MEGACHEM LIMITED
Registration No.198803293M

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting of the Company will be held at 11 Tuas Link 1, Singapore 638588 on Tuesday, 14 April 2020 at 10.00 a.m. to transact the following business:-

AS ORDINARY BUSINESS

1. To receive and adopt the Statement By Directors and Audited Financial Statements of the Company for the financial year ended 31 December 2019 together with the Auditor's Report thereon. **(Resolution 1)**

2. To declare a final tax exempt dividend of 1.0 cent per share for the financial year ended 31 December 2019 (2018: final tax exempt dividend of 0.8 cent per share). **(Resolution 2)**

3. To approve Directors' fees of S$162,667 for the financial year ending 31 December 2020 (2019: S$146,000). **(Resolution 3)**

4. To re-elect Mr Chan Kam Loon who is retiring pursuant to Regulation 117 of the Company's Constitution. **(Resolution 4)**

   Mr Chan Kam Loon will, upon re-election as a Director of the Company, continue to serve as an Independent Director, Chairman of the Audit Committee and as members of the Remuneration Committee and Nominating Committee. Mr Chan Kam Loon is considered independent for the purpose of Rule 704(7) of the Listing Manual of the Singapore Exchange Securities Trading Limited Section B: Rules of Catalist (the "Catalist Rules").

   Key information on Mr Chan Kam Loon is found on page 20 of the Company's 2019 annual report.

5. To re-elect Mr Tan Bock Chia who is retiring pursuant to Regulation 117 of the Company's Constitution. **(Resolution 5)**

   Mr Tan Bock Chia, will upon re-election as a Director of the Company, continue to serve as member of the Executive Committee.

   Key information on Mr Tan Bock Chia is found on page 19 of the Company's 2019 annual report.

6. To re-appoint Messrs RSM Chio Lim LLP as auditors of the Company and to authorise the Directors to fix their remuneration. **(Resolution 6)**

AS SPECIAL BUSINESS

To consider and, if thought fit, to pass the following Ordinary Resolutions with or without any modifications:-

7. Authority to allot and issue shares and convertible securities **(Resolution 7)**

(a) "That pursuant to Section 161 of the Companies Act, Cap. 50, and Rule 806 of the Catalist Rules, authority be and is hereby given to the Directors of the Company at any time to such persons and upon such terms and for such purposes as the Directors may in their absolute discretion deem fit, to:

(i) issue and allot shares in the capital of the Company ("Shares") whether by way of rights, bonus or otherwise;

(ii) make or grant offers, agreements or options (collectively, "Instruments") that might or would require Shares to be issued or other transferable rights to subscribe for or purchase Shares including but not limited to the creation and issue of warrants, debentures or other instruments convertible into Shares;

(iii) issue additional Instruments arising from adjustments made to the number of Instruments previously issued in the event of rights, bonus or capitalisation issues; and

(b) (notwithstanding the authority conferred by the shareholders may have ceased to be in force) issue shares in pursuance of any Instrument made or granted by the Directors while the authority was in force,

provided always that

(i) the aggregate number of Shares to be issued pursuant to this resolution (including Shares to be issued in pursuance of Instruments made or granted pursuant to this resolution) does not exceed 100% of the total number of issued shares excluding treasury shares and subsidiary holdings of the Company, of which the aggregate number of Shares (including Shares to be issued in pursuance of Instruments made or granted pursuant to this resolution) to be issued other than on a pro rata basis to shareholders of the Company does not exceed 50% of the total number of issued shares excluding treasury shares and subsidiary holdings of the Company.

For the purpose of this resolution, the total number of issued shares excluding treasury shares and subsidiary holdings is based on the Company's total number of issued shares excluding treasury shares and subsidiary holdings at the time this resolution is passed, after adjusting for;

a) new shares arising from the conversion or exercise of convertible securities, or

b) new shares arising from exercising share options or vesting of share awards provided the options or awards were granted in compliance with Part VIII of Chapter 8 of the Catalist Rules, and

Adjustments in accordance with the sections a) and b) above are only to be made in respect of new shares arising from convertible securities, share options or share awards which were issued and outstanding or subsisting at the time the resolution approving the mandate is passed.

c) any subsequent bonus issue, consolidation or subdivision of the Company's shares, and

(ii) such authority shall, unless revoked or varied by the Company at a general meeting, continue in force until the conclusion of the next Annual General Meeting or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is the earlier."

[See Explanatory Note (i)]

8. To approve the renewal of Interested Person Transactions Mandate **(Resolution 8)**

"That

(a) approval be and is hereby given for the purposes of Chapter 9 of the Catalist Rules ("Chapter 9"), for the Company, its subsidiaries and associated companies (if any) that are considered to be "entities at risk" under Chapter 9, or any of them, to enter into any of the transactions falling within the types of interested person transactions described in the Appendix to the Company's Letter to Shareholders dated 30 March 2020 (the "Letter"), with any party who is of the class of interested persons described in the Appendix to the Letter provided that such transactions are made on normal commercial terms and are not prejudicial to the interests of the Company and its minority shareholders and in accordance with the Company's review procedures for such interested person transactions (the "IPT Mandate")**;**

(b) the IPT Mandate shall, unless revoked or varied by the Company in general meeting, continue in force until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is earlier; and

(c) the Directors of the Company and each of them be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) as they and/or each of them may consider expedient, necessary to give effect to the transactions contemplated and/or authorised by this ordinary resolution as they or each of them may in their or each of their absolute discretion deem fit in the interests of the Company."

9. To transact any other ordinary business which may properly be transacted at an Annual General Meeting.

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

Mr Chan Kam Loon and Mr Tan Bock Chia are the Directors seeking re-election at the forthcoming Annual General Meeting of the Company to be convened on 14 April 2020 (collectively, the "Retiring Directors" and each a "Retiring Director").

Pursuant to Rule 720(5) of the Catalist Rules, the additional information relating to the Retiring Directors as set out in Appendix 7F to the Catalist Rules is disclosed on page 19 and page 20 of the Company's 2019 annual report.

NOTICE OF RECORD DATE

NOTICE IS HEREBY GIVEN that subject to approval being obtained at the Annual General Meeting to be held at 11 Tuas Link 1, Singapore 638588 on Monday, 14 April 2020 at 10.00 a.m.

1. A final tax exempt dividend of 1.0 cent per share for the financial year ended 31 December 2019 will be paid on 20 May 2020.

2. The Share Transfer Books and Register of Members of the Company will be closed on 5 May 2020 for the purpose of determining members' entitlements to the proposed final tax exempt dividend. Duly completed and stamped transfers received by the Company's Share Registrar, Tricor Barbinder Share Registration Services (a division of Tricor Singapore Pte Ltd.), 80 Robinson Road #02-00, Singapore 068898, up to 5.00 p.m. on 4 May 2020 will be registered to determine members' entitlements to the proposed dividend. Members (being depositors) whose securities account with the Central Depository (Pte) Limited are credited with shares as at 5.00 p.m. on 4 May 2020 will be entitled to the payment of the proposed dividend.

BY ORDER OF THE BOARD

Kwok Hwee Peng
Company Secretary

30 March 2020

Explanatory Notes:-

(i) The ordinary resolution in item no. 7 is to authorise the Directors of the Company from the date of this Meeting until the next Annual General Meeting to issue shares and convertible securities in the Company up to an amount not exceeding in aggregate 100% of the issued share capital of the Company of which the total number of shares and convertible securities issued other than on a pro-rata basis to existing shareholders shall not exceed 50% of the issued share capital of the Company at the time the resolution is passed, for such purposes as they consider would be in the interests of the Company. This authority will, unless revoked or varied at a general meeting, expire at the next Annual General Meeting of the Company.

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Notes:

1) Except for a member who is a Relevant Intermediary as defined under section 181(6) of the Companies Act, Chapter 50, a member of the Company entitled to attend and vote at the Meeting is entitled to appoint not more than two (2) proxies in his stead. Relevant Intermediary is entitled to appoint more than two proxies to attend and vote in this Meeting.

2) A proxy need not be a member of the Company.

3) If the appointor is a corporation, the proxy must be executed under seal or the hand of its duly authorised officer or attorney.

4) The instrument appointing a proxy must be deposited at the office of the Company's Share Registrar, Tricor Barbinder Share Registration Services at 80 Robinson Road, #11-02 Singapore 068898 not less than seventy-two (72) hours before the time appointed for the Meeting.

Personal Data Privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the Annual General Meeting of the Company and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's and its proxy(ies)'s or representative(s)'s personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the Annual General Meeting of the Company (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the Annual General Meeting of the Company (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "Purposes") and (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty. The member's personal data and its proxy(ies)'s and/or representative(s)'s personal data may be disclosed or transferred by the Company to its subsidiaries, its share registrar and/or other agents or bodies for any of the Purposes, and retained for such period as may be necessary for the Company's verification and record purposes. Photographic, sound and/or video recordings of the Annual General Meeting may be made by the Company for record keeping and to ensure the accuracy of the minutes prepared of the Annual General Meeting. Accordingly, the personal data of a member of the Company and/or its proxy(ies) or representative(s) (such as his/her name, his/her presence at the Annual General Meeting and any questions he/she may raise or motions he/she proposes/seconds) may be recorded by the Company for such purpose.

MEASURES TO MINIMISE RISK OF COMMUNITY SPREAD OF COVID-19

In view of the emergence of COVID-19, we may be taking precautionary measures as we deem appropriate, including measures that are recommended by government agencies, to minimize risk of community spread of COVID-19. Such measures may include temperature check and travel declaration.

Any shareholder or attendee who is deemed unwell or exhibit flu-like symptoms will be declined entry to the Annual General Meeting. You are therefore advised not to attend the Annual General Meeting if you feel unwell.

Shareholder, who is unable to attend the Annual General Meeting, can choose to grant proxy to our Chairman for purpose of voting at the Annual General Meeting.

Megachem seeks the understanding and cooperation of shareholders and other attendees in joining our national effort to minimize the spread of COVID-19.

This Notice has been reviewed by the Company's sponsor, SAC Capital Private Limited (the "Sponsor"). This Notice has not been examined or approved by the Singapore Exchange Securities Trading Limited ("SGX-ST") and the SGX-ST assumes no responsibility for the contents of this Notice, including the correctness of any of the statements or opinions made or reports contained in this Notice.

The contact person for the Sponsor is Ms. Tay Sim Yee (Tel: (65) 6232 3210) at 1 Robinson Road, #21-00 AIA Tower, Singapore 048542.