



MALAYSIA BUILDING SOCIETY BERHAD
(Incorporated in Malaysia under the Companies Act, 1965)
(Company No. 9417-K)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT THE 45th ANNUAL GENERAL MEETING ("AGM") of the Company will be held at Grand Ballroom, Level 2, Pullman Kuala Lumpur Bangsar, No. 1, Jalan Pantai Jaya, Tower 3, 59200 Kuala Lumpur on Wednesday, 15 April 2015 at 10.00 a.m. for the following purposes:

Ordinary Business:

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| 1. To receive the Audited Financial Statements of the Company and of the Group for the year ended 31 December 2014 and Reports of the Directors and Auditors thereon. | (Please refer to Explanatory Note 1) |
| 2. To declare the following:- | |
| (i) A Single-Tier Final Dividend of 10.0 sen per ordinary share of RM1.00 each for the financial year ended 31 December 2014; and | Ordinary Resolution 1 |
| (ii) A Single-Tier Special Dividend of 2.0 sen per ordinary share of RM1.00 each for the financial year ended 31 December 2014. | Ordinary Resolution 2 |
| 3. To approve payment of Directors' Fees amounting to RM760,000.00 for the financial year ended 31 December 2014. | Ordinary Resolution 3 |
| 4. To re-elect the following Directors who retire in accordance with Article 86 of the Company's Articles of Association and who being eligible offer themselves for re-election:- | |
| (i) Datuk Shahril Ridza bin Ridzuan | Ordinary Resolution 4 |
| (ii) Encik Aw Hong Boo | Ordinary Resolution 5 |
| 5. To consider and if thought fit, to pass the following resolution in accordance with Section 129 (6) of the Companies Act, 1965:-
"That Tan Sri Abdul Halim bin Ali, retiring pursuant to Section 129 (6) of the Companies Act, 1965, be re-appointed as a Director of the Company to hold office until the next Annual General Meeting." | Ordinary Resolution 6 |
| 6. To re-appoint Messrs Ernst & Young as Auditors of the Company and to authorise the Directors to determine their remuneration. | Ordinary Resolution 7 |

Special Business:

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

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| 7. Authority to Directors to issue shares | Ordinary Resolution 8 |
| "THAT subject always to the Companies Act, 1965, the Company's Articles and Association and approval of the relevant government / regulatory authorities, the Directors be and are hereby authorized pursuant to Section 132D of the Companies Act, 1965, to issue shares in the Company at any time until the conclusion of the next Annual General Meeting 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 issued share capital of the Company for the time being." | |
| 8. Allotment and issuance of new Ordinary Shares of RM1.00 each 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"). | Ordinary Resolution 9 |
| "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:- | |
| i. 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 the issue price shall not be less than the par value of MBSB Shares of RM1.00 each at the material time. | |
| ii. 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. 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
24 March 2015

Explanatory Notes:-

- Item 1 of the Agenda
This Agenda is meant for discussion only, as the provision of Section 169(1) of the Companies Act, 1965 does not require a formal approval of the shareholders for the Audited Financial Statements. Hence, this Agenda item is not put forward for voting.
- Item 7 of the Agenda
The proposed Ordinary Resolution 8, 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 issued and 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 Annual General Meeting.
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.
- 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 9, 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.

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 Articles of Association and Section 34(1) of the Securities Industry (Central Depositories) Act, 1991, to issue a General Meeting Record of Depositors as at 8 April 2015. Only a depositor whose name appears on the Record of Depositors as at 8 April 2015 shall be entitled to attend the said meeting or appoint proxies to attend and/or vote on his/her behalf.
- A proxy need not be a member of the Company and the provisions of Section 149(1)(b) of the Companies Act, 1965 shall not apply to the Company. 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 speak at the meeting.
- In the case of a corporate body, the proxy appointed must be in accordance with its Memorandum & Articles of Association 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 Company's registered office at 11th Floor, Wisma MBSB, 48 Jalan Dungun, Damansara Heights, 50490 Kuala Lumpur not less than forty-eight (48) hours before the time for holding the meeting or any adjournment thereof.