



NOTICE IS HEREBY GIVEN that the Twenty-First Annual General Meeting ("21st AGM") of KOTRA INDUSTRIES BERHAD ("Company") will be conducted on a fully virtual basis at the Broadcast Venue at Vertical Business Suite, Unit 35-01, Level 35, Tower A, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur on Friday, 20 November 2020 at 10:00 a.m. for the following purposes: -

AGENDA

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| 1. To receive the Audited Financial Statements for the financial year ended 30 June 2020 together with the Reports of the Directors and the Auditors thereon. | (Please refer to Note 7) |
| 2. To approve the payment of a final single-tier dividend of 4.5 sen per ordinary share for the financial year ended 30 June 2020. | (Ordinary Resolution 1) |
| 3. To approve the payment of Directors' fees amounting to RM425,000.00 from 21 November 2020 until the next AGM of the Company in year 2021. | (Ordinary Resolution 2) |
| 4. To approve the payment of Directors' benefits payable up to an amount of RM25,000.00 from 21 November 2020 until the next AGM of the Company in year 2021. | (Ordinary Resolution 3) |
| 5. To re-elect the following Directors, who are retiring pursuant to Clause 118 of the Company's Constitution, being eligible, have offered themselves for re-election: -
(a) Piong Teck Onn
(b) Lee Min On | (Ordinary Resolution 4)
(Ordinary Resolution 5) |
| 6. To re-appoint Crow Malaysia PLT as Auditors of the Company until the conclusion of the next AGM and to authorise the Directors to fix their remuneration. | (Ordinary Resolution 6) |

AS SPECIAL BUSINESS

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

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| 7. Ordinary Resolution
Authority to Issue Shares pursuant to the Companies Act 2016
"THAT, subject always to the Companies Act 2016, the Constitution of the Company, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and the approvals of the relevant governmental and/or regulatory authorities, the Directors be and are hereby empowered pursuant to the Companies Act 2016, to issue and allot shares in the capital of the Company from time to time at such price and to such persons, upon such terms and conditions and for such purposes as the Directors may in their absolute discretion deem fit, provided always 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 (excluding treasury shares) of the Company for the time being (hereinafter referred to as the "20% General Mandate") as empowered by Bursa Malaysia Securities Berhad pursuant to its letter dated 16 April 2020 to grant additional temporary relief measures to listed issuers;
AND THAT the Directors be and are empowered to obtain the approval for the listing of and quotation for the additional shares to be issued pursuant to the 20% General Mandate on Bursa Malaysia Securities Berhad;
AND FURTHER THAT such authority shall commence immediately upon passing of this resolution and continue in force until the conclusion of the next AGM of the Company." | (Ordinary Resolution 7) |
| 8. Ordinary Resolution
Proposed Renewal of Shareholders' Mandate for Existing Recurrent Related Party Transactions of a Revenue or Trading Nature ("Proposed Shareholders' Mandate")
"THAT subject to the provisions of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, approval be and is hereby given to the Company and its subsidiaries to enter into recurrent related party transactions of a revenue and trading nature with the Related Parties as specified in Section 2.3.2(a) of the Circular to Shareholders dated 22 October 2020, which are necessary for the day-to-day operations of the Company and/or its subsidiaries ("Group"), to be entered by the Group in the ordinary course of business and are on terms which are not more favourable to the Related Parties with which such recurrent transactions to be entered into than those generally available to the public and are not detrimental to the minority shareholders.
THAT the authority for the Proposed Shareholders' Mandate shall continue to be in force until: -
(i) the conclusion of the next AGM of the Company at which time it will lapse unless the authority is renewed by a resolution passed at the next AGM;
(ii) the expiration of the period within which the next AGM is to be held pursuant to Section 340(2) of the Companies Act 2016 but must not extend to such extension as may be allowed pursuant to Section 340(4) of the Companies Act 2016; or
(iii) revoked or varied by resolution passed by the shareholders in a general meeting,
whichever is earlier.
AND THAT the Directors of the Company be authorised to complete and do such acts and things (including executing all such documents as may be required), as they may consider expedient or necessary to give full effect to the Proposed Shareholders' Mandate." | (Ordinary Resolution 8) |

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| 9. To transact any other ordinary business of which due notice shall have been given. | |
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NOTICE OF DIVIDEND ENTITLEMENT

NOTICE IS HEREBY GIVEN that a final single-tier dividend of 4.5 sen per ordinary share in respect of the financial year ended 30 June 2020, if approved by the shareholders at the 21st AGM of the Company, will be paid on 10 December 2020 to depositors who are registered in the Record of Depositors at the close of business on 30 November 2020.

A Depositor shall qualify for entitlement only in respect of: -

- shares transferred into the Depositor's Securities Account before 4:30 p.m. on 30 November 2020 in respect of ordinary transfers; and
- shares bought on Bursa Malaysia Securities Berhad on a cum entitlement basis according to the Rules of Bursa Malaysia Securities Berhad.

By Order of the Board

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

TAN LEY THENG (MAICSA 7030358) (SSM PC NO. 201908001685)

Company Secretaries

Melaka

22 October 2020

Notes:

Fully Virtual 21st AGM

- The Meeting will be conducted on a fully virtual basis at the Broadcast Venue. Member are advised to refer to the Administrative Guide for the 21st AGM on the registration and voting process for the Meeting.
- The Broadcast Venue is strictly for the purpose of complying with section 327(2) of the Companies Act 2016 which requires the Chairman of the Meeting to be present at the main venue of the Meeting. No shareholders or proxies should be physically present at the Broadcast Venue on the day of the 21st AGM.

Proxy

- In respect of deposited securities, only members whose names appear in the Record of Depositors on 16 November 2020 ("General Meeting Record of Depositors") shall be eligible to participate, speak and vote at the Meeting.
- A member entitled to participate and vote at the Meeting, may appoint more than one (1) proxy to participate and vote in his stead. Where a member appoints more than one (1) proxy to participate, speak and vote at the same meeting, the appointments shall be invalid unless the proportion of the shareholdings to be represented by each proxy is specified. There shall be no restriction as to the qualification of the proxy. A proxy appointed to participate and vote at the Meeting of the Company shall have the same rights as the member to participate, speak and vote at the Meeting.
- 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 is an exempt authorised nominee which holds ordinary 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 member or of his attorney duly authorised in writing or, if the member is a corporation, shall either be executed under the Corporation's common seal or under the hand of an 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 duly notarised certified copy of that power or authority, shall be deposited at the office of the Poll Administrator at Level 15-2, Bangunan Faber Imperial Court, Jalan Sultan Ismail, 50250 Kuala Lumpur, Wilayah Persekutuan, Malaysia or email to AGM-support.KOTRA@megacorp.com.my. Not less than 48 hours before the time for holding the Meeting or at any adjournment thereof. All resolutions set out in the Notice of the Meeting are to be voted by poll.

Note:

- Audited Financial Statements for the financial year ended 30 June 2020**
Item 1 of the Agenda is meant for discussion only, as the provision of Section 340(1)(a) of the Act does not require a formal approval of the shareholders for the Audited Financial Statements. Hence, this Agenda item is not put forward for voting.

Explanatory Notes to Ordinary and Special Business:

8. Payment of Directors' fees and benefits

The Board wishes to seek shareholders' approval for the following payments to Directors at the 21st AGM in two (2) separate resolutions as below: -

- Ordinary Resolution 2 on payment of Directors' fees to the Directors of the Company amounting to RM425,000.00 for the period from 21 November 2020 until the next AGM of the Company in year 2021.
- Ordinary Resolution 3 of Directors' benefits up to an amount of RM25,000.00 for the period from 21 November 2020 until the next AGM of the Company in year 2021. The proposed Directors' benefits payable comprises the meeting allowance. The estimated amount of Directors' benefits payable is based on the

size of the Board and Board Committees and the number of scheduled Board and Board Committee meetings for the period commencing from 21 November 2020 until the next AGM of the Company in year 2021.

9. Re-election of Directors

In determining the eligibility of the Directors to stand for re-election at the forthcoming 21st AGM, the Nomination Committee ("NC"), guided by the requirements of Paragraph 2.20A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and recommended Piong Teck Onn and Lee Min On, for re-election as Directors pursuant to Clause 118 of the Constitution of the Company ("Retiring Directors"). The Board of Directors ("Board") has conducted a separate assessment and being satisfied with the performance/contribution of the Retiring Directors. Therefore, the Board recommended the same be tabled to the shareholders for approval at the forthcoming 21st AGM of the Company under Ordinary Resolutions 4 and 5 respectively. The evaluation criteria adopted as well as the process of assessment by the Board have been duly elaborated in the Corporate Governance Overview Statement of the Annual Report 2020 of the Company. All the Retiring Directors have consented to their re-election, and abstained from deliberations and voting in relation to their individual re-election at the NC and Board Meetings, respectively.

10. Authority to Issue Shares pursuant to the Act

The Company had been granted a general mandate by its shareholders at the Twentieth AGM of the Company held on 28 November 2019 ("Previous Mandate"). As at the date of this Notice, the Company has not issued any new ordinary shares pursuant to the Previous Mandate granted by the shareholders and hence no proceeds were raised therefrom.

Bursa Malaysia Securities Berhad had via its letter dated 16 April 2020 allowed, as an interim measure, for the listed corporations to seek a higher general mandate under Paragraph 6.03 of the Main Market Listing Requirements of not more than twenty per centum (20%) of the total number of issued shares (excluding treasury shares) for issue of new securities ("20% General Mandate"), provided that:-

- the listed corporation procures its shareholders' approval for the 20% General Mandate at a general meeting; and
- the listed corporation complies with all the relevant applicable legal requirements including its constitution or relevant constituent document.

The 20% General Mandate may be utilised by a listed corporation to issue new securities until 31 December 2021 and thereafter, the ten per centum (10%) general mandate will be reinstated.

The Board, having considered the current economic climate arising from the global COVID-19 pandemic, future financial needs and capacity of the Group, is of the opinion that this 20% General Mandate is in the best interests of the Company and its shareholders.

The proposed Resolution 7, if passed, will provide flexibility to the Directors of the Company to undertake any possible fund raising activities, including but not limited to placement of shares for the purpose of funding Company's current and/or future investment projects, working capital, repayment of bank borrowings, acquisitions and/or such other purposes as the Directors may deem fit, 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 AGM of the Company.

11. Proposed Shareholders' Mandate

The proposed Ordinary Resolution 8 is intended to enable the Company and its affiliated companies to enter into recurrent related party transactions of a revenue or trading nature which are necessary for the Company's day-to-day operations to facilitate transactions in the normal course of business of the Company with the specified classes of related parties, provided that they are carried out on an arm's length basis and on normal commercial terms and are not prejudicial to the shareholders on terms not more favourable to the related parties than those generally available to the public and are not to the detriment of the minority shareholders of the Company.