



**PARLO BERHAD**

[Registration No. 199601013285 (385635-V)]  
(Incorporated in Malaysia)

## **NOTICE OF TWENTY-FIFTH ANNUAL GENERAL MEETING**

NOTICE IS HEREBY GIVEN THAT the Twenty-Fifth (“25<sup>th</sup>”) Annual General Meeting of **PARLO BERHAD** (“Parlo” or “the Company”) will be conducted on virtual basis through live streaming from the broadcast venue at Lot 4.1, 4<sup>th</sup> Floor, Menara Lien Hoe, No. 8, Persiaran Tropicana, Tropicana Golf & Country Resort, 47410 Petaling Jaya, Selangor Darul Ehsan (“Broadcast Venue”) on Friday, 2 December 2022 at 10:00 a.m. to transact the following businesses:-

### **A G E N D A**

#### **Ordinary Business**

1. To receive the Audited Financial Statements for the financial period ended 30 June 2022 together with the Reports of the Directors and Auditors thereon. **(Please refer to Note 3)**
2. To approve and ratify the payment of the Directors’ Fees paid to the Directors of the Company amounting to RM86,009 for the period from 1 January 2022 up to 30 June 2022. **(Resolution 1)**
3. To approve the payment of the Directors’ Fees payable to the Directors of the Company amounting to RM270,000 for the period from 1 July 2022 until the next 26<sup>th</sup> Annual General Meeting of the Company. **(Resolution 2)**
4. To approve the payment of the Directors’ Benefits payable to the Directors of the Company for the period from this 25<sup>th</sup> Annual General Meeting until the next 26<sup>th</sup> Annual General Meeting of the Company, which comprise solely of meeting allowance of RM500/- per meeting for each Directors of the Company. **(Resolution 3)**
5. To re-elect Mr Ti Lian Seng who retires pursuant to Clause 25.3 of the Company’s Constitution as Director of the Company. **(Resolution 4)**
6. To re-elect the following Directors who retire pursuant to Clause 25.2 of the Company’s Constitution as a Director of the Company:-
  - (i) Mr Leow Wey Seng **(Resolution 5)**
  - (ii) Datuk Chong Loong Men **(Resolution 6)**
  - (iii) Mr Ng Fun Kim **(Resolution 7)**
7. To note Mr Lim Ming Chang’s retirement in accordance with Clause 25.2 of the Company’s Constitution. **(Please refer to Note 7)**
8. To re-appoint Messrs UHY as Auditors of the Company and to authorise the Directors to fix their remuneration. **(Resolution 8)**

#### **Special Business**

To consider and if thought fit, to pass the following resolutions, with or without modifications as Ordinary Resolutions of the Company:-

9. **Authority to Issue and Allot Shares of the Company Pursuant to Sections 75 and 76 of the Companies Act 2016** (Resolution 9)

“THAT pursuant to Sections 75 and 76 of the Companies Act 2016, ACE Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”) (“Listing Requirements”) and the approval of the relevant regulatory authorities, where such approval is required, the Directors of the Company be and are hereby authorised to issue and allot shares in the capital of the Company, grant rights to subscribe for shares in the Company, convert any securities into shares in the Company, or allot shares under an agreement or option or offer (“New Shares”) from time to time, at such price, to such persons and for such purposes and upon such terms and conditions as the Directors may in their absolute discretion deem fit, provided that the aggregate number of such New Shares to be issued, to be subscribed under any rights granted, to be issued from conversion of any security, or to be issued and allotted under an agreement or option or offer, pursuant to this resolution, when aggregated with the total number of any such shares issued during the preceding 12 months does not exceed 10% of the total number of issued shares (excluding any treasury shares) of the Company for the time being (“Proposed General Mandate”).

THAT such approval on the Proposed General Mandate shall continue to be in force until:

- (a) the conclusion of the next Annual General Meeting of the Company held after the approval was given;
- (b) the expiration of the period within which the next Annual General Meeting of the Company is required to be held after the approval was given; or
- (c) revoked or varied by resolution passed by the shareholders of the Company in a general meeting,

whichever is the earlier.

THAT the Directors of the Company be and are hereby also empowered to obtain the approval from Bursa Securities for the listing of and quotation for such New Shares on the ACE Market of Bursa Securities.

THAT authority be and is hereby given to the Directors of the Company, to give effect to the Proposed General Mandate with full powers to assent to any conditions, modifications, variations and/or amendments as they may deem fit in the best interest of the Company and/or as may be imposed by the relevant authorities.

THAT the existing shareholders of the Company hereby waive their pre-emptive rights to be offered New Shares ranking equally to the existing issued shares in the Company pursuant to Section 85 of the Companies Act 2016 read together with Clause 7.6 of the Constitution of the Company arising from any issuance of new shares of the Company pursuant to Sections 75 and 76 of the Companies Act 2016.

AND FURTHER THAT the Directors of the Company, be and are hereby authorised to implement, finalise, complete and take all necessary steps and to do all acts (including execute such documents as may be required), deeds and things in relation to the Proposed General Mandate.

## NOTICE OF TWENTY-FIFTH ANNUAL GENERAL MEETING

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10. **Proposed Waiver of Statutory Pre-Emptive Rights of the Shareholders to New Shares to be Issued and Allotted under the Private Placement (“Proposed Waiver – Private Placement”)** (Resolution 10)

THAT further to the approval granted by the shareholders at the Extraordinary General Meeting of the Company held on 27 May 2022 for the issuance and allotment of new shares under the Private Placement, the existing shareholders of the Company hereby waive their statutory pre-emptive rights to be offered new shares ranking equally to the existing issued shares in the Company pursuant to Section 85 of the Companies Act 2016 read together with Clause 7.6 of the Constitution of the Company arising from the Private Placement.

THAT the Directors be hereby authorised to take all steps that are necessary and expedient in order to implement, finalise and give full effect to the said Proposed Waiver – Private Placement, for and on behalf of the Company.

11. **Proposed Waiver of Statutory Pre-Emptive Rights of the Shareholders to New Shares to be Issued and Allotted under the Special Issue (“Proposed Waiver – Special Issue”)** (Resolution 11)

THAT further to the approval granted by the shareholders at the Extraordinary General Meeting of the Company held on 27 May 2022 for the issuance and allotment of new shares under the Special Issue, the existing shareholders of the Company hereby waive their statutory pre-emptive rights to be offered new shares ranking equally to the existing issued shares in the Company pursuant to Section 85 of the Companies Act 2016 read together with Clause 7.6 of the Constitution of the Company arising from the Special Issue.

THAT the Directors be hereby authorised to take all steps that are necessary and expedient in order to implement, finalise and give full effect to the said Proposed Waiver – Special issue, for and on behalf of the Company.

12. **Proposed Waiver of Statutory Pre-Emptive Rights of the Shareholders to New Shares to be Issued and Allotted under the Employees’ Share Options Scheme (“Proposed Waiver – ESOS”)** (Resolution 12)

THAT further to the approval granted by the shareholders at the Extraordinary General Meeting of the Company held on 27 May 2022 for the issuance and allotment of new shares under the ESOS, the existing shareholders of the Company hereby waive their statutory pre-emptive rights to be offered new shares ranking equally to the existing issued shares in the Company pursuant to Section 85 of the Companies Act 2016 read together with Clause 7.6 of the Constitution of the Company arising from the ESOS.

THAT the Directors be hereby authorised to take all steps that are necessary and expedient in order to implement, finalise and give full effect to the said Proposed Waiver – ESOS, for and on behalf of the Company.

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13. **Proposed Waiver of Statutory Pre-Emptive Rights of the Shareholders to the Granting of ESOS Options to the Directors of Parlo (“Proposed Waiver – Granting of ESOS Options to the Directors”)**

THAT further to the approval granted by the shareholders at the Extraordinary General Meeting of the Company held on 27 May 2022 for the granting of ESOS Options to the Directors, the existing shareholders of the Company hereby waive their statutory pre-emptive rights to be offered new shares ranking equally to the existing issued shares in the Company pursuant to Section 85 of the Companies Act 2016 read together with Clause 7.6 of the Constitution of the Company arising from the granting of ESOS Options to the following Directors:

- |       |   |                        |
|-------|---|------------------------|
| (i)   | Ti Lian Seng, Executive Director/ Chief Executive Officer | <b>(Resolution 13)</b> |
| (ii)  | Datuk Chong Loong Men, Executive Director                 | <b>(Resolution 14)</b> |
| (iii) | Leow Wey Seng, Independent Non-Executive Director         | <b>(Resolution 15)</b> |
| (iv)  | MD Radzi Bin Din, Independent Non-Executive Director      | <b>(Resolution 16)</b> |

THAT the Directors be hereby authorised to take all steps that are necessary and expedient in order to implement, finalise and give full effect to the said Proposed Waiver – Granting of ESOS Options to the Directors, for and on behalf of the Company.

14. To consider any other business of which due notice shall be given in accordance with the Companies Act 2016.

BY ORDER OF THE BOARD  
**TAN KOK SIONG**  
**SSM PC NO. 202008001592 (LS0009932)**  
Company Secretary

Kuala Lumpur

Date: 28 October 2022

### NOTES:-

#### 1. IMPORTANT NOTICE

The Broadcast Venue is **strictly for the purpose of complying with Section 327(2) of the Companies Act 2016** which requires the Chairman of the Meeting to be present at the main venue of the meeting.

Shareholders/ proxies **WILL NOT BE ALLOWED** to attend this Annual General Meeting (“AGM”) in person at the Broadcast Venue on the day of the meeting. Shareholders who wish to participate remotely at the meeting will therefore have to register via the Remote Participation and Voting (“RPV”) facilities operated by Mlabs Research Sdn Bhd at <https://rebrand.ly/PARLO-AGM>.

**Please read these Notes carefully and follow the procedures in the Administrative Guide for the 25<sup>th</sup> AGM in order to participate remotely via RPV facilities.**

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### 2. APPOINTMENT OF PROXY

- (a) For the purpose of determining who shall be entitled to participate this AGM via RPV, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd to make available to the Company, a Record of Depositors as at 25 November 2022. Only a member whose name appears on this Record of Depositors shall be entitled to participate in this AGM via RPV.
- (b) A member entitled to participate in this AGM via RPV is entitled to appoint a proxy or attorney or in the case of a corporation, to appoint a duly authorised representative to participate and vote in his place. A proxy may but need not be a member of the Company.
- (c) A member of the Company who is entitled to participate and vote at a general meeting of the Company may appoint not more than two (2) proxies to participate and vote instead of the member at the AGM.
- (d) If two (2) proxies are appointed, the entitlement of those proxies to vote on a show of hands shall be in accordance with the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad.
- (e) Where a member of the Company is an authorised nominee as defined in the Securities Industry (Central Depositories) Act 1991 ("Central Depositories Act"), it may appoint not more than two (2) proxies in respect of each securities account it holds in ordinary shares of the Company standing to the credit of the said securities account.
- (f) Where a member of the Company is an 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. An exempt authorised nominee refers to an authorised nominee defined under the Central Depositories Act which is exempted from compliance with the provisions of Section 25A(1) of the Central Depositories Act.
- (g) Where a member appoints more than one (1) proxy, the proportion of shareholdings to be represented by each proxy must be specified in the instrument appointing the proxies.
- (h) The appointment of a proxy may be made in a hard copy form or by electronic means via email in the following manner and must be received by the Company not less than forty-eight (48) hours before the time appointed for holding the AGM or adjourned AGM at which the person named in the appointment proposes to vote:

- (i) In hard copy form

In the case of an appointment made in hard copy form, the proxy form must be deposited with the Company's Poll Administrator office at Aldpro Corporate Services Sdn Bhd of Level 5, Block B, Dataran PHB, Saujana Resort, Section U2, 40150 Shah Alam, Selangor Darul Ehsan, Malaysia.

- (ii) By electronic means via email

The proxy form can be electronically lodged with the Company's Poll Administrator via email at [admin@aldpro.com.my](mailto:admin@aldpro.com.my). The Company and Poll Administrator may request any member to deposit original executed proxy form to the Poll Administrator's office before or on the day of meeting for verification purpose.

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The certificate of appointment of authorised representative should be executed in the following manner:

- a. If the corporate member has a common seal, the certificate of appointment of authorised representative should be executed under seal in accordance with the Constitution of the corporate member.
- b. If the corporate member does not have a common seal, the certificate of appointment of authorised representative should be affixed with the rubber stamp of the corporate member (if any) and executed by:
  - (i) At least two (2) authorised officers, of whom one shall be a director; or
  - (ii) Any director and/or authorised officers in accordance with the laws of the country under which the corporate member is incorporated.
- (i) Any authority pursuant to which such an appointment is made by a power of attorney must be deposited with the Company's Poll Administrator office at Aldpro Corporate Services Sdn Bhd of Level 5, Block B, Dataran PHB, Saujana Resort, Section U2, 40150 Shah Alam, Selangor Darul Ehsan, Malaysia not less than forty-eight (48) hours before the time appointed for holding the AGM or adjourned AGM at which the person named in the appointment proposes to vote. The power of attorney may be accepted provided that it is certified notarially and/or in accordance with the applicable legal requirements in the relevant jurisdiction in which it is executed.
- (j) Please ensure ALL the particulars as required in the proxy form is completed, signed and dated accordingly.
- (k) Last date and time for lodging the proxy form is Wednesday, 30 November 2022 at 10:00 a.m.
- (l) For a corporate member who has appointed an authorised representative, please deposit the **ORIGINAL** certificate of appointment of authorised representative executed in the manner as stated in the proxy form with the Company's Poll Administrator office at Aldpro Corporate Services Sdn Bhd of Level 5, Block B, Dataran PHB, Saujana Resort, Section U2, 40150 Shah Alam, Selangor Darul Ehsan, Malaysia.

### **3. Audited Financial Statements for the financial period ended 30 June 2022**

The Audited Financial Statements in Agenda 1 is meant for discussion only as the approval of the shareholders is not required pursuant to the provisions of Sections 248(2) and 340(1)(a) of the Companies Act 2016. Hence, this Agenda is not put forward for voting by shareholders.

### **4. Resolution 1 – Ratification of the payment of the Directors' Fees**

The shareholders had on the Twenty-Fourth AGM ("24<sup>th</sup> AGM") held on 28 June 2021, approved the payment of Directors' fees payable to the Directors of the Company amounting to RM222,000 for the financial year ending 31 December 2021.

However, in view of the change of financial year end of the Company, i.e. from 31 December 2021 to 30 June 2022, the Company had paid the Directors' Fees for the period from 1 January 2022 to 30 June 2022 amounting to RM86,009 to the Directors of the Company. This resolution is to facilitate the advance payment of Directors' Fees of RM86,009 to the Directors of the Company for the period from 1 January 2022 to 30 June 2022.

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### **5. Resolutions 2 and 3 – Directors' Fees and Directors' Benefits**

Pursuant to Section 230(1) of the Companies Act 2016, the fees of the Directors and any benefits payable to the Directors shall be approved at a general meeting. The proposed Resolutions 2 and 3 for the Directors' Fees and Directors' Benefits are calculated based on the current Board size and number of scheduled Board and Board Committee meetings to be held from this 25<sup>th</sup> AGM until the date of the next 26<sup>th</sup> AGM. These resolutions are to facilitate payment of Directors' Fees and Directors' Benefits on a current financial year basis. In the event the proposed amount is insufficient, (e.g. due to more meetings or enlarged Board size), approval will be sought at the next AGM for the shortfall.

The proposed Resolution 2 is to approve the payment of the Directors' Fees payable to the Directors of the Company amounting to RM270,000 for the period from 1 July 2022 until the next 26<sup>th</sup> AGM of the Company.

The proposed Resolution 3 is to approve the payment of the Directors' Benefits payable to the Directors of the Company for the period from this 25<sup>th</sup> AGM until the next 26<sup>th</sup> AGM of the Company, which comprise solely of meeting allowance of RM500/- per meeting for each Directors of the Company.

### **6. Resolutions 4, 5, 6 and 7 – Re-election of Directors**

Mr Ti Lian Seng, Mr Leow Wey Seng, Datuk Chong Loong Men and Mr Ng Fun Kim are standing for re-election as Directors of the Company and being eligible, have offered themselves for re-election at the 25<sup>th</sup> AGM.

The Board had through the Nomination Committee carried out the assessment on the Directors and agreed that all Directors meet the criteria as prescribed by Rule 2.20A of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad on character, experience, integrity, competence and time to effectively discharge their role as Directors.

The Board had also through the Nomination Committee carried out assessment on the independence of Mr Leow Wey Seng and Mr Ng Fun Kim and is satisfied that they met the criteria of independence as prescribed in the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad.

### **7. Retirement of Mr Lim Ming Chang in accordance with Clause 25.2 of the Company's Constitution**

Mr Lim Ming Chang will be retiring in accordance with Clause 25.2 of the Company's Constitution and he had expressed his intention not to seek for re-election as a Director of the Company at the forthcoming 25<sup>th</sup> AGM. Hence, Mr Lim Ming Chang will retain office until the conclusion of the forthcoming 25<sup>th</sup> AGM and retires in accordance with Clause 25.2 of the Company's Constitution. The Board would like to place on record its appreciation to Mr Lim Ming Chang for his support, commitment and invaluable contributions rendered to the Group during his tenure of appointment.

### **8. Resolution 8 – Re-appointment of Auditors**

The Board has through the Audit and Risk Management Committee assessed the suitability and independence of the External Auditors, Messrs UHY and considered the re-appointment of Messrs UHY as Auditors of the Company. The Board and Audit and Risk Management Committee collectively agreed and satisfied that Messrs UHY has the relevant criteria prescribed by Rule 15.21 of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad.



**9. Explanatory Notes on Special Business****(i) Resolution 9 – Authority to Issue and Allot Shares of the Company Pursuant to Sections 75 and 76 of the Companies Act 2016**

The proposed Resolution 9 is for the renewal of the general mandate obtained from the shareholders at the last AGM and empowering the Directors of the Company to issue and allot shares in the Company from time to time and to grant rights to subscribe for shares in the Company, convert any securities into shares in the Company, or allot shares under an agreement or option or offer, provided that the aggregate number of shares allotted 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 (“Proposed General Mandate”).

The authority for the Proposed General Mandate will, unless revoked or varied by the Company in a general meeting, expire at the conclusion of the next AGM or the expiration of the period within which the next AGM is required by law to be held, whichever is earlier.

The Proposed 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 Proposed 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 project(s), working capital, repayment of bank borrowings, operational expenditure and acquisition(s).

By approving the issuance and allotment of shares pursuant to Sections 75 and 76 of the Companies Act 2016 and the Constitution of the Company, the shareholders having agreed to irrevocably waive their statutory pre-emptive rights pursuant to Section 85 of the Companies Act 2016 read together with Clause 7.6 of the Constitution of the Company, which will result in a dilution to their shareholding percentage in the Company.

As at the date of this notice, the Company did not issue any shares pursuant to the General Mandate granted to the Directors at the 24<sup>th</sup> AGM as there were no investment(s), acquisition(s) or working capital that require the utilisation of the General Mandate.

**(ii) Resolution 10 – Proposed Waiver of Statutory Pre-Emptive Rights of the Shareholders to New Shares to be Issued and Allotted under the Private Placement**

The Company had vide its Extraordinary General Meeting (“EGM”) held on 27 May 2022 obtained approval from the shareholders of the Company for the issuance and allotment of new shares under the Private Placement of up to 131,049,900 new ordinary shares in the Company, representing approximately 30% of the total number of issued shares of Parlo to independent third-party investor(s), who qualify under Schedule 6 and Schedule 7 of the Capital Markets and Services Act, 2007 to be identified later, in one or more tranches at an issue price for each tranche to be determined at a later date by the Board.

Accordingly, the Company wishes to seek approval from the shareholders to irrevocably waive their statutory pre-emptive rights to be offered new shares ranking equally to the existing issued shares in the Company pursuant to Section 85 of the Companies Act 2016 read together with Clause 7.6 of the Constitution of the Company arising from the Private Placement for the Directors to issue and allot shares to any person, whether a member or not, in such numbers or proportions as the Directors may determine.



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**(iii) Resolution 11 – Proposed Waiver of Statutory Pre-Emptive Rights of the Shareholders to New Shares to be Issued and Allotted under the Special Issue**

The Company had vide its EGM held on 27 May 2022 obtained approval from the shareholders of the Company for the issuance and allotment of new shares under the Special Issue of up to 34,186,600 new ordinary shares in the Company at an issue price to be determined later in the manner set out in the Circular dated 11 May 2022, payable in full upon application by the Bumiputera investors to be identified and/or recognised by the Ministry of International Trade and Industry.

Accordingly, the Company wishes to seek approval from the shareholders to irrevocably waive their statutory pre-emptive rights to be offered new shares ranking equally to the existing issued shares in the Company pursuant to Section 85 of the Companies Act 2016 read together with Clause 7.6 of the Constitution of the Company arising from the Special Issue for the Directors to issue and allot shares to any person, whether a member or not, in such numbers or proportions as the Directors may determine.

**(iv) Resolution 12 – Proposed Waiver of Statutory Pre-Emptive Rights of the Shareholders to New Shares to be Issued and Allotted under the Employees' Share Options Scheme ("ESOS")**

The Company had vide its EGM held on 27 May 2022 obtained approval from the shareholders of the Company for the issuance and allotment of new shares under the ESOS involving up to 30% of the total number of issued shares of the Company from time to time (excluding treasury shares, if any) for the benefit of eligible directors and eligible employees of the Group, excluding the subsidiaries which are dormant, and the Board be and is authorised to:-

- (a) establish, implement and administer the ESOS in accordance with the By-Laws governing the ESOS; and
- (b) do all such acts and things, to execute all such documents and to enter into all such transactions, arrangements and agreements, deeds or undertakings and to make such rules or regulations, or impose such terms and conditions or delegate its power as may be necessary or expedient in order to give full effect to the ESOS and terms of the By-Laws;

Accordingly, the Company wishes to seek approval from the shareholders to irrevocably waive their statutory pre-emptive rights to be offered new shares ranking equally to the existing issued shares in the Company pursuant to Section 85 of the Companies Act 2016 read together with Clause 7.6 of the Constitution of the Company arising from the ESOS for the Directors to issue shares to any person, whether a member or not, in such numbers or proportions as the Directors may determine.

**(v) Resolutions 13, 14, 15 and 16 – Proposed Waiver of Statutory Pre-Emptive Rights of the Shareholders to the Granting of ESOS Options to the Directors of Parlo**

The Company had vide its EGM held on 27 May 2022 obtained approval from the shareholders of the Company for the ESOS committee to be appointed by the Board to administer the ESOS, at any time, and from time to time, to offer and grant to the above-named Directors of the Company, options to subscribe for such number of new Parlo Shares under the ESOS, and to allot and issue such number of new Parlo Shares to him/her upon exercise of the ESOS Options.

Accordingly, the Company wishes to seek approval from the shareholders to irrevocably waive their statutory pre-emptive rights to be offered new shares ranking equally to the existing issued shares in the Company pursuant to Section 85 of the Companies Act 2016 read together with Clause 7.6 of the Constitution of the Company arising from the granting of ESOS Options to the Directors of Parlo for the Directors to issue and allot shares to any person, whether a member or not, in such numbers or proportions as the Directors may determine.