



Pekat

Pekat Group Berhad
201901011563 (1320891-U)
(Incorporated in Malaysia)

NOTICE IS HEREBY GIVEN that the **Third Annual General Meeting** of Pekat Group Berhad (“the Company”) will be held on a virtual basis through live streaming from the **broadcast venue** at **Tricor Business Centre, Gemilang Meeting Room, Unit 29-01, Level 29, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia** on **Thursday, 9 June 2022 at 10.00 a.m.** for the transaction of the following businesses:

AGENDA

As Ordinary Business:

1. To receive the Audited Financial Statements for the financial year ended 31 December 2021 together with the Directors’ and Auditors’ Reports thereon.

[Please refer to Explanatory Note (a) below]

2. To re-elect the following Directors retiring in accordance with Clause 128 of the Constitution of the Company and being eligible, have offered themselves for re-election:

- i. Mr Ong Keng Siew;
- ii. Mr Chin Soo Mau; and
- iii. Datin Shelina Binti Razaly Wahi.

(Ordinary Resolution 1)
(Ordinary Resolution 2)
(Ordinary Resolution 3)

[Please refer to Explanatory Note (b) below]

3. To approve the payment of Directors’ fees of up to RM270,000.00 for the financial year ending 31 December 2022.

(Ordinary Resolution 4)

[Please refer to Explanatory Note (c) below]

4. To approve the payment of Directors’ benefits of up to RM170,000.00 for the period from 1 January 2021 until 30 June 2023.

(Ordinary Resolution 5)

[Please refer to Explanatory Note (d) below]

5. To re-appoint Grant Thornton Malaysia PLT as Auditors of the Company and to authorise the Directors to fix their remuneration.

(Ordinary Resolution 6)

[Please refer to Explanatory Note (e) below]

As Special Business:

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

6. Proposed Authority to Issue and Allot Shares pursuant to Sections 75 and 76 of the Companies Act 2016 (“the Act”) (Ordinary Resolution 7)

“THAT, pursuant to Sections 75 and 76 of the Act, ACE Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”) (“Listing Requirements”) and the approval of the relevant regulatory authorities, where such approval is required, the Directors of the Company be and are hereby authorised to issue and allot shares in the capital of the Company, grant rights to subscribe for shares in the Company, convert any securities into shares in the Company, or allot shares under an agreement or option or offer (“New Shares”) from time to time, at such price, to such persons and for such purposes and upon such terms and conditions as the Directors may in their absolute discretion deem fit, provided that the aggregate number of such New Shares to be issued, to be subscribed under any rights granted, to be issued from conversion of any security, or to be issued and allotted under an agreement or option or offer, pursuant to this resolution, when aggregated with the total number of any such shares issued during the preceding 12 months does not exceed 20% of the total number of issued shares (excluding any treasury shares) of the Company for the time being (“Proposed 20% General Mandate”).

THAT such approval on the Proposed 20% General Mandate shall continue to be in force until 31 December 2022.

THAT with effect from 1 January 2023, the general mandate shall be reinstated from a 20% limit to a 10% limit pursuant to Rule 6.03 of the Listing Requirements provided that the aggregate number of such New Shares to be issued, to be subscribed under any rights granted, to be issued from conversion of any security, or to be issued and allotted under an agreement or option or offer by the Company from time to time, at such price, to such persons and for such purposes and upon such terms and conditions as the Directors may in their absolute discretion deem fit, pursuant to this resolution, when aggregated with the total number of any such shares issued during the preceding 12 months does not exceed 10% of the total number of issued shares (excluding any treasury shares) of the Company for the time being (“Proposed 10% General Mandate”).

THAT such approval on the Proposed 10% General Mandate shall continue to be in force until:

- a. the conclusion of the next Annual General Meeting of the Company held after the approval was given;
- b. the expiration of the period within which the next Annual General Meeting of the Company is required to be held after the approval was given; or

- c. revoked or varied by resolution passed by the shareholders of the Company in a general meeting,

whichever is the earlier.

(The Proposed 20% General Mandate and Proposed 10% General Mandate shall hereinafter refer to as "Proposed General Mandate".)

THAT the Directors of the Company be and are hereby also empowered to obtain the approval from Bursa Securities for the listing of and quotation for such New Shares on the ACE Market of Bursa Securities.

THAT authority be and is hereby given to the Directors of the Company, to give effect to the Proposed General Mandate with full powers to assent to any conditions, modifications, variations and/or amendments as they may deem fit in the best interest of the Company and/or as may be imposed by the relevant authorities.

AND FURTHER THAT the Directors of the Company, be and are hereby authorised to implement, finalise, complete and take all necessary steps and to do all acts (including execute such documents as may be required), deeds and things in relation to the Proposed General Mandate."

[Please refer to Explanatory Note (f) below]

7. **Proposed New Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature** **(Ordinary Resolution 8)**

"THAT subject to the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad, approval be and is hereby given for the Company and/or its subsidiaries to enter into and give effect to the recurrent related party transactions of a revenue or trading nature with the related parties as set out in Section 2.3.3 of the Circular to Shareholders dated 29 April 2022 ("the Circular"), provided that such transactions are necessary for the Company and/or its subsidiaries' day-to-day operations and which are carried out in the ordinary course of business at arms' length basis and on normal commercial terms and transaction price which are not more favorable to the related parties than those generally available to the public and are not detriment of the minority shareholders of the Company.

THAT the authority conferred by such mandate shall commence upon the passing of this resolution and continue to be in force until:

- (a) the conclusion of the next Annual General Meeting of the Company, at which time this shareholders' mandate will lapse, unless by a resolution passed at the next Annual General Meeting, the authority is renewed;
- (b) the expiration of the period within which the next Annual General Meeting is required to be held pursuant to

Section 340(2) of the Companies Act 2016 (“the Act”) (but must not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or

revoked or varied by resolution passed by the shareholders in a general meeting;

whichever is earlier.

AND THAT the Directors of the Company be hereby authorised to complete and do all such acts and things as they may consider expedient or necessary (including executing such documents as may be required) to give effect to this ordinary resolution.”

[Please refer to Explanatory Note (g) below]

8. To transact any other business of the Company of which due notice shall have been given in accordance with the Companies Act 2016 and the Constitution of the Company.

BY ORDER OF THE BOARD

Ong Wai Leng (SSM PC No. 202008003219) (MAICSA 7065544)
Choo Sook Fun (SSM PC No. 202008000567) (LS 0009607)
Company Secretaries

Kuala Lumpur
29 April 2022

NOTES:-

1. As part of the initiative to curb the spread of Coronavirus Disease 2019 (“COVID-19”), the Third Annual General Meeting (“3rd AGM”) will be conducted on a virtual basis through live streaming from the broadcast venue and online remote voting through the Remote Participation and Voting (“RPV”) facilities via TIIH Online website at <https://tiih.online> provided by Tricor Investor & Issuing House Services Sdn Bhd (“Share Registrar”, “Tricor” or “TIIH”) in Malaysia.

For the purpose of complying with Section 327(2) of the Companies Act 2016, the Chairman of the meeting is required to be present at the main venue of the AGM. Members/Proxies/Corporate Representatives will not be allowed to attend this 3rd AGM in person at the broadcast venue on the day of the 3rd AGM.

2. A member of a Company shall be entitled to appoint another person as his proxy to exercise all or any of his rights to attend, participate, speak and vote at meeting of members of the Company. A member may appoint more than one proxy in relation to a meeting, provided that the member specifies the proportion of the member’s shareholdings to be represented by each proxy. A proxy may but need not be a member of the Company.
3. Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories) Act, 1991 (“SICDA”), it may appoint 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.
4. For a member of the Company who is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one (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. An exempt authorised nominee refers to an authorised nominee defined under SICDA which is exempted from compliance with the provisions of subsection 25A(1) of SICDA.

5. Where a member or the authorised nominee appoints more than two (2) proxies, or where an exempt authorised nominee appoints more than one (1) proxy in respect of each omnibus account to attend and vote at the same meeting, the appointments shall be invalid unless the proportion of shareholdings to be represented by each proxy is specified in the instrument appointing the proxies.
6. A member who has appointed a proxy or attorney or corporate representative to attend and vote at the 3rd AGM must request his/her proxy or attorney or corporate representative to submit their RSVP at TIIH Online website at <https://tiih.online> no later than Tuesday, 7 June 2022 at 10.00 a.m. Please follow the RSVP Procedures in the Administrative Guide for the 3rd AGM.
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 the 3rd 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 Company's Share Registrar at 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 **TIIH Online** website at <https://tiih.online>. Kindly refer to the Administrative Guide on the procedure for electronic lodgement of proxy form via TIIH Online.
8. For the purpose of determining who shall be entitled to participate in this 3rd AGM, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd to make available to the Company, the **Record of Depositors as at 31 May 2022**. Only a member whose name appears on this Record of Depositors shall be entitled to participate in this 3rd AGM or appoint proxies to attend and vote in his stead.

Explanatory Notes:

a. Agenda No. 1

This item is meant for discussion only. The provisions of Section 340(1)(a) of the Companies Act 2016 require that the Audited Financial Statements and the Reports of the Directors and Auditors thereon be laid before the Company at its Annual General Meeting. As such, this Agenda item is not a business which requires a resolution to be put to vote by shareholders.

b. Ordinary Resolutions No. 1 to 3

The Nomination Committee ("NC") with the assistance of Management of the Company had conducted a Board Effectiveness Assessment ("BEA") of the Directors, in the areas of qualification, experience, skills, corporate governance, contribution, competence and independence.

Based on the results of the BEA for the financial year ended 31 December 2021, the Board approved the NC's recommendation on the re-election of Mr Ong Keng Siew, Mr Chin Soo Mau and Datin Shelina Binti Razaly Wahi who are due to retire at the 3rd AGM in accordance with Clause 128 of the Company's Constitution. The NC had concluded that each Director has the requisite competence, calibre to serve on the Board and Board Committees and had demonstrated his/her commitment to the Group in terms of time, participation and dialogue during the current year under review. The NC endorsed the re-election of Directors who will be retiring at the 3rd AGM.

c. Ordinary Resolution No. 4

Pursuant to Section 230(1) of the Companies Act, 2016, the fees of the directors and any benefits payable to the directors shall be approved at a general meeting.

The Proposed resolution is to facilitate the payment of Directors' fees on a current financial year basis, calculated based on the current Board size. In the event the Directors fees proposed are insufficient (due to enlarged Board size), approval will be sought at the next Annual General Meeting for additional fees to meet the shortfall.

d. Ordinary Resolution No. 5

This resolution is to facilitate payment of Directors' benefits for the period from 1 January 2021 until 30 June 2023.

In the event the Directors' benefits proposed are insufficient (e.g. due to more meetings or enlarged Board size), approval will be sought at the next AGM for additional fees to meet the shortfall.

Directors' benefits include allowances for travel and other emoluments payable to Directors and in determining the estimated total the Board had considered various factors including the number of scheduled meetings for the Board and Board Committees, and covers from 1 January 2021 until 30 June 2023.

e. Ordinary Resolution No. 6

The Board had its meeting held on 15 April 2022 approved the recommendation by the Audit and Risk Management Committee to re-appoint Grant Thornton Malaysia PLT ("GT"). The Board and Audit and Risk Management Committee collectively agreed that GT has met the relevant criteria prescribed by Paragraph 15.21 of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad.

f. Ordinary Resolution No. 7

The proposed Ordinary Resolution 7, if passed, will empower the Directors of the Company to issue and allot ordinary shares of the Company from time to time and to grant rights to subscribe for shares in the Company, convert any securities into shares in the Company, or allot shares under an agreement or option or offer, provided that the aggregate number of shares allotted pursuant to this resolution does not exceed 20% of the total number of issued shares (excluding treasury shares) of the Company for the time being ("Proposed 20% General Mandate") up to 31 December 2022. With effect from 1 January 2023, the Proposed 20% General Mandate will be reinstated to a 10% limit ("Proposed 10% General Mandate") according to Rule 6.03 of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad.

The authority for the Proposed 10% General Mandate will, unless revoked or varied by the Company in a general meeting, expire at the conclusion of the next Annual General Meeting or the expiration of the period within which the next Annual General Meeting is required by law to be held, whichever is earlier.

This proposed Resolution is to seek for a new mandate. The mandate is to provide flexibility to the Company to issue new securities without the need to convene separate general meeting to obtain its shareholders' approval so as to avoid incurring additional costs and time.

The Board of Directors of the Company is of the view that the Proposed 20% General Mandate is in the best interest of the Company and its shareholders as it is useful for the Company to meet its financial needs due to the unprecedented uncertainty surrounding the recovery of the COVID-19 pandemic which currently shifting to endemic phase and it will enable the Board to take swift action during the challenging time to ensure long term sustainability and interest of the Company and its shareholders.

The purpose of this general mandate, if passed, will enable the Directors to take swift action in case of a need to issue and allot new shares in the Company for fund raising exercise including but not limited to further placement of shares for purpose of funding current and/or future investment projects, working capital, acquisitions and/or for issuance of shares as settlement of purchase consideration, or other circumstances arise which involve grant of rights to subscribe for shares, conversion of any securities into shares, or allotment of shares under an agreement or option or offer, or such other application as the Directors may deem fit in the best interest of the Company.

As at the date of this notice, there is no decision to issue new shares. Should there be a decision to issue new shares after the general mandate is sought, the Company will make an announcement of the actual purpose and utilisation of proceeds arising from such issuance of shares.

g. Ordinary Resolutions No. 8

The proposed Ordinary Resolution 8 is to seek for Shareholders' Mandate to allow the Company and/or its subsidiaries to enter into Recurrent Related Party Transactions of a Revenue or Trading Nature and to facilitate transactions in the normal course of business of the Group which are transacted from time to time with the specified classes of related parties, provided that they are carried out on an arm's length basis and on the Group's normal commercial terms and are not prejudicial to the shareholders 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. For further information, please refer to the Circular to the Shareholders dated 29 April 2022.