



PROLEXUS BERHAD
 Registration No. 199201019353 (250857-T)
 (Incorporated in Malaysia)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the 29th Annual General Meeting ("AGM") of Prolexus Berhad to be conducted virtually through live streaming from the Broadcast Venue at the Conference Room of Honsin Apparel Sdn. Bhd., 531 Batu 2½, Jalan Kluang, 83000 Batu Pahat, Johor on Thursday, 23 December 2021 at 10:00 a.m. for the following purposes:-

AGENDA

Ordinary Business

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| 1. To receive the Audited Financial Statements for the financial year ended 31 July 2021 together with the Reports of Directors and Auditors thereon. | Please refer to Note 7 |
| 2. To re-elect Mr. Chin Chew Mun, a Director who retires by rotation in accordance with Article 107 of the Company's Constitution and who, being eligible, offers himself for re-election. | Resolution 1 |
| 3. To re-elect Mr. Choong Chee Mun, a Director who retires by rotation in accordance with Article 107 of the Company's Constitution and who, being eligible, offers himself for re-election. | Resolution 2 |
| 4. To approve the payment of Directors' fees amounting to RM503,000.00 for the financial year ended 31 July 2021. | Resolution 3 |
| 5. To approve the payment of Directors' benefits up to an amount not exceeding RM100,000.00 from the conclusion of the 29 th AGM until the conclusion of the next AGM of the Company. | Resolution 4
Please refer to Note 8 |
| 6. To approve the payment of a First and Final Single Tier Dividend of 0.3 sen per ordinary share for the financial year ended 31 July 2021. | Resolution 5 |
| 7. To re-appoint Messrs. Grant Thornton Malaysia PLT as auditors of the Company to hold office until the conclusion of the next AGM of the Company and to authorise the Directors to fix their remuneration. | Resolution 6 |

Special Business

To consider and if thought fit, to pass with or without any modifications the following ordinary resolutions:-

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| 8. AUTHORITY FOR DIRECTORS TO ALLOT AND ISSUE NEW SHARES | Resolution 7 |
| "THAT, subject to the approvals of the regulatory authorities, the Directors of the Company be hereby authorised pursuant to Sections 75 and 76 of the Companies Act 2016, to allot and issue shares in the Company at any time and upon such terms and conditions and for such purposes as the Directors may deem fit, provided that the aggregate number of shares to be issued does not exceed 10% of the total number of issued shares of the Company.
AND THAT any Executive Director and/or Secretary of the Company be hereby authorised to obtain the approval from Bursa Malaysia Securities Berhad for the listing and quotation of the additional shares to be issued and to do all such acts and things necessary to give full effect to such transactions as authorised by this resolution.
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." | |
| 9. PROPOSED CONTINUATION OF ENCIK KHADMUDIN BIN MOHAMED RAFIK IN OFFICE AS INDEPENDENT DIRECTOR | Resolution 8 |
| "THAT Encik Khadmudin Bin Mohamed Rafik who had served as an Independent Director of the Company for a cumulative term limit of more than 9 years be hereby authorised to continue to act as an Independent Director of the Company and to hold office until the conclusion of the next AGM of the Company." | |
| 10. PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY OF UP TO 10% OF THE TOTAL NUMBER OF ISSUED SHARES OF THE COMPANY | Resolution 9 |
| "THAT, subject to the Companies Act, 2016 ("the Act"), the Company's Constitution and the Main Market Listing Requirements ("Main LR") of Bursa Securities and all other applicable laws, guidelines, rules and regulations, the Directors of the Company be hereby authorised to purchase such number of ordinary shares ("Prolexus Shares") comprised in the total number of issued shares of the Company as may be determined by the Directors from time to time through Bursa Securities subject further to the following:-
(a) the aggregate number Prolexus Shares which may be purchased or held by the Company shall not exceed 10% of the total number of issued shares of the Company ("Proposed Share Buy-Back"), subject to the restriction that the issued shares of the Company does not fall below the minimum share capital requirements of the Main LR of Bursa Securities that the Company continues to maintain a shareholding spread that is in compliance with the Main LR after the share purchase;
(b) the maximum funds to be allocated by the Company for the purpose of purchasing the Prolexus Shares under the Proposed Share Buy-Back shall not exceed the retained profits of the Company;
(c) the authority conferred by this resolution to facilitate the Proposed Share Buy-Back will commence immediately upon passing of this ordinary resolution and will continue to be in force until:
(i) the conclusion of the next AGM of the Company at which such resolution was passed at the which time the authority would lapse unless by ordinary resolution passed at the next AGM, the authority is renewed, either unconditionally or subject to conditions; or
(ii) the expiration of the period within the next AGM of the Company after that date is required by law to be held; or
(iii) the authority is revoked or varied by ordinary resolution passed by the shareholders of the Company in a general meeting, whichever occurs first, but not so as to prejudice the completion of purchase(s) by the Company of the Prolexus Shares before the aforesaid expiry date and, made in any event, in accordance with the provisions of the guidelines issued by Bursa Securities and any prevailing laws, rules, regulations, orders, guidelines and requirements issued by any relevant authorities; and
(d) upon completion of the purchase(s) of the Prolexus Shares by the Company, the Directors be hereby authorised to retain the Prolexus Shares so purchased as treasury shares, which may be distributed as dividends to shareholders, cancel and/or resold on Bursa Securities, in the manner as prescribed by the Act, rules, regulations and orders made pursuant to the Act and the Main LR of Bursa Securities and any other relevant authority for the time being in force,
AND THAT, the Directors be hereby authorised to take all such steps as are necessary or expedient to implement, finalise, complete or to effect the Proposed Share Buy-Back with full powers to assent to any conditions, modifications, resolutions, variations and/or amendments (if any) as may be imposed by the relevant authorities and to do all such acts and things as the Board may deem fit and expedient in the best interest of the Company to give full effect to and to complete the purchase of Prolexus Shares. | |

11. To transact any other business of which due notice shall have been given in accordance with the Company's Constitution and the Companies Act, 2016.

FURTHER NOTICE IS HEREBY GIVEN THAT for the purpose of determining a member who shall be entitled to attend the 29th AGM, the Company shall be requesting Bursa Malaysia Depository Sdn. Bhd. to issue a General Meeting Record of Depositors as at 16 December 2021. Only a depositor whose name appears on the Record of Depositors as at 16 December 2021 shall be entitled to attend the 29th AGM or appoint proxies to attend and/or vote on his/her behalf.

By Order of the Board,

LEE PENG LOON (MACS 01258)
 SSM PC NO. 201908002340
P'NG CHIEW KEEM (MAICSA 7026443)
 SSM PC NO. 201908002334
 Company Secretaries

Penang
 Date: 24 November 2021

NOTES ON APPOINTMENT OF PROXY

- A proxy may be needed not be a member of the Company.
- A member shall be entitled to appoint a maximum of two (2) proxies to attend and vote at the same meeting. Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he/she specifies the proportions of his/her shareholdings to be represented by each proxy.
- For a proxy to be valid, the proxy form duly completed, must be deposited at the registered office of the Company, 51-21-A Menara BHL Bank, Jalan Sultan Ahmad Shah, 10050 Penang not less than 48 hours before the time appointed for holding the meeting or at an adjournment thereof and in the case of a poll, not less than 24 hours before the time for taking of the poll. The instrument appointing a proxy transmitted by facsimile or electronic mail will not be accepted.
- Where a member is an authorised nominee as defined under the Securities Industry (Central Depositories) Act, 1991 ("Exempt Authorised Nominee") which holds ordinary shares in the Company for multiple beneficial owners in one 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.
- Where a member is an Exempt Authorised Nominee, it may appoint at least one (1) proxy but not more than two (2) proxies in respect of each securities account it holds which is credited with the shares of the Company. The appointment of two (2) proxies in respect of a particular securities account shall be invalid unless the authorised nominee specifies the proportion of its shareholding to be represented by each proxy.
- In the case of corporate member, the proxy form must be executed under the corporation's Common Seal or under the hand of an officer or attorney duly authorised.

NOTES ON ORDINARY BUSINESS

- The Agenda 1 is meant for discussion only as the provision of Section 340(1)(a) of the Companies Act 2016 does not require the shareholders' approval for the Audited Financial Statements. Hence, the Agenda 1 is not put forward for voting.
- The Resolution 4, if passed, will enable the Company to pay allowances and other benefits to non-executive directors of the Company in accordance with Section 230(1) of the Companies Act 2016. The total amount of directors' benefits payable may comprise of meeting allowances, trainings, accommodations, insurance and other emoluments and benefits-in-kinds.

NOTES ON SPECIAL BUSINESS

- The Resolution 7, if passed, will enable the Directors to allot and issue shares in the Company up to an amount not exceeding 10% of the total number of issued shares of the Company for the time being for such purposes as the Directors consider will be in the best interest of the Company. This authority, unless revoked or varied by the shareholders of the Company in a general meeting will expire at the conclusion of the next AGM.
The proposed renewal of general mandate for issuance of shares will provide flexibility to the Company for any possible fund raising activities, including but not limited to placing of shares for the purpose of funding future investment, working capital and/or acquisition.
As at the date of this notice, the Directors have not issued any shares pursuant to the general mandate granted at the last AGM of the Company.
- The Resolution 8 is to seek shareholders' approval through a two tier voting process and, if passed, will enable the Independent Director who had served more than the cumulative term limit of 9 years to be retained and continue to act as Independent Director of the Company. The Nominating Committee has assessed the independence of Encik Khadmudin Bin Mohamed Rafik and recommended him to continue in office as he has demonstrated complete independence in character and judgement. The Board having considered the recommendation of the Nominating Committee proposed that Encik Khadmudin Bin Mohamed Rafik be remained as an Independent Director of the Company.
- The Resolution 9, if passed, will enable the Directors of the Company to purchase the Company's shares up to 10% of the total number of issued shares of the Company by utilising the funds allocated which shall not exceed the retained profits of the Company. This authority, unless revoked or varied by the shareholders of the Company in general meeting, will expire at the conclusion of the next AGM. Further information on the Proposed Share Buy-Back Renewal is set out in Share Buy-Back Statement dated 24 November 2021.

NOTICE OF DIVIDEND ENTITLEMENT

NOTICE IS ALSO HEREBY GIVEN that a First and Final Single Tier Dividend of 0.3 sen per ordinary share for the financial year ended 31 July 2021, if approved, will be paid on 20 January 2022 to shareholders registered in the Record of Depositors of the Company on 31 December 2021.

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

- Shares transferred into the depositor's securities account before 4:30 p.m. on 31 December 2021 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,

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 SSM PC NO. 201908002340
P'NG CHIEW KEEM (MAICSA 7026443)
 SSM PC NO. 201908002334
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