

## NOTICE OF MEETING

**NOTICE IS HEREBY GIVEN THAT** the 40th Annual General Meeting of Lion Posim Berhad ("40th AGM") will be held virtually from the Broadcast Venue, Meeting Hall, Level 16, Lion Office Tower, No. 1 Jalan Nagasari, 50200 Kuala Lumpur, Wilayah Persekutuan and via Securities Services e-Portal at <https://sshsb.net.my/> on Tuesday, 23 May 2023 at 10.30 am for the following purposes:

### AGENDA

1. To receive the Audited Financial Statements for the financial year ended 31 December 2022 and the Reports of the Directors and Auditors thereon. **Note 1**
2. To approve the payment of Directors' fees amounting to RM170,000 for the financial year ended 31 December 2022. **Resolution 1**
3. To approve the payment of Directors' benefits of up to RM87,000 for the period commencing after the 40th AGM until the next annual general meeting of the Company. **Resolution 2**
4. To re-elect the following Directors who retire by rotation in accordance with Clause 110 of the Company's Constitution and who being eligible, have offered themselves for re-election:
  - (i) Y. Bhg. Tan Sri Cheng Heng Jem **Resolution 3**
  - (ii) Ms Cheng Hui Ya, Serena **Resolution 4**
5. To re-appoint Messrs Mazars PLT as Auditors of the Company and to authorise the Directors to fix their remuneration. **Resolution 5**
6. Special Business
 

To consider and, if thought fit, pass the following Ordinary Resolutions:

  - 6.1 Retention of Independent Non-Executive Director
 

"THAT Y. Bhg. Dato' Eow Kwan Hoong who has served as an independent non-executive Director of the Company for a cumulative period of more than 9 years, be and is hereby retained as an independent non-executive Director of the Company."

**Resolution 6**
  - 6.2 Authority to Directors to Issue and Allot Shares
 

"THAT pursuant to Sections 75 and 76 of the Companies Act 2016 and subject to the approval of all relevant authorities being obtained, the Directors be and are hereby empowered to issue and allot shares in the Company at any time 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 issued pursuant to this resolution does not exceed 10% of the total number of issued shares of the Company (excluding treasury shares) for the time being ("Mandate") and that such Mandate shall continue to be in force until the conclusion of the next annual general meeting of the Company.

THAT pursuant to Section 85 of the Companies Act 2016 read together with Clause 12 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 in the Company ranking *pari passu* in all respects with the existing issued shares of the Company arising from the issuance of new shares pursuant to the Mandate."

**Resolution 7**

6.3 Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions

**Resolution 8**

"THAT approval be and is hereby given for the renewal of the mandate, for the Company and its subsidiaries (collectively, the "Group") to enter into recurrent related party transactions of a revenue or trading nature which are necessary for the Group's day-to-day operations as detailed in paragraph 3.3 and with those related parties as set out in paragraph 3.2 of the Circular to Shareholders of the Company dated 20 April 2023 ("Related Parties"), provided that such transactions are undertaken in the ordinary course of business and are on normal commercial terms which are consistent with the Group's usual business practices and policies, and on terms not more favourable to the Related Parties than those generally available to the public and are not to the detriment of the minority shareholders; and

THAT authority conferred by this ordinary resolution will only continue to be in force until:

- (i) the conclusion of the next annual general meeting of the Company at which time it will lapse, unless by a resolution passed at the meeting, the authority is renewed;
- (ii) the expiration of the period within which the next annual general meeting of the Company after that date is required to be held pursuant to Section 340(2) of the Companies Act 2016 (but must not extend to such extension as may be allowed pursuant to Section 340(4) of the Companies Act 2016); or
- (iii) revoked or varied by resolution passed by the Shareholders of the Company in general meeting,

whichever is the earlier; and

THAT the Directors of the Company be and are hereby authorised to complete and do all such acts and things to give effect to the transactions contemplated and/or authorised by this ordinary resolution which shall include, without limitation, taking any action which the Directors may, in their absolute discretion deem fit, to recover any sums due to the Company under the said transactions or to settle the same."

7. To transact any other business for which due notice shall have been given.

By Order of the Board

**WONG PHOOI LIN (MAICSA 7013812)**  
**SSM PC NO. 202008002964**

**KONG SIEW FOON (MAICSA 7044962)**  
**SSM PC NO. 202008002081**  
Secretaries

Kuala Lumpur  
20 April 2023

**Notes:**

- *Proxy*
    - (i) *In respect of deposited securities, only Members whose names appear in the Record of Depositors on 17 May 2023 shall be eligible to participate at the Meeting.*
    - (ii) *A member entitled to participate and vote at the Meeting is entitled to appoint not more than 2 proxies to participate and vote instead of him. A proxy need not be a member of the Company.*
    - (iii) *If a member appoints 2 proxies, the proportion of his shareholdings represented by each proxy must be specified.*
    - (iv) *The instrument appointing a proxy must be in writing under the hand of the appointor or his attorney duly authorised in writing or, if the appointor is a corporation, either under seal or the hand of an officer or attorney duly authorised.*
    - (v) *Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in 1 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.*
    - (vi) *The instrument appointing a proxy shall be deposited at the Office of the Poll Administrator of the Company for the Meeting, SS E Solutions Sdn Bhd at Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur, Wilayah Persekutuan not less than 48 hours before the time for holding the Meeting.*
    - (vii) *Completed Form of Proxy sent through facsimile transmission or any electronic or digital manner shall not be accepted.*
  - *The 40th AGM will be conducted virtually through live streaming and online remote voting via the Remote Participation and Voting ("RPV") facilities available on Securities Services e-Portal at <https://sshsb.net.my/>. Please refer to the procedures provided in the Administrative Guide for the 40th AGM for registration, participation and remote voting via the RPV facilities.*
  - *At the Broadcast Venue, only the Chairman and other essential individuals are physically present to organise the virtual 40th AGM. Members/Proxies/Corporate Representatives will not be allowed to be physically present at the Broadcast Venue on the day of the 40th AGM.*
1. *Audited Financial Statements for the financial year ended 31 December 2022*
- The Audited Financial Statements are laid in accordance with Section 340(1)(a) of the Companies Act 2016 for discussion only. As such, this Agenda item is not a business which requires a resolution to be put to vote by Members.*
2. *Resolution 2*
- The benefits payable to the Directors of up to RM87,000 for the period commencing after the 40th AGM until the next annual general meeting of the Company comprise estimated meeting allowance in respect of Directors' attendance at Board and Board Committees meetings which have been scheduled and those unscheduled. The Board is of the view that it is just and equitable for the Directors to be paid the meeting allowance as and when incurred in discharging their responsibilities and rendering their services to the Company throughout the relevant period.*
3. *Resolutions 3 to 4*
- The following Directors ("Retiring Directors") retire in accordance with Clause 110 of the Company's Constitution and being eligible, have offered themselves for re-election:*
- (i) *Y. Bhg. Tan Sri Cheng Heng Jem*
  - (ii) *Ms Cheng Hui Ya, Serena*
- The Nomination Committee ("NC") had reviewed the performance and contribution of each of the Retiring Directors seeking re-election.*
- Based on the results of the annual assessment for the financial year ended 31 December 2022, the NC was satisfied with the performance and contribution of each of the Retiring Directors who had discharged his/her duties and responsibilities effectively at all times.*
- The Board had concurred with the NC's recommendation to seek Shareholders' approval for the re-election of the Retiring Directors.*
- The profiles of the Retiring Directors are set out on page 6 of the 2022 Annual Report.*

4. Resolution 6

*The Board assisted by the NC, had assessed the independence of Y. Bhg. Dato' Eow Kwan Hoong who has served on the Board as an independent non-executive Director of the Company for a cumulative period of more than 9 years, and had recommended that the approval of the Shareholders be sought to retain Dato' Eow as an independent non-executive Director with consideration that he possesses the following attributes necessary in discharging his role and functions as an independent non-executive Director of the Company:*

- (i) Fulfils the criteria of an independent Director as defined in the Bursa Malaysia Securities Berhad Main Market Listing Requirements.*
- (ii) Has served on the Board for more than 9 years and therefore possesses greater insights and knowledge of the businesses, operations and growth strategies of the Group.*
- (iii) Challenges Management in an effective and constructive manner, providing a check and balance, and bringing independent voice and objective judgement to the Board and Board Committees deliberations.*
- (iv) Broad experience in accounting and as such could provide the Board and the Audit and Risk Management Committee with relevant accounting knowledge and advice where necessary.*
- (v) Exercises due care in all undertakings of the Group and carries out his professional duties in the interest of the Company and stakeholders.*

5. Resolution 7

*The approval pursuant to Sections 75 and 76 of the Companies Act 2016 will allow the Company to procure the renewal of the general mandate which will empower the Directors of the Company to issue and allot new shares in the Company up to an amount not exceeding 10% of the total number of issued shares of the Company (excluding treasury shares) ("Mandate"). The Mandate, unless revoked or varied at a general meeting, will expire at the conclusion of the next annual general meeting of the Company.*

*The Mandate will provide flexibility to the Company for any possible fund raising activities, including but not limited to placing of shares for purposes of funding current and/or future investment projects, working capital and/or acquisitions.*

*As at the date of this Notice, no new ordinary shares in the Company were issued pursuant to the mandate granted to the Directors at the last Annual General Meeting of the Company held on 24 May 2022 which will lapse at the conclusion of the 40th AGM.*

*The waiver of the pre-emptive rights pursuant to Section 85 of the Companies Act 2016 read together with Clause 12 of the Constitution of the Company will allow the Directors to issue and allot new shares in the Company which rank pari passu in all respects with the existing shares, to any person without having to first offer the new shares to all existing Shareholders prior to the issuance of new shares pursuant to the Mandate.*

6. Resolution 8

*This approval will allow the Group to continue to enter into recurrent related party transactions of a revenue or trading nature with those Related Parties, which are necessary for the Group's day-to-day operations undertaken in the ordinary course of business and are on normal commercial terms which are consistent with the Group's usual business practices and policies, and on terms not more favourable to the Related Parties than those generally available to the public and are not to the detriment of the minority shareholders.*

*Details on the Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions are set out in the Circular to Shareholders dated 20 April 2023 which is made available on the websites of the Company at [www.lion.com.my/posim-agm](http://www.lion.com.my/posim-agm) and Bursa Malaysia Securities Berhad at [www.bursamalaysia.com](http://www.bursamalaysia.com).*