

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Seventeenth Annual General Meeting of GUAN CHONG BERHAD (“GCB” or “the Company”) will be held at Columbus 2, Level 10, Trove Johor Bahru, Jalan Dato Abdullah Tahir, 80300 Johor Bahru, Johor on Monday, 24 May 2021 at 11.00 a.m. for the following purposes:

AGENDA

As Ordinary Business

- | | |
|---|------------------------------|
| 1. To receive the Audited Financial Statements for the financial year ended 31 December 2020 together with the Directors’ and Auditors’ Reports thereon. | |
| 2. To approve the payment of Directors’ fees and allowances up to RM850,000 for the financial year ending 31 December 2021 payable monthly in arrears after each month of completed service of the Directors during the subject financial year. | Ordinary Resolution 1 |
| 3. To declare a final single tier dividend of 1.0 sen per share in respect of the financial year ended 31 December 2020. | Ordinary Resolution 2 |
| 4. To re-elect the following Directors who retire in accordance with Regulation 91 of the Company’s Constitution: | |
| i) Tay How Sik @ Tay How Sick | Ordinary Resolution 3 |
| ii) Tan Ah Lai | Ordinary Resolution 4 |
| 5. To re-elect the following Directors who retire in accordance with Regulation 99 of the Company’s Constitution: | |
| i) Ang Nyee Nyee | Ordinary Resolution 5 |
| ii) Nurulhuda Binti Abd Kadir | Ordinary Resolution 6 |
| 6. To re-appoint Messrs BDO PLT as Auditors of the Company and to authorise the Directors to fix their remuneration. | Ordinary Resolution 7 |

As Special Business

To consider and if thought fit, to pass the following resolutions with or without any modifications as resolutions:

- | | |
|---|------------------------------|
| 7. Authority to Directors to allot and issue shares pursuant to Section 75 of the Companies Act 2016 | Ordinary Resolution 8 |
|---|------------------------------|

“THAT subject always to the Companies Act 2016 (“the Act”), the Constitution of the Company and the approvals of Bursa Malaysia Securities Berhad and other relevant governmental or regulatory bodies, where such approvals are necessary, the Directors be hereby empowered, pursuant to Section 75 of the Act, to issue shares in the Company from time to time and upon such terms and conditions and for such purposes as the Directors may deem fit provided that the aggregate number of shares issued pursuant to this resolution does not exceed ten percent (10%) of the issued share capital of the Company for the time being and that such authority shall continue in force until the conclusion of the next Annual General Meeting of the Company.”

NOTICE OF ANNUAL GENERAL MEETING (CONT'D)

8. Proposed renewal of shareholders' mandate for recurrent related party transactions of a revenue or trading nature ("RRPT") **Ordinary Resolution 9**

"THAT pursuant to paragraph 10.09 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities"), approval be hereby given for the renewal of shareholders' mandate for the GCB Group to enter into and to give effect to specified RRPT and with the related parties as stated in Section 4.3 of the Circular to Shareholders dated 23 April 2021, which are necessary for its day-to-day operations, to be entered into by the GCB Group on the basis that these transactions are or to be entered into on terms which are not more favorable to the Related Parties involved than generally available to the public and are not detrimental to the minority shareholders of the Company" ("Proposed Shareholders' Mandate");

THAT the Proposed Shareholders' Mandate is subject to annual renewal. In this respect, any authority conferred by the Proposed Shareholders' Mandate shall only continue to be in force until:

- (a) the conclusion of the next Annual General Meeting ("AGM") of the Company following the general meeting at which the Proposed Shareholders' Mandate has been passed, at which time it will lapse, unless by a resolution passed at the meeting, the authority is renewed; or
- (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 ("Act") (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or
- (c) revoked or varied by resolution passed by the shareholders in a general meeting,

whichever is the earlier;

AND THAT the Directors of the Company and/or any of them be hereby authorised to complete and do all such acts and things (including executing such documents as may be required) to give effect to the Proposed Shareholders' Mandate."

9. Proposed renewal of authority for the Company to purchase its own ordinary shares up to ten percent (10%) of its issued share capital **Ordinary Resolution 10**

"THAT, subject to the Companies Act 2016 ("the Act"), rules, regulations and orders made pursuant to the Act, provisions of the Company's Constitution and the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") and any other relevant authority, the Company be hereby given full authority, to seek shareholders' approval for the renewal of authority for the Company to purchase such amount of ordinary shares in the Company ("Shares") through Bursa Securities upon such terms and conditions as the Directors may deem fit in the interest of the Company provided that:

- (i) the aggregate number of Shares so purchased and/or held pursuant to this ordinary resolution ("Purchased Shares") does not exceed ten percent (10%) of the total issued share capital of the Company; and
- (ii) the maximum amount of funds to be allocated for the Purchased Shares shall not exceed the aggregate of the retained profits of the Company;

NOTICE OF ANNUAL GENERAL MEETING (CONT'D)

THAT the Directors be hereby authorised to decide at their discretion either to retain the Purchased Shares as treasury shares (as defined in Section 127 of the Act) and/or to cancel the Purchased Shares and/or to retain the Purchased Shares as treasury shares for distribution as share dividends to the shareholders of the Company and/or be resold through Bursa Securities in accordance with the relevant rules of Bursa Securities and/or cancelled subsequently and/or to retain part of the Purchased Shares as treasury shares and/or cancel the remainder and to deal with the Purchased Shares in such other manner as may be permitted by the Act, rules, regulations, guidelines, requirements and/or orders of Bursa Securities and any other relevant authorities for the time being in force;

AND THAT such approval and authorisation shall only continue to be in force until:

- (i) the conclusion of the next Annual General Meeting ("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; or
- (ii) the expiration of the period within which the next AGM after that date is required by law to be held; or
- (iii) revoked or varied by ordinary resolution passed by the shareholders of the Company in a general meeting;

whichever occurs first;

AND FURTHER THAT the Directors of the Company be authorised to do all such acts and things (including, without limitation executing all such documents as may be required) as they may consider expedient or necessary to give full effect to this mandate."

10. Proposed retention of Tan Ah Lai as Independent Director

Ordinary Resolution 11

THAT subject to passing of ordinary resolution 4, approval be hereby given to Tan Ah Lai who has served as Independent Non-Executive Director of the Company for a cumulative term of more than twelve (12) years to continue to act as Independent Non-Executive Director of the Company in accordance with the Malaysian Code on Corporate Governance.

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

NOTICE OF ENTITLEMENT DATE AND DIVIDEND PAYMENT

NOTICE IS ALSO HEREBY GIVEN THAT subject to the approval of the shareholders at the Seventeenth Annual General Meeting, the proposed final single tier dividend of 1.0 sen per share in respect of the financial year ended 31 December 2020, will be paid on 4 June 2021 to depositors registered in the Record of Depositors of the Company at the close of business on 12 May 2021.

A depositor shall qualify for entitlement only in respect of:-

- a) Shares transferred into the Depositor's Securities Account before 5.00 p.m. on 12 May 2021 in respect of ordinary transfers; or
- b) Shares bought on the Bursa Securities on a cum entitlement basis according to the Rules of the Bursa Securities.

NOTICE OF ANNUAL GENERAL MEETING (CONT'D)

By order of the Board,

NG MEI WAN
(SSM Practicing Certificate No.: 201908000801) (MIA 28862)
TAN HUI KHIM
(SSM Practicing Certificate No.: 201908000859) (LS 0009936)
Company Secretaries

Muar, Johor
23 April 2021

Notes:

1. Only depositors whose names appear in the Record of Depositors as at 17 May 2021 shall be regarded as members and be entitled to attend, speak and vote at the Meeting.
2. A member entitled to attend and vote at the Meeting is entitled to appoint a proxy or proxies to attend and vote in his stead. A proxy may but need not be a member of the Company.
3. Where a member of the Company is an Exempt Authorised Nominee 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.
4. Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he specifies the proportions of his holdings to be represented by each proxy. If the appointor is a corporation, the proxy form must be executed under its common seal or under the hand of an officer or attorney duly authorised. In the event the member(s) duly executes the proxy form but does not name any proxy, such member(s) shall be deemed to have appointed the Chairman of the meeting as his/their proxy, provided always that the rest of the proxy form, other than the particulars of the proxy have been duly completed by the member(s).
5. To be valid, the proxy form duly completed must be deposited at the registered office of the Company situated at No. 7 (1st Floor) Jalan Pesta 1/1, Taman Tun Dr. Ismail 1, Jalan Bakri 84000 Muar, Johor not less than twenty-four (24) hours before the time for holding the meeting as Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad requires all resolutions set out in the Notice of Seventeenth Annual General Meeting to be put to vote by poll.

Explanatory Notes:

6. **Item 1 of the Agenda**

This Agenda item is meant for discussion only as the provision of Section 340(1)(a) of the Companies Act 2016 does not require a formal approval of the shareholders and hence, is not put forward for voting.

7. **Item 2 of the Agenda – Ordinary Resolution 1 Approval of Directors' fees and allowances for the financial year ending 31 December 2021**

Directors' fees and allowances approved for the financial year ended 31 December 2020 was RM800,000. The Directors' fees and allowances proposed for the financial year ending 31 December 2021 are calculated based on the number of scheduled Board and Committee Meetings for year 2021 and assuming that all Non-Executive Directors will hold office until the conclusion of the next annual general meeting.

This resolution is to facilitate payment of Directors' fees and allowances on current financial year basis. In the event the Directors' fees and allowances proposed are insufficient (e.g. due to more meetings), approval will be sought at the next annual general meeting for additional fees and allowances to meet the shortfall.

NOTICE OF ANNUAL GENERAL MEETING (CONT'D)

**8. Item 7 of the Agenda – Ordinary Resolution 8
Authority to Directors to allot and issue shares pursuant to Section 75 of the Companies Act 2016**

- (a) The proposed Ordinary Resolution no. 8, if passed, will empower the Directors of the Company, from the date of the forthcoming Annual General Meeting (“AGM”) to allot and issue shares in the Company up to an amount not exceeding ten percent (10%) of the issued share capital of the Company for the time being for such purposes as they may deem fit and in the interest of the Company. This authority, unless revoked or varied at a general meeting will expire at the conclusion of the next AGM of the Company.
- (b) The mandate now sought is a renewal from the previous mandate obtained at the last AGM held on 26 June 2020 which will expire at the conclusion of the forthcoming AGM.
- (c) As at the date of this Notice, no new shares in the Company were issued pursuant to the mandate granted to the Directors at the last AGM held on 26 June 2020.
- (d) The authority will provide flexibility to the Company for any possible fund raising activities, including but not limited to further placing of shares, for purpose of funding future investment project(s), working capital and/or acquisitions.

**9. Item 8 of the Agenda – Ordinary Resolution 9
Proposed renewal of shareholders’ mandate for recurrent related party transactions of a revenue or trading nature (“RRPT”) (“Proposed Shareholders’ Mandate”)**

The proposed Ordinary Resolution no. 9, if passed, will approve RRPT which are necessary for the Group’s day-to-day operations to be entered into by the Company and its subsidiaries with the respective related parties from the forthcoming Annual General Meeting (“AGM”) to the next AGM; subject to the condition that the transactions are entered into on terms which are not more favorable to the related parties involved than generally available to the public and are not detrimental to the minority shareholders of the Company. Further details on the Proposed Shareholders’ Mandate are provided in the Circular to Shareholders dated 23 April 2021.

**10. Item 9 of the Agenda – Ordinary Resolution 10
Proposed renewal of authority for the Company to purchase its own ordinary shares up to ten percent (10%) of its issued share capital (“Proposed Shares Buy-Back Authority”)**

The proposed Ordinary Resolution no. 10, if passed, will empower the Directors to purchase shares in the Company up to an amount not exceeding ten percent (10%) of the issued share capital of the Company as they consider would be in the interest of the Company. Further details on the Proposed Shares Buy-Back Authority are provided in the Circular to Shareholders dated 23 April 2021.

**11. Item 10 of the Agenda – Ordinary Resolution 11
Proposed Retention of Tan Ah Lai as Independent Director**

The Board has assessed the independence of the Director, Tan Ah Lai who has served as Independent Non-Executive Director of the Company for a cumulative term of more than twelve (12) years, and recommended him to continue to act as Independent Non-Executive Director of the Company based on the following justifications:

- i) He fulfill the criteria under the definition of an Independent Director as stated in the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, and thus, he will be able to function as check and balance, provide a broader view and bring an element of objectivity to the Board;
- ii) During his tenure in office, he not developed, established or maintained any significant relationship which would impair his independence as Independent Director with the Executive Directors and major shareholders other than normal engagements and interactions on a professional level consistent and expected of them to carry out his duties as Independent Non-Executive Director and Chairman or member of the Board’s Committees;

NOTICE OF ANNUAL GENERAL MEETING (CONT'D)

- iii) During his tenure in office, he has never transacted or entered into any transactions with, nor provided any services to the Company and its subsidiaries, within the scope and meaning as set forth under Paragraph 5 of Practice Note 13 of Listing Requirements;
- iv) He has currently not sitting on the board of any other public and/or private companies having the same nature of business as that of the Company and its subsidiaries;
- v) During his tenure in office as Independent Non- Executive Director in the Company, he has not been offered or granted any options by the Company. Other than Director's fees and allowances paid which have been an industry norm and within acceptable market rates and duly disclosed in this Annual Report, no other incentives or benefits of whatsoever nature had been paid to them by the Company;
- vi) His vast experience and legal and accounting background enable him to provide the Board with a diverse set of experience, expertise and independent judgment; and
- vii) He has performed his duties diligently and in the best interest of the Company and provide a broader view, independent and balanced assessment of proposals from the management.

12. ANNUAL REPORT

The Annual Report for the financial year ended 31 December 2020 is now available at the Company's corporate website, www.gcbcocoa.com. Printed copy of the Annual Report shall be provided to the shareholders upon request soonest possible from the date of receipt of the request.

Shareholders who wish to receive the printed Annual Report may email your request to Boardroom Share Registrars Sdn. Bhd. [199601006647 (378993-D)] at Mohamed.Sophiee@boardroomlimited.com or Muhammad.Taufiq@boardroomlimited.com.

STATEMENT ACCOMPANYING NOTICE OF ANNUAL GENERAL MEETING

Pursuant to Paragraph 8.27(2) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad

DETAILS OF INDIVIDUALS WHO ARE STANDING FOR ELECTION AS DIRECTORS

No individual is seeking election as a Director at the Seventeenth Annual General Meeting of the Company.

ADMINISTRATIVE GUIDE

FOR THE SHAREHOLDERS OF GUAN CHONG BERHAD [200401007722 (646226-K)]

Date : **Monday, 24 May 2021**
Time : **11.00 a.m.**
Meeting Venue : **Columbus 2, Level 10, Trove Johor Bahru, Jalan Dato Abdullah Tahir, 80300 Johor Bahru, Johor**

Dear Valued Shareholders,

RE: SEVENTEEN ANNUAL GENERAL MEETING (“17TH AGM”) OF GUAN CHONG BERHAD [200401007722 (646226-K)] (“THE COMPANY”)

COVID-19 Outbreak Safety Measures

1. In view of the COVID-19 outbreak, your safety remains our utmost priority. Further to the “Guidance and FAQs on the Conduct of General Meetings for Listed Issuers” issued by the Securities Commission Malaysia as revised on 05 March 2021, this Administrative Guide is necessary to introduce safety measures and control for the well-being of our shareholders as well as to enable the Company to comply with the Government and/or relevant authorities’ directives and guidelines on public gatherings or events which may be issued from time to time.

Public Health Precaution and Preventive Measures

2. In light of the COVID-19 outbreak, we appreciate if all shareholders, proxies and invited guests could take all the necessary precaution and preventive measures as issued by the Ministry of Health when attending the 17th AGM.
3. If you have travelled overseas, especially to the affected countries in the past 14 days from the date of the 17th AGM or have been in contact with a COVID-19 affected person or if you are unwell with sore throat, flu, fever, cough, aches and pains, nasal congestion, runny nose, diarrhoea or shortness of breath, please quarantine yourself at home. Under such circumstances, your attendance in person at the 17th AGM will be denied. You are hereby strongly advised and encouraged to submit your Proxy Form prior to the 17th AGM.

Before the 17th AGM

4. At the entrance of **Trove Johor Bahru** and before a shareholder, proxy or an invited guest can proceed to the registration counter, he/she will have to go through a compulsory body temperature screening and will be required to provide his/her health declaration, specifically to facilitate the Company in preventing any potential spread of COVID-19.

Procedures to be observed:

- You will NOT be allowed to enter **Trove Johor Bahru** if your body temperature is above 37.5°C or if you experience any symptoms of being unwell.
 - You will be required to provide health declaration prior to enter **Trove Johor Bahru** .
5. Wearing a face mask in advance and throughout the 17th AGM proceedings is highly encouraged. Please be informed that the Company will not be providing face masks.
 6. We strongly advise you to frequently wash your hands and use the hand sanitiser before and after the 17th AGM. Hand sanitiser will be provided by the Company.

ADMINISTRATIVE GUIDE (CONT'D)
FOR THE SHAREHOLDERS OF GUAN CHONG BERHAD [200401007722 (646226-K)]

Proxy

7. As a precautionary measure and due to safety reason, the shareholders are unable to present at the 17th AGM on 24 May 2021 and hence he/she can appoint the Chairman of the meeting as his/her proxy and indicate the voting instructions in the Proxy Form. Please submit your Proxy Form to the Company's Registered Office at No. 7 (1st Floor) Jalan Pesta 1/1 Taman Tun Dr. Ismail 1 Jalan Bakri 84000 Muar Johor not later than Sunday, 23 May 2021 at 11.00 a.m.

Door Gift and Refreshment

8. To ensure social and physical distancing as well as a measure to reduce the number of crowd or attendees at the 17th AGM in accordance with the guidelines issued by the Ministry of Health in relation to the COVID-19 outbreak, there will be no distribution of door gifts and there will be no refreshment provided to shareholders, proxies and invited guests who attend the 17th AGM.

Enquiry

9. If you have any enquiry prior to the 17th AGM, please contact the following officers during office hours from 9.00 a.m. to 5.00 p.m. (Monday to Friday):

Guan Chong Berhad	Telephone Number	: 07-2548888
	Fax Number	: 07-2511711
	Email address	: info@favorich.com

Thank you.

NG MEI WAN
(SSM Practicing Certificate No.: 201908000801) (MIA 28862)
TAN HUI KHIM
(SSM Practicing Certificate No.: 201908000859) (LS 0009936)
Company Secretaries

Muar, Johor Darul Takzim
23 April 2021

PROXY FORM

No of shares held

I/We,
of
being a member/members of GUAN CHONG BERHAD, hereby appoint
of
or failing him/her,
of
or failing him/her, the CHAIRMAN OF THE MEETING as my/our proxy to vote for me/us on my/our behalf at the Seventeenth Annual General Meeting of the Company to be held at Columbus 2, Level 10, Trove Johor Bahru, Jalan Dato Abdullah Tahir, 80300 Johor Bahru, Johor on Monday, 24 May 2021 at 11.00 a.m. and at any adjournment thereof in respect of my/our shareholding in the manner indicated below:-

No.	Ordinary Resolution	For	Against
1	Approval of Directors' fees and allowances for the financial year ending 31 December 2021		
2	Payment of final single tier dividend of 1.0 sen per share		
3	Re-election of Tay How Sik @ Tay How Sick as Director		
4	Re-election of Tan Ah Lai as Director		
5	Re-election of Ang Nyee Nyee as Director		
6	Re-election of Nurulhuda Binti Abd Kadir as Director		
7	Re-appointment of Messrs BDO PLT as Auditors		
8	Authority for Directors to allot and issue shares pursuant to Section 75 of the Companies Act 2016		
9	Renewal of shareholders' mandate for recurrent related party transactions of a revenue or trading nature		
10	Renewal of authority for the Company to purchase its own ordinary shares up to ten percent (10%) of its issued share capital		
11	Retention of Tan Ah Lai as Independent Director		

[Please indicate with a "X" in the spaces provided whether you wish your votes to be cast for or against the resolutions. In the absence of specific instructions, your proxy will vote or abstain as he/she thinks fit]

For appointment of two proxies, percentage of shareholdings to be represented by the proxies:

Proxy	No of Shares	Percentage
1		
2		
Total		100%

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Signature of Shareholder or Common Seal

Dated this day of 2021

Notes:

- Only depositors whose names appear in the Record of Depositors as at 17 May 2021 shall be regarded as members and be entitled to attend, speak and vote at the Meeting.
- A member entitled to attend and vote at the Meeting is entitled to appoint a proxy or proxies to attend and vote in his stead. A proxy may but need not be a member of the Company.
- Where a member of the Company is an Exempt Authorised Nominee 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.
- Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he specifies the proportions of his holdings to be represented by each proxy. If the appointor is a corporation, the proxy form must be executed under its common seal or under the hand of an officer or attorney duly authorised. In the event the member(s) duly executes the proxy form but does not name any proxy, such member(s) shall be deemed to have appointed the Chairman of the meeting as his/their proxy, provided always that the rest of the proxy form, other than the particulars of the proxy have been duly completed by the member(s).
- To be valid, the proxy form duly completed must be deposited at the registered office of the Company situated at No. 7 (1st Floor) Jalan Pesta 1/1, Taman Tun Dr. Ismail 1, Jalan Bakri 84000 Muar, Johor not less than twenty-four (24) hours before the time for holding the meeting as Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad requires all resolutions set out in the Notice of Seventeenth Annual General Meeting to be put to vote by poll.

Personal Data Privacy

By submitting the proxy form, the member or proxy accepts and agrees to the collection, use and disclosure of their personal data by the Company (or its agents or service providers) for the purpose of preparation and compilation of documents relating to the Second Annual General Meeting (including any adjournment thereof).



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AFFIX
STAMP

The Company Secretary
Guan Chong Berhad
Registration No.: 200401007722 (646226-K)
No. 7 (1st Floor), Jalan Pesta 1/1
Taman Tun Dr Ismail 1, Jalan Bakri
84000 Muar
Johor Darul Takzim

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Company No.: 200401007722 (646226-K)
(Incorporated in Malaysia)

ANNUAL REPORT REQUISITION FORM

Dear Shareholder,

Thank you for your continuous support for Guan Chong Berhad. We are pleased to inform that the printed copy of the 2020 Annual Report of the Guan Chong Berhad is also available in full version.

Please forward all correspondence and/or request to:-

Boardroom Share Registrars Sdn Bhd
Company No.: 199601006647 (378993-D)
11th Floor Menara Symphony
No. 5 Jalan Semangat
(Jalan Professor Khoo Kay Kim)
Seksyen 13
46200 Petaling Jaya
Selangor Darul Ehsan

Tel. No. : 03-7890 4700
Fax. No. : 03-7890 4670
Email : bsr.helpdesk@boardroomlimited.com

Name :

I/C No. :

Tel No. :

Address :

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AFFIX
STAMP

The Company Secretary
Guan Chong Berhad
Registration No.: 200401007722 (646226-K)
No. 7 (1st Floor), Jalan Pesta 1/1
Taman Tun Dr Ismail 1, Jalan Bakri
84000 Muar
Johor Darul Takzim

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