



GRAND-FLO BERHAD

(607392-W)

A Main Market listed company
(Incorporated in Malaysia)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT an Extraordinary General Meeting of Grand-Flo Berhad (“**Grand-Flo**” or the “**Company**”) will be held at Greens III, Ground Floor, Sports Wing, Tropicana Golf & Country Resort, Jalan Kelab Tropicana, 47410 Petaling Jaya, Selangor Darul Ehsan on Monday, 25 June 2018 at 11.00 a.m., or immediately following the conclusion or adjournment of the Company’s 15th Annual General Meeting which will be held at the same venue at the same date at 10.00 a.m., whichever is later, for the purpose of considering and if thought fit, passing with or without modifications, the following resolutions:-

ORDINARY RESOLUTION 1

PROPOSED ACQUISITION BY GRAND-FLO OF THE REMAINING 124,999 ORDINARY SHARES IN INNOCERIA SDN BHD (“ISB”) (“SALE SHARE(S)”) NOT ALREADY HELD BY GRAND-FLO, REPRESENTING 49.9996% OF THE TOTAL NUMBER OF ISSUED SHARES OF ISB FOR A CASH CONSIDERATION OF RM21.9 MILLION (“PROPOSED ACQUISITION”)

“**THAT** subject to the approvals of all relevant authorities/parties, where relevant/required, being obtained for the Proposed Acquisition, approval be and is hereby given to Grand-Flo to acquire the 124,999 Sale Shares for a cash consideration of RM21.9 million, subject to and upon the terms and conditions set out in the conditional sale of shares agreement dated 10 April 2018 entered into between Grand-Flo and the Vendor, namely Chuah Chew Hai in relation to the Proposed Acquisition;

AND THAT the Directors of the Company be and are hereby authorised to act for and on behalf of the Company and to take all such steps and do all such acts, matters and things (including entering into all such deeds, agreements, arrangements, transactions, undertakings, transfers and indemnities) as the Directors deem fit or may consider necessary, desirable, appropriate or expedient to implement, finalise and give full effect to the Proposed Acquisition with full power to give all or any notices, directions, consents and authorisations in respect of any matter arising under or in connection with the Proposed Acquisition and to assent to any conditions, modifications, variations and/or amendments relating to the Proposed Acquisition as may be approved/required by the relevant regulatory authorities and/or as they deem fit and to do all such things as it may consider necessary, desirable, appropriate or expedient in the best interests of the Company.”

ORDINARY RESOLUTION 2

PROPOSED DIVERSIFICATION OF THE CORE BUSINESS OF GRAND-FLO AND ITS SUBSIDIARIES AND ASSOCIATES (“GRAND-FLO GROUP”) TO INCLUDE CONSTRUCTION BUSINESS AND CONSTRUCTION RELATED ACTIVITIES (“PROPOSED DIVERSIFICATION”)

“**THAT** subject to the approvals of all relevant authorities/parties, where relevant/required, being obtained for the Proposed Diversification, approval be and is hereby given to Grand-Flo to diversify the core business of Grand-Flo Group to include construction business and construction related activities which might reasonably be expected to contribute more than 25% of the net profits of the Grand-Flo Group and/or result in a diversion of more than 25% of the net assets of Grand-Flo Group to an operation which differs widely from its current operations, pursuant to Paragraph 10.13 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad;

AND THAT the Directors of the Company be and are hereby authorised to act for and on behalf of the Company and to take all such steps and do all such acts, matters and things (including entering into all such deeds, agreements, arrangements, transactions, undertakings, transfers and indemnities) as they deem fit or may consider necessary, desirable, appropriate or expedient to implement, finalise and give full effect to the Proposed Diversification with full power to give all or any notices, directions, consents and authorisations in respect of any matter arising under or in connection with the Proposed Diversification and to assent to any conditions, modifications, variations and/or amendments relating to the Proposed Diversification as may be approved/required by the relevant regulatory authorities and/or as they deem fit and to do all such things as it may consider necessary, desirable, appropriate or expedient in the best interests of the Company.”

By Order of the Board

TEA SOR HUA (MACS 01324)

Company Secretary

Date: 8 June 2018

Petaling Jaya, Selangor Darul Ehsan

Notes:-

1. A member entitled to attend and vote at the Extraordinary General Meeting (“**EGM**” or “**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.
2. A shareholder shall be entitled to appoint up to two (2) proxies to attend and vote at the same Meeting. Where a shareholder appoints two (2) proxies, he shall specify the proportion of his shareholdings to be represented by each proxy.
3. Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, it may appoint at least one (1) proxy in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.
4. Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account (“**omnibus account**”), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds. The appointment of multiple proxies shall not be valid unless the proportion of its shareholdings represented by each proxy is specified.
5. The instrument appointing a proxy shall be in writing under the hand of the appointor or his attorney duly authorised in writing. If the appointor is a corporation, the instrument must be executed under its Common Seal or under the hand of an officer or attorney so authorised.
6. To be valid, the instrument appointing a proxy must be deposited at the Share Registrar of the Company situated at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, not less than forty-eight (48) hours before the time for holding the EGM or at any adjournment thereof at which the person named in the instrument proposes to vote.
7. For the purpose of determining a member who shall be entitled to attend the EGM, the Company will be requesting Bursa Malaysia Depository Sdn. Bhd. in accordance with Clause 65(3) of the Company’s Constitution to issue a General Meeting Record of Depositors as at 19 June 2018. Only members whose names appear in the General Meeting Record of Depositors as at 19 June 2018 shall be regarded as members and entitled to attend, speak and vote at the EGM.
8. All the resolutions set out in this Notice of EGM will be put to vote by poll.