

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Seventeenth Annual General Meeting of **REDtone International Berhad (“Company”)** will be held at Langkawi Room, Bukit Jalil Golf & Country Resort, Bukit Jalil, 57000 Kuala Lumpur on Tuesday, 3 December 2019 at 10:00 a.m. for the following purposes:-

AGENDA

AS ORDINARY BUSINESS

- To receive the Audited Financial Statements for the financial period ended 30 June 2019 together with the Reports of the Directors and the Auditors thereon.
- To approve the payment of Directors’ fees for an aggregate amount of up to RM810,000 payable to the Non-Executive Directors of the Company on a monthly basis from 4 December 2019 until the next Annual General Meeting of the Company to be held in year 2020.
- To approve the payment of Directors’ benefits for an amount of up to RM130,000 payable to the Directors of the Company from 4 December 2019 until the next Annual General Meeting of the Company to be held in year 2020.
- To re-elect the following Directors who retire by rotation in accordance with Article 85 of the Company’s Articles of Association and being eligible, have offered themselves for re-election:-
 - Dato’ Ismail Bin Osman
 - Avinderjit Singh A/L Harjit Singh
- To re-appoint Messrs. Ernst & Young as Auditors of the Company for the ensuing year and to authorise the Board of Directors to fix their remuneration.

AS SPECIAL BUSINESS

To consider and if thought fit, to pass the following resolutions with or without modifications:-

6. Ordinary Resolution Retention of Mathew Thomas A/L Vargis Mathews as Independent Non-Executive Director

[Please refer to Explanatory Note (i)]
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

Ordinary Resolution 11

Ordinary Resolution 12

Ordinary Resolution 13

Ordinary Resolution 14

Ordinary Resolution 15

Ordinary Resolution 16

Ordinary Resolution 17

Ordinary Resolution 18

Ordinary Resolution 19

Ordinary Resolution 20

Ordinary Resolution 21

Ordinary Resolution 22

Ordinary Resolution 23

Ordinary Resolution 24

Ordinary Resolution 25

Ordinary Resolution 26

Ordinary Resolution 27

Ordinary Resolution 28

Ordinary Resolution 29

Ordinary Resolution 30

Ordinary Resolution 31

Ordinary Resolution 32

Ordinary Resolution 33

Ordinary Resolution 34

Ordinary Resolution 35

Ordinary Resolution 36

Ordinary Resolution 37

Ordinary Resolution 38

Ordinary Resolution 39

11. Special Resolution Proposed Adoption of New Constitution of the Company

Special Resolution
“THAT approval be and is hereby given to revoke the existing Memorandum and Articles of Association of the Company with immediate effect and in place thereof, the proposed New Constitution of the Company, as set out in Part B of the Circular to Shareholders dated 25 October 2019 be and is hereby adopted as the Constitution of the Company (“**Proposed Adoption of New Constitution**”);
AND THAT the Directors of the Company be and are hereby authorised to assent to any modification, variation and/or amendment as may be required by the relevant authorities and to do all acts and things and take all such steps as may be considered necessary to give full effect to the Proposed Adoption of New Constitution.”

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

By order of the Board

CHUA SIEW CHUAN (MAICSA 077698)
TAN LEY THENG (MAICSA 7030358)
Company Secretaries

Kuala Lumpur
Dated: 25 October 2019

NOTES:

- In respect of 26 November 2019, any members whose names appear in the Record of Depositors on 26 November 2019 (“**General Meeting Record of Depositors**”) shall be eligible to attend the Meeting or appoint proxy(ies) to attend and vote in his stead.
- A member entitled to attend and vote at the Meeting, may appoint more than one (1) proxy to attend and vote in his stead. Where a member appoints two (2) proxies to attend and vote at the same Meeting, such appointment shall be invalid unless he specifies the proportion of his holdings to be represented by each proxy.
- The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, either under the corporation’s common seal or under the hand of an officer or attorney duly authorised.
- 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 the securities account it holds with shares of the Company standing to the credit of the said securities account.
- 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 instrument appointing a proxy must be deposited at the office of the Share Registrar of the Company at Lot 10-04A & 10-04B, Level 10, West, Berjaya Times Square, No. 1, Jalan Imbi, 55100 Kuala Lumpur, Wilayah Persekutuan not less than forty-eight (48) hours before the time appointed for holding the meeting or any adjourned meeting.
- Pursuant to Rule 8.31A of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad, all the resolutions set out in this Notice will be put to vote by way of poll. Independent Scrutineers will be appointed to validate the results of the poll.

Explanatory Notes to Ordinary and Special Business

(i) Audited Financial Statements for the financial period ended 30 June 2019

This Agenda item 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.

(ii) Payment of Directors’ fees and benefits

Section 230(1) of the Companies Act 2016 provides amongst others, that the fees of the Directors and any benefits payable to the Directors of a listed company shall be approved at a general meeting.

The Board wishes to seek shareholders’ approval at the Seventeenth Annual General Meeting (“**AGM**”) on the two (2) separate resolutions as below:

- Resolution 1 on payment of Directors’ fees payable to the Non-Executive Directors of the Company on a monthly basis from 4 December 2019 until the next AGM of the Company to be held in year 2020; and
- Resolution 2 on payment of Directors’ benefits, which comprise of meeting allowance payable for attendance of Directors at Board and/or Board Committees’ meetings from 4 December 2019 until the next AGM of the Company to be held in year 2020.

In the event that the proposed Directors’ fees and benefits payable are insufficient due to enlarged size of the Board of Directors, approval will be sought at the next AGM for additional Directors’ fees and benefits to meet the shortfall.

(iii) Ordinary Resolution 6 – Retention of Independent Non-Executive Director

Mr. Mathew Thomas A/L Vargis Mathews was appointed as an Independent Non-Executive Director of the Company on 15 November 2003 and therefore, has served the Board for a cumulative term of more than twelve (12) years. The Board, through the Nomination Committee recommends that he should be retained to continue in office as an Independent Non-Executive Director based on the following justifications, subject to approval from the shareholders of the Company through a two-tier voting process as described in the Guidance to Practice 4.2 of the Malaysian Code on Corporate Governance:

- He fulfils the criteria under the definition of Independent Director pursuant to the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad;
- He is able to consistently demonstrate his independence and professionalism and effectively contributed and added value to the Company through Board Committees he serves as well as the Board;
- He has vast experience in a diverse range of businesses and has financial expertise especially in internal audit. Besides, he is able to provide constructive opinions and exercise independent judgement and has ability to act in the best interest of the Company; and
- There are significant advantages to be gained from a long-serving Independent Director who has many years of experience with incumbent knowledge of the Company and the Group’s activities and corporate history, as he is able to provide invaluable contributions with independence in his role as an Independent Non-Executive Director.

(iv) Ordinary Resolution 7 – Authority to Issue Shares

The Company wishes to renew the mandate on the authority to issue shares pursuant to the Companies Act 2016 at the Seventeenth AGM of the Company (“**Renewal Mandate**”).

The Company had been granted a general mandate by its shareholders at the Sixteenth AGM of the Company held on 16 October 2018 (“**Previous Mandate**”).

As at the date of this Notice, the Company has not issued any new ordinary shares pursuant to the Previous Mandate granted by the shareholders and hence no proceeds were raised therefrom.

The proposed Resolution 7, if passed, will provide flexibility to the Directors of the Company to undertake any possible fund raising activities, including but not limited to placement of shares for the purpose of funding Company’s current and/or future investment projects, working capital, repayment of bank borrowings, acquisitions and/or such other purposes as the Directors may deem fit, without having to convene a general meeting. This authority, unless revoked or varied by the Company in a general meeting will expire at the conclusion of the next AGM of the Company.

(v) Ordinary Resolutions 8 to 10 – Proposed New Shareholders’ Mandate and Proposed Renewal of Shareholders’ Mandate

The proposed Resolutions 8, 9 and 10, if passed, will give mandates to the Company and its subsidiaries to enter into recurrent related party transactions of a revenue or trading nature, details of which are set out in Part A, Section 2.3 of the Circular to Shareholders dated 25 October 2019.

The aforesaid mandates from shareholders are on an annual basis and are subject to renewal at the next AGM of the Company.

For further information, please refer to the Circular to Shareholders dated 25 October 2019 which is despatched together with the Company’s Annual Report 2019.

(vi) Special Resolution – Proposed Adoption of New Constitution

The proposed Special Resolution, if passed, will primarily bring the Company’s Constitution in line with the Companies Act 2016 and the amendments made to the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad as well as to enhance administrative efficiency.

The proposed new Constitution is set out in Appendix B of the Circular to Shareholders dated 25 October 2019 which is despatched together with the Company’s Annual Report 2019.