



SDS GROUP BERHAD

Registration No. 201701026951 (1241117-T)
(Incorporated in Malaysia)

To : Shareholders of SDS GROUP BERHAD

Dear Sir/Madam

ERRATA TO THE NOTICE OF 4TH ANNUAL GENERAL MEETING

We refer to the Annual Report 2021 of SDS Group Berhad submitted to Bursa Malaysia Securities Berhad on 29 July 2021 and wish to inform of the following amendments in the Notice of 4th AGM:

NOTICE OF AGM	AS REPORTED	AS AMENDED
Ordinary Resolution 6	AUTHORITY UNDER SECTIONS 75 AND 76 OF THE COMPANIES ACT 2016 FOR THE DIRECTORS TO ALLOT AND ISSUE SHARES	AUTHORITY UNDER SECTIONS 75 AND 76 OF THE COMPANIES ACT 2016 FOR THE DIRECTORS TO ALLOT AND ISSUE SHARES
	“THAT subject to the Companies Act, 2016 (“the Act”), the Constitution of the Company, the ACE Market Listing Requirements (“Listing Requirements”) of Bursa Malaysia Securities Berhad (“Bursa Securities”), the Directors be and are hereby authorised and empowered pursuant to Sections 75 and 76 of the Act, 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 to be issued pursuant to this resolution does not exceed ten per centum (10%) of the total number of issued shares of the Company at any point in time; AND THAT the Directors be and are hereby also empowered to obtain approval from the Bursa Securities for the listing and quotation of the additional shares so issued on Bursa Securities; 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 AGM of the Company.”	“THAT subject to the Companies Act, 2016 (“the Act”), the Constitution of the Company, the ACE Market Listing Requirements (“Listing Requirements”) of Bursa Malaysia Securities Berhad (“Bursa Securities”), Additional Temporary Relief Measures to Listed Corporations for COVID-19, issued by Bursa Securities on 16 April 2020 and subject to the approvals of the relevant governmental/regulatory authorities, the Directors be and are hereby authorised and empowered pursuant to Sections 75 and 76 of the Act, 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 to be issued pursuant to this resolution does not exceed twenty per centum (20%) of the total number of issued shares of the Company at any point in time (“20% General Mandate”); AND THAT the Directors be and are hereby also empowered to obtain approval from the Bursa Securities for the listing and quotation of the additional shares so issued pursuant to the 20% General Mandate on Bursa Securities; AND THAT such authority shall commence immediately upon the passing of this resolution and continue to be in

		<p>force until 31 December 2021, as empowered by Bursa Securities pursuant to their letter dated 16 April 2020 to grant additional temporary relief measures to listed corporations, notwithstanding Section 76(3) of the Act, duly varied and adopted by the Directors of the Company pursuant to Section 76(4) of the Act.”</p>
<p>Explanatory Notes</p>	<p>The proposed Resolution 6 is a renewal of mandate given by the shareholders at the previous AGM held on 28 August 2020, primarily to give flexibility to the Directors to issue and allot shares at any time in their absolute discretion and for such purposes as they consider would be in the interest of the Company without convening a general meeting. This authority, unless revoked or varied at a general meeting, will expire at the next AGM of the Company.</p> <p>The Company continues to consider opportunities to broaden its earnings potential. If any of the expansion/diversification proposals involves the issue of new shares, the Directors, under certain circumstance when the opportunity arises, would have to convene a general meeting to approve the issue of new shares even though the number involved may be less than 10% of the total number of issued shares.</p> <p>In order to avoid any delay and costs involved in convening a general meeting to approve such issue of shares, it is thus considered appropriate that the Directors be empowered to issue shares in the Company, up to any amount not exceeding in total 10% of the total number of issued shares of the Company. The renewed authority will provide flexibility to the Company for the issuance of shares for the purpose of the possible fund-raising activities for the purpose of funding future project/investment, working capital and/or acquisitions. This authority, unless revoked or varied at a general meeting will expire at the conclusion of the next AGM of the Company.</p> <p>No shares have been issued and allotted by the Company since obtaining the said authority from its shareholders at the last AGM held on 28 August 2020.</p>	<p>The 20% General Mandate sought for issue of securities is a renewal mandate taking into account the flexibility given by Bursa Malaysia Securities Berhad vide their letter dated 16 April 2020 for listed issuers to seek a higher general mandate of not more than 20% of the total number of the Company's issued shares for the issue of new securities. The Board of Directors of the Company is of the view that it is in the best interest of the Company and its shareholders for the Company to have a higher general mandate to enable the Company to undertake a fund-raising exercise expediently and for larger amount of proceeds to be raised to meet any potential shortfalls in financing needs.</p> <p>The 20% General Mandate is to provide flexibility to the Company to issue new securities without the need to convene separate general meeting to obtain its shareholders' approval so as to avoid incurring additional cost and time. The purpose of this general mandate is for possible fund raising exercises including but not limited to further placement of shares for purpose of funding current and/or future investment projects, working capital and/or acquisitions or the issuance of shares as consideration for the acquisition of assets.</p> <p>The Board of Directors takes cognizance that the 20% General Mandate may be utilised until 31 December 2021. Should the Company decide to utilise this mandate after 31 December 2021, the Board will only issue up to 10% of the total number of issued shares.</p> <p>No shares have been issued and allotted by the Company since obtaining the said authority from its shareholders at the last AGM held on 28 August 2020.</p>

Save for the above, all other information remains unchanged and any inconvenience caused by the errors are regretted.

BY ORDER OF THE BOARD

SIEW SUET WEI (MAICSA 7011254)

SSM Practicing Certificate No. 202008001690

LIM YEN TENG (LS0010182)

SSM Practicing Certificate No. 201908000028

Company Secretaries

Kuala Lumpur

Date: 12 August 2021