Directors be also empowered to obtain the approval from the listing of and quotation for the additional shares so issued on Bursa Malaysia Securities Berhad AND THAT such authority shall continue in force until the conclusion of the next AGM of the Company".

**8. Allotment and issuance of new Ordinary Shares in MBSB ("MBSB Shares") in relation to the Dividend Reinvestment Plan that allows shareholders of MBSB ("Shareholders") to reinvest their dividend to which the dividend reinvestment plan applies, in new MBSB Shares ("Dividend Reinvestment Plan").**

"THAT pursuant to the Dividend Reinvestment Plan as approved by the Shareholders at the Extraordinary General Meeting held on 10 December 2013, approval be and is hereby given to the Company to allot and issue such number of new MBSB Shares from time to time as may be required to be allotted and issued pursuant to the Dividend Reinvestment Plan until the conclusion of the next Annual General Meeting upon such terms and conditions and to such persons as the Directors, may in their absolute discretion, deem fit and in the interest of the Company PROVIDED:-

- THAT the issue price of the said new MBSB Shares shall be fixed by the Directors at a discount of not more than ten percent (10%) to the five (5)-day volume weighted average price ("VWAP") of MBSB Shares immediately prior to the price-fixing date, of which the VWAP shall be adjusted ex-dividend before applying the aforementioned discount in fixing the issue price.

AND THAT the Directors of the Company be and are hereby authorized to do all such acts and enter into all such transactions, arrangements and documents as may be necessary or expedient in order to give effect to the Dividend Reinvestment Plan with full power to assent to any conditions, modifications, variations and/or amendments to the terms of the Dividend Reinvestment Plan as the Directors may deem fit, necessary and/or expedient in the best interest of the Company or as may be imposed or agreed to by any relevant authorities or consequent upon the implementation of the said conditions, modifications, variations and/or amendments and to take all steps as it considers necessary in connection with the Dividend Reinvestment Plan."

**9. SPECIAL RESOLUTION:**

To consider and if thought fit, to pass the following special resolution:-

**Proposed Adoption of a New Constitution of the Company (Proposed Adoption)**

"THAT approval be and is hereby given to revoke the existing Constitution of the Company with immediate effect and in place thereof, the proposed new Constitution of the Company, as set out in Appendix II of the Circular to Shareholders dated 30 April 2019, be and is hereby adopted as the Constitution of the Company.

AND THAT the Board of Directors be and is hereby authorised to do all such acts, deeds and things as are necessary and/or expedient in order to give full effect to the Proposed Adoption with full powers to assent to any conditions, modifications and/or amendments as may be required by any relevant authorities."

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

**BY ORDER OF THE BOARD**

**KOH AI HOON** (MAICSA 7006997)  
**TONG LEE MEE** (MAICSA 7053445)  
Company Secretaries

Kuala Lumpur  
30 April 2019

**Explanatory Notes: -**

**1. Item 1 of the Agenda**

This Agenda is meant for discussion only, as the provision of Section 340(1)(a) of the Companies Act, 2016 does not require a formal approval of the shareholders for the Audited Financial Statements. Hence, this Agenda item is not put forward for voting.

**2. Item 3 of the Agenda**

The details of the Directors fees for financial year ended 31 December 2018 are as follows:-

	MBSB	MBSB Bank
Board members	Total (RM)	Total (RM)
Tan Sri Abdul Halim bin Ali	145,000	128,334
Encik Lim Tian Huat	174,167	-
Ir. Moslim bin Othman	162,916	-
Puan Lynette Yeow Su-Yin	153,749	123,750
Datuk Shahril Ridza Ridzuan (50% Directors' Fees to be paid to EPF) (resigned in MBSB on 20 August 2018)	70,000	-
Datuk Syed Zaid bin Syed Jaffar Albar (resigned in MBSB on 6 February 2018)	19,167	-
Encik Aw Hong Boo (resigned in MBSB on 6 February 2018)	27,500	151,250
Dato' Jasmy bin Ismail (resigned in MBSB on 6 February 2018)	27,500	-

(Please refer to Explanatory Note 1)

**Ordinary Resolution 1**

**Ordinary Resolution 2**

**Ordinary Resolution 3**

**Ordinary Resolution 4**

**Ordinary Resolution 5**

**Ordinary Resolution 6**

**Ordinary Resolution 7**

**Special Resolution 1**

Encik Szalizi Zainuddin (50% Directors' Fees to be paid to EPF) (resigned in MBSB on 6 February 2018)	20,000	110,000
Datuk Johar bin Che Mat (resigned in MBSB on 6 February 2018)	20,000	148,155.42
Tunku Alina Binti Raja Muhd Alias (resigned in MBSB on 6 February 2018)	20,000	134,167
Datuk Azrulnizam bin Abdul Aziz	-	122,739.42
Dr. Loh Leong Hua (resigned on 9 February 2018 and reappointed on 1 June 2018)	-	91,904.42
Dato' Dr. Md Khir bin Abdul Rahman (resigned on 9 February 2018)	-	9,714.26
Dato' Dr. Vaseehar Hassan bin Abdul Razack (resigned on 9 February 2018)	-	6,071.42
Encik Abdul Rahim bin Abdul Hamid (resigned on 9 February 2018)	-	6,071.42
Dr. Saleh Jameel Malaikah (resigned on 7 February 2018)	-	2,428.58
Mr. Zakir Hussain Rizvi (resigned on 7 February 2018)	-	2,428.58
<b>TOTAL</b>	<b>839,999</b>	<b>1,037,014.52</b>

**3. Item 4 of the Agenda**

The details of the benefits payable to Directors are as follows:-

Board Meeting Allowance	RM3,000.00 per meeting
General Meeting Allowance	RM3,000.00 per meeting
Board Committee Meeting Allowance	RM2,000.00 per meeting
Any other meeting allowances (where the Directors are invited to attend)	RM2,000.00 per meeting
Chairman's Car allowance	RM10,000.00 per month
Other benefits	medical coverage, travel, communication and other claimable benefits

**Notes:**

- The meeting allowances will be paid to the Directors after the conclusion of each meeting.
- The benefits payable to the Directors comprise allowances and other emoluments payable to the Chairman and member of the Board, Board of Subsidiaries and Board Committees
- The total amount of benefits payable to the Directors is estimated up to RM2,500,000 from date of this AGM until the next AGM in 2020 based on the estimated number of 199 meetings.

**4. Item 6 of the Agenda**

Messrs. KPMG PLT is the existing auditors of MBSB's subsidiary companies i.e. MBSB Bank Berhad and Jana Kapital Sdn. Bhd. The Audit Committee and the Board have considered the efficiency of having only one (1) External Audit firm for MBSB Group and have recommended Messrs. KPMG PLT be appointed as the auditors of MBSB in place of the retiring auditors, Messrs. Ernst & Young for the financial year ending 31 December 2019, subject always to the approval from the Regulators and Shareholders. Messrs. KPMG PLT has given their consent to act as statutory auditors of the Company, a copy of which is annexed hereto and marked as "Annexure 1".

**5. Item 7 of the Agenda**

The proposed Ordinary Resolution 6, if passed, will give powers to the Directors to issue new ordinary shares in the capital of the Company up to an aggregate amount not exceeding 10% of the paid-up share capital of the Company for the time being without having to convene a general meeting. This authority, unless revoked or varied at a general meeting, will expire at the next AGM.

The purpose of the proposed mandate from shareholders is to provide MBSB the flexibility to undertake any share issuance during the financial year that is not material in nature under exceptional circumstances i.e. in the event that any capital management requirement to meet the prudential compliance capital leverage ratio or strategic opportunities involving equity deals which may require the Company to allot and issue new shares on urgent basis and which is only to be undertaken if the Board considers it to be in the best interest of the Company.

**6. Item 8 of the Agenda**

Dividend Reinvestment Plan ("DRP") is a capital management tool that would strengthen the Company's capital position. The reinvestment of dividend entitlements by shareholders for new Company shares will enlarge the Company's share capital and strengthen its capital position for future growth. Under the DRP, the cash that would otherwise be paid out by way of dividend will be preserved to fund the working capital and/or capital funding requirements of the Group and the Company.

The proposed Ordinary Resolution 7, if passed, will empower the Directors of the Company to issue new ordinary shares pursuant to the terms and conditions of the Company's DRP which are contained in the DRP Statement set out in Appendix I to the Circular to Shareholder dated 25 November 2013 (as may be amended in accordance with the provisions of the said DRP).

The authority conferred by such renewed mandate/authority will be effective from the date of the forthcoming AGM and unless revoked or varied at a general meeting, will expire at the next AGM.

**7. Item 9 of the Agenda**

This proposed Special Resolution 1 if passed, will give full effect to the Proposed Adoption as set out in Appendix II of the Circular to Shareholders dated 30 April 2019 accompanying the Company's Annual Report for the financial year ended 31 December 2018.

The Proposed Adoption is undertaken primarily to streamline the Constitution with the Act, which came into effect from 31 January 2017 and other relevant regulatory provisions. The Proposed Adoption is also undertaken to align the Constitution with the Listing Requirements issued by Bursa Securities to provide clarity on certain provisions thereof and to render consistency throughout in order to facilitate and further enhance administrative efficiency.

**Notes:-**

- For the purpose of determining a member who shall be entitled to attend this AGM, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd in accordance with Article 58A(2) of the Company's Constitution and Section 34(1) of the Securities Industry (Central Depositories) Act, 1991, to issue a General Meeting Record of Depositors as at 29 May 2019. Only a depositor whose name appears on the Record of Depositors as at 29 May 2019 shall be entitled to attend the said meeting or appoint proxies to attend and/or vote on his/her behalf.
- A member shall be entitled to appoint another person as his proxy. There shall be no restriction as to the qualification of the proxy. A proxy appointed to attend and vote at a meeting of a company shall have the same rights as the member to attend, participate, speak and vote at the meeting.
- In the case of a corporate body, the proxy appointed must be in accordance with its constitution, if any, and the instrument appointing a proxy shall be given under the company's common seal or under the hand of an officer or attorney duly authorised.
- Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he specifies the proportion of his holdings to be represented by each proxy.
- Where a member of the company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorized nominee may appoint in respect of each omnibus account it holds. An exempt authorised nominee refers to an authorised nominee defined under the Securities Industry (Central Depositories) Act 1991 ("SICDA") which is exempted from compliance with the provisions of subsection 25A(1) of SICDA.
- To be valid, the duly completed instrument appointing a proxy must be deposited at the 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, Malaysia not less than forty-eight (48) hours before the time for holding the meeting or any adjournment thereof.

**STATEMENT ACCOMPANYING THE NOTICE OF ANNUAL GENERAL MEETING PURSUANT TO PARAGRAPH 8.27(2) OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

- Ir. Moslim bin Othman is standing for re-election at the 49th Annual General Meeting of the Company to be held Grand Nexus, Level 3A, Connexion Conference & Event Centre @ Nexus, Bangsar South City, No. 7 Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia on Tuesday, 11 June 2019 at 10.00 a.m.
- The details of Ir. Moslim bin Othman who is standing for re-election at the 49th Annual General Meeting are disclosed under the Directors' Profile on page 14 of this Annual Report.
- The Proposed Ordinary Resolution 6 is a renewal mandate for issue of securities. As at the date of this Notice, no new shares were issued pursuant to the general mandate granted to the Directors at the last AGM held on 25 June 2018.



**KPMG PLT**  
(LLP0010081-LCA & AF 0758)  
Chartered Accountants  
Level 10, KPMG Tower  
8, First Avenue, Bandar Utama  
47800 Petaling Jaya  
Selangor Darul Ehsan, Malaysia

Telephone +60 (3) 7721 3388  
Fax +60 (3) 7721 3399  
Website [www.kpmg.com.my](http://www.kpmg.com.my)

The Board of Directors  
Malaysia Building Society Berhad  
11<sup>th</sup> Floor, Wisma MBSB  
48 Jalan Dungun, Damansara Heights  
50490 Kuala Lumpur

Our ref.: G/CKM/JLCK/yywn

Attention: Tan Sri Abdul Halim Ali

19 March 2019

Dear Sirs

**Malaysia Building Society Berhad**  
**Consent to act as auditors**

We refer to your letter dated 7 March 2019.

Pursuant to the provisions of the Companies Act, we hereby consent to act as statutory auditors of your Company. This consent is to remain valid until it is withdrawn, amended or superseded.

Yours faithfully,

A handwritten signature in black ink, appearing to read 'Khaw Hock Hoe'.

Khaw Hock Hoe  
Partner