



MALAYSIA AIRPORTS HOLDINGS BERHAD

(Company No.: 487092-W)
(Incorporated in Malaysia)

NOTICE OF THE 20TH ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 20th Annual General Meeting (20th AGM or the Meeting) of Malaysia Airports Holdings Berhad (MAHB or the Company) will be held at Gateway Ballroom, Level 1, Sama-Sama Hotel, KL International Airport, Jalan CTA 4B, 64000 KLIA, Sepang, Selangor Darul Ehsan on Thursday, 2 May 2019 at 11.00 a.m. for the following purposes:

AGENDA

AS ORDINARY BUSINESS

- To receive the Audited Financial Statements of the Company for the financial year ended 31 December 2018 together with the Directors and Auditors Reports thereon.
Please refer to Explanatory Note A
- To declare and approve the payment of a final single-tier dividend of 9.00 sen per ordinary share in respect of the financial year ended 31 December 2018 as recommended by the Directors.
Please refer to Explanatory Note B
- To approve the payment of Directors' fees up to an amount of RM3,276,000.00 to the Non-Executive Directors (NED) of the Company with effect from 3 May 2019 until the next AGM in 2020, as follows:
 - Payment made by the Company amounting to RM1,656,000.00; and
 - Payment made by the Company's Subsidiaries amounting to RM1,620,000.00.
Please refer to Explanatory Note C
- To approve the payment of Directors' benefits payable up to an amount of RM1,999,515.00 to the NED of the Company with effect from 3 May 2019 until the next AGM in 2020, as follows:
 - Payment made by the Company amounting to RM1,551,900.00; and
 - Payment made by the Company's Subsidiaries amounting to RM447,615.00.
Please refer to Explanatory Note D
- To re-elect Tan Sri Datuk Zainun Ali who shall retire in accordance with Article 129 of the Company's Constitution and who being eligible, offers herself for re-election.
Please refer to Explanatory Note E
- To re-elect Datuk Siti Zauyah Md Desa who shall retire in accordance with Article 129 of the Company's Constitution and who being eligible, offers herself for re-election.
Please refer to Explanatory Note F
- To re-elect Mr Ramanathan Sathiamutty who shall retire in accordance with Article 129 of the Company's Constitution and who being eligible, offers himself for re-election.
Please refer to Explanatory Note G
- To re-elect Ms Wong Shu Hsien who shall retire in accordance with Article 129 of the Company's Constitution and who being eligible, offers herself for re-election.
Please refer to Explanatory Note H
- To re-elect Dato' Ir Mohamad Husin who shall retire in accordance with Article 131 of the Company's Constitution and who being eligible, offers himself for re-election.
Please refer to Explanatory Note I
- To re-elect Datuk Azailiza Mohd Ahad who shall retire in accordance with Article 131 of the Company's Constitution and who being eligible, offers herself for re-election.
Please refer to Explanatory Note J
- To re-appoint Messrs Ernst & Young as Auditors of the Company for the ensuing year and to authorise the Directors to fix their remuneration.
Please refer to Explanatory Note K

Ordinary Resolution 1

Ordinary Resolution 2

Ordinary Resolution 3

Ordinary Resolution 4

Ordinary Resolution 5

Ordinary Resolution 6

Ordinary Resolution 7

Ordinary Resolution 8

Ordinary Resolution 9

Ordinary Resolution 10

AS SPECIAL BUSINESS

- To approve the revocation of existing Constitution with immediate effect and in place thereof, the proposed new Constitution of the Company as set out in the Circular to Shareholders dated 3 April 2019 accompanying the Company's Annual Report 2018 be and is hereby adopted as the Constitution of the Company AND to authorise the Directors of the Company to assent to any modification, variation and/or amendments as may be required by the relevant authorities and to do all acts and things and take all such actions as may be considered necessary to give full effect to the foregoing.
Please refer to Explanatory Note L
- To transact any other business of which due notice shall have been given in accordance with the Companies Act 2016 and the Company's Constitution.

Special Resolution 1

By Order of the Board

AZNI ARIFFIN
LS 0008791
Company Secretary
Sepang, Selangor Darul Ehsan
3 April 2019

Notes to the Notice of the 20th AGM

Proxy

- Section 334 of the Companies Act 2016 (CA 2016) provides that a member of a company shall be entitled to appoint another person or persons as his/her proxy or proxies to exercise all or any of his/her rights to attend, participate, speak and vote at a meeting of members of the company. A proxy may but need not be a member of the Company and a member may appoint any person to be his/her proxy without limitation. Where a member appoints more than one proxy, the appointment shall be invalid unless he/she specifies the proportion of his/her holdings to be represented by each proxy.
- A corporation which is a member, may by resolution of its Board of Directors or other governing body authorise such person as it thinks fit to act as its representative at the Meeting, in accordance with Article 104 of the Company's Constitution.
- The instrument appointing a proxy/representative shall be in print or writing under the hand of the appointor or his/her duly constituted attorney, or if such appointor is a corporation, under its common seal or the hand and seal of its attorney.
- The instrument appointing a proxy/representative must be deposited at the Registered Office of the Company at Malaysia Airports Corporate Office, Persiaran Korporat KLIA, 64000 KLIA, Sepang, Selangor Darul Ehsan not less than 48 hours before the time appointed for holding the Meeting or any adjournment thereof.

Voting by Poll

- Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad requires all resolutions set out in this notice to be voted by poll.

Members Entitled to Attend

- For the purpose of determining a member who shall be entitled to attend the 20th AGM, the Company shall request Bursa Malaysia Depository Sdn Bhd in accordance with Article 48(2) of the Company's Constitution and Section 34(1) of the Securities Industry (Central Depositories) Act 1991 to issue a Record of Depositors as at 24 April 2019. Only a depositor whose name appears on the Record of Depositors as at 24 April 2019 shall be entitled to attend the said Meeting or appoint proxies to attend, participate, speak and/or vote on his/her behalf.
- Please be reminded that the 20th AGM is a private meeting between the directors, shareholders, proxies, duly authorised representatives and the auditors. As such, non-shareholders are barred from entering the Meeting. However, any disabled shareholder may be allowed to enter the Meeting accompanied by a person who is not a shareholder.
- Shareholders' attention is hereby drawn to the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, which allows a member of the Company which is an exempt authorised nominee, as defined under the Securities Industry (Central Depositories) Act 1991, who holds ordinary shares in the Company for multiple beneficial owners in one securities account (omnibus account) to appoint multiple proxies in respect of each omnibus account it holds.

Explanatory Note A:

- The Audited Financial Statements is laid in accordance with Section 340(1)(a) of the CA 2016 and meant for discussion only as the Audited Financial Statements do not require shareholders' approval under the provision of Section 251(1) of the CA 2016. As such, this Agenda item is not to be put forward for voting.

Explanatory Note B for Ordinary Resolution 1:

- In accordance with Article 154 of the Company's Constitution, the Board is recommending that the shareholders approve the payment of the final dividend.

With reference to Section 131 of the CA 2016, a company may only make a distribution to the shareholders out of available profits of the company if the company is solvent. On 28 February 2019, the Board of Directors of MAHB (the Board) had considered the amount of dividend and decided to recommend the same for the shareholders' approval.

The Board is satisfied that the Company will be solvent as it will be able to pay its debts as and when the debts become due within 12 months immediately after the distribution date which would be announced by the Company after the 20th AGM in accordance with Sections 132(2) and (3) of the CA 2016.

Explanatory Notes C and D for Ordinary Resolutions 2 and 3:

- Section 230(1) of the CA 2016 provides amongst others, that "the fees" of the directors, and "any benefits" payable to the directors of a listed company and its subsidiaries shall be approved at a general meeting. In this respect, the Board has agreed that the shareholders' approval shall be sought at the 20th AGM on the Directors' fees and benefits payable with effect from 3 May 2019 until the next AGM in 2020 (Relevant Period).

- Ordinary Resolution 2: Shareholders' approval is to be sought on the payment of Directors' fees up to an amount of RM3,276,000.00 to the NED of the Company throughout the Relevant Period as follows:
 - Payment made by the Company amounting to RM1,656,000.00; and
 - Payment made by the Company's Subsidiaries amounting to RM1,620,000.00
- The Board Nomination and Remuneration Committee had conducted a review on the Directors' fees and the overall Board Remuneration framework, to determine the competitiveness of NED's remuneration, having regard to the level of responsibility, expertise and time commitment. The Board believes that the alignment of the remuneration offered to the Directors will enable the Company to continue to attract and retain individuals of the required caliber on the Board.
- Based on the outcome of the review, the Board agreed that the Directors' fees for the NED need to be reviewed in view of the heavy responsibility and time commitment required in line with the expansion of the business of the Company and the new regulatory requirements imposed under the law.
- With regard to the two-tier remuneration system of Directors of the Company's Subsidiaries, the Board is of the view that the roles, responsibilities and accountability of Directors of the Second Tier Companies are no lesser than that of the First Tier Companies. Having regard to the complexity and high risks of the businesses which will become a major threat to the performance of the Company if not appropriately monitored, the Board has decided that the Directors' fees and Meeting Allowance for all the Company's Subsidiaries be standardised.

- The comparison between the current Directors' fees for NED as approved by the shareholders of the Company at the 19th AGM held on 8 May 2018 and the new proposed fees are as follows:

No.	Description	Current Fees		New Proposed Fees	
		Chairman	NED	Chairman	NED
1.	The Company Directors' fees	RM180,000 per annum	RM108,000 per annum	RM216,000 per annum	RM144,000 per annum
2.	Directors' fees for the Company's Subsidiaries:				
		First Tier Companies			
		RM48,000 per annum	RM36,000 per annum	RM48,000 per annum	RM36,000 per annum
		Second Tier Companies			
		RM36,000 per annum	RM24,000 per annum		

- Ordinary Resolution 3: Shareholders' approval is to be sought on the payment of Directors' benefits payable up to an amount of RM1,999,515.00 to the NED of the Company throughout the Relevant Period, as follows:
 - Payment made by the Company amounting to RM1,551,900.00; and
 - Payment made by the Company's Subsidiaries amounting to RM447,615.00.
- The proposed total payment of Directors' benefits payable (under Ordinary Resolution 3) has taken into account the standardisation of Meeting Allowance for the Company's Subsidiaries due to the abolishment of the two-tier remuneration system of Directors of the Company's Subsidiaries as well as the removal of allocation of Meeting Allowance for other potential committee as the Company does not foresee that there will be any other committee to be formed in the Relevant Period.
- The comparison between the current Directors' benefits payable for NED as approved by the shareholders of the Company at the 19th AGM held on 8 May 2018 and the new proposal are as follows:

No.	Description	Current		New Proposal	
		Chairman	NED	Chairman	NED
1.	Senior Independent Director's Allowance of the Company (per month)	N/A	RM1,000	N/A	No Change
2.	Meeting Allowance (per meeting)				
	(A) The Company				
	(i) Board	RM5,000	RM3,000	No Change	No Change
	(ii) Board Committees	RM4,000	RM2,000	No Change	No Change
	(B) Board of the Company's Subsidiaries				
		First Tier Companies			
		RM1,500	RM1,200	RM1,500	RM1,200
		Second Tier Companies			
		RM1,200	RM1,000		
	(C) Committee of Company's Subsidiaries				
	(i) Istanbul Sabiha Gokcen International Airport Investment Development and Operation Inc (ISG); and LGM (Airport Operations Trade and Tourism Inc (LGM)#	RM2,500	RM2,000	No Change	No Change
	(D) Other Committees of the Company	RM4,000	RM2,000	Nil	Nil
3.	Other Claimable Benefits	Directors' appreciation gift, out of pocket expenses, car allowance*, entertainment allowance*, petrol*, toll*, telecommunication devices, club* and professional membership.		No Change	

*Chairman only.

Deemed as one meeting due to the fact that the contents of the meetings are similar in nature and meetings are held on the same day.

- In determining the estimated total amount of Directors' fees and benefits payable for the NED of the Company during the Relevant Period, the Board has considered various factors including the number of scheduled meetings for the Board, Board Committees and Boards of the Company's Subsidiaries and the number of NED involved in these meetings based on the current number of NED as well as inclusion of provisional sum as contingency for future appointment of NED of the Company on the Boards of the Company's Subsidiaries and increase in number of Board and committee meetings due to business expansion.

- Payment of the Directors' fees and benefits payable to the NED of the Company will be made by the Company on a monthly basis and/or as and when incurred should the proposed Ordinary Resolutions 2 and 3 have been passed at the 20th AGM.

- The Board is of the view that it is just and equitable for the NED of the Company to be paid the Directors' fees and benefits payable on monthly basis and/or as and when incurred, particularly after they have discharged their responsibilities and rendered their services to the Company and its subsidiaries throughout the Relevant Period.

- In the event where the payment of Directors' fees and benefits payable during the Relevant Period exceeds the estimated amount sought in the 20th AGM, a shareholders' approval is to be sought in the next AGM in 2020 on the payment of the exceeded amount.

- The proposed Ordinary Resolutions 2 and 3 are in accordance with Article 98 of the Company's Constitution and if passed, shall be effective from 3 May 2019.

Explanatory Notes E, F, G and H for Ordinary Resolutions 4 to 7:

- Article 129 of the Company's Constitution stipulates that any newly appointed Director shall hold office only until the next following AGM of the Company at which the Director is due to retire under this Article, when he shall retire but shall then be eligible for re-election.

Pursuant to Article 129, Tan Sri Datuk Zainun Ali, Datuk Siti Zauyah Md Desa, Mr Ramanathan Sathiamutty and Ms Wong Shu Hsien are standing for re-election at the 20th AGM.

The Board has conducted an assessment on the independence of Mr Ramanathan Sathiamutty, an Independent NED, who is seeking re-election at this 20th AGM inclusive of his skills, experience, character, integrity, competency and contribution.

The profile of the Directors standing for re-election are provided on pages 126, 127, 128 and 135 of the Board of Directors' Profile in the Annual Report 2018.

Explanatory Notes I and J for Ordinary Resolutions 8 and 9:

- Article 131 of the Company's Constitution expressly states that in every subsequent AGM, at least one-third of the Directors for the time being or the number nearest to one-third shall retire from office and the retiring Directors shall be eligible to seek for re-election thereof.

Pursuant to Article 131, Dato' Ir Mohamad Husin and Datuk Azailiza Mohd Ahad are standing for re-election at the 20th AGM.

The Board has conducted an assessment on the independence of the Directors who are seeking re-election at the 20th AGM inclusive of their skills, experience, character, integrity, competency and contribution.

The profiles of the Directors standing for re-election are provided on pages 133 and 134 of the Board of Directors' Profile in the Annual Report 2018.

Explanatory Note K for Ordinary Resolution 10:

- The Board Audit Committee and the Board have considered the re-appointment of Messrs Ernst & Young (EY) as Auditors of the Company and collectively agreed that EY has met the relevant criteria prescribed under Paragraph 15.21 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

Explanatory Note L for Special Resolution 1:

- The proposed Special Resolution 1 if passed, will give full effect to the New Proposed Constitution as set out in Appendix III of the Circular to Shareholders dated 3 April 2019 accompanying the Company's Annual Report for the financial year ended 31 December 2018. The rationale of the New Proposed Constitution is to ensure continued compliance and to bring the existing Constitution of the Company in line with the following laws and regulations:

- Latest amendments made to the Main Market Listing Requirements of Bursa Malaysia Securities Berhad which was issued on 29 November 2017;
- CA 2016 which came into effect on 31 January 2017; and
- Malaysian Code on Corporate Governance 2017.

In view of the numerous amendments which would entail substantial amendments to the existing Constitution, the Board had proposed for the revocation of the existing Constitution in its entirety with immediate effect, and in place thereof, a new Constitution as set out in the Circular to Shareholders dated 3 April 2019, be adopted. The New Proposed Constitution shall take effect immediately once Special Resolution 1 is passed by a majority of not less than seventy-five per centum (75%) of such members who are entitled to vote and do vote in person or by proxy at the 20th AGM.