

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Forty-Seventh Annual General Meeting (“47th AGM”) of the Company will be held on a fully virtual basis through live streaming from the Broadcast Venue at Boardroom, Level 18, Menara Boustead Penang, 39 Jalan Sultan Ahmad Shah, 10050 Penang on Thursday, 27 May 2021 at 10.30 a.m. for transacting the following businesses:

- To receive the Audited Financial Statements for the financial year ended 31 December 2020 together with the Reports of the Directors and Auditors thereon.*
- To re-elect the following Directors who retire in accordance with Article 22.3 of the Company’s Constitution and who being eligible offer themselves for re-election:
 - Dato’ Seri Nazir Ariff Bin Mushir Ariff; and
 - Cik Zarizana @ Izana Binti Abdul Aziz.
- To approve the Directors’ Fees of RM740,000 for the financial year ended 31 December 2020 (2019: 560,000).
- To approve the payment of Directors’ benefits of RM30,000 to the three (3) members of the Audit Committee for the financial year ended 31 December 2020 (2019: RM35,000).
- To re-appoint Messrs KPMG PLT as Auditors of the Company for the financial year ending 31 December 2021 and to authorise the Directors to fix their remuneration.
- SPECIAL BUSINESS

Ordinary Resolution 1

Ordinary Resolution 2

Ordinary Resolution 3

Ordinary Resolution 4

Ordinary Resolution 5

To consider and if deemed fit to pass the following Ordinary Resolutions:

(A) Continuing in office as Independent Non-Executive Directors

“THAT subject to the passing of Ordinary Resolution 1, authority be and is hereby given to Dato’ Seri Nazir Ariff Bin Mushir Ariff who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than twelve (12) years to continue to act as an Independent Non-Executive Director of the Company.”

Ordinary Resolution 6

“THAT subject to the passing of Ordinary Resolution 2, authority be and is hereby given to Cik Zarizana @ Izana Binti Abdul Aziz who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine (9) years to continue to act as an Independent Non-Executive Director of the Company.”

Ordinary Resolution 7

(B) Power to Issue Shares pursuant to Section 75 and Section 76 of the Companies Act 2016

Ordinary Resolution 8

“THAT subject always to the Companies Act 2016 (“Act”), the Constitution of the Company, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and the approvals of the relevant regulatory authorities, where such approval is necessary, the Directors be and are hereby authorised and empowered pursuant to Section 75 and Section 76 of the Act to allot and issue shares in the Company from time to time at such price, 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 to be issued pursuant to this Resolution does not exceed 10% of the total number of issued shares (excluding treasury shares) of the Company for the time being AND THAT the Directors be and are also empowered to obtain the approval for the listing of and quotation for the additional shares so issued on Bursa Malaysia Securities Berhad AND THAT such authority as abovementioned shall continue in force until the conclusion of the next Annual General Meeting of the Company.”

(C) Proposed Renewal of Existing Shareholders’ Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature

Ordinary Resolution 9

“THAT subject always to the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, approval be and is hereby given to the Company and/or its subsidiaries to enter into recurrent related party transactions of a revenue or trading nature with related parties as set out in Part A [section 2.4(A)] of the Circular to the Shareholders of the Company dated 26 April 2021 (“Proposed Mandate”) which transactions are necessary for the day-to-day operations and/or in the ordinary course of business of the Company and/or its subsidiaries 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 AND THAT such approval shall only continue to be in force until:

- the conclusion of the next Annual General Meeting (“AGM”) of the Company following the 47th AGM, at which time it will lapse unless such authority is renewed by a resolution passed at the next AGM of the Company;
- the expiration of the period within which the next AGM of the Company is required 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 pursuant to Section 340(4) of the Act); or
- revoked or varied by resolution passed by the shareholders of the Company in a general meeting, whichever is the earlier.

AND THAT the Directors of the Company, whether solely or jointly, be and are hereby authorised to complete and do all such acts and things including executing such relevant documents as they may consider expedient or necessary to give effect to the Proposed Mandate.”

(D) Proposed Renewal of Existing Share Buy-Back Authority

Ordinary Resolution 10

“THAT subject to the Companies Act 2016 (“Act”), the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”), the Company’s Constitution and other applicable laws, rules, regulations and guidelines of the relevant authorities, the Directors of the Company be and are hereby authorised to purchase such number of ordinary shares in the Company’s total number of issued shares through Bursa Securities at any time and upon such terms and conditions and for such purposes as the Directors may in their discretion deem fit subject to the following:

- the aggregate number of shares which may be purchased and/or held by the Company shall not exceed ten per centum (10%) of the total number of issued shares of the Company for the time being (“Texchem Shares”);
- the maximum funds to be allocated by the Company for the purpose of purchasing the Texchem Shares shall not exceed the total retained profits of the Company;
- the authority conferred by this Resolution will be effective immediately upon the passing of this Resolution and will continue in force until:
 - the conclusion of the next Annual General Meeting (“AGM”) of the Company following the 47th AGM in which the resolution is passed at which time the authority will lapse unless renewed by ordinary resolution, either unconditionally or subject to conditions; or
 - the expiration of the period within which the next AGM is required by law to be held; or
 - revoked or varied by ordinary resolution of the shareholders of the Company in general meeting, whichever is the earlier, but so as not to prejudice the completion of purchase(s) by the Company made before the aforesaid expiry date and in any event, in accordance with the Main Market Listing Requirements of Bursa Securities or any other relevant authorities;

(d) upon completion of the purchase(s) of the Texchem Shares by the Company, the Directors of the Company be and are hereby authorised to deal with the Texchem Shares in the following manner:

- to cancel the Texchem Shares so purchased; and/or
- to retain the Texchem Shares so purchased as treasury shares for distribution as dividend to the shareholders and/or resell on the market of Bursa Securities and/or for cancellation subsequently; and/or
- to retain part of the Texchem Shares so purchased as treasury shares and cancel the remainder; and/or
- to transfer the Texchem Shares or any of the Texchem Shares for the purpose of or under an employees’ share scheme; and/or
- in such other manner as Bursa Securities and such other relevant authorities may allow from time to time.

AND THAT authority be and is hereby given to the Directors of the Company to take all such steps as are necessary including to enter into any agreements, arrangements and guarantees with any party or parties to implement, finalise and give full effect to the aforesaid with full powers to assent to any conditions, modifications, revaluations, variations and/or amendments (if any) as may be imposed by the relevant authorities or as may be deemed necessary by the Directors and to do all such acts and things as the Directors may deem fit and expedient in the interest of the Company.”

FURTHER NOTICE IS HEREBY GIVEN THAT for the purpose of determining a member who shall be entitled to attend this 47th AGM, the Company shall be requesting Bursa Malaysia Depository Sdn. Bhd., in accordance with Article 19.9 of the Company’s Constitution and Section 34(1) of the Securities Industry (Central Depositories) Act 1991, to issue a General Meeting Record of Depositors as at 20 May 2021. Only a depositor whose name appears on the Record of Depositors as at 20 May 2021 shall be entitled to attend the said meeting or appoint proxies to attend, speak and/or vote on his/her behalf.

BY ORDER OF THE BOARD

LEE PUAY IMG @ ENG PUAY IMG (Licence No.: LS 0009427) (SSM PC No.: 202008001167)
 CATHERINE SIEW SEEN WA (MICPA No.: 3318) (SSM PC No.: 202108000044)
 Company Secretaries
 Penang
 Date: 26 April 2021

NOTES:

* This Agenda item is meant for discussion only as the provision of Section 340(1)(a) of the Companies Act 2016 (“Act”) does not require approval of the shareholders and hence, is not put forward for voting.

- The 47th AGM will be conducted on a fully virtual basis through live streaming and online remote voting via Remote Participation and Voting Facilities (“RPV Facilities”) which are available on Securities Services e-Portal (“SSeP”) at <https://www.sshsb.net.my/>. Please follow the procedures provided in the Administrative Guide for the 47th AGM in order to register, participate and vote remotely via RPV Facilities.

- The Broadcast Venue is strictly for the purpose of compliance with Section 327(2) of the Act which stipulates that the Chairman of the meeting shall be present at the main venue of the 47th AGM and in accordance with Article 19.4 of the Company’s Constitution which allows a meeting of members to be held at more than one venue, using any technology or method that enables the Members of the Company to participate and to exercise the Members’ right to speak and vote at the general meeting. The Members or their proxies may submit questions to the Company at trb@texchemgroup.com no later than **21 May 2021, 5.00 p.m.** or via real time submission of typed texts through a text box within SSeP’s platform during live streaming of the 47th AGM as the primary mode of communication. In the event of any technical glitch in the primary mode of communication, shareholders and proxies may email their questions to eservices@sshb.com.my during the 47th AGM. Relevant questions and/or remarks submitted by the shareholders and/or proxies will be broadcasted and responded by the Chairman/Board/relevant adviser.

- Every Member including authorised nominees as defined under the Securities Industry (Central Depositories) Act 1991 (“SICDA”) and Exempt Authorised Nominees which hold ordinary shares in the Company for multiple beneficial owners in one securities account (“Omnibus Account”), is entitled to appoint another person as his proxy to exercise all or any of his rights to attend, participate, speak and vote instead of him at the Annual General Meeting (“AGM”) and that such proxy need not be a Member.

- Where a Member entitled to vote on a resolution has appointed more than one (1) proxy, the appointment shall be invalid unless he/she specifies the proportions of his/her holdings to be represented by each proxy.

- 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 its common seal or under the hand of two (2) authorised officers, one of whom shall be a director or its attorney duly authorised in writing. The instrument appointing a proxy authorises the proxy(ies) to demand or join in demanding a poll.

- 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 may be made in hardcopy form or by electronic means in the following manner and shall be received by the Company not less than forty-eight (48) hours before the time for holding the meeting or adjournment thereof:

a) In Hardcopy Form

The proxy form shall be deposited at the Company’s Registered Office at Level 18, Menara Boustead Penang, 39 Jalan Sultan Ahmad Shah, 10050 Penang, Malaysia.

b) By Electronic Means

The proxy form shall be electronically lodged via SSeP’s platform at <https://www.sshsb.net.my/> or by email to eservices@sshb.com.my.

- Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all resolutions set out in the Notice of the 47th AGM of the Company shall be put to vote by way of poll.

EXPLANATORY NOTES:

(i) Ordinary Resolutions 3 and 4

Section 230(1) of the Act provides that the fees of the Directors and any benefits payable to the Directors of a listed company and its subsidiaries shall be approved at a general meeting. Pursuant thereto, shareholders’ approval will be sought at this AGM on the Directors’ fees for the financial year ended 31 December 2020 and Directors’ benefits for the three (3) members of the Audit Committee, all of whom are Independent Non-Executive Directors, for the financial year ended 31 December 2020.

The Directors’ benefits is RM10,000 per annum for each member of the Audit Committee.

(ii) Ordinary Resolution 6

The proposed Ordinary Resolution 6 is to seek shareholders’ approval to allow Dato’ Seri Nazir Ariff Bin Mushir Ariff to continue to act as an Independent Non-Executive Director until the conclusion of the next AGM of the Company.

Pursuant to Practice 4.2 of the Malaysian Code on Corporate Governance, the Board has vide its Nomination Committee conducted an assessment and reviewed the independence of Dato’ Seri Nazir Ariff Bin Mushir Ariff who has served as an Independent Non-Executive Director for a cumulative term of more than twelve (12) years. The Board is satisfied with the results and recommended that the resolution be put up for shareholders’ approval through a two-tier voting process for Dato’ Seri Nazir Ariff Bin Mushir Ariff to remain as an Independent Non-Executive Director based on the following justifications:

The Board is of the view that Dato’ Seri Nazir Ariff’s expertise, broad international experience and vast experience in various industries provide the Board with a diverse set of experience and expertise which enhances the skills and experience profile of the Board. The Board is confident that his length of service on the Board does not in any way interfere with his duties as an Independent Non-Executive Director of the Company.

(iii) Ordinary Resolution 7

Cik Zarizana @ Izana Binti Abdul Aziz, who was appointed as an Independent Non-Executive Director on 18 April 2012, has served the Board for more than nine (9) years.

The proposed Ordinary Resolution 7, if passed, will allow Cik Zarizana @ Izana Binti Abdul Aziz to continue to act as an Independent Non-Executive Director until the conclusion of the next AGM of the Company.

Pursuant to Practice 4.2 of the Malaysian Code on Corporate Governance, the Board has vide its Nomination Committee conducted an assessment and reviewed the independence of Cik Zarizana @ Izana Binti Abdul Aziz. The Board is satisfied with the results and recommended that the resolution be put up for shareholders’ approval to allow Cik Zarizana @ Izana Binti Abdul Aziz to continue to act as an Independent Non-Executive Director based on the following justifications:

The Board believed that with Cik Zarizana’s legal background and qualifications, expertise and extensive legal knowledge and experience in the international legal arena, she has made and continues to make valuable contribution through her role as Chairman of Remuneration Committee and a member of Audit Committee. The Board is confident that Cik Zarizana is capable of carrying out her duties and responsibilities independently and objectively notwithstanding her tenure on the Board.

(iv) Ordinary Resolution 8

As at the date of this Notice, no new shares in the Company were issued pursuant to the mandate granted to the Directors at the last AGM of the Company held on 25 June 2020 and the said mandate will lapse at the conclusion of this 47th AGM.

This Ordinary Resolution, if passed, will give the Directors of the Company from the date of this 47th AGM, the authority to allot and issue ordinary shares in the Company up to an aggregate of not exceeding 10% of the total number of issued shares (excluding treasury shares) of the Company for the time being pursuant to Section 75 and Section 76 of the Act (“Renewed Mandate”). This Renewed Mandate, unless revoked or varied at a general meeting, will expire at the conclusion of the next AGM of the Company.

The Renewed Mandate will provide flexibility to the Company for any possible fund raising activities, including but not limited to further placement of shares, for purposes of funding future investment project(s), working capital and/or acquisitions without any delay and without incurring additional expenses in convening a general meeting to approve the issuance of such shares.

(v) Ordinary Resolution 9

This Ordinary Resolution, if passed, will empower the Company and/or its subsidiaries to enter into the recurrent related party transactions of a revenue or trading nature which are necessary for the Company and/or its subsidiaries’ day-to-day operations provided that such transactions are being carried out in the ordinary course of business and are on normal commercial terms which are not more favourable to the related parties than those available to the public and are not to the detriment of the minority shareholders of the Company.

This authority, unless revoked or varied at a general meeting of the Company, will expire at the conclusion of the next AGM of the Company.

The details of this proposed Ordinary Resolution are set out in Part A of the Circular to the Shareholders of the Company dated 26 April 2021.

(vi) Ordinary Resolution 10

This Ordinary Resolution, if passed, will enable the Company to purchase its own shares up to 10% of the total number of issued shares of the Company (inclusive of shares that have been purchased and/or retained as treasury shares). This authority will, unless revoked or varied by the Company in a general meeting, expire at the conclusion of the next AGM of the Company.

The details of this proposed Ordinary Resolution are set out in Part B of the Circular to the Shareholders of the Company dated 26 April 2021.