



PCCS GROUP BERHAD
[Registration No. 199301026191 (280929-K)]
(Incorporated in Malaysia)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Twenty-Sixth ("26th") Annual General Meeting of the Company will be held at PCCS Group Berhad's Corporate Office, Lot 1376, GM127, Mukim Simpang Kanan, Jalan Kluang, 83000 Batu Pahat, Johor Darul Takzim on Monday, 24 August 2020 at 10:30 a.m. for the following purposes:-

AGENDA

As Ordinary Business

- To receive the Audited Financial Statements for the financial year ended 31 March 2020 together with the Reports of the Directors and the Auditors thereon. **Please refer to Explanatory Note B1**
- To re-elect the following Directors who retire pursuant to Clause 117 of the Company's Constitution, and being eligible, have offered themselves for re-election:-
 - Dato' Chan Chor Ngiak **Resolution 1**
 - Mr. Chan Chor Ang **Resolution 2**
- To approve the payment of Directors' fees amounting to RM402,000/- for the financial year ended 31 March 2020. **Resolution 3**
- To approve the benefits payable to the Independent Non-Executive Directors up to RM10,000/- for the period from 24 August 2020 until the next Annual General Meeting of the Company pursuant to Section 230(1)(b) of the Companies Act 2016. **Resolution 4**
- To re-appoint Messrs. Baker Tilly Monteiro Heng PLT as Auditors of the Company until the conclusion of next Annual General Meeting and to authorise the Directors to fix their remuneration. **Resolution 5**

As Special Business

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

- ORDINARY RESOLUTION** **Resolution 6**
- RETENTION OF MR. JULIAN LIM WEE LIANG AS INDEPENDENT DIRECTOR
"THAT Mr. Julian Lim Wee Liang, who would on 14 November 2020 has served the Board as an Independent Director of the Company for a cumulative term of nine (9) years, be and is hereby retained as an Independent Director of the Company."
Resolution 7
ORDINARY RESOLUTION
- AUTHORITY TO ISSUE SHARES PURSUANT TO THE COMPANIES ACT 2016
"THAT pursuant to the Companies Act 2016 and subject to the 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 issued pursuant to this Resolution does not exceed twenty per centum (20%) of the total number of issued shares of the Company for the time being as empowered by Bursa Malaysia Securities Berhad pursuant to Bursa Malaysia Securities Berhad's letter dated 16 April 2020 to grant additional temporary relief measures to listed issuers and the Directors be and are also empowered to obtain 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."
Resolution 8
ORDINARY RESOLUTION
- PROPOSED NEW SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE
"THAT subject to the Companies Act 2016, the Constitution of the Company and Main Market Listing Requirements of Bursa Malaysia Securities Berhad, approval be and is hereby given to the Company and its subsidiaries to enter into the Recurrent Related Party Transactions of a Revenue or Trading Nature ("Recurrent Related Party Transactions") as set out in the Company's Circular to Shareholders dated 24 July 2020 with the related parties mentioned therein subject further to the following:-
 - the Recurrent Related Party Transactions are in the ordinary course of business which are necessary for day-to-day operations and are on terms not more favourable than those generally available to the public; and
 - disclosure is made in the annual report breakdown of the aggregate value of transactions conducted pursuant to the shareholders' mandate during the financial year;AND THAT the authority conferred by such mandate shall commence immediately upon the passing of this Ordinary Resolution and continue to be in force until:-
 - the conclusion of the next Annual General Meeting of the Company following the forthcoming Annual General Meeting at which such Proposed New Shareholders' Mandate was passed, at which time it will lapse, unless by a resolution passed at an Annual General Meeting, the authority is renewed;
 - the expiration of the period within which the next Annual General Meeting of the Company after the date is required to be held pursuant to Section 340(2) of the Companies Act 2016 (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Companies Act 2016); or
 - revoked or varied by resolution passed by the shareholders of the Company in general meeting, whichever is the earlier,AND THAT the Directors and/or any of them be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) to give effect to the transactions contemplated and/or contemplated and/or authorised by this Resolution."
- To transact any other business of which due notice shall have been given in accordance with the Companies Act 2016 or the Company's Constitution.

By Order of the Board

CHUA SIEW CHUAN (SSM PC NO. 201908002648) (MAICSA 0777689)

CHENG CHIA PING (SSM PC NO. 20200800730) (MAICSA 1032514)

Company Secretaries

Kuala Lumpur

24 July 2020

Notes:

(A) Information for Shareholders/Proxies

- In respect of deposited securities, only members whose names appear in the Record of Depositors on 17 August 2020 ("**General Meeting Record of Depositors**") shall be eligible to attend the Meeting.
- A member entitled to attend and vote at the Meeting, shall be entitled to appoint more than one (1) proxy to attend, participate, speak and vote instead of the member at the Meeting. A proxy need not be a Member of the Company. There shall be no restriction as to the qualification of the proxy. A proxy appointed to attend and vote at the Meeting shall have the same rights as the Member to attend, participate, speak and vote at the Meeting and upon appointment a proxy shall be deemed to confer authority to demand or join in demanding a poll.
- Where a member appoints more than one (1) proxy in relation to the Meeting, he shall specify the proportion of his shareholdings to be represented by each proxy, failing which the appointment shall be invalid.
- Where a member of the Company is an exempt authorised nominee which holds 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 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 seal or under the hand of an officer or attorney duly authorised.
- The instrument appointing a proxy must be deposited at Securities Services (Holdings) Sdn. Bhd., Level 7, Menara Milenium, Jalan Damanela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur, Wilayah Persekutuan not less than forty-eight (48) hours before the time for holding the Meeting or at any adjournment thereof.
- Any Notice of Termination of Authority to act as Proxy must be received by the Company before the commencement of the General Meeting or at any adjournment thereof, failing which, the termination of the authority of a person to act as proxy will not affect the following in accordance with Section 338 of the Companies Act 2016:-
 - the constitution of the quorum at such meeting;
 - the validity of anything he did as chairman of such meeting;
 - the validity of a poll demanded by him at such meeting; or
 - the validity of the vote exercised by him at such meeting.

Explanatory Notes to Ordinary and Special Business:-

(B) Audited Financial Statements for the financial year ended 31 March 2020

- 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.

(C) Resolution 6 – Retention of Mr. Julian Lim Wee Liang as Independent Director

- The Board has assessed the independence of Mr. Julian Lim Wee Liang and is satisfied that he can continue bringing independent views to the Board and safeguarding the minority interest of the Company. The Board believes his leadership quality, knowledge and experiences in the industry will continue to contribute positively to the proceedings of the Board and the Board Committees.

(D) Resolution 7 – Authority to Issue Shares pursuant to the Companies Act 2016

- The Company intended to renew the authority granted to the Directors of the Company at the 25th Annual General Meeting of the Company held on 26 August 2019 ("**Previous Mandate**") to issue and allot shares at any time to such persons in their absolute discretion without convening a general meeting provided that the aggregate number of the shares issued does not exceed 20% of the total number of issued shares of the Company for the time being ("**20% General Mandate**").

As at the date of this notice, the Previous Mandate granted by the shareholders had not been utilised and hence no proceeds were raised therefrom.

As part of the initiative from Bursa Malaysia Securities Berhad to aid and facilitate listed issuers in sustaining their business or easing their compliance with Bursa Malaysia Securities Berhad' requirements, amid the unprecedented uncertainty surrounding the recovery of the COVID-19 outbreak and Movement Control Order imposed by the Government, Bursa Malaysia Securities Berhad had vide a letter dated 16 April 2020 allows a listed issuer to seek a higher general mandate under Paragraph 6.03 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad of not more than 20% of the total number of issued shares for the general issue of new securities.

After having considered all aspects of the 20% General Mandate, the Board is of the opinion that the seeking of the 20% General Mandate would be in the best interest of the Company and its shareholders, on the following basis:-

- the 20% General Mandate would provide the Company and its subsidiaries with financial flexibility to raise capital expeditiously for its operations, future expansion and business development;
- the 20% General Mandate would allow the Company to raise equity capital promptly rather than the more costly and time-consuming process by obtaining shareholders' approval in a general meeting should the need for capital arise;
- other financing alternatives such as debt financing may incur interest burden to the Company and its subsidiaries; and
- the 20% General Mandate provides the Company with the capability to capture any capital raising and/or prospective investment opportunities when they are identified.

The 20% General Mandate, if passed, will provide flexibility for the Company and empower the Directors of the Company to issue and allot shares at any time to such persons in their absolute discretion. This authority unless revoked or varied by the Company in general meeting, will expire at the next Annual General Meeting. The proceeds raised from the 20% General Mandate will provide flexibility to the Company for any possible fund-raising activities, including but not limited to further placing of shares, for purpose of funding future investment project(s), working capital and/or acquisitions.

(E) Resolution 8 – Proposed New Shareholders' Mandate

- The Proposed Resolution 8 is to obtain new Shareholders' Mandate for new Recurrent Related Party Transactions. New Shareholders' Mandate will enable the Company and its subsidiaries ("**the Group**") to enter into Recurrent Related Party Transactions of a revenue or trading nature which are necessary for the Group's day-to-day operations, subject to the transactions being in the ordinary course of business and on terms which are not more favourable to the related parties than those general available to the public and are not, in the Company's opinion, detrimental to the minority shareholder of the Company.