



SERSOL BERHAD

[Registration No. 20201034397 (602062-X)]
(Incorporated in Malaysia)

NOTICE OF EIGHTEENTH ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Eighteenth Annual General Meeting ("18th AGM") of SerSol Berhad ("SerSol" or "Company") will be conducted virtually with the main venue at Boardroom, 1-40-2, Menara Bangkok Bank, Berjaya Central Bank, No. 105 Jalan Ampang, 50450 Kuala Lumpur, Malaysia on Thursday, 29 July 2021 at 3.00 p.m. for the following purposes:

AGENDA

Ordinary Business:

- To receive the Audited Financial Statements for the financial year ended 31 December 2020 together with Reports of the Directors' and the Auditors' thereon. **Please refer to Explanatory Note 1**
- To re-elect Tan Fie Jen as Director in accordance with Clause 95 of the Constitution of the Company. **Ordinary Resolution 1**
- To re-elect Yeong Siew Lee as Director in accordance with Clause 95 of the Constitution of the Company. **Ordinary Resolution 2**
- To approve the payment of Directors' fees and benefits payable to the Non-Executive Directors of the Company and its subsidiaries of RM280,000 for the period from 29 July 2021 until the next Annual General Meeting of the Company to be made payable monthly after each month of completed service of the Directors. **Ordinary Resolution 3**
- To appoint Messrs TGS TW PLT as Auditors of the Company in place of the retiring auditors, Messrs UHY and to authorise the Directors to fix their remuneration. **Ordinary Resolution 4**

Special Business:

To consider and, if thought fit, to pass the following resolutions:

- Authority for Datuk Low Kim Leng to continue in office as Independent Non-Executive Director** **Ordinary Resolution 5**

"THAT authority be and is hereby given to Datuk Low Kim Leng 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 until the conclusion of the next Annual General Meeting in accordance with Malaysian Code on Corporate Governance."

- Authority under Section 76 of the Companies Act 2016 for the Directors to allot shares or grant rights** **Ordinary Resolution 6**

"THAT pursuant to Section 76 of the Companies Act 2016, the Directors be and are hereby empowered to allot and issue shares in the Company, at any time, at such price, upon such terms and conditions, for such purpose and to such person or persons whomsoever as the Directors may in their absolute discretion deem fit provided that the aggregate number of shares to be issued does not exceed twenty per centum (20%) of the total issued shares/total number of voting shares of the Company (excluding treasury shares) at the time of issue and THAT the Directors be and are hereby also empowered to obtain the approval for the listing of and quotation for the additional shares so issued on the Bursa Malaysia Securities Berhad and THAT such authority shall continue to be in force until the conclusion of the next Annual General Meeting of the Company."

- To transact any other business that may be transacted at an annual general meeting of which due notice shall have been given in accordance with the Companies Act 2016 and the Constitution of the Company.

BY ORDER OF THE BOARD

CHIN WAI YI (MAICSA 7069783) (SSM PC No. 202008004409)
Company Secretary

Kuala Lumpur
Date: 30 June 2021

NOTES:

- A member entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend, participate, speak and vote in his/her stead. A proxy may but need not be a member of the Company.
- A member shall be entitled to appoint more than one (1) proxy and shall not be entitled to appoint more than 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.
- Where a member is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account") as defined under the Securities Industry (Central Depositories) Act, 1991, there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
- An instrument appointing a proxy must be in writing under the hand of the appointer or his/her attorney is duly authorised and in the case of a corporation shall be either under its 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 notarially certified copy of that power or authority shall be deposited with the Poll Administrator, Mega Corporate Services Sdn. Bhd., Level 15-2, Bangunan Faber Imperial Court, Jalan Sultan Ismail, 50250 Kuala Lumpur, Malaysia or via email to AGM-Support.Sersol@megacorp.com.my not less than forty eight (48) hours before the time set for holding the meeting or at any adjournment of meeting, failing which, the instrument of proxy shall not be treated as valid.
- In respect of deposited securities, only members whose names appear on the Record of Depositors on 22 July 2021 (General Meeting Record of Depositors) shall be eligible to attend the meeting or appoint proxy(ies) to attend and/or vote on his behalf.

Explanatory Notes on Ordinary and Special Businesses:

1. Item 1 of the Agenda

Agenda item no. 1 is meant for discussion only as the provision of Section 340 of the Companies Act 2016, it does not require a formal approval of shareholders for the Audited Financial Statements. Hence, this item on the Agenda is **not put forward for voting**.

2. Item 5 of the Agenda

The existing auditors of the Company, Messrs UHY, have been the auditors of the Company since June 2012. Messrs UHY were re-appointed as the auditors of the Company at the Seventeenth Annual General Meeting of the Company held on 27 July 2020 to hold office until the conclusion of the 18th AGM of the Company. Messrs UHY have indicated their intention to retire and they are not seeking re-appointment as auditors of the Company.

In line with good corporate governance practice, the Audit and Risk Management Committee had undertaken assessment of the suitability and independence of auditors and based on an internal procurement process, had recommended the appointment of Messrs TGS TW PLT as auditors of the Company for the financial year ending 31 December 2021.

The Board had reviewed the recommendation of the Audit and Risk Management Committee and agreed to nominate the appointment of Messrs TGS TW PLT as the new auditors in place of the retiring auditors, Messrs UHY at the forthcoming AGM of the Company. Messrs TGS TW PLT have given their consent to act as the auditors of the Company.

3. Item 6 of the Agenda

The Board of Directors ("Board") via the Nomination Committee conducted an annual performance evaluation and assessment of Datuk Low Kim Leng, who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine (9) years, and recommended him to continue to act as an Independent Non-Executive Director of the Company based on the following justifications:

- he fulfilled the criteria under the definition of Independent Director as stated in the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad ("Listing Requirements"), and therefore was able to bring independent and objective judgment to the Board;
- his experience enables him to provide the Board with a diverse set of experience, expertise, skills and competence;
- he has been with the Company for long and therefore understand the Company's business operations which enable him to participate actively and contribute during deliberations or discussions at the Audit and Risk Management Committee and Board meetings;
- he has contributed sufficient time and efforts and attended all the Nomination Committee, Remuneration Committee, Audit and Risk Management Committee and Board meetings for informed and balanced decision making; and
- he has exercised due care during his tenure as an Independent Non-Executive Director of the Company and carried out his professional duties in the interest of the Company and shareholders.

4. Item 7 of the Agenda

The Company had, during its Seventeenth Annual General Meeting held on 27 July 2020, obtained its shareholders' approval for the general mandate for issuance of shares pursuant to Section 76 of the Companies Act 2016. The Company did not issue any shares pursuant to this mandate obtained.

The Ordinary Resolution 6 proposed under item 7 of the Agenda is a renewal of the general mandate for issuance of shares by the Company under Section 76 of the Companies Act 2016.

Bursa Malaysia Securities Berhad ("Bursa Securities") had via their letter dated 16 April 2020 granted several additional temporary relief measures, amongst others, listed corporations are allowed to seek a higher general mandate under Rule 6.04 of the Listing Requirements of not more than 20% of the total number of issued shares for issue of new securities ("20% General Mandate"), provided that the following are being complied with:

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

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

The Board of Directors, having considered the current economic climate arising from the global COVID-19 pandemic and future financial needs of the Group, is of the opinion that this 20% General Mandate is in the best interests of the Company and its shareholders. This 20% General Mandate will provide flexibility for the Company for fund raising and enable the Company, should it required to do so, to meet its funding requirements for working capital or strategic development of the Group and operational expenditure, expeditiously and efficiently. This would eliminate any delay arising from and cost involved in convening a separate general meeting to obtain approval of the shareholders for such issuance of shares during this challenging period. This authority, unless revoked or varied by the Company at a general meeting, will expire at the next Annual General Meeting.

The authority 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 investment project(s) and/or working capital. The Directors of the Company did not allot or issue ordinary shares pursuant to the authority given by its shareholders at the previous Annual General Meeting.

PERSONAL DATA POLICY

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the Annual General Meeting and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the Annual General Meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the Annual General Meeting (including any adjournment thereof) and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "Purposes"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.