



SCH GROUP BERHAD

Registration No. 201101044580 (972700-P)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Ninth (9th) Annual General Meeting ("AGM") of SCH Group Berhad ("SCH" or "the Company") will be conducted virtually through live streaming from the broadcast venue at Lot 35, Jalan CJ 1/1, Kawasan Perusahaan Cheras Jaya, 43200 Cheras, Selangor Darul Ehsan on Friday, 26 February 2021 at 2:00 p.m., for the purpose of transacting the following businesses:

1. To receive the Audited Financial Statements for the financial year ended 31 August 2020 together with the Reports of the Directors and Auditors thereon.
2. To re-elect the following Directors who are retiring pursuant to the Clause 103(1) of the Company's Constitution and being eligible, have offered themselves for re-election:
 - i. Gan Khong Aik
 - ii. Dato' Chan Choun Sien
3. To re-elect the following Directors who are retiring pursuant to Clause 110 of the Company's Constitution and being eligible, have offered themselves for re-election:
 - i. Ong Tzu Chuen
 - ii. Ang Sui Aik, Benny
4. To approve the Directors' fees amounting of up to RM200,000.00 for the period from 27 February 2021 until the conclusion of the 10th AGM of the Company.
5. To approve the payment of Directors' benefits of up to RM50,000.00 for the period from 27 February 2021 until the conclusion of the 10th AGM of the Company.
6. To re-appoint Messrs. Ecovis Malaysia PLT as Auditors of the Company for the ensuing year and to authorise the Directors to fix their remuneration.

SPECIAL BUSINESSES:

To consider and, if thought fit, to pass the following Resolution:

7. Authority to Issue Shares Pursuant to Sections 75 and 76 of the Companies Act 2016

"THAT subject to Sections 75 and 76 of the Companies Act 2016 and approvals of the relevant governmental/regulatory authorities, the Directors be and are hereby empowered to issue and allot shares in the Company, at any time to such persons and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion, deem fit, provided that the aggregate number of shares to be issued does not exceed ten per centum (10%) of the total issued share capital of the Company for the time being 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 THAT such authority shall commence immediately upon the passing of this Resolution and continue to be in force until the conclusion of the next AGM of the Company."

8. Proposed New and Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature

"THAT, subject to the provisions of the ACE Market Listing Requirements ("Listing Requirements") of Bursa Malaysia Securities Berhad ("Bursa Securities"), approval be and is hereby given for the Company and its subsidiary companies, to enter into recurrent related party transactions of a revenue or trading nature with the related parties as specified in Section 2.3 of the Circular to Shareholders dated 31 December 2020 ("Proposed Mandate") which are necessary for the day-to-day operations and/or in the ordinary course of business of the Company and its subsidiary companies on terms not more favourable to the related parties than those generally available to the public and are not detrimental to the minority shareholders of the Company and that such approval shall continue to be in force until:-

- (a) the conclusion of the next AGM of the Company following the AGM at which such ordinary resolution for the Proposed Mandate was passed, at which time it will lapse, unless by ordinary resolution passed at that general meeting, the authority is renewed;
- (b) the expiration of the period within which the next AGM after the date it is required to be held pursuant to Section 340(2) of the Companies Act 2016 (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Companies Act 2016); or
- (c) revoked or varied by ordinary resolution passed by the shareholders of the Company in a general meeting;

whichever is the earlier;

AND THAT the estimated aggregate value of the transactions conducted pursuant to the Proposed Mandate during a financial year will be disclosed, in accordance with the Listing Requirements, in the Annual Report of the Company for the said financial year;

AND FURTHER THAT authority be and is hereby given to the Directors of the Company and its subsidiary companies to complete and do all such acts and things (including executing such documents as may be required) to give effect to such transactions as authorised by this Ordinary Resolution."

Please refer to Explanatory Note 1

Ordinary Resolution 1
Ordinary Resolution 2

Ordinary Resolution 3
Ordinary Resolution 4
Ordinary Resolution 5

Ordinary Resolution 6

Ordinary Resolution 7

Ordinary Resolution 8

Ordinary Resolution 9

9. Proposed Change of Name of the Company from "SCH Group Berhad" to "Hextar Industries Berhad" ("Proposed Change of Name")

"THAT the name of the Company be hereby changed from "SCH Group Berhad" to "Hextar Industries Berhad" effective from the date of the Notice of Registration of New Name to be issued by the Companies Commission of Malaysia to the Company AND THAT the Constitution of the Company shall be amended to replace all references therein to "SCH Group Berhad" with "Hextar Industries Berhad" subject to and upon issuance of the relevant Certificate of Change of Name by the Companies Commission of Malaysia at a later date.

FURTHER THAT the Directors and/or the Secretary of the Company be hereby authorised to take all such necessary steps to give effect to the Proposed Change of Name and to carry out all the necessary formalities in effecting the Proposed Change of Name."

10. To transact any other business of the Company for which due notice shall have been given.

By order of the Board,

TAN TONG LANG (MAICSA 7045482 /SSM PC No. 201908002253)
VIMALRAJ A/L SHANNUGAM (MAICSA 7068140 /SSM PC No. 202008000925)
LEE KOK PING (MIA 44986 / SSM PC No. 202008004407)

Company Secretaries

Kuala Lumpur
31 December 2020

Notes

1. As part of the safety measures to curb the spread of the Coronavirus outbreak, the Company will conduct the 9th AGM entirely through live streaming and online remote voting via Remote Participation and Voting ("RPV") facilities. For further details and guidelines on RPV facilities, please refer to the Administrative Guide enclosed separately.
2. 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 9th AGM to be at the main venue of the meeting. No shareholders/proxies/corporate representatives from the public should be physically present at the Broadcast Venue on the day of 9th AGM.
3. A member/shareholder of the Company entitled to attend and vote at the 9th AGM is entitled to appoint one or more proxies to attend and vote in his stead. A proxy may, but need not, be a member of the Company. Where a member/shareholder appoints more than one proxy to attend and vote at the 9th AGM, such appointment shall be invalid unless he specifies the proportions of his shareholdings to be represented by each proxy.
4. A member who has appointed a proxy or attorney or authorized representative to attend, participate, speak and vote at this 9th AGM via RPV must request his/her proxy to register himself/herself for RPV at TIH Online at <https://tjh.online>. Please follow the Procedures for RPV in the Administrative Guide on this 9th AGM.
5. Where a member of the Company is an authorised nominee defined under the Securities Industry (Central Depositories) Act, 1991 ("SICDA"), it may appoint at least one (1) proxy but not more than two (2) proxies in respect of each Securities Account it holds with ordinary shares of the Company standing to the credit of the said securities account.
6. Where a member of the Company is an exempt authorised nominee defined under the SICDA which is exempted from compliance with the provision of subsection 25A(1) of SICDA 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.
7. The appointment of a proxy may be made in a hard copy form or by electronic means in the following manner and must be received by the Company not less than forty-eight (48) hours before the time appointed for holding this 9th AGM or adjourned general meeting 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 at the Share Registrar's office, Tricor Investor & Issuing House Services Sdn. Bhd., Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or alternatively, the Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia.
 - ii. By electronic form
The proxy form can be electronically lodged via TIH Online at <https://tjh.online> (applicable to individual shareholders only). Kindly refer to the Administrative Guide on the procedures for electronic lodgement of proxy form via TIH Online.
8. For a corporate member who has appointed a representative, please deposit the ORIGINAL certificate of appointment at the Share Registrar's office, Tricor Investor & Issuing House Services Sdn. Bhd., Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or alternatively, the Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia. The certificate of appointment should be executed in the following manner:-
 - i. If the corporate member has a common seal, the certificate of appointment should be executed under seal in accordance with the constitution of the corporate member.
 - ii. If the corporate member does not have a common seal, the certificate of appointment should be affixed with the rubber stamp of the corporate member (if any) and executed by:
 - a. at least two (2) authorized officers, of whom one shall be a director; or
 - b. any director and/or authorized officers in accordance with the laws of the country under which the corporate member is incorporated.
9. For the purpose of determining a member who shall be entitled to attend the Ninth (9th) AGM, the Company shall request the Record of Depositors as at 19 February 2021. Only members whose name appears on the Record of Depositors as at 19 February 2021 shall be entitled to attend, speak and vote at the said meeting or appoint proxies to attend, speak and vote and vote on his/her stead.

EXPLANATORY NOTES

1. **Item 1 of the Agenda - Audited Financial Statements for the financial year ended 31 August 2020**
This item of the Agenda is for discussion purposes only, as Section 340(1)(a) of the Companies Act 2016 does not require the shareholders to formally approve the Audited Financial Statements. Therefore, this item will not be put forward for voting.
2. **Ordinary Resolution 8 - Authority to Issue Shares Pursuant to Sections 75 and 76 of the Companies Act 2016**
The Ordinary Resolution 8, if passed, is a renewal of General Mandate to empower the Directors to issue and allot shares up to an amount not exceeding 10% of the issued share capital of the Company for the time being for such purposes as the Directors consider would be in the best interest of the Company. This authority, unless revoked or varied by the Company at a General Meeting, will expire at the next Annual General Meeting ("AGM").
The General Mandate will provide flexibility to the Company for any possible fund raising activities, including but not limited to further placing of shares, for the purpose of funding future investment project(s) workings capital and/or acquisitions at any time without convening a general meeting as it would be both costs and time consuming to organise a general meeting.
As at the date of this Notice, no new shares in the Company were issued pursuant to the general mandate granted to the Directors at the Eighth (8th) AGM held on 14 February 2020 and which will lapse at the conclusion of the Ninth (9th) AGM.
3. **Ordinary Resolution 9 - Proposed New and Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature ("Proposed Mandate")**
The Ordinary Resolution 9, if passed, will allow the Company and/or its subsidiaries to enter into recurrent related party transactions of a revenue or trading nature which are necessary for the day-to-day operations of the Company and/or its subsidiaries, subject to the transactions being carried out in the ordinary course of business of the Company and/or its subsidiaries and on normal commercial terms which are generally available to the public and not detrimental to the minority shareholders of the Company.
This authority, unless revoked or varied by the Company at a general meeting, will expire at the next AGM of the Company.
For further information on this resolution, please refer to the Circular to Shareholders dated 31 December 2020 which is despatched together with the Annual Report 2020.
4. **Special Resolution 1 - Proposed Change of Name**
The proposed Change of Name is to reflect a new corporate identity under our flagship and further enhance the marketability of our product. The proposed name "Hextar Industries Berhad" was approved and reserved by the Companies Commission of Malaysia ("CCM") on 12 October 2020 ("Validity Period"). Subsequently, the Validity Period, at the request of the Company, was extended by the CCM on 6 November 2020.
This Special Resolution 1, if passed, will allow the Company to change its name from "SCH Group Berhad" to "Hextar Industries Berhad", with effect from the date of the issuance of the Notice of Registration of New Name by the Companies Commission of Malaysia.

Special Resolution 1