



NOTICE OF SIXTEENTH ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Sixteenth Annual General Meeting ("16th AGM") of the Company will be held at Toppas, The Saujana Hotel Kuala Lumpur, Jalan Lapangan Terbang Subang, 40150 Shah Alam, Selangor Darul Ehsan on Wednesday, 30 December 2020 at 11:00 a.m. for the transaction of the following business:-

A G E N D A

Ordinary Business

- To receive the Audited Financial Statements of the Company for the financial year ended 31 July 2020 together with the Reports of the Directors and Auditors thereon. *(Please refer to Note 8)*
- To approve the Directors' fees payable to the Non-Executive Directors of the Company of up to RM196,356/- for the financial year ending 31 July 2021. **Ordinary Resolution 1**
- To approve an amount of up to RM176,000/- as benefits payable to the Directors of the Company from 31 December 2020, being the date after the 16th AGM to the Seventeenth Annual General Meeting of the Company in year 2021 pursuant to Section 230(1)(b) of the Companies Act 2016. **Ordinary Resolution 2**
- To re-elect Ms. Loh Shy Tyug, the Director who retires in accordance with Clause 123 of the Company's Constitution and being eligible, has offered herself for re-election. **Ordinary Resolution 3**
- To re-elect Ms. Ooi Bee Chin, the Director who retires in accordance with Clause 123 of the Company's Constitution and being eligible, has offered herself for re-election. **Ordinary Resolution 4**
- To re-appoint Messrs. Ong & Wong as Auditors of the Company until the conclusion of the next Annual General Meeting and to authorise the Board of Directors to determine their remuneration. **Ordinary Resolution 5**

Special Business

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

- AUTHORITY TO ISSUE SHARES PURSUANT TO THE COMPANIES ACT 2016** **Ordinary Resolution 6**

"THAT subject to the Companies Act 2016, the Constitution of the Company, and the approvals of Bursa Malaysia Securities Berhad and any other governmental/regulatory authorities, the Directors of the Company be and are hereby empowered, pursuant to the Companies Act 2016, 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 of the Company may, in their absolute discretion, deem fit, provided that the aggregate number of shares to be issued pursuant to this resolution does not exceed twenty per centum (20%) of the total number of issued shares of the Company (excluding treasury shares) for the time being; 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.

AND THAT the Directors of the Company, whether solely or jointly, be and are hereby empowered to obtain the approval for the listing of and quotation for the additional shares so issued on the ACE Market of Bursa Malaysia Securities Berhad AND be hereby authorised to do all such acts and things including executing all relevant documents as he/they may consider expedient or necessary to complete and give full effect to the abovesaid mandate."

- AUTHORITY TO UNDERTAKE RIGHTS ISSUE ON A PRO RATA BASIS PURSUANT TO AN ENHANCED RIGHTS ISSUE FRAMEWORK** **Ordinary Resolution 7**

"THAT subject to the Companies Act 2016, the Constitution of the Company, and the approvals of Bursa Malaysia Securities Berhad and any other governmental/regulatory authorities, the Directors of the Company be and are hereby empowered to undertake rights issue of new Company's ordinary shares on a pro rata basis at any time via the subscription of rights issue by its existing controlling shareholders and upon such terms and conditions and for such purposes as the Directors of the Company may, in their absolute discretion, deem fit, provided that the aggregate number of shares to be issued pursuant to this resolution does not exceed fifty per centum (50%) of the total number of issued shares of the Company (excluding treasury shares) for the time being; 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.

AND THAT the Directors of the Company, whether solely or jointly, be and are hereby empowered to obtain the approval for the listing of and quotation for the additional shares so issued on the ACE Market of Bursa Malaysia Securities Berhad AND be hereby authorised to do all such acts and things including executing all relevant documents as he/they may consider expedient or necessary to complete and give full effect to the abovesaid mandate."

BY ORDER OF THE BOARD

CHUA SIEW CHUAN (SSM PC No. 201908002648) (MAICSA 0777689)
CHENG CHIA PING (SSM PC No. 202008000730) (MAICSA 1032514)
Company Secretaries

Selangor Darul Ehsan
30 November 2020

Notes:

Information for Shareholders/Proxies

- In respect of deposited securities, only members whose names appear in the Record of Depositors on 23 December 2020 (General Meeting Record of Depositors) shall be eligible to attend the Meeting.
- A member shall not be entitled to appoint more than two (2) proxies to attend and vote at the same general meeting. Where a member appoints two (2) proxies, the appointments shall be invalid unless he specifies the proportions of his holdings to be represented by each proxy.
- A proxy may but need not be a member of the Company and a member may appoint any person to be his proxy. There shall be no restriction as to the qualification of the proxy and a proxy appointed to attend and vote at a general meeting shall have the same rights as the member to speak at the meeting.
- The instrument appointing a proxy shall be in writing under the hand of the appointer or his attorney duly authorised in writing or, if such appointer is a corporation, under its common seal or under the hand of an officer or attorney duly authorised. The Directors may, but shall not be bound to require evidence of the authority of any such attorney or officer.
- Where a member is an authorised nominee as defined under the Securities Industry (Central Depository) Act, 1991, it may appoint at least one (1) proxy but not more than two (2) proxies in respect of each securities account it holds to which shares in the Company standing to the credit of the said account.
- Where a member is an exempt authorised nominee which holds deposited securities 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 and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority shall be deposited at the Share Registrar's office of the Company at ShareWorks Sdn. Bhd., No. 2-1, Jalan Sri Hartamas 8, Sri Hartamas, 50480 Kuala Lumpur, Wilayah Persekutuan, not less than forty-eight (48) hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, and in default the instrument of proxy shall not be treated as valid.

Explanatory Notes to Ordinary Business:-

Audited Financial Statements for the financial year ended 31 July 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 for the Audited Financial Statements from the shareholders. Therefore, this Agenda item is not put forward for voting.

Payment of Directors' Fees

- The proposed Directors' fees payable to the Non-Executive Directors of the Company for the financial year ending 31 July 2021 shall be up to RM196,356/- only, comprises the following:-

Directors' Fees

**Financial Year Ending
31 July 2021**

Non-Executive Directors	RM18,000/- per person per annum
Chairman of the Board of Directors	Additional RM6,000/- per annum
Chairman of the Audit Committee	Additional RM6,000/- per annum

The Ordinary Resolution 1, if approved, will authorise the Directors' fees payable to the Non-Executive Directors for the financial year ending 31 July 2021 pursuant to the Constitution of the Company.

In the event that proposed Directors' fees are insufficient due to enlarged size of the Board of Directors, approval will be sought at the next Annual General Meeting for additional Directors' fees to meet the shortfall.

Benefits Payable to the Directors

- Under Ordinary Resolution 2, the benefits payable to the Directors pursuant to Section 230(1)(b) of the Companies Act 2016 has been reviewed by the Remuneration Committee and the Board of Directors of the Company, which recognises that the benefits payable is in the best interests of the Company and in accordance with the Directors' Remuneration Policy of the Company for the applicable period between 31 December 2020 to the next Annual General Meeting of the Company in year 2021. The benefits comprised solely of meeting allowance of RM2,000/- per meeting day for each Director, which will only be accorded based on actual attendance of meetings by the Directors.

In the event that the proposed benefits payable to the Directors are insufficient due to enlarged size of the Board of Directors, approval will be sought at the next Annual General Meeting for additional benefits payable to meet the shortfall.

Explanatory Notes to Special Business:

Authority to Issue Shares pursuant to the Companies Act 2016

- The Company wishes to renew the mandate on the authority to issue shares pursuant to the Companies Act 2016 at the 16th AGM of the Company (hereinafter referred to as the "General Mandate").

The Company had been granted a general mandate by its shareholders at the last Annual General Meeting of the Company held on 29 July 2019 (hereinafter referred to as the "Previous Mandate"). Pursuant to the Previous Mandate, the Company had issued 75,000,000 new ordinary shares at RM0.0404 per share pursuant to the private placement exercise. Details of the total proceeds raised from the private placement and its utilisation are disclosed under the Additional Compliance Information section of the Annual Report.

The Ordinary Resolution 6 is to enable the Directors of the Company 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.

The purpose to seek the General Mandate is to enable the Directors of the Company to issue and allot shares at any time to such persons in their absolute discretion without convening a general meeting as it would be both time and cost-consuming to organise a general meeting. 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 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.

As part of the initiative from Bursa Malaysia Securities Berhad ("Bursa Securities") to aid and facilitate listed issuers in sustaining their business or easing their compliance with Bursa Securities' rules, amid the unprecedented uncertainty surrounding the recovery of the COVID-19 outbreak and Movement Control Order imposed by the Government, Bursa Securities had vide its letter dated 16 April 2020 granted several additional relief measures to listed issuers, amongst others, listed issuers are allowed to seek a higher general mandate under Rule 6.04 of the Bursa Securities' ACE Market Listing Requirements of not more than 20% of the total number of issued shares (excluding treasury shares) for the general issue of new securities ("20% General Mandate").

This 20% General Mandate may be utilised by listed issuer to issue new securities until 31 December 2021 and thereafter, the 10% general mandate will be reinstated.

After having considered all aspects of the 20% General Mandate, the Board of Directors 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.

Authority to Undertake Rights Issue on a Pro Rata Basis pursuant to an Enhanced Rights Issue Framework

- The Company wishes to seek the mandate on the authority to undertake rights issue of ordinary shares of the Company in accordance to the temporary relief measure announced by Bursa Securities on 10 November 2020 (hereinafter referred to as the "Enhanced Rights Issue Mandate").

The Ordinary Resolution 7 is to enable the Directors of the Company to undertake right issue of new Company's ordinary shares on a pro rata basis at any time via the subscription of rights issue by its existing controlling shareholders at any time in their absolute discretion without convening a general meeting provided that the aggregate number of the shares issued does not exceed 50% of the total number of issued shares of the Company for the time being. The proceeds raised from the Enhanced Rights Issue 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.

As part of the initiative from Bursa Securities to assist and support listed corporations in light of the COVID-19 pandemic, Bursa Securities is introducing further flexibility to facilitate secondary fund raising by eligible listed issuers expeditiously, through an enhanced rights issue framework vide its letter dated 10 November 2020 of which eligible listed issuers are allowed to seek a higher general mandate of up to 50% of the total number of issued shares (excluding treasury shares) if the stipulated requirements are met.

The Board of Directors, having considered the current and prospective financial position, needs and capacity of the Company and its subsidiaries, is of the opinion that the Enhanced Rights Issue Mandate is in the best interests of the Company and its shareholders, on the following basis:-

- the Enhanced Rights Issue Mandate would provide the Company and its subsidiaries with financial flexibility to raise capital in a more expeditious manner for its operations, future expansion and business development;
- other financing alternatives such as debt financing may incur interest burden to the Company and its subsidiaries;
- the Enhanced Rights Issue Mandate will enable the issuance of new shares without diluting shareholders' equity interest, based on the assumption that all entitled shareholders subscribe in full for their respective entitlements under the Enhanced Rights Issue Mandate; and
- the Enhanced Rights Issue Mandate will provide the entitled shareholders with an opportunity to participate in an equity offering in the Company on a pro rata basis and ultimately, participate in the prospects and future growth of the Company and its subsidiaries by subscribing to the rights shares.

Important Notes:

The members are required to refer to the Administrative Guide for Shareholders/Proxies Attending the 16th AGM, despatched together with the Notice of AGM which outlines the guidance for attendance at the 16th AGM.

The said Administrative Guide has taken into account the latest measures to-date to deal with the COVID-19 situation announced and/or implemented in Malaysia which affect the holding or conduct of general meetings. The Company will closely monitor the situation and reserves the right to take further measures or short-notice arrangements as and when appropriate in order to minimise any risk to the 16th AGM. Members are advised to check the Company's announcement(s) made via Bursa Securities regularly for updates on the AGM and/or material developments.