الشركة العربية للصناعات الثقيلة ش.م.ع.
ARAB HEAVY INDUSTRIES P.J.S.C.

Notice to the Shareholders

Notice is hereby given to the shareholders of Arab Heavy Industries P.J.S.C. ("Company") that the Board of Directors ("Board") of the Company is pleased to invite the shareholders to attend the thirty fifth (35th) Annual General Assembly Meeting ("AGM") and an Extraordinary General Assembly Meeting ("EGM") of the Company to be held on Wednesday, the 28th day of March 2012 at Hotel Kempinski Ajman at 5.00 p.m.

ANNUAL GENERAL ASSEMBLY MEETING

The Annual General Assembly Meeting shall have the following agenda:

1. To hear and approve the Board of Directors' Report on the activities of the Company and the financial position for the year ended 31 December 2011.
2. To hear and approve the Auditors' Report of the Company for the financial year ended 31 December 2011.
3. To discuss and approve the Consolidated Statement of Financial Position of the Company for the financial year ended 31 December 2011 and the Consolidated Statement of Income.
4. To consider the proposals of the Board of Directors in respect of the distribution of cash dividends (25%) for the year ended 31 December 2011.
5. To discharge the Board of Directors and the Auditors from liability for the financial year ended on 31 December 2011.
6. To approve appointment of a Director appointed by the Board.
7. To approve the remuneration of the members of the Board of Directors for the financial year 2011.
8. To appoint Auditors of the Company for the year 2012 and determine their remuneration.

EXTRAORDINARY GENERAL ASSEMBLY MEETING

WHEREAS the Board in a meeting on January 15, 2012 to consider the proposal for conversion and delisting of the Company, approved:

(i) conversion of the Company from a public joint stock company to a private joint stock company;
(ii) delisting of the Company from the Dubai Financial Market;
(iii) recommending the proposed conversion and delisting of the Company to shareholders in an EGM.

NOW THEREFORE, the EGM shall have the following agenda:

1. To consider the resolutions of the Board approving the conversion of the Company from a public joint stock company to private joint stock company.
2. To consider the cancellation of the listing of the Company on the Dubai Financial Market, and to maintain a register of shares to register all transactions of the shares of the Company after the Company's conversion and de-listing.
3. To consider amendments to the Memorandum and Articles of Association of the Company to reflect the conversion of the Company to a private joint stock company.
4. To authorize the members of the Executive Committee of the Board to severally:
   (i) execute all applications, undertakings, decisions, contracts, agreements, guarantees and documents as they deem fit in the name and on behalf the Company to implement the resolutions passed at the EGM in connection with the delisting of the Company on the Dubai Financial Market and conversion of the Company to a private joint stock company;
   (ii) make all necessary filings with, and submit all requisite documents to, the relevant authorities as may be required to give effect to the resolutions passed in the EGM;
   (iii) procure all necessary amendments to the trade license and the Memorandum and Articles of Association of the Company as may be approved in the EGM;
   (iv) make amendments to the Memorandum and Articles of Association of the Company as may be required by Ministry of Economy and/or Emirates Securities and Commodities Authority ("ESCA") and sign the amended Memorandum and Articles of Association of the Company;
   (v) publish such newspaper advertisement or other notice as may be necessary to notify creditors of the Company of the proposed conversion and delisting of the Company; and
   (vi) do all other acts which they may deem necessary or desirable to give effect to the resolutions passed in the EGM.

Notes:

A Shareholder may appoint another Shareholder to attend the Meeting on his behalf, knowing that the proxy may not be a Director and may not be a proxy for more than (5%) five percent of the capital of the Company.

Shareholders of the Company registered as of 27/03/2012 shall be entitled to vote at the AGM.

A Shareholder registered on the tenth (10th) day from the day following the Annual General Meeting which determines payment of dividends 08/04/2012 shall be entitled to such dividends whether in cash or as bonus share. The Company shall send cash dividends to the Shareholder entitled to such dividends by cheque by registered mail to the address registered in the Market or by deposit of such dividends in the Shareholder's bank account within (30) days from the due date 08/04/2012.

Shareholders may inspect the financial statements of the Company at the website of Dubai Financial Market.

Arab Heavy Industries P.J.S.C.
Ajman
7 March 2012

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RvA C 046
Certificate Number 32432