

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT an Extraordinary General Meeting (“EGM” or “Meeting”) of Parlo Berhad (“Parlo” or the “Company”) will be held on a fully virtual and entirely via remote participation and electronic voting via an online meeting platform at <https://rebrand.ly/ParloEGM> operated by Mlabs Research Sdn. Bhd. from the Broadcast Venue at Lot 10.3, 10th Floor, Menara Lien Hoe, No. 8, Persiaran Tropicana, Tropicana Golf & Country Resort, 47410 Petaling Jaya, Selangor Darul Ehsan on Friday, 27 May 2022 at 4.30 p.m. or at any adjournment thereof, for the purpose of considering and, if thought fit, passing the following ordinary resolutions with or without any modifications:-

ORDINARY RESOLUTION 1

PROPOSED DIVERSIFICATION OF THE PRINCIPAL ACTIVITIES OF PARLO AND ITS SUBSIDIARIES TO INCLUDE MEDICAL DEVICE CONSUMABLES AND HOUSEHOLD CARE PRODUCTS BUSINESS (“PROPOSED DIVERSIFICATION”)

“THAT subject to the necessary approvals of the relevant authorities and parties (if required) being obtained, approval be and is hereby given to the Board of Directors of the Company (“Board”) to implement the diversification of the principal activities of Parlo and its subsidiaries (the “Group”) to include distribution and trading of medical devices consumables and household care products;

AND THAT the Board be and is hereby empowered and authorised to do all acts, deeds and things and to execute, sign and deliver or caused to be delivered for and on behalf of the Company, all such documents as it may consider necessary and/ or expedient in the best interest of the Company in order to give full effect to the Proposed Diversification with full power to assent to any terms, conditions, modifications, variations and/ or amendments in any manner as the Board may deem necessary and/ or expedient in the best interest of the Company.”

ORDINARY RESOLUTION 2

PROPOSED PRIVATE PLACEMENT OF UP TO 131,049,900 NEW ORDINARY SHARES IN PARLO, REPRESENTING APPROXIMATELY 30% OF THE TOTAL NUMBER OF ISSUED SHARES OF PARLO (“PROPOSED PRIVATE PLACEMENT”)

“THAT subject to the approval of all the relevant authorities and parties (if required) being obtained, approval be and is hereby given to the Board to issue and allot up to 131,049,900 new ordinary shares in the Company (“Parlo Shares” or “Shares”) (“Placement Shares”) by way of private placement 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 (“Price-Fixing Date”) upon such terms and conditions as disclosed in the circular to the shareholders of the Company (“Shareholders”) (“Circular”).

THAT the issue price for each tranche of the Placement Shares will be determined based on a discount of not more than 20% to the 5-day volume-weighted average market price of Parlo Shares up to and including the Price-Fixing Date.

THAT the Board be and is hereby authorised to utilise the proceeds to be derived from the Proposed Private Placement for such purposes as set out in the Circular and the Board be and is hereby authorised with full power to vary the manner and/ or purpose of the utilisation of such proceeds from the Proposed Private Placement in the manner as the Board may deem fit, necessary and/ or expedient, subject (where required) to the approval of the relevant authorities and in the best interest of the Company.

THAT such Placement Shares shall, upon allotment, issuance and full payment of the issue price, rank equally in all respects with the then existing issued Shares, save and except that the holders of such Placement Shares shall not be entitled to any dividends, rights, allotments and/ or other distributions which may be declared, made or paid to the Shareholders, the entitlement date of which is prior to the date of allotment and issuance of the Placement Shares.

AND THAT the Board be and is hereby empowered and authorised to do all acts, deeds and things and to execute, sign, deliver and cause to be delivered on behalf of the Company all such documents and/ or arrangements as may be necessary to give effect and complete the Proposed Private Placement and to assent to any conditions, modifications, variations and/ or amendments in any manner as may be required by the relevant authorities or as the Directors may deem necessary in the interest of the Company and to take such steps as they may deem necessary or expedient in order to implement, finalise, give full effect and to complete the Proposed Private Placement.”

ORDINARY RESOLUTION 3

PROPOSED SPECIAL ISSUE OF UP TO 34,186,600 NEW PARLO SHARES TO BUMIPUTERA INVESTORS TO BE IDENTIFIED AND/ OR RECOGNISED BY THE MINISTRY OF INTERNATIONAL TRADE AND INDUSTRY (“PROPOSED SPECIAL ISSUE”)

“THAT subject to the approval of all the relevant authorities and parties (if required) being obtained, approval be and is hereby given to the Board to issue and allot up to 34,186,600 new ordinary shares in the Company (“Special Issue Shares”) at an issue price to be determined later in the manner set out in the Circular, payable in full upon application by the Bumiputera investors to be identified and/ or recognised by the Ministry of International Trade and Industry;

THAT the issue price for each tranche of the Special Issue Shares will be determined based on a discount of not more than 20% to the 5-day volume-weighted average market price of Parlo Shares up to and including the Price-Fixing Date.

THAT the Board be and is hereby authorised to utilise the proceeds to be derived from the Proposed Special Issue for such purposes as set out in the Circular and the Board be and is hereby authorised with full power to vary the manner and/ or purpose of the utilisation of such proceeds from the Proposed Special Issue in the manner as the Board may deem fit, necessary and/ or expedient, subject (where required) to the approval of the relevant authorities and in the best interest of the Company.

THAT such Special Issue Shares shall, upon allotment, issuance and full payment of the issue price, rank equally in all respects with the then existing issued Shares, save and except that the holders of such Special Issue Shares shall not be entitled to any dividends, rights, allotments and/ or other distributions which may be declared, made or paid to the Shareholders, the entitlement date of which is prior to the date of allotment and issuance of the Special Issue Shares.

AND THAT the Board be and is hereby empowered and authorised to do all acts, deeds and things and to execute, sign, deliver and cause to be delivered on behalf of the Company all such documents and/ or arrangements as may be necessary to give effect and complete the Proposed Special Issue and to assent to any conditions, modifications, variations and/ or amendments in any manner as may be required by the relevant authorities or as the Directors may deem necessary in the interest of the Company and to take such steps as they may deem necessary or expedient in order to implement, finalise, give full effect and to complete the Proposed Special Issue.”

ORDINARY RESOLUTION 4

PROPOSED FREE WARRANTS ISSUE OF UP TO 301,034,835 FREE WARRANTS (“WARRANT(S)”) ON THE BASIS OF 1 WARRANT FOR EVERY 2 EXISTING SHARES (“PROPOSED FREE WARRANTS ISSUE”)

“THAT subject to the approvals of all relevant authorities or parties being obtained, where required, the Board be and is hereby authorised to allot and issue up to 301,034,835 Warrants in registered form and constituted by a deed poll to be executed by the Company constituting the Warrants (“Deed Poll”), to the shareholders of the Company whose names appear in the Record of Depositors of the Company at the close of business at 5.00 p.m. on a day to be determined and announced later (“Warrants Entitled Shareholders”), on the basis of 1 Warrant for every 2 existing Shares held by the Warrants Entitled Shareholders;

THAT the Board be and is hereby authorised to fix the exercise price of the Warrants at a later date and that the Board be and is hereby authorised to allot and issue the new Parlo Shares arising from the exercise of the Warrants by the holders of the Warrants in accordance with the Deed Poll and such new Parlo Shares shall, upon allotment and issuance, carry the same rights with the then existing Parlo Shares. However, such new Shares will not be entitled to any dividends, rights, allotments and/ or any other distributions which may be declared, made or paid to the Company’s shareholders unless such new Shares were allotted and issued on or before the entitlement date of such rights, allotments and/ or other distributions. The holders of the Warrants will not be entitled to any voting rights or participation in any form of dividends, distributions and/ or offer of securities in Parlo until and unless such holders of the Warrants exercise their Warrants into new Parlo Shares;

THAT the Board be and is hereby authorised to deal with fractional entitlements (if any), including disregarding and/ or to be dealt with by the Board in such manner as the Board in its absolute discretion deems fit and expedient and in the best interest of the Company;

THAT the proceeds arising from the exercise of the Warrants, if any, be utilised for the purposes set out in the Circular in relation to, among others, the Proposed Free Warrants Issue, and the Board be authorised with full power to vary the manner and /or purpose of utilisation of such proceeds in such manner as the Board may deem fit, necessary and/ or expedient, subject to the approval of the relevant authorities, where required;

THAT approval be and is hereby given to the Board to allot and issue such appropriate number of Warrants in accordance with the provisions of the Deed Poll, including any additional Warrants as may be required or permitted to be issued as a consequence of any adjustments in accordance with the terms and conditions of the Deed Poll and to adjust from time to time the exercise price and/ or number of the Warrants to which the holder(s) of the Warrants are entitled to be issued as a consequence of the adjustments under the provisions of the Deed Poll and to issue and allot further new Shares as may be required or permitted to be issued pursuant to such adjustments and upon any exercise by the holders of such additional Warrants;

THAT the Board be and is hereby authorised to finalise, enter into, execute and deliver for and on behalf of the Company, the Deed Poll with full power to assent to any conditions, modifications, variations and/ or amendments as may be imposed or permitted by the relevant authorities or as may be deemed necessary by the Board, and to take all steps as the Board may deem fit or expedient in order to implement, finalise and give full effect to the Deed Poll (including, without limitation, the affixing of the Company’s common seal, where necessary);

AND THAT the Board be and is hereby authorised to take all such necessary steps to give effect to the Proposed Free Warrants Issue with full power to assent to any conditions, variations, modifications and/ or amendments in any manner as may be required or imposed by any relevant authorities and to deal with all matters relating thereto and to take all such steps and do all such acts and things in any manner as the Board may consider necessary or expedient to implement, finalise and give full effect to Proposed Free Warrants Issue.”

ORDINARY RESOLUTION 5

PROPOSED ESTABLISHMENT OF AN EMPLOYEES’ SHARE OPTIONS SCHEME INVOLVING UP TO 30% OF THE TOTAL NUMBER OF ISSUED SHARES, AT ANY POINT IN TIME DURING THE DURATION OF THE SCHEME, FOR ELIGIBLE DIRECTORS AND EMPLOYEES OF THE GROUP (EXCLUDING ITS DORMANT SUBSIDIARIES) (“PROPOSED ESOS”)

“THAT subject to the approval of all relevant authorities and parties being obtained (if required), including but not limited to the approval of Bursa Malaysia Securities Berhad (“Bursa Securities”) for the listing and quotation of the new ordinary shares in Parlo to be issued pursuant to the exercise of the ESOS options granted under the ESOS having been obtained, approval be and is hereby given for the Company to establish the ESOS involving up to 30% of the total number of issued Shares 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 hereby authorised to:

- establish, implement and administer the ESOS in accordance with the By-Laws governing the ESOS, a draft of which is set out in **Appendix III** of the Circular, and to give full effect to the ESOS with full powers to assent to any conditions, variations, modifications and/ or amendments as may be deemed fit or expedient and/ or imposed or required by the relevant authorities or as may be deemed fit or necessary by the Board at its discretion;
- make the necessary applications to Bursa Securities and do all the things necessary at the appropriate time or times for the listing and quotation of the new Shares which may from time to time be allotted and issued pursuant to the exercise of the ESOS options granted under the ESOS;
- allot and issue from time to time such number of new Shares as may be required to be issued pursuant to the exercise of the ESOS options granted under the ESOS provided that the aggregate number of new Shares to be allotted and issued under the ESOS shall not exceed in aggregate of 30% of the total number of issued Shares (excluding treasury shares, if any) at any time during the existence of the ESOS. The new Shares issued pursuant to the exercise of the ESOS options granted under the ESOS shall, upon allotment, issuance and full payment of the option price of the ESOS options, rank equally in all respects with the then existing issued Shares, save and except that the holders of such new Shares shall not be entitled to any dividends, rights, allotments and/ or other distributions which may be declared, made or paid to Shareholders, the entitlement date of which is prior to the date of allotment and issuance of such new Shares and will be subject to all the provisions of the Constitution of the Company relating to the transfer, transmission and otherwise of the Shares;
- modify and/ or amend the By-Laws from time to time as may be required or permitted by the authorities or deemed necessary by the authorities or the Board provided that such modifications and/ or amendments are effected in accordance with the provisions of the By-Laws relating to modifications and/ or amendments and to do all such acts and to enter into all such transactions, arrangements and agreements as may be necessary or expedient in order to give full effect to the ESOS;
- extend the duration of the ESOS, provided always that such extension of the ESOS made pursuant to the By-Laws shall not in aggregate exceed a duration of 10 years from the date on which the ESOS shall take effect following full compliance of all relevant requirements or such longer period as may be permitted by Bursa Securities or any other relevant authorities from time to time without having to obtain any further sanction, approval, consent or authorisation of the shareholders of the Company in a general meeting; and
- 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 Proposed ESOS and terms of the By-Laws;

THAT the By-Laws of the ESOS, a draft of which is set out in **Appendix III** of the Circular, be and is hereby approved and adopted;

AND THAT the Board be and is hereby authorised to give effect to the ESOS with full powers to consent to and to adopt and implement such conditions, modifications, variations and/ or amendments as may be required by the relevant regulatory authorities or as the Board may deem fit or necessary at its absolute discretion.”

ORDINARY RESOLUTIONS 6 TO 10

PROPOSED GRANTING OF ESOS OPTIONS TO THE DIRECTORS OF PARLO

ORDINARY RESOLUTION 6 – TI LIAN SENG ORDINARY RESOLUTION 7 – DATUK CHONG LOONG MEN ORDINARY RESOLUTION 8 – LIM MING CHANG ORDINARY RESOLUTION 9 – LEOW WEY SENG ORDINARY RESOLUTION 10 – MD RADZI BIN DIN

“THAT, subject to the passing of Ordinary Resolution 5 above and for so long as this approval remains in force, approval be and is hereby given to the ESOS committee to be appointed by the Board to administer the Proposed ESOS, at any time, and from time to time, to offer and grant to the above-mentioned Directors of the Company, options to subscribe for such number of new Parlo Shares under the Proposed ESOS, and to allot and issue such number of new Parlo Shares to him/her upon exercise of the ESOS Options, **PROVIDED THAT**:

- not more than ten percent (10%) of the total number of new Parlo Shares to be issued under the Proposed ESOS would be allocated to any one Director of the Company who, either singly or collectively through persons connected with him, holds twenty percent (20%) or more of the total number of issued shares of Parlo (excluding treasury shares, if any); and
- not more than 70% of the total number of new Parlo Shares to be issued under the Proposed ESOS shall be allocated, in aggregate, to Directors and senior management of Parlo Group.

AND subject always to such terms and conditions of the Proposed ESOS as may, from time to time, be modified, varied and/ or amended in accordance with the provisions of the By-Laws and ACE Market Listing Requirements of Bursa Securities, or any prevailing guidelines issued by Bursa Securities or any other relevant authorities, as amended from time to time.”

BY ORDER OF THE BOARD

TAN TONG LANG (MAICSA 7045482 / SSM PC NO. 202208000250)

THIEN LEE MEE (LS0009760 / SSM PC NO. 201908002254)

COMPANY SECRETARIES

Selangor Darul Ehsan

11 May 2022

Notes:

- A member who is entitled to attend and vote at the Meeting shall be entitled to appoint more than one (1) proxy to attend and vote at the Meeting in his/her stead. Where a member appoints more than one (1) proxy, he/she shall specify the proportion of his/her shareholdings to be represented by each proxy.
- A proxy may but need not be a member of the Company. A proxy appointed to attend and vote at the Meeting shall have the same rights as the member to speak at the Meeting.
- The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, either under the seal or under the hand of an officer or attorney duly authorised.
- Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, it may appoint one (1) proxy in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.
- Where a member of the Company is an exempt authorised nominee which holds 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. The appointment of multiple proxies shall not be valid unless the proportion of its shareholdings represented by each proxy is specified.
- For the purpose of determining a member who shall be entitled to attend the Meeting, the Company will be requesting Bursa Malaysia Depository Sdn Bhd in accordance with Clause 21.8 of the Company’s Constitution to issue the General Meeting Record of Depositors as at 19 May 2022. Only members whose names appear in the General Meeting Record of Depositors as at 19 May 2022 shall be regarded as members and entitled to attend, speak and vote at the Meeting.
- The instrument appointing a proxy must be deposited at Share Registrar’s office at Level 5, Block B, Dataran PHB, Saujana Resort, Section U2, 40150 Shah Alam, Selangor Darul Ehsan or email to admin@aldpro.com.my no less than 48 hours before the time for holding the Meeting or adjourned meeting at which the person named in the instrument proposes to vote.
- The resolutions as set out in the Notice of the Meeting will be put to vote by poll.
- The EGM will be conducted on a fully virtual basis and entirely via remote participation and voting via online meeting platform at <https://rebrand.ly/Parlo-EGM> operated by Mlabs Research Sdn. Bhd., members are advised to refer to the Administrative Notes on the registration and voting process for the EGM.
- 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 at the main venue of the meeting. Shareholders/ proxies **WILL NOT BE ALLOWED** to present physically at the Broadcast Venue on the day of the meeting. Shareholders who wish to participate the meeting will therefore have to register via the Remote Participation and Voting facilities (“**RPV**”) operated by Mlabs Research Sdn Bhd.
- In view of the constant evolving COVID-19 situation in Malaysia, we may be required to change the arrangements of our EGM at short notice. Kindly check Bursa Malaysia Securities Berhad’s website and the Company’s website at <http://www.parlogroup.com/investor-relationships.html> for the latest updates on the status of the EGM.