



COMFORT GLOVES BERHAD

193701000006 (852-D)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 81st 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, 31 May 2022
Time : 10.00 a.m.
Broadcast Venue : Summit 1, 3rd Floor, Wisma Westcourt,
No.126, Jalan Klang Lama,
58000 Kuala Lumpur, Malaysia.
Virtual Meeting Platform : <https://meeting.boardroomlimited.my>
(Domain Registration No with MYN1C - D6A357657 provided by Boardroom Share Registrars Sdn.Bhd.Malaysia)
Mode of Communication : (1) Typed text in the Meeting Platform
(2) Email questions to investorsrelation@comfort-rubber.com.my prior to Meeting

AGENDA As ORDINARY BUSINESS:

- To receive the Audited Financial Statements for the financial period ended 31 December 2021 together with the Directors' and Auditors' Reports thereon.
- To approve the payment of Directors' Fees of RM320,833 in respect of the financial period ended 31 December 2021.
- To approve the payment of Directors' Benefits (excluding Directors' Fees) to Non-Executive Directors up to an amount of RM150,000 from 81st AGM until the next AGM of the Company.
- To re-elect the following Directors who retired by rotation pursuant to Article 18.4(a) of the Company's Constitution:
 - Lau Joo Yong
 - Ng Seik Wah
- To re-appoint KPMG PLT as Auditors of the Company for the financial year ending 31 December 2022 and to authorise the Directors to fix 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

"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 be in force until 31 December 2022 or a later date which may allow by the relevant authorities whichever is later; THAT with effect from 1 January 2023 or a later date which may allow by the relevant authorities whichever is later, the general mandate shall be reinstated from 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"); 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 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.

THAT the Directors are exempted from the obligation to offer such New Shares first to existing shareholders pursuant to Section 85 of the Companies Act 2016 in respect of the issuances of the New Shares pursuant to this mandate;

THAT the New Shares to be issued shall, upon allotment and issuance, rank equally in all respects with the existing shares of the Company, save and except that they shall not be entitled to any dividends, rights, allotments and/or any other forms of distribution that which may be declared, made or paid before the date of allotment of such New Shares."

PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY

"That, subject to the Companies Act 2016, the provisions of the Company's Constitution, the Main Market Listing Requirements 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 Market Listing Requirements and/or guidelines of Bursa Securities and all other relevant governmental and/or regulatory authorities."

8. 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 23 May 2022 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
29 April 2022

Explanatory Notes:

- Agenda 1 - To receive the Audited Financial Statements**
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 - Payment of Directors' Fee and Payment of Directors' Benefits**
Section 230 (1) of the Companies Act 2016 provides amongst others, that "fee" of the directors and "any benefits" payable to directors of a listed company and its subsidiaries shall be approved at a general meeting. Pursuant thereto, shareholders' approval is sought for these payments in two separate resolutions as follows:
Resolution 1: Payment of Directors' Fees
The Directors' fees include fees payable to the Chairman and members of the Board.
Resolution 2: Payment of Directors' Benefits
The Directors' benefits (excluding Directors' Fees) comprise the Meeting Allowances payable to the members of the Board and are calculated based on the current composition of the Board and Board Committees and the number of meetings scheduled for the Board and Board Committees.
Based on the Remuneration Committee's recommendation, the Board decided that the Directors' fees and Directors' Benefits in respect of the financial period ended 31 December 2021 shall remain unchanged.
- Ordinary Resolutions 3 and 4 - Re-election of Directors**
Lau Joo Yong and Ng Seik Wah are standing for re-election as Directors of the Company and being eligible have offered themselves for re-election at this 81st AGM.
The Board has via the Nomination Committee conducted an assessment on the effectiveness and contributions of the said retiring Directors including their skills, experience and strength in qualities and time commitment and has recommended for them to be re-elected to the Board.
The Board had also through the Nomination Committee carried out assessment on the independence of Ng Seik Wah and is satisfied that he met the criteria of independence as prescribed in the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.
- Ordinary Resolution 5 - Appointment of Auditors**
The Audit Committee ("AC") has on 8 April 2022 carried out an assessment of the suitability and independence of the External Auditors, KPMG PLT and was satisfied with the suitability of KPMG PLT based on the quality of audit, performance, competency, and sufficiency of resources the external audit team provided to the Group. The AC in its assessment also found KPMG PLT to be sufficiently objective and independent.
The Board therefore approved the AC's recommendation on the re-appointment of KPMG PLT as External Auditors of the Company for the financial year ending 31 December 2022 be put forward for the shareholders' approval at the 2022 AGM.
- Ordinary Resolution 6 - Authority to Allot and Issue Shares in General Pursuant to Section 76 of the Companies Act 2016**
The Proposed Ordinary Resolution 6, 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 2022 or a later date as may be allowed by the relevant authorities. With effect from 1 January 2023 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 Annual General Meeting held on 22 June 2021, 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. 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.
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 also 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 7 - Proposed Renewal of Share Buy-Back Authority**
The Ordinary Resolution 7 proposed, 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 Annual Report December 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 appointer or his/her attorney duly authorised in writing or if the appointer 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 or fax +603-7890 4670, otherwise the instrument of proxy should not be treated as valid.