

BABA ECO GROUP BERHAD ("BABA" or the "Company") had earlier issued its Notice of the Second Annual General Meeting ("AGM"), which was scheduled to be held at the Meeting Room of BABA, 1384 Atas Lot 841, Mukim 1, Jalan Tasek, 14120 Simpang Ampat, Pulau Pinang on Thursday, 16 April 2020 at 11:00 a.m. However, due to the Coronavirus Disease (Covid-19) pandemic and the extension of the Movement Control Order ("MCO") period in Malaysia, the Second AGM could not be held as scheduled.

NOTICE OF POSTPONED SECOND ANNUAL GENERAL MEETING

Notice is hereby given that a Postponed Second AGM of BABA will be held at the Meeting Room of BABA, 1384 Atas Lot 841, Mukim 1, Jalan Tasek, 14120 Simpang Ampat, Pulau Pinang on Wednesday, 29 July 2020 at 11:00 a.m. or at any adjournment of the postponed AGM, for the purpose of considering and, if thought fit, passing with or without modifications the following resolutions:

AGENDA

AS ORDINARY BUSINESS

- To receive the Audited Financial Statements for the financial year ended 31 October 2019 together with the Reports of the Directors and Auditors thereon.
- To approve the payment of benefits of not exceeding RM15,000.00 to the Directors from 30 July 2020 until the next AGM of the Company.
- To re-elect Mr Leong Jyh Wen, the Director retiring pursuant to Article 18.3 of the Company's Constitution and who, being eligible, offer himself for re-election.
- To re-appoint Messrs. Grant Thornton Malaysia as Auditors of the Company for the ensuing year and to authorise the Directors to fix their remuneration.

Ordinary Resolution 1

Ordinary Resolution 2

Ordinary Resolution 3

AS SPECIAL BUSINESS

To consider and, if thought fit, to pass the following resolutions, with or without modification, as an Ordinary Resolutions:

5. AUTHORITY UNDER SECTIONS 75 AND 76 OF THE COMPANIES ACT, 2016 FOR THE DIRECTORS TO ISSUE SHARES

"THAT, subject always to the Companies Act, 2016 ("the Act"), the Company's Constitution, the LEAP Market Listing Requirements of Bursa Malaysia Securities Berhad and the approvals of the relevant government and/or regulatory authorities, the Directors be and are hereby authorised, pursuant to Sections 75 and 76 of the Act, to allot and issue shares in the Company at any time until the conclusion of the next annual general meeting of the Company, unless such approval is revoked/varied by resolution of the shareholders in general meeting and upon such terms and conditions and for such purposes and to such person or persons whomsoever as the Directors may, in their absolute discretion, deemed fit, PROVIDED that the aggregate number of the shares to be issued pursuant to this Resolution must be not more than 100% of the total number of issued shares, of which the aggregate number of shares issued other than on a pro rata basis to existing shareholders must be not more than 50% of the total number of issued shares for the time being and that the Directors are also empowered to obtain the approval from Bursa Malaysia Securities Berhad for the listing of and quotation for the additional shares to be issued."

Ordinary Resolution 4

6. PROPOSED SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE ("PROPOSED SHAREHOLDERS' MANDATE")

"THAT subject to the provisions of the Company's Constitution, approval be hereby given to the Company and/or its subsidiaries to enter into recurrent related party transactions of a revenue or trading nature with the related party as set out in Section 2.2 of the Circular to Shareholders dated 17 March 2020, provided that such transactions are necessary for the day-to-day operations; and undertaken in the ordinary course of business, on arm's length basis, on normal commercial terms which are not more favourable to the related party than those generally available to the public and are not detrimental to the minority shareholders of the Company.

THAT such approval shall continue to be in force until:-

- the conclusion of the next Annual General Meeting ("AGM") of the Company following the general meeting at which such mandate was passed, at which time it will lapse, unless by a resolution passed at the AGM, the authority is renewed;
- the expiration of the period within which the next AGM of the Company after that date is required by law to be held pursuant to Section 340(2) of the Companies Act, 2016 ("Act") (but shall not extend to such extension as may be allowed by law pursuant to Section 340(4) of the Act); or
- revoked or varied by a resolution passed by the shareholders in a general meeting;

whichever is the earlier;

AND THAT the Board be and is hereby authorised to complete and do all such acts and things (including executing all such documents as may be required) as they may consider expedient or necessary to give effect to the Proposed Shareholders' Mandate."

Ordinary Resolution 5

- To transact any other business of which due notice shall have been given in accordance with the Company's Constitution and the Companies Act, 2016.

BY ORDER OF THE BOARD

OOI YOONG YOONG (SSM PC NO. 202008002042/MAICSA 7020753)

Secretary

Penang
30 June 2020

Notes: - Appointment of Proxy

- A member of the Company entitled to attend and vote at a meeting is entitled to appoint not more than two (2) proxies to attend, participate, speak and vote in his stead at the same meeting.
- A proxy may but need not be a member of the Company and a member may appoint any person to be his proxy without limitation save that the proxy must be of full age.
- Where a member appoints more than one (1) proxy, the appointments 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 appointor or of his attorney duly authorized in writing or, if the appointor is a corporation, either (a) under the corporation's seal or (b) signed under the hand of an officer or attorney duly authorized, and in the case of (b) be supported by a certified true copy of the resolution appointing such officer or certified true copy of the power of attorney.
- 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 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 is an exempt authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991 which holds ordinary shares in the Company for multiple beneficial owners in 1 securities account ("ombibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each ombibus account it holds.
- To be valid, the proxy form duly completed must be deposited at the registered office of the Company, 39 Salween Road, 10050 Georgetown, Penang not less than forty-eight hours before the time for holding the meeting.
- The Form of Proxy for the Postponed Second AGM SUPERSEDES the Form of Proxy for the earlier scheduled Second AGM that was circulated on 17 March 2020, which is no longer applicable.

General Meeting Record of Depositors

- Only a depositor whose name appears on the Record of Depositors of the Company as at 22 July 2020 shall be entitled to attend this AGM or appoint proxies to attend, participate, speak and/or vote on his/her behalf.

Ordinary Business

- Audited Financial Statements for financial year ended 31 October 2019**
The audited financial statements are laid in accordance with Section 340(1) (a) of the Companies Act 2016 for discussion only under Agenda 1. They do not require shareholders' approval and hence, will not be put for voting.
- Ordinary Resolution 1 - To approve the payment of benefits of not exceeding RM15,000.00 from 30 July 2020 until the next AGM of the Company**
The proposed Ordinary Resolution 1, if passed, will enable the Company to pay meeting allowance and other benefits to the Directors of the Company. The total estimated amount of meeting allowance and benefits payable to the Directors of the Company is calculated based on the number of Board's meetings from 30 July 2020 until the next AGM. 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.
- Ordinary Resolution 2 - Re-election of Director**
Article 18.3 of the Company's Constitution provides that 1/3 of the Directors of the Company shall retire by rotation at an Annual General Meeting. With the current Board size of three, one Director is to retire in accordance with the Article 18.3 of the Company's Constitution.
A retiring director shall be eligible for re-election and shall retain office until the close of the meeting at which he retires. The retiring Director had consented to his re-election and abstained from deliberation and decision on his own eligibility to stand for re-election.

13. Ordinary Resolution 3 - Re-appointment of Auditors

The Board has assessed the suitability and independence of the external auditors and recommended the re-appointment of Messrs. Grant Thornton Malaysia as external auditors of the Company of the Company to be tabled to the shareholders for approval at this AGM of the Company.

Special Business

14. Ordinary Resolution 4 - Authority under Sections 75 and 76 of the Companies Act, 2016 for the Directors to issue shares

The proposed Ordinary Resolution 4, if passed, will give authority to the Board of Directors to allot and issue ordinary shares in the Company at any time in their absolute discretion and that such authority shall continue in force until the conclusion of the next AGM of the Company, unless it is revoked/varied by resolution of the shareholders in general meeting.

This new general mandate will provide flexibility to the Company for any possible fund-raising activities, including but not limited to placing of shares, for purpose of funding future investment project(s), working capital and/or acquisitions.

15. Ordinary Resolution 5 - Proposed Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature ("Proposed Shareholders' Mandate")

The proposed resolution, if passed, will allow the Group to enter into recurrent related party transactions of a revenue or trading nature.

This authority shall continue in force until the conclusion of the next annual general meeting of the Company or the expiration of the period within which the next annual general meeting is required by law to be held (but will not extend to such extension as may be allowed by law) or revoked/varied by resolution passed by the shareholders in general meeting whichever is the earlier.

Please refer to the Circular to Shareholders dated 17 March 2020 for further information.

General Meeting Arrangements

Due to the constant evolving Coronavirus Disease (COVID-19) situation in Malaysia, we may require to change the arrangements of our 2nd AGM at short notice. Kindly visit Bursa Malaysia Securities Berhad's website for the latest updates on the status of the said meeting.

COVID-19 Outbreak Measure Notes

The health and safety of our members and staff who will attend the AGM are the top priority of the Company. Hence, the following precautionary measures will be taken for the conduct of the AGM:

- All attendees must sanitise their hands and will be required to wear face masks, undergo temperature check, provide contact details and make health declaration prior to entering the meeting venue.
- All attendees are required to practise social distancing of 1 meter throughout the AGM and only allowed to sit at the place arranged by the Company.
- Shareholders/proxies who are feeling unwell or have been placed on quarantine orders or stay-at-home notices, you are advised to refrain from attending the AGM in person.
- Any attendee with body temperature at 37.5°C and above or exhibits flu-like symptoms will not be allowed to enter the meeting hall.
- Shareholders are encouraged to appoint the Chairman of the Meeting to act as proxy to attend and vote at the AGM on their behalf by submitting the proxy form with predetermined voting instruction.
- There will be no refreshment and no door-gift provided to the attendees.
- Shareholders/proxies are advised to arrive early at the AGM venue given that the above-mentioned precautionary measures may cause delay in the registration process.
- Shareholders are required to register ahead of the AGM to allow the Company to make the necessary arrangements in relation to the meeting i.e. infrastructure, logistics and meeting venue(s) to accommodate the meeting participants. Thus, kindly RSVP your intention to attend the AGM by email to us at corporate@baba.com.my