

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the 17th Annual General Meeting of Gromutual Berhad ("the Company") will be held at Austin 18, Jalan Austin Perdana 3, Taman Austin Perdana, 81100, Johor Bahru, Johor, Malaysia on **Wednesday, 19 August 2020 at 10.00 a.m.** to transact the following businesses :

AGENDA

AS ORDINARY BUSINESS:

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| 1. | To receive the Audited Financial Statements of the Company for the financial year ended 31 December 2019 and the Reports of the Directors and Auditors thereon. | <i>(Please refer Explanatory Note 1)</i> |
| 2. | To approve the payment of Directors' Fee of RM287,500 for the financial year ended 31 December 2019. | <i>(Resolution 1)</i> |
| 3. | To approve the payment of Directors' benefits at the capping amount of RM30,000 from 17th Annual General Meeting to 18th Annual General Meeting of the Company. | <i>(Resolution 2)</i> |
| 4. | To re-elect the following Directors who retire by rotation pursuant to Clause 76(3) of the Company's Constitution ("Constitution"):- | |
| 4.1 | Mr. Tan Hon Kiat @ Tan Hoon Siong | <i>(Resolution 3)</i> |
| 4.2 | Mr. Teo Yu Hong | <i>(Resolution 4)</i> |
| 4.3 | YH Dato' Chung Keap Thai @ Cheong Keap Tai | <i>(Resolution 5)</i> |
| 5. | To re-elect Mr. Teo Yu Yang who retires by rotation pursuant to Clause 78 of the Company's Constitution ("Constitution"). | <i>(Resolution 6)</i> |
| 6. | To re-appoint BDO PLT as Auditors of the Company and to authorise the Directors to fix their remuneration. | <i>(Resolution 7)</i> |

AS SPECIAL BUSINESS:

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

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| 7. | ORDINARY RESOLUTION 1
AUTHORITY TO ALLOT SHARES PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT, 2016 | <i>(Resolution 8)</i> |
| | "THAT subject always to the Companies Act, 2016, Constitution of the Company and approvals from Bursa Malaysia Securities Berhad and any other governmental/regulatory bodies (if any), the Directors be and are hereby authorised to allot shares in the Company, from time to time, at such price, upon such terms and conditions and for such purpose and to such person or persons whomsoever 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 number of issued shares of the Company for the time being AND THAT the Directors be and are hereby also empowered to obtain the approval for the listing of and quotation for the additional shares so issued from Bursa Malaysia Securities Berhad AND THAT such authority shall continue to be in force until conclusion of the next annual general meeting of the Company after the approval was given or at the expiry of the period within which the next annual general meeting is required to be held after the approval was given, whichever is earlier, unless such approval is revoked or varied by the Company at a general meeting." | <i>(Please refer Explanatory Note 2)</i> |
| 8. | ORDINARY RESOLUTION 2
CONTINUING IN OFFICE AS INDEPENDENT NON-EXECUTIVE DIRECTORS | <i>(Please refer Explanatory Note 3)</i> |
| | "THAT approval be and is hereby given to the following Directors who have served as the Independent Non-Executive Directors of the Company for a cumulative term of more than nine (9) years, to continue to act as an Independent Non-Executive Directors of the Company and hold the office until the conclusion of the next Annual General Meeting: - | |
| 8.1 | Mr. Yeoh Beng Sang | <i>(Resolution 9)</i> |
| 8.2 | Encik Azahar Bin Baharudin | <i>(Resolution 10)</i> |
| 9. | To transact any other business of which due notice shall have been given. | |

BY ORDER OF THE BOARD
GROMUTUAL BERHAD

YONG MAY LI (f) (LS0000295)
(SSM Practicing Certificate No. 202008000285)
THAM YAP MEY (f) (MIA29389)
(SSM Practicing Certificate No. 202008001870)
Company Secretary

Johor Bahru
29 May 2020

NOTES:

- For the purpose of determining who shall be entitled to attend this Annual General Meeting, the Company shall be requesting Bursa Malaysia Depository Sdn. Bhd. to make available to the Company, a Record of Depositors as at 12 August 2020. Only a member whose name appears on this Record of Depositors shall be entitled to attend this Annual General Meeting or appoint a proxy to attend, speak and vote on his/her/its behalf.
- A member entitled to attend and vote at this Annual General Meeting is entitled to appoint a proxy or attorney or in the case of a corporation, to appoint a duly authorised representative to attend, participate, speak and vote in his place. A proxy may but need not be a member of the Company.
- A member of the Company who is entitled to attend and vote at an Annual General Meeting of the Company may appoint not more than two (2) proxies to attend, participate, speak and vote instead of the member at the Annual General Meeting.
- If two (2) proxies are appointed, the entitlement of those proxies to vote on a show of hands shall be in accordance with the listing requirements of the stock exchange.
- Where a member of the Company is an authorised nominee as defined in the Central Depositories Act, it may appoint not more than two (2) proxies in respect of each securities account it holds in 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 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. An exempt authorised nominee refers to an authorised nominee defined under the Securities Industry (Central Depositories) Act 1991 ("Central Depositories Act") which is exempted from compliance with the provisions of Section 25A(1) of the Central Depositories Act.
- Where a member appoints more than one (1) proxy, the proportion of shareholdings to be represented by each proxy must be specified in the instrument appointing the proxies.
- The appointment of a proxy may be made in a hard copy form or by electronic form. In the case of appointment made in hardcopy form, the proxy form must be deposited with the Registered Office of the Company at Suite 1301, 13th Floor, City Plaza, Jalan Tebrau, 80300 Johor Bahru, Johor. In the case of electronic appointment, the proxy form must be deposited via TIIH Online at <https://tjih.online>. Please refer to the Annexure to the Form of Proxy for further information on electronic submission. All proxy form submitted must be received by the Company not less than forty-eight (48) hours before the time appointed for holding the Annual General Meeting or adjourned Annual General Meeting at which the person named in the appointment proposes to vote.
- Any authority pursuant to which such an appointment is made by a power of attorney must be deposited at the Registered Office of the Company situated at Suite 1301, 13th Floor, City Plaza, Jalan Tebrau 80300 Johor Bahru, Johor, Malaysia not less than forty-eight (48) hours before the time appointed for holding the Annual General Meeting or adjourned Annual General Meeting at which the person named in the appointment proposes to vote. A copy of the power of attorney may be accepted provided that it is certified notarially and/or in accordance with the applicable legal requirements in the relevant jurisdiction in which it is executed.
- Please ensure ALL the particulars as required in this proxy form are completed, signed and dated accordingly.
- Last date and time for lodging this proxy form is 10 a.m., 17 August 2020 (Monday).
- Please bring an **ORIGINAL** of the following identification papers (where applicable) and present it to the registration staff for verification:
 - Identity card (NRIC) (Malaysian), or
 - Police report (for loss of NRIC) / Temporary NRIC (Malaysian), or
 - Passport (Foreigner).
- For a corporate member who has appointed a representative instead of a proxy to attend this meeting, please bring the **ORIGINAL** certificate of appointment executed in the manner as stated in this proxy form if this has not been lodged at the Company's registered office earlier.

EXPLANATORY NOTES:

ORDINARY BUSINESS :

- Item 1 of the Agenda**
This Agenda item is meant for discussion only as an approval from shareholders for the Audited Financial Statements is not required pursuant to the provisions of Section 248(2) and 340(1) of the Companies Act, 2016. Hence, this item is not put forward for voting by shareholders of the Company.

SPECIAL BUSINESSES :

- Ordinary Resolution 1 - Item 7 of the Agenda**

RESOLUTION 8 - AUTHORITY TO ALLOT SHARES PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT, 2016

Resolution 8 proposed under item 7 of the Agenda is for the purpose of granting a renewal of the general mandate and if passed, would provide flexibility to the Directors to undertake fund raising activities, including but not limited to further placement of shares for the purpose of funding current and/or future investment project(s), working capital, repayment of bank borrowings, acquisitions and/or for allotment of shares as settlement of purchase consideration, by the issuance of shares in the Company to such persons at any time as the Directors may deem fit provided that the aggregate number of shares issued pursuant to the mandate does not exceed 10% of the total number of issued shares of the Company for the time being, 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 Annual General Meeting of the Company or at the expiry of the period within which the next annual general meeting is required to be held after the approval was given, whichever is earlier.

As at the date of this Notice, no new shares have been issued pursuant to the mandate obtained at the 16th Annual General Meeting of the Company held on 27 May 2019, and accordingly no proceeds were raised.

- Ordinary Resolution 2 - Item 8 of the Agenda**

RESOLUTION 9 & 10 - CONTINUING IN OFFICE AS INDEPENDENT NON-EXECUTIVE DIRECTORS

Pursuant to the Malaysian Code on Corporate Governance, it is recommended that approval of shareholders be sought in the event the Company intends to retain an Independent Director who has served in that capacity for more than nine (9) years.

Mr. Yeoh Beng Sang was appointed to the Board on 23 November 2004 whereas Encik Azahar Bin Baharudin was appointed on 28 February 2011. Both Directors have therefore served as the Independent Directors of the Company for a cumulative term of more than nine (9) years.

The Board has via the Nominating Committee assessed the independence of Mr. Yeoh Beng Sang ("Mr. Yeoh") and Encik Azahar Bin Baharudin ("Encik Azahar") considered them to be independent and recommended that they continue to act as the Independent Non-Executive Directors of the Company based on the following justifications:-

- Both Mr. Yeoh and Encik Azahar fulfilled the criteria as an Independent Director pursuant to Main Market Listing Requirements of Bursa Securities; and
- Their long tenures with the Company have neither impaired nor compromised their independent judgment. They continue to remain objective and are able to exercise their independent judgment in expressing their views and in participating deliberations and decision making of the Board and Board Committees in the best interest of the Company.

Therefore, the Board has recommended and supported both of them to continue to act as the Independent Non-Executive Directors of the Company for shareholder's approval at the forthcoming 17th Annual General Meeting via single tier voting.

The Ordinary Resolutions proposed under Resolution 9 and Resolution 10, if passed, will enable Mr. Yeoh Beng Sang and Encik Azahar Bin Baharudin to continue serving as Independent Non-Executive Directors of the Company.