

NOTICE OF THIRTEENTH ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Thirteenth (“13th”) Annual General Meeting (“AGM”) of **GABUNGAN AQRS BERHAD** (“Company”) to be held virtually via live streaming and online remote voting at the broadcast venue at The Function Room, G-58-3, Block G, Jalan Teknologi 3/9, Bistari ‘De’ Kota, Kota Damansara, PJU 5, 47810 Petaling Jaya, Selangor Darul Ehsan, Malaysia on Friday, 16 June 2023 at 3.00 p.m. for the following purposes:-

AGENDA

- | 1. To receive the Audited Financial Statements of the Company for the financial year ended 31 December 2022 together with the Reports of the Directors and Auditors thereon. | [Please refer to Explanatory Note (1)] | | | | | | | | | | | | | | | | | | |
|--|---|------------------------------|--|---|---------|------------------------------|--------------------------------|---------|------------------------------|--|--------|------------------------------|-----------------------------------|--------|------------------------------|------------------------------|--------|------------------------------|--|
| 2. To re-elect Dato’ Sri Azizan bin Jaafar who retires by rotation in accordance with Clause 119 of the Company’s Constitution and being eligible, has offered himself for re-election. <i>Please refer to the Explanatory Note (2)</i> | Ordinary Resolution 1 | | | | | | | | | | | | | | | | | | |
| 3. To re-elect Y.M. Tunku Alizan bin Raja Muhammad Alias who retires by rotation in accordance with Clause 119 of the Company’s Constitution and being eligible, has offered himself for re-election. <i>Please refer to the Explanatory Note (2)</i> | Ordinary Resolution 2 | | | | | | | | | | | | | | | | | | |
| 4. To approve the payment of Directors’ fees, payable on a monthly basis to the following Directors starting from 17 June 2023 and until the date of the next annual general meeting to be held in year 2024:- | | | | | | | | | | | | | | | | | | | |
| <table border="0"> <thead> <tr> <th>Directors</th> <th>Amount (RM)</th> <th></th> </tr> </thead> <tbody> <tr> <td>(i) Y.M. Tunku Alizan bin Raja Muhammad Alias</td> <td>216,000</td> <td>Ordinary Resolution 3</td> </tr> <tr> <td>(ii) Dato’ Kamisah binti Johan</td> <td>144,000</td> <td>Ordinary Resolution 4</td> </tr> <tr> <td>(iii) Dato’ Muraly Daran A/L M. Narayana Menon</td> <td>90,000</td> <td>Ordinary Resolution 5</td> </tr> <tr> <td>(iv) Datuk Ir. Mohd Dom bin Ahmad</td> <td>90,000</td> <td>Ordinary Resolution 6</td> </tr> <tr> <td>(v) Puan Masleena binti Zaid</td> <td>90,000</td> <td>Ordinary Resolution 7</td> </tr> </tbody> </table> <i>Please refer to the Explanatory Note (3)(i)</i> | Directors | Amount (RM) | | (i) Y.M. Tunku Alizan bin Raja Muhammad Alias | 216,000 | Ordinary Resolution 3 | (ii) Dato’ Kamisah binti Johan | 144,000 | Ordinary Resolution 4 | (iii) Dato’ Muraly Daran A/L M. Narayana Menon | 90,000 | Ordinary Resolution 5 | (iv) Datuk Ir. Mohd Dom bin Ahmad | 90,000 | Ordinary Resolution 6 | (v) Puan Masleena binti Zaid | 90,000 | Ordinary Resolution 7 | |
| Directors | Amount (RM) | | | | | | | | | | | | | | | | | | |
| (i) Y.M. Tunku Alizan bin Raja Muhammad Alias | 216,000 | Ordinary Resolution 3 | | | | | | | | | | | | | | | | | |
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| (iv) Datuk Ir. Mohd Dom bin Ahmad | 90,000 | Ordinary Resolution 6 | | | | | | | | | | | | | | | | | |
| (v) Puan Masleena binti Zaid | 90,000 | Ordinary Resolution 7 | | | | | | | | | | | | | | | | | |
| 5. To approve the payment of Directors’ benefits (excluding Directors’ fees) up to an amount of RM62,500 from 17 June 2023 until the next Annual General Meeting of the Company in year 2024. <i>Please refer to the Explanatory Note (3)(iii)</i> | Ordinary Resolution 8 | | | | | | | | | | | | | | | | | | |
| 6. To re-appoint Messrs. Mazars PLT as Auditors of the Company and to hold office until the conclusion of the next Annual General Meeting of the Company and to authorise the Board of Directors to fix their remuneration. <i>Please refer to the Explanatory Note (4)</i> | Ordinary Resolution 9 | | | | | | | | | | | | | | | | | | |

Special Business

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

7. Ordinary Resolution**Authority to Issue and Allot Shares pursuant to the Companies Act 2016 and Waiver of Pre-Emptive Rights****Ordinary Resolution 10**

"THAT, subject always to the Companies Act 2016, the Constitution of the Company and the approvals of the relevant governmental/regulatory authorities, if applicable, the Directors be and are hereby empowered, pursuant to the Companies Act 2016, to issue and allot shares in the Company from time to time at such price and upon such terms and conditions and for such purposes and to such person or persons as the Directors may in their absolute discretion deem fit provided that the aggregate number of shares issued pursuant to this Resolution does not exceed 10 percent (10%) of the total number of issued shares of the Company for the time being, **AND THAT** pursuant to Section 85 of the Act to be read together with Clause 17 of the Constitution of the Company, approval be and is hereby given to waive the statutory pre-emptive rights of the shareholders of the Company to be offered new shares of the Company ranking equally to the existing issued shares arising from any issuance of new shares in the Company pursuant to Sections 75 and 76 of the Act, **AND THAT** the Directors be and are also empowered to obtain the approval for the listing of and quotation for the additional shares so issued on Bursa Malaysia Securities Berhad, **AND FURTHER THAT** such authority shall commence immediately upon the passing of this Resolution and continue to be in force until the conclusion of the next Annual General Meeting of the Company."

8. Ordinary Resolution**Proposed Renewal of Authority for Share Buy-Back****Ordinary Resolution 11**

"THAT, subject to Section 127 of the Companies Act 2016 ("**Act**"), the provisions of the Constitution of the Company, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("**Bursa Securities**") and all other applicable laws, rules and regulations and guidelines for the time being in force and the approvals of all relevant governmental and/or regulatory authority, approval be and is hereby given to the Company, to purchase such number of ordinary shares in the Company as may be determined by the Directors of the Company from time to time through Bursa Securities as the Directors may deem and expedient in the interest of the Company, provided that:-

- (i) the aggregate number of ordinary shares to be purchased and/or held by the Company pursuant to this resolution shall not exceed ten percent (10%) of the total number of issued shares of the Company as quoted on Bursa Securities as at the point of purchase; and
- (ii) the maximum funds to be allocated by the Company for the purpose of purchasing its own shares shall not exceed the aggregate of the retained profits of the Company based on the latest audited financial statements and/or the latest unaudited financial statements of the Company (where applicable) available at the time of the purchase(s).

THAT upon completion of the purchase by the Company of its own shares, the Directors of the Company be authorised to deal with the shares purchased in their absolute discretion in the following manner:-

- (i) cancel all or part of the shares so purchased; and/or
- (ii) retain all the shares so purchased as treasury shares; and/or

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(CONT'D)

- (iii) retain part of the shares so purchased as treasury shares and cancel the remainder; and/or
- (iv) distribute the treasury shares as share dividends to the shareholders of the Company; and/or
- (v) resell the treasury shares on the market of Bursa Securities in accordance with the relevant rules of Bursa Securities; and/or
- (vi) transfer the treasury shares as purchase consideration; or

in any other manner as prescribed by the Act, rules, regulations and orders made pursuant to the Act and the requirements of Bursa Securities and any other relevant authority for the time being in force.

THAT such authority conferred by this resolution shall commence upon the passing of this resolution and shall continue to be in force until:-

- (i) the conclusion of the next Annual General Meeting ("**AGM**") of the Company following this AGM at which such resolution was passed, at which time it will lapse, unless by an ordinary resolution passed at that meeting, the authority is renewed, either unconditionally or subject to conditions; or
- (ii) the expiration of the period within which the next AGM of the Company after that date is required by law to be held; or
- (iii) revoked or varied by an ordinary resolution passed by the shareholders of the Company in a general meeting;

whichever occurs first;-

AND THAT the Board be and is hereby authorised to do all such acts, deeds and things as they may consider expedient or necessary in the best interest of the Company to give full effect to the Proposed Renewal of Authority for Share Buy-Back with full powers to assent to any conditions, modifications, variations and/or amendments as may be imposed by the relevant authorities and to take all such steps, and do all such acts and things as the Board may deem fit and expedient in the best interest of the Company."

9. To transact any other ordinary business for which due notice has been given.

BY ORDER OF THE BOARD

OOI LI ANN (SSM PC No.: 201908003060) (MAICSA 7065065)
CHUA SIEW CHUAN (SSM PC No.: 201908002648) (MAICSA 0777689)
TAN LEY THENG (SSM PC No.: 201908001685) (MAICSA 7030358)
Joint Company Secretaries

Selangor Darul Ehsan
28 April 2023

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NOTES:-

- (1) The 13th AGM will be conducted on a virtual basis by way of live streaming and online remote voting via Remote Participation and Voting ("**RPV**") facilities to be provided by SS E Solutions Sdn Bhd via Securities Services e-Portal's platform at <https://sshsb.net.my/>. Please read carefully and follow the procedures provided in the Administrative Guide in order to register, participate and vote remotely via the RPV facilities.
- (2) The Broadcast Venue, which is the main venue of the 13th AGM, is strictly for the purpose of complying with Section 327(2) of the Companies Act 2016 and Clause 81 of the Company's Constitution, which require the Chairman to be present at the main venue of the 13th AGM. Members, proxies and/or corporate representatives will not be allowed to be physically present at the Broadcast Venue on the day of the 13th AGM.

With the RPV facilities, the members, proxies and/or corporate representatives are strongly encouraged to exercise their rights to participate (including to pose questions to the Chairman, Board of Directors or Management) and vote at the 13th AGM.

As guided by the Securities Commission Malaysia's Guidance Note and Frequently Asked Questions on the Conduct of General Meetings for Listed Issuers, the right to speak is not limited to verbal communication only but includes other modes of expression. Therefore, all members, proxies and/or corporate representatives shall communicate with the main venue of the 13th AGM via real time submission of typed texts through a text box within Securities Services e-Portal's platform during the live streaming of the 13th AGM as the primary mode of communication. In the event of any technical glitch in this primary mode of communication, members, proxies and/or corporate representatives may email their questions to eservices@sshsb.com.my during the 13th AGM. The questions and/or remarks submitted by the members, proxies and/or corporate representatives will be responded via broadcast by the Chairman, Board of Directors and/or Management during the Meeting.

- (3) In respect of deposited securities, only members whose names appear in the Record of Depositors as of 9 June 2023 shall be eligible to attend the Meeting or appoint proxies to attend and/or vote in his/her stead.
- (4) The instrument appointing a proxy shall be in writing under the hand of the appointer or his attorney duly authorised in writing. In the event the appointer is a corporation, the instrument appointing a proxy must be either under the appointer's Common Seal or under the hand of its officer or attorney duly authorised.
- (5) A member of the Company entitled to attend and vote at the Meeting, may appoint more than one (1) proxy to attend and vote in his stead. When a member appoints more than one (1) proxy to attend and vote at the same meeting, such appointment shall be invalid unless the proportion of the shareholdings to be represented by each proxy must be specified in the instrument appointing the proxies. There shall be no restriction as to the qualification of the proxy. A proxy appointed to attend and vote at the Meeting of the Company shall have the same rights as the member to speak at the Meeting.
- (6) Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories) Act, 1991 ("**SICDA**"), it may appoint at least 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.
- (7) 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") as defined under SICDA which is exempted from compliance with the provisions of subsection 25A(1) of SICDA, there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.

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- (8) The instrument appointing a proxy must be deposited at the Share Registrar's Office at Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur, Wilayah Persekutuan or submitted electronically via Securities Services e-Portal at <https://sshsb.net.my/> not later than forty-eight (48) hours before the time set for holding the 13th AGM or any adjournment thereof.

The lodging of the Form of Proxy does not preclude a member from attending and voting remotely at the 13th AGM should he subsequently decides to do so, provided a notice of termination of proxy authority in writing is given to the Company and deposited to Share Registrar's Office at Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur, Wilayah Persekutuan not less than twenty-four (24) hours before the time stipulated for holding the 13th AGM or any adjournment thereof, and you register for RPV as guided in the Administrative Guide. Please contact the share registrar at 03-2084 9000 for further assistance.

EXPLANATORY NOTES:**1. Audited Financial Statements for the financial year ended 31 December 2022**

The Audited Financial Statements in Agenda 1 are meant for discussion purpose only, as the approval of the shareholders is not required pursuant to the provision of Section 340(1)(a) of the Companies Act 2016. Hence, this agenda is not put forward for voting by shareholders.

2. Re-election of Directors

Dato' Sri Azizan bin Jaafar and Y.M. Tunku Alizan bin Raja Muhammad Alias who retire in accordance with Clause 119 of the Company's Constitution (collectively referred to as "**Retiring Directors**"), and being eligible, have offered themselves for re-election.

For the purpose of determining the eligibility of the Directors to stand for re-election at this 13th AGM and in line with Practice 5.1 of the Malaysian Code on Corporate Governance 2021, the Nomination Committee ("**NC**") has reviewed and assessed the Retiring Directors through the annual assessment and evaluation of the Board.

The NC had recommended the re-election of Retiring Directors based on the following consideration:-

- (i) satisfactory performance and have met Board's expectation in discharging their duties and responsibilities;
- (ii) met the fit and proper criteria in discharging their roles as directors of the Company;
- (iii) level of independence demonstrated by the independent director; and
- (iv) their ability to act in the best interest of the Company in decision-making.

The Board endorsed the recommendation of the NC on the re-election of the Retiring Directors.

The profiles of the Retiring Directors are stated in the Annual Report 2022 of the Company.

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3. Payment of Directors' Fees and Benefits

Section 230(1) of the Companies Act 2016 requires that the fees of the directors and any benefits payable to the directors of a listed company and its subsidiaries shall be approved at a general meeting. The Executive Directors do not receive any fees as Directors, but they are remunerated with salary, benefits and other emoluments by virtue of their contract of service or employment which do not require approval by the shareholders.

(i) Payment of Directors' Fees

The proposed Directors' Fees payable to the Non-Executive Directors ("NEDs") for the period from 17 June 2023 until the next AGM of the Company to be held in year 2024, are shown below:-

| Description | Per Month Basis (RM) |
|---|-----------------------------|
| Chairman of the Board | 12,000 |
| Non-Independent Non-Executive Director | 8,000 |
| Independent Non-Executive Director (per person) | 5,000 |

In anticipation of the change in the Company's financial year end from June to December wherein the next AGM shall be held within six (6) months from the year end 31 December pursuant to Section 340 of the Act, it is proposed that the payment of Directors' fees to cover a period of 18 months from July 2023 to December 2024.

This is to facilitate payment of Directors' fees on the current financial year basis and to be payable on a monthly basis in arrears after each month of completed service of the Directors.

If the Directors' proposed fees are insufficient due to the enlarged Board size, approval will be sought at the following AGM in year 2024 for additional fees to meet the shortfall.

(ii) Payment of Directors' benefits (excluding Directors' fees) from 17 June 2023 until the next AGM of the Company to be held in year 2024

The estimated amount of Directors' benefits of RM62,500 payable to the NEDs comprises the following:

| Board Committee | Chairman (RM) | Member (RM) |
|--|--------------------------|------------------------|
| Audit Committee | 1,500 | 1,000 |
| Risk Management and Sustainability Committee | 1,500 | 1,000 |
| Nomination Committee | 1,000 | 1,000 |
| Remuneration Committee | 1,000 | 1,000 |
| TOTAL | | 62,500 |

The amount is calculated based on the number of scheduled Board Committees' meetings, including a provisional sum as a contingency should there be new appointment of Non-Executive Director and additional Board Committees' meetings to be held from 17 June 2023 until the holding of the next AGM scheduled in December 2024,

4. Re-Appointment of Auditors

The Board has at its meeting held on 22 February 2023 approved the recommendation by the Audit Committee on the re-appointment of Messrs. Mazars PLT as Auditors of the Company, having considered several factors including the adequacy of experience and resources of the firm and the professional staff assigned to the audit. The shareholders' approval is sought under **Ordinary Resolution 9.**

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5. Explanatory Notes on Special Business

Ordinary Resolution 10 - Authority to issue and allot shares pursuant to the Companies Act 2016

This is the renewal of the mandate obtained from the members at the last Annual General Meeting held on 16 June 2022 ("**the Previous Mandate**"). The Previous Mandate was not utilised and accordingly, no proceeds were raised.

The proposed resolution, if passed, will provide flexibility to the Directors to undertake fund raising activities, including but not limited to placement of shares for the funding of the Company's future investments projects, working capital and/or acquisitions, by the issuance of shares in the Company to such persons at any time, as the Directors may deem fit, without having to convene a general meeting. This authority, unless revoked or varied by the Company in a general meeting, will expire at the conclusion of the next Annual General Meeting of the Company.

Pursuant to Section 85(1) of the Companies Act 2016 be read together with Clause 17 of the Company's Constitution, shareholders have pre-emptive rights to be offered any new shares in the Company which rank equally to the existing issued shares in the Company or other convertible securities. Thus, a waiver is required.

The following are excerpted from the Companies Act 2016 and the Company's Constitution:

Section 85(1) of the Companies Act 2016 - Pre-Emptive Rights to New Shares

Subject to the constitution, where a company issues shares which rank equally to existing shares as to voting or distribution rights, those shares shall first be offered to the holders of existing shares in a manner which would, if the offer were accepted, maintain the relative voting and distribution rights of those shareholders.

Clause 17 of the Company's Constitution - Pre-emption

Subject to any direction to the contrary that may be given by the Company in general meeting and subject always to this Constitution and the Act, all new shares or other Securities shall, before issue, be offered to Members who at the date of the offer are entitled to receive notices from the Company of general meetings in proportion as nearly as the circumstances admit, to the amount of the existing shares or Securities to which they are entitled. The offer shall be made by notice specifying the number of shares or Securities offered, and limiting a time within which the offer, if not accepted, will be deemed to be declined, and, after the expiry of that time, or on the receipt of an intimation from the person to whom the offer is made that he declines to accept the shares or Securities offered, the Directors may dispose of those shares or Securities in such manner as they think most beneficial to the Company. The Directors may likewise also dispose of any new shares or Securities which (by reason of the ratio which the new shares or Securities bear to shares or Securities held by persons entitled to an offer of new shares or Securities) cannot, in the opinion of the Directors, be conveniently offered under this Constitution.

Ordinary Resolution 11 - Proposed Renewal of Authority for Share Buy-Back

The **Ordinary Resolution 11**, if passed, will renew the authority given to the Company to purchase its own shares of up to ten per centum (10%) of the total number of issued shares of the Company at any time within the time period stipulated in the Main Market Listing Requirements of Bursa Securities. This authority will, unless revoked or varied at a general meeting, expire at the conclusion of the next AGM of the Company. The details of the proposal are set out in Section B of the Statement Accompanying Notice of AGM of this Annual Report.