



SCH GROUP BERHAD

Registration No. 201101044580 (972700-P)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Eighth (8th) Annual General Meeting of SCH Group Berhad ("SCH" or "the Company") will be held at Lot 35, Jalan CJ 1/1, Kawasan Perusahaan Cheras Jaya, 43200 Cheras, Selangor Darul Ehsan on Friday, 14 February 2020 at 10.00 a.m., for the purpose of transacting the following businesses:

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| 1. To receive the Audited Financial Statements for the financial year ended 31 August 2019 together with the Reports of the Directors and Auditors thereon. | Please refer to Explanatory Note 1 |
| 2. To approve the payment of Directors' fees payable to Non-Executive Directors up to RM200,000 for the period from 15 February 2020 until the conclusion of the next Annual General Meeting of the Company. | Ordinary Resolution 1 |
| 3. To approve the payment of Directors' benefits of up to RM50,000 for the period from 15 February 2020 until the conclusion of the next Annual General Meeting of the Company. | Ordinary Resolution 2 |
| 4. To re-elect the following Directors retiring pursuant to the Clause 103(1) of the Company's Constitution:
i) Sim Yee Fuan
ii) Wong Kin Seng | Ordinary Resolution 3
Ordinary Resolution 4 |
| 5. To re-elect the following Director retiring pursuant to the Clause 110 of the Company's Constitution:
i) De Souza Michael Lawrence | Ordinary Resolution 5 |
| 6. To re-appoint Messrs. ECOVIS MALAYSIA PLT as Auditors of the Company until the conclusion of the next Annual General Meeting and to authorise the Directors to fix their remuneration. | Ordinary Resolution 6 |

SPECIAL BUSINESSES:

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

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| 7. Authority to Issue Shares Pursuant to Sections 75 and 76 of the Companies Act 2016 | Ordinary Resolution 7 |
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- "THAT subject to Sections 75 and 76 of the Companies Act 2016 and approvals of the relevant governmental/regulatory authorities, the Directors be and are hereby empowered to issue and allot shares in the Company, at any time to such persons 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 ten per centum (10%) of the total issued share capital of the Company for the time being AND THAT the Directors be and are also empowered to obtain the approval for the listing of and quotation for the additional shares so issued on Bursa Malaysia Securities Berhad; AND THAT such authority shall commence immediately upon the passing of this Resolution and continue to be in force until the conclusion of the next Annual General Meeting of the Company."
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| 8. To transact any other business of the Company for which due notice shall have been given. | |
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By order of the Board,

Tan Tong Lang (MAICSA 7045482)

Thien Lee Mee (LS0009760)

Company Secretaries

Kuala Lumpur

31 December 2019

Notes:

- A member/shareholder of the Company entitled to attend and vote at the Meeting is entitled to appoint one or more proxies to attend and vote in his stead. A proxy may, but need not, be a member of the Company. Where a member/shareholder appoints more than one proxy to attend and vote at the Meeting, such appointment shall be invalid unless he specifies the proportions of his shareholdings to be represented by each proxy.*
- The instrument appointing a proxy shall be in writing under the hand of the appointer or of his attorney duly authorised in writing or, if the appointer is a corporation, either under its Common Seal or under the hand of an officer or attorney duly authorised.*
- Where a member of the Company is an authorised nominee defined under the Securities Industry (Central Depositories) Act, 1991 ("SICDA"), it may appoint at least one (1) proxy but not more than two (2) proxies in respect of each Securities Account it holds with ordinary shares of the Company standing to the credit of the said securities account.*
- Where a member of the Company is an exempt authorised nominee defined under the SICDA which is exempted from compliance with the provision of subsection 25A(1) of SICDA 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 authorised nominee may appoint in respect of each omnibus account it holds.*
- The Form of Proxy must be deposited at the Registrar Office of the Company 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 48 hours before the time set for holding the meeting or any adjournment thereof.*
- For the purpose of determining a member who shall be entitled to attend the Eighth (8th) AGM, the Company shall request the Record of Depositors as at 6 February 2020. Only members whose name appears on the Record of Depositors as at 6 February 2020 shall be entitled to attend, speak and vote at the said meeting or appoint proxies to attend, speak and vote and vote on his/her stead.*

EXPLANATORY NOTES

1. Audited Financial Statements for the Financial Year Ended 31 August 2019

The Agenda No. 1 is meant for discussion only as Section 340(1)(a) of the Companies Act 2016 provides that the audited financial statements are to be laid in the general meeting and do not require a formal approval of the shareholders. Hence, this Agenda item is not put forward for voting.

2. Ordinary Resolution 1 and 2: Directors' Fees and Benefits

Pursuant to Section 230(1) of the Companies Act, 2016, the fees of the Directors and any benefits payable to the directors of public company or a listed company and its subsidiaries, shall be approved at a general meeting.

The Directors' benefits payable comprises of meeting allowances and other claimable benefits which calculated based on the current Board size and the number of scheduled Board and Board Committee meetings for the period commencing from 15 February 2020 up to the next Annual General Meeting.

In the event the proposed amount is insufficient (e.g. due to more meetings or enlarged Board size), approval will be sought at the next Annual General Meeting for the shortfall.

3. Ordinary Resolution 7: Authority to Issue Shares Pursuant to Sections 75 and 76 of the Companies Act 2016

The Ordinary Resolution 7, if passed, is a renewal of General Mandate to empower the Directors to issue and allot shares up to an amount not exceeding 10% of the issued share capital of the Company for the time being for such purposes as the Directors consider would be in the best interest of the Company. This authority, unless revoked or varied by the Company at a General Meeting, will expire at the next Annual General Meeting.

The General Mandate will provide flexibility to the Company for any possible fund raising activities, including but not limited to further placing of shares, for the purpose of funding future investment project(s) workings capital and/or acquisitions at any time without convening a general meeting as it would be both costs and time consuming to organise a general meeting.