



SERSOL BERHAD

[Registration No. 200201034397 (602062-X)]
(Incorporated in Malaysia)

NOTICE OF NINETEENTH ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Nineteenth Annual General Meeting (“**19th AGM**”) of Sersol Berhad (“**Company**”) will be conducted virtually from the broadcast venue at 10.3, 10th Floor, Menara Lien Hoe, No. 8 Persiaran Tropicana, 47410 Petaling Jaya, Selangor Darul Ehsan, Malaysia on Friday, 17 June 2022 at 11.00 a.m., or at any adjournment thereof, for the purpose of considering and if thought fit, passing with or without modifications the following resolutions:

A G E N D A

Ordinary Business:

1. To receive the Audited Financial Statements for the financial year ended 31 December 2021 together with Reports of the Directors’ and the Auditors’ thereon. **Please refer to Explanatory Note 1**
2. To re-elect Datuk Justin Lim Hwa Tat as Director in accordance with Clause 98 of the Constitution of the Company. **Ordinary Resolution 1**
3. To re-elect Dato’ Lim Tiong Siang as Director in accordance with Clause 98 of the Constitution of the Company. **Ordinary Resolution 2**
4. To re-elect Chan Gee Wah as Director in accordance with Clause 98 of the Constitution of the Company. **Ordinary Resolution 3**
5. To re-elect Muhammad Hiqmar Danial bin Hidzir as Director in accordance with Clause 98 of the Constitution of the Company. **Ordinary Resolution 4**
6. To re-elect Sia Meng Chan as Director in accordance with Clause 98 of the Constitution of the Company. **Ordinary Resolution 5**
7. To re-elect Leong Lup Yan as Director in accordance with Clause 98 of the Constitution of the Company. **Ordinary Resolution 6**
8. To approve the payment of Directors’ fees and benefits payable to the Non-Executive Directors of the Company and its subsidiaries up to an aggregate amount of RM350,000 per annum until the next Annual General Meeting of the Company. **Ordinary Resolution 7**
9. To re-appoint Messrs TGS TW PLT as Auditors of the Company and to authorise the Directors to fix their remuneration. **Ordinary Resolution 8**

Special Business:

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

10. **AUTHORITY UNDER SECTION 76 OF THE COMPANIES ACT 2016 FOR THE DIRECTORS TO ALLOT SHARES OR GRANT RIGHTS** **Ordinary Resolution 9**

“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 (“**Bursa Securities**”) and THAT such authority shall continue to be in force until the conclusion of the next Annual General Meeting of the Company.”

11. **PROPOSED ALLOCATION OF SHARE ISSUANCE SCHEME (“SIS”) OPTIONS TO DATO’ LIM TIONG SIANG** **Ordinary Resolution 10**

“THAT the Directors be and are hereby authorised to, at any time and from to time subject always to such terms and conditions and/or adjustments which may be made in accordance with the provisions of the By-laws of the SIS, the ACE Market Listing Requirements (“**AMLR**”) of Bursa Securities, or any prevailing guidelines issued by Bursa Securities or any other relevant authority, as amended from time to time throughout the duration of the SIS, offer and grant to Dato’ Lim Tiong Siang, being the Non-Independent Non-Executive Director of the Company, SIS Options to subscribe for the Company’s Shares under the SIS, provided that not more than 10% of the total number of SIS Options shall be allocated to him, as long as he either singly or collectively through persons connected to him holds 20% or more of the total number of issued shares of the Company (excluding treasury shares).

12. **PROPOSED ALLOCATION OF SIS OPTIONS TO DATUK JUSTIN LIM HWA TAT** **Ordinary Resolution 11**

“THAT the Directors be and are hereby authorised to, at any time and from to time subject always to such terms and conditions and/or adjustments which may be made in accordance with the provisions of the By-laws of the SIS, the AMLR of Bursa Securities, or any prevailing guidelines issued by Bursa Securities or any other relevant authority, as amended from time to time throughout the duration of the SIS, offer and grant to Datuk Justin Lim Hwa Tat, being Managing Director of the Company, SIS Options to subscribe for the Company’s Shares under the SIS, provided that not more than 10% of the total number of SIS Options shall be allocated to him, as long as he either singly or collectively through persons connected to him holds 20% or more of the total number of issued shares of the Company (excluding treasury shares).

13. **PROPOSED ALLOCATION OF SIS OPTIONS TO CHAN GEE WAH** **Ordinary Resolution 12**

“THAT the Directors be and are hereby authorised to, at any time and from to time subject always to such terms and conditions and/or adjustments which may be made in accordance with the provisions of the By-laws of the SIS, the AMLR of Bursa Securities, or any prevailing guidelines issued by Bursa Securities or any other relevant authority, as amended from time to time throughout the duration of the SIS, offer and grant to Chan Gee Wah, being the Executive Director of the Company, SIS Options to subscribe for the Company’s Shares under the SIS, provided that not more than 10% of the total number of SIS Options shall be allocated to him, as long as he either singly or collectively through persons connected to him holds 20% or more of the total number of issued shares of the Company (excluding treasury shares).

14. 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: 29 April 2022

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. Items 2, 3, 4, 5, 6 and 7 of the Agenda

The Nomination Committee (“NC”) have considered the performance and contribution of each of the retiring Directors and have also assessed the independence of the Independent Non-Executive Directors seeking for re-election.

Based on the results of the Board Evaluation conducted for the financial year ended 31 December 2021, the performance of each of the retiring Directors was found to be satisfactory. In addition, each of the retiring Directors had provided their annual declaration/confirmation on their fitness and propriety as well as independence, where applicable.

The Board endorsed the NC’s recommendation that the Directors who retire in accordance with Clauses 98 of the Constitution, namely, Datuk Justin Lim Hwa Tat, Dato’ Lim Tiong Siang, Chan Gee Wah, Muhammad Hiqmar Danial bin Hidzir, Sia Meng Chan and Leong Lup Yan are eligible to stand for re-election. These six (6) retiring Directors had abstained from deliberations and decisions on their own eligibility and suitability on their re-election at the relevant Board meetings. The profiles of these Directors are set out in the Company’s Annual Report for the financial year ended 31 December 2021.

The retiring Directors will abstain from voting on the resolution in respect of their re-election at the 19th AGM.

3. Item 10 of the Agenda

The Company had, during its Eighteenth Annual General Meeting held on 29 July 2021, 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 9 proposed under item 10 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 Securities had via their letter dated 23 December 2021 granted an extension to the temporary relief measures, amongst others, listed corporations are allowed to seek a higher general mandate under Rule 6.04 of the ACE Market 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:

- (i) procure shareholders' approval for the 20% General Mandate at a general meeting; and
- (ii) 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 2022 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 meets 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.

4. Items 11, 12 and 13 of the Agenda

The SIS was implemented on 13 May 2013 following the shareholders' approval obtained at the Extraordinary General Meeting of the Company held on 23 February 2013.

The proposed Ordinary Resolutions 9, 10 and 11 if passed, will provide flexibility to the Directors to grant the Non-Independent Non-Executive Director and Executive Directors of the Company, SIS Options to subscribe for new shares, subject to the By-Laws of the SIS. The Board is also authorised to allot and issue the corresponding number of new shares of the Company arising from the exercise of the SIS Options that may be granted to them under the SIS.

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NOTES:

1. *The 19th AGM of the Company will be conducted virtually from the broadcast venue at 10.3, 10th Floor, Menara Lien Hoe, No. 8 Persiaran Tropicana, 47410 Petaling Jaya, Selangor Darul Ehsan, Malaysia on Friday, 17 June 2022 at 11.00 a.m. or at any adjournment thereof. Shareholders of the Company are required to register for the 19th AGM not less than twenty four (24) hours before the time appointed for holding the meeting or any adjournment thereof. (Please follow the procedures as stipulated in the Administrative Guide).*
2. *A member of the Company who is entitled to attend, speak and vote at this 19th AGM may appoint a proxy to attend, speak and vote on his(her) behalf. A proxy may but need not be a member of the Company, and a member may appoint any person to be his(her) proxy without limitation.*
3. *Where a member appoints more than one (1) proxy to attend and vote at the same 19th AGM, the appointment shall be invalid unless he(she) specifies the proportion of his(her) holdings to be represented by each proxy.*
4. *Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depository) Act, 1991 ("SICDA"), he(she) may appoint one (1) proxy in respect of each security account it holds with ordinary shares of the Company standing to the credit of the said security account.*
5. *Where a member of the Company is an exempt authorised nominee holding ordinary shares 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.*
An exempt authorised nominee refers to an authorised nominee defined under the SICDA who is exempted from compliance with the provisions of subsection 25A(1) of SICDA.
6. *The instrument appointing a proxy shall be in writing by the appointer or an attorney duly authorised in writing or, if the appointer is a corporation, whether under its seal or by an officer or attorney duly authorised.*
7. *The instrument appointing either a proxy, a power of attorney or other authorities, where it is signed or certified by a notary as a true copy shall be deposited with the Poll Administrator's office, Aldpro Corporate Services Sdn. Bhd. at Level 5, Block B, Dataran PHB, Saujana Resorts, Section U2, 40150 Shah Alam, Selangor Darul Ehsan, Malaysia or email to admin@aldpro.com.my not less than forty eight (48) hours before the time appointed for holding the 19th AGM or at any adjournment thereof, and in default the instrument of proxy shall not be treated as valid.*
8. *The right of foreigners to vote in respect of deposited securities is subject to Sections 41(1)(e) and 41(2) of the Securities Industry (Central Depositories) Act, 1991; the Securities Industry (Central Depositories) (Foreign Ownership) Regulations 1996 and the Constitution of the Company.*
9. *In respect of deposited securities, only members whose names appear in the Record of Depositors on 10 June 2022 (General Meeting Record of Depositors) shall be eligible to attend, speak and vote at this 19th AGM.*
10. *Any alteration in the Proxy Form must be initialed.*
11. *Pursuant to Rule 8.31A(1) of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad, all the resolution set out in the Notice of 19th AGM will be put to the vote by poll.*

Personal data privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the 19th AGM and/ or any adjournment thereof, a member of the Company:

- (i) consents to the collection, use and disclose 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 19th AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the 19th AGM (including any adjournment thereof), and in order for the Company (or its agent) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**");
- (ii) warrants that the member has obtained the prior consent of such 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 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