



PROTASCO BERHAD

Registration No. 200101012322 (548078-H)
(Incorporated in Malaysia)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the 19th Annual General Meeting of the Company will be conducted fully virtual from the Broadcast Venue at Conference Hall, 1st Floor, Corporate Building, Unipark Suria, Jalan Kram-Utiten, 43000 Kajang, Selangor on Wednesday, 5 August 2020 at 10.00 a.m. to transact the following businesses:

AGENDA

- To receive the Audited Financial Statements for the financial year ended 31 December 2019 and the Reports of Directors and Auditors thereon.
- To approve the payment of Directors' fees and benefits for the period from 6 August 2020 to the next Annual General Meeting. (Ordinary Resolution 1)
- To re-elect the following Directors retiring in accordance with the Company's Constitution:
 - Dato' Sri Chong Ket Pen under Article 107(1)(b) (Ordinary Resolution 2)
 - Dato' Sri Su-Azian @ Muzaffar Syah Bin Abd Rahman under Article 107(1)(b) (Ordinary Resolution 3)
 - Dato' Chong Ther Nen under Article 107(1)(a) (Ordinary Resolution 4)
 - Madam Celine Chan Hooi Li under Article 107(1)(a) (Ordinary Resolution 5)
- To appoint auditors of the Company and authorise the Directors to determine their remuneration. (Ordinary Resolution 6)
- To consider and if thought fit, to pass the following resolution, with or without modifications:

ORDINARY RESOLUTION - AUTHORITY TO ALLOT SHARES

(Ordinary Resolution 7)

"THAT pursuant to Section 75 of the Companies Act 2016 and subject to the approvals of the relevant authorities, the Directors be empowered to allot and issue shares in the Company from time to time at such price, upon such terms and conditions, for such purposes and to such person or persons whomsoever as the Directors may in their absolute discretion deem fit provided that the aggregate number of shares issued pursuant to this Resolution does not exceed 20% of the total number of issued shares of the Company for the time being and that the Directors be also empowered to obtain the approval from Bursa Malaysia Securities Berhad for the listing of and quotation for the additional shares so issued and that such authority shall continue in force until the conclusion of the next Annual General Meeting of the Company."

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

ORDINARY RESOLUTION - PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY

(Ordinary Resolution 8)

"THAT subject to the Companies Act 2016 ("Act"), the Company's Constitution, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") and requirements of any other relevant authorities, the Directors of the Company be and are hereby authorised to purchase its own shares through Bursa Securities, subject to the following:

- The maximum number of shares which may be purchased by the Company shall not exceed ten per centum (10%) of the total number of issued shares of the Company at any point in time;
- The maximum fund to be allocated by the Company for the purpose of purchasing its shares shall not exceed the retained profits of the Company;
- The authority conferred by this resolution will be effective upon passing of this resolution and will continue in force until:
 - the conclusion of the next Annual General Meeting ("AGM"), at which time the said authority will lapse, unless by an ordinary resolution passed at that meeting, the authority is renewed, either unconditionally or subject to conditions; or
 - the expiry of the period within which the next AGM of the Company after that date is required to be held pursuant to Section 340 of the Act (but shall not extend to such extensions as may be allowed pursuant to Section 340(4) of the Act); or
 - the authority is revoked or varied by an ordinary resolution passed by the shareholders in a general meeting;
 whichever occurs first;
- Upon completion of the purchase(s) of the shares by the Company, the shares shall be dealt in the following manner as the Directors of the Company may decide:
 - cancel the shares so purchased; or
 - retain the shares so purchased as treasury shares; or
 - retain part of the shares so purchased as treasury shares and cancel the remainder; or
 - distribute the treasury shares as dividends to shareholders; or
 - resell the treasury shares or any of the shares in accordance with the relevant rules of Bursa Securities; or
 - transfer the treasury shares, or any of the shares for the purposes of or under an employees' share scheme; or
 - transfer the treasury shares, or any of the shares as purchase consideration; or
 - sell, transfer or otherwise use the treasury shares for such other purposes as the Minister charged with the responsibility for companies may by order prescribe.

THAT the Directors of the Company be authorised to take all such steps as are necessary and enter into all other agreements, arrangements and guarantees with any party or parties to implement, finalise and give full effect to the aforesaid purchase with full powers to assent to any conditions, modifications, variations and/or amendments (if any) as may be imposed by the relevant authorities from time to time to implement or to effect the purchase of its own shares."

- To transact any other business of which due notice shall have been received.

BY ORDER OF THE BOARD

KHOR HOOLING

SEOW FEI SAN

Secretaries

Petaling Jaya

25 June 2020

NOTES TO NOTICE OF THE 19th ANNUAL GENERAL MEETING:

- In view of the Covid-19 pandemic and as part of the safety measures, the 19th Annual General Meeting ("AGM") will be conducted virtually through live streaming and online voting. All shareholders are advised to participate in the 19th AGM remotely by registering yourself at Boardroom Smart Investor Portal through webpages at <https://boardroomlimited.my>. Please follow the procedures provided in the Administrative Guide for the 19th AGM in order to register, participate and vote via <https://web.vote2u.app>
- The Broadcast Venue of the 19th AGM is strictly for the purpose of complying with Section 327(2) of the Companies Act 2016 ("Act") which requires the Chairman of the Meeting to be at the main venue. No shareholders / proxy(ies) from the public should be physically present at the Broadcast Venue.
- Only members whose names appear on the Record of Depositors as at 29 July 2020 shall be entitled to attend, speak (in the form of real time submission of typed text) and vote at the 19th Annual General Meeting.
- A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend, speak (in the form of real time submission of typed text) and vote in his stead. A proxy may but need not be a member of the Company.
- A member shall be entitled to appoint not more than two (2) proxies to attend and vote at the Annual General Meeting. Where a member appoints two (2) proxies, the appointment shall be invalid unless the member specifies the proportions of his holdings to be represented by each proxy.
- Where a member 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.
- 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.
- 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 its Common Seal or under the hand of its officer or attorney duly authorised.
- The instrument appointing a proxy and the power of attorney or other authority (if any), under which it is signed or a notarially certified copy thereof, must be deposited at the Registered Office of the Company at 802, 8th Floor, Block C, Keleka Square, 17 Jalan SS7/26, 47301 Petaling Jaya, Selangor Darul Ehsan, not less than forty-eight hours before the time for holding the meeting or at any adjournment thereof. Alternatively, shareholders may also submit the Form of Proxy electronically through the smart investor portal at <https://boardroomlimited.my> by logging in and selecting "E-PROXY LODGEMENT", not less than forty-eight hours before the time for holding the meeting or at any adjournment thereof; otherwise, the instrument of proxy shall not be treated as valid.

10. Explanatory notes

Ordinary Resolution 1 - The proposed Ordinary Resolution 1 is to approve the Directors' fees and benefits payable to the Non-Executive Directors ("NED") of up to an amount of RM600,000 with effect from 6 August 2020 until the next Annual General Meeting of the Company.

The fees and benefits payable to the NEDs of the Company are as follows:

- Monthly fixed fees for discharging duties as Director; and
- Meeting allowance for each Board/Board Committee/General Meeting attended.

The shareholders at the last Annual General Meeting held on 30 May 2019 approved the Directors' fees and benefits of up to RM600,000 for the period from 31 May 2019 until the Annual General Meeting for year 2020. The actual Directors' fees and benefits paid to the NEDs for the period from 31 May 2019 until the 19th Annual General Meeting is RM388,750.

Details of the fees and benefits paid to the Non-Executive Directors for the financial year ended 31 December 2019 are disclosed on page 53 of the Overview Statement on Corporate Governance in the 2019 Annual Report.

The Directors' fees and benefits for the Non-Executive Directors for the period from 6 August 2020 until the conclusion of the next Annual General Meeting in year 2021 are estimated not to exceed RM600,000. The calculation is based on the estimated number of scheduled Board and Board Committees' meetings and on assumption that the number of the Non-Executive Directors will remain the same until the next Annual General Meeting in year 2021.

The Board will seek shareholders' approval at the next Annual General Meeting in the event the Directors' fees and benefits proposed is insufficient.

Ordinary Resolution 7 - The proposed Ordinary Resolution 7, if passed, will give the Directors of the Company, from the date of the 19th Annual General Meeting, authority to allot and issue shares up to 20% of the total number of issued shares of the Company for such purposes as the Directors may deem fit and in the interest of the Company. The authority, unless revoked or varied by the Company in general meeting, will expire at the conclusion of the next Annual General Meeting of the Company.

Bursa Securities had vide its letter dated 16 April 2020 granted greater flexibility for listed issuers to raise fund through an increased general mandate limit for new issue of securities from the existing 10% to not more than 20% of the total number of issued shares (excluding treasury shares) ("20% General Mandate") to assist and support listed issuers in these trying and challenging times due to the COVID-19 pandemic.

The Board of Directors is of the view that the 20% General Mandate is in the best interest of the Company and its shareholders as the authority will facilitate any possible fundraising activities, including but not limited to placing of shares, for purpose of funding future investment project(s), working capital, repayment of bank borrowings and/or acquisitions.

As at the date of printing of the Annual Report, no new share was issued by the Company pursuant to the authority granted to the Directors at the 18th Annual General Meeting held on 30 May 2019 and the said authority will lapse at the conclusion of the 19th Annual General Meeting.

Ordinary Resolution 8 - The proposed Ordinary Resolution 8, if passed, will empower the Directors of the Company to purchase the Company's shares up to ten percent (10%) of the total number of issued shares of the Company ("Proposed Share Buy-Back") by utilising the funds allocated which shall not exceed the total retained earnings of the Company. Further information on the Proposed Share Buy-Back is set out in the Share Buy-Back Statement to Shareholders dated 25 June 2020, which is despatched together with the Company's Annual Report 2019.