



**NOTICE IS HEREBY GIVEN** that the 80<sup>th</sup> Annual General Meeting ("AGM") of Comfort Gloves Berhad ("CGB" or the "Company") will be conducted virtually for the purpose of considering and if thought fit, passing with or without modifications the resolutions set out in this notice:

Day and Date : Tuesday, 22 June 2021  
 Time : 10.00 a.m.  
 Broadcast Venue : Summit 3, 3<sup>rd</sup> Floor,  
 Wisma Westcourt  
 No 126 Jalan Klang Lama  
 58000 Kuala Lumpur, Malaysia  
 Virtual Meeting Platform : <https://web.vote2u.app>  
 Mode of Communication : (1) Typed text in the Meeting Platform  
 (2) Email questions to [investorsrelation@comfort-rubber.com.my](mailto:investorsrelation@comfort-rubber.com.my) prior to Meeting

### AGENDA

#### As ORDINARY BUSINESS:

- To receive the Audited Financial Statements for the financial year ended 31 January 2021 together with the Directors' and Auditors' Reports thereon. **(Please refer to Note 1)**
- To approve the increased payment of Directors' Fees of RM425,000 in respect of the financial year ended 31 January 2021. **(Ordinary Resolution 1)**
- To approve the increased payment of Directors' Benefits (excluding Directors' Fees) to Non-Executive Directors up to an amount of RM150,000 from 80<sup>th</sup> AGM until the next AGM of the Company. **(Ordinary Resolution 2)**
- To re-elect the following Directors and who were appointed during the year pursuant to Article 18.2 of the Company's Constitution. **(Ordinary Resolution 3)**
  - Khoo Chie Yuan **(Ordinary Resolution 4)**
  - Dato' Lau Eng Guang **(Ordinary Resolution 5)**
  - Lum Dick Son **(Ordinary Resolution 6)**
- To re-elect Lau Joo Pern who retire by rotation pursuant to Article 18.4(a) of the Company's Constitution. **(Ordinary Resolution 7)**
- To appoint Auditors and to authorise the Directors to fix their remuneration:
  - Messrs Baker Tilly Monteiro Heng PLT, the retiring Auditors have expressed that they do not wish to seek re-appointment at this 80<sup>th</sup> Annual General Meeting.
  - Special Notice pursuant to Sections 280(2)(b)(ii) and 322 of the Companies Act 2016, a copy of which is set out and marked "Annexure A", has been received by the Company to propose the following Ordinary Resolution:
 

"THAT Messrs KPMG PLT, be hereby appointed as Auditors of the Company in place of the outgoing Auditors, Messrs Baker Tilly Monteiro Heng PLT, to hold office until the conclusion of the next Annual General Meeting and that authority be hereby given to the Directors of the Company to determine their remuneration."

As SPECIAL BUSINESS, to consider and, if thought fit, pass the following Resolutions: -

- AUTHORITY TO ALLOT AND ISSUE SHARES IN GENERAL PURSUANT TO SECTION 76 OF THE COMPANIES ACT, 2016** **(Ordinary Resolution 8)**

"That, subject to the Companies Act, 2016 and the Company's Constitution and approvals from Bursa Malaysia Securities Berhad ("Bursa Securities"), Securities Commission and other relevant governmental or regulatory authorities, the Directors be and are hereby empowered pursuant to Section 76 of the Companies Act 2016 to issue and allot shares in the Company from time to time upon such terms and conditions and for such purposes as the Directors may in their discretion deem fit provided that the aggregate number of shares to be issued pursuant to this resolution does not exceed twenty percent (20%) of the total number of issued shares of the Company (excluding treasury shares) for the time being ("Proposed 20% General Mandate") and that such approval on Proposed 20% General Mandate shall continue in force until 31 December 2021 or a later date which may allow by the relevant authorities whichever is later;

THAT with effect from 1 January 2022 or a later date which may allow by the relevant authorities whichever is later, the general mandate shall be reinstated from a 20% General Mandate to 10% General Mandate provided that the aggregate number of shares to be issued pursuant to this resolution does not exceed 10% of the total number of the issued shares of the Company (excluding treasury shares) of the Company for the time being ("Proposed General Mandate");

AND THAT the Directors of the Company be and are hereby empowered to obtain the approval for the listing of and quotation for the additional shares so issued on Bursa Securities AND FURTHER THAT such authority shall continue to be in force until the conclusion of the Annual General Meeting of the Company held next after the approval was given or at the expiry of the period within which the next Annual General Meeting is required to be held after the approval was given, whichever is the earlier."

- PROPOSED RENEWAL OF SHARE BUY BACK AUTHORITY** **(Ordinary Resolution 9)**

"That, subject to the Companies Act 2016, the provisions of the Company's Constitution, the Main Market Listing Requirements ("Main LR") of Bursa Malaysia Securities Berhad ("Bursa Securities") and the approvals of all relevant governmental and/or regulatory authorities, the Company be and is hereby authorised, to the fullest extent permitted by law, to purchase such amount of ordinary shares in the Company as may be determined by the Directors of the Company from time to time through Bursa Securities upon such terms and conditions as the Directors may deem fit and expedient in the interests of the Company ("the Proposed Share Buy Back") provided that:

  - the aggregate number of ordinary shares which may be purchased and/or held by the Company as treasury shares does not exceed ten percent (10%) of the total number of issued shares of the Company as quoted on Bursa Securities as at any point in time of purchase;
  - the maximum funds to be allocated by the Company pursuant to the Proposed Share Buy Back shall not exceed the total retained earnings of the Company at the time of purchase; and
  - upon completion of the purchase by the Company its own ordinary shares, the Directors of the Company be and are hereby authorized to deal with the ordinary shares purchased in their absolute discretion in the following manners:
    - cancel all the ordinary shares so purchased; and/or
    - retain the ordinary shares so purchased as treasury shares; and/or
    - retain part thereof as treasury shares and cancel the remainder;
    - in any other manner as may be prescribed by applicable law and/or the regulations and guidelines applied from time to time by Bursa Securities and/or any other relevant authority for the time being in force;

That any authority conferred by this resolution may only continue to be in force until:

  - the conclusion of the next AGM of the Company following the general meeting at which such resolution was passed at which time it shall lapse unless by ordinary resolution passed at that meeting, the authority is renewed, either unconditionally or subject to conditions;
  - the expiration of the period within which the next AGM after that date is required by law to be held; or
  - revoked or varied by an ordinary resolution passed by the shareholders in general meeting,

whichever occurs first;

And that authority be and is hereby given unconditionally and generally to the Directors of the Company to take all such steps as are necessary or expedient (including without limitation, the opening and maintaining of central depository account(s) under the Securities Industry (Central Depositories) Act, 1991, and the entering into of all other agreements, arrangements and guarantee with any party or parties) to implement, finalise and give full effect to the aforesaid purchase with full powers to assent to any conditions, modifications, revaluations, variations and/or amendments (if any) as may be imposed by the relevant authorities and with the fullest power to do all such acts and things thereafter (including without limitation, the cancellation or retention as treasury shares of all or any part of the purchased shares) in accordance with the Companies Act 2016, the provisions of the Constitution of the Company and the Main LR and/or guidelines of Bursa Securities and all other relevant governmental and/or regulatory authorities."

- PROPOSED ALLOCATION OF AWARDS (AS DEFINED HEREIN) TO DATO' LAU ENG GUANG PURSUANT TO THE EMPLOYEES' SHARE SCHEME (ESS)** **(Ordinary Resolution 10)**

"That pursuant to the existing ESS as approved by the members of CGB at the Extraordinary General Meeting held on 18 May 2021, approval be and is hereby given to the ESS Committee from time to time throughout the duration of the Proposed ESS, to offer and grant to Dato' Lau Eng Guang, the Executive Chairman of CGB, CGB Shares ("Shares Grant") and/or options to subscribe for and/or acquire CGB Shares ("ESS Options") (collectively, the "Awards") of not more than 10% of the total Awards to be issued under the Proposed ESS, subject always to such terms and conditions and/or any adjustments which may be made in accordance with the provisions of the by-laws of the ESS ("By-Laws")."

- PROPOSED ALLOCATION OF AWARDS TO LAU JOO KIEN BRIAN PURSUANT TO THE ESS** **(Ordinary Resolution 11)**

"That pursuant to the existing ESS approved by the members of CGB at the Extraordinary General Meeting held on 18 May 2021, approval be and is hereby given to the ESS Committee from time to time throughout the duration of the Proposed ESS, to offer and grant to Lau Joo Kien Brian, a person connected to the Executive Chairman of CGB, Dato' Lau Eng Guang and the Group Chief Executive Director, Lau Joo Yong, Awards of not more than 10% of the total Awards to be issued under the Proposed ESS, subject always to such terms and conditions and/or any adjustments which may be made in accordance with the provisions of the By-Laws."

- PROPOSED AMENDMENTS TO THE CONSTITUTION OF THE COMPANY ("PROPOSED AMENDMENTS TO THE CONSTITUTION")** **(Special Resolution 1)**

"THAT, the proposed alteration or amendments to the Constitution of the Company, as annexed herewith as Appendix I in the Circular to Shareholders dated 24 May 2021, be and are hereby approved and adopted, with immediate effect AND THAT the Directors of the Company be and are hereby authorised to assent to any conditions, modification, variation and/or amendments as may be required by any relevant authorities, and to do all acts and things and take all such steps as may be considered necessary to give full effect to the foregoing."

- To transact any other business of which due notice shall have been given in accordance with the Companies Act 2016.

**FURTHER NOTICE IS HEREBY GIVEN THAT** only members whose names appear on the Record of Depositors as at 14 June 2021 shall be entitled to attend the AGM or appoint proxies in his/her stead or in the case of a corporation, a duly authorised representative to attend and to vote in his/her stead.

By Order of the Board  
**CHAN EOI LENG**  
 (SSM PC No. 202008003055)  
 (MAICSA 7030866)  
 Chartered Secretary  
 Ipoh, Perak Darul Ridzuan, Malaysia  
 24 May 2021

**Explanatory Notes:**

- Agenda 1 is meant for discussion only in accordance with Section 340 (1) (a) of the Companies Act 2016 and does not require shareholders' approval. Hence, Agenda 1 will not be put forward for voting.
- Ordinary Resolutions 1 and 2 – Directors' Fee and Directors' Benefits**

The Directors' Fee and Benefits payable to the Directors were revised in view of the increased in the profitability of the Group and also to commensurate with the Directors' responsibilities, commitment and contribution with reference to their statutory duties.

The Remuneration Committee, having reviewed and take into consideration of the benchmark of the peers industries and recommended the said Directors' Fee and Directors' Benefits to be revised as follows:

Directors' Fee	Current (RM' per year)	Proposed (RM' per year)
Chairman of the Board (Non-Executive Chairman)	50,000	150,000
Other Board Members (Executive)	25,000	-
Other Board Members (Non-Executive)	25,000	75,000
Chairman of the Audit Committee	12,000	25,000
Other Audit Committee Members	6,000	15,000
Chairman of Nominating Committee	6,000	15,000
Other Nominating Committee	3,000	10,000
Chairman of the Remuneration Committee	6,000	15,000
Other Remuneration Committee	3,000	10,000

Directors' Benefits to Non-Executive Directors	Current (RM' per year)	Proposed (RM' per year)
Directors' Meeting Allowance per meeting	750	1,500
Directors' Travelling Allowance per day	300	500

The Board has reviewed and accepted the Remuneration Committee's proposal as the Board opined that it was in the best interest of the Board.

- Ordinary Resolutions 3, 4, 5 and 6 – Re-election of Directors**

Khoo Chie Yuan, Dato' Lau Eng Guang, Lum Dick Son and Lau Joo Pern are standing for re-election as Directors of the Company and being eligible have offered themselves for re-election at this 80<sup>th</sup> AGM. The profile of the retiring Directors is set out in the Annual Report 2021.

- Ordinary Resolution 8 - Authority to Allot and Issue Shares in General Pursuant to Section 76 of the Companies Act 2016 ("Act")**

The Proposed Ordinary Resolution 8, if passed will empower the Directors of the Company, with the authority to issue and allot shares in the Company up to an amount not exceeding 20% of the total number of issued shares (excluding treasury shares) of the Company until 31 December 2021 or a later date as may be allowed by the relevant authorities. With effect from 1 January 2022 or a later date as may be allowed by the relevant authorities, the Proposed 20% General Mandate will be reinstated to a 10% limit ("Proposed General Mandate") according to Paragraph 6.03 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. The said authority shall continue in force until the conclusion of the next AGM of the Company or expiration of the period within which the next AGM is required by law to be held or revoked/varied by resolution passed by the shareholders in general meeting, whichever is the earlier.

At the 79<sup>th</sup> AGM held on 30 June 2020, the Directors of the Company has been granted a general mandate by the members of the Company to issue and allot shares in the Company up to and not exceeding 20% of the total number of issued shares of the Company ("20% General Mandate"). Up to the date of Notice, the Company did not issue any new shares pursuant to this mandate obtained and accordingly no proceeds were raised.

- Ordinary Resolution 8 - Authority to Allot and Issue Shares in General Pursuant to Section 76 of the Companies Act 2016 ("Act")** (Cont'd)

The Board of Directors of the Company, having considered the unprecedented uncertainty during this challenging time caused by Covid-19 pandemic and future financial needs of the Group is of the opinion that this 20% General Mandate is in the best interest of the Company and its shareholders. This General Mandate if passed will provide flexibility to the Company for any possible fund-raising activities quickly and efficiently, including but not limited to further placing of shares, for the purpose of funding future investment projects, working capital and/or acquisitions, or strategic opportunities involving equity deals, which may require the allotment and issuance of new shares. In addition, any delay arising from and cost involved in convening a General Meeting to approve such issuance of shares should be eliminated.

- Ordinary Resolution 9 - Proposed Renewal of Share Buy Back Authority**

The Ordinary Resolution proposed under item 8, if passed, will empower the Directors to purchase the Company's shares through Bursa Malaysia Securities Berhad up to 10% of the issued shares of the Company. Details of the Proposed Share Buy Back is set out in the Share Buy Back Statement of the Company, which is sent out together with the Company's 2021 Annual Report.

- Ordinary Resolution 10 and 11 - Proposed Allocation of Awards**

The Ordinary Resolutions 10 and 11 if passed, will enable the ESS Committee to offer and allocate Share Grants and/or ESS Options to Dato' Lau Eng Guang and Lau Joo Kien Brian pursuant to the Proposed ESS.

As for Ordinary Resolution 11, Lau Joo Kien Brian is a person connected to the Directors of the Company as he is the son of Dato' Lau Eng Guang and brother of Lau Joo Yong and also cousin to Lau Joo Pern, an Executive Director of CGB.

Dato' Lau Eng Guang and Lau Joo Kien Brian will be abstaining from voting in respect of their direct/indirect shareholdings in the Company on the Ordinary Resolutions pertaining to the Proposed Allocation of Awards to them. They will also ensure that the persons connected with them will abstain from voting of their direct/indirect shareholdings in the Company.

- Special Resolution 1 - Proposed Amendments to the Constitution of the Company ("Proposed Amendments to the Constitution")**

The proposed Special Resolution, if passed, will enhance administrative efficiency and provide greater clarity to the Constitution. The Proposed Amendments to the Constitution is set out under Appendix I of the Circular to Shareholders dated 24 May 2021.

**Notes:**

- Pursuant to Paragraph 8.29A of the Listing Requirements, voting at general meeting will be conducted by poll rather than show of hands. Poll Administrator and Independent Scrutineers will be appointed to conduct the polling process and verify the results of the poll respectively.
- A member (other than an exempt authorised nominee) entitled to attend and vote at the Meeting is entitled to appoint one (1) or two (2) proxies to attend and vote instead of him. A proxy must be 18 years and above and need not be a member of the Company.
- Where a member appoints two (2) proxies, the appointments shall be invalid unless he/she specifies the proportions of his/her holdings to be represented by each proxy.
- Where a member of the Company is an Exempt Authorised Nominee which holds ordinary shares in the Company in an 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 but the proportion of holdings to be represented by each proxy must be specified.
- The instrument appointing a proxy shall be in writing under the hand of the appointor or his/her attorney duly authorised in writing or if the appointor is a corporation, either under the corporation's seal or under the hand of an officer or attorney duly authorised. If under the hand of attorney/authorised officer, the Power of Attorney or Letter of Authorisation must be attached.
- The instrument appointing a proxy must be deposited at the office of the Share Registrar of our Company, Boardroom Share Registrars Sdn. Bhd. at 11th Floor, Menara Symphony, No. 5 Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor, Malaysia not less than 48 hours before the time appointed for holding the Meeting or adjourned Meeting either by hand, post, electronic mail to [bsr.helpdesk@boardroomlimited.com](mailto:bsr.helpdesk@boardroomlimited.com) or fax +603-7890 4670, otherwise the instrument of proxy should not be treated as valid.