

PEKAT GROUP BERHAD
201901011563 (1320891-U)
(Incorporated in Malaysia)

NOTICE IS HEREBY GIVEN that the **Fourth Annual General Meeting** of Pekat Group Berhad (“the Company”) will be held on a virtual basis by way of 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 **Tuesday, 13 June 2023** 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 2022 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 Kok Kong Chin; and
- ii. Mr Tai Yee Chee.

(Ordinary Resolution 1)
(Ordinary Resolution 2)

[Please refer to Explanatory Note (b) below]

3. To re-elect Ms Ooi Youk Lan who is retiring in accordance with Clause 134 of the Constitution of the Company and being eligible, has offered herself for re-election.

(Ordinary Resolution 3)

[Please refer to Explanatory Note (b) below]

4. To approve the payment of Directors’ fees of up to RM227,000.00 for the financial year ending 31 December 2023.

(Ordinary Resolution 4)

[Please refer to Explanatory Note (c) below]

5. To approve the payment of Directors’ benefits of up to RM59,000.00 from 1 July 2023 until the next Annual General Meeting of the Company.

(Ordinary Resolution 5)

[Please refer to Explanatory Note (d) below]

6. 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, with or without modifications, the following resolutions:

7. **Waiver of Pre-Emptive Rights pursuant to Section 85 of the Companies Act, 2016** (Special Resolution 1)

“THAT the shareholders of the Company do hereby waive their statutory pre-emptive rights to be offered new shares ranking equally to the existing issued shares of the Company pursuant to Section 85 of the Companies Act, 2016 (“the Act”), read together with Clause 15 of the Company’s Constitution.

THAT the Directors be and are hereby authorised to issue any new shares (including rights or options over subscription of such shares) and with such preferred, deferred, or other special rights or such restrictions, whether with regard to dividend, voting, return of capital, or otherwise, for such consideration and to any person as the Directors may determine subject to passing Ordinary Resolution 7 – Authority to Issue and Allot Shares of the Company pursuant to Sections 75 and 76 of the Act.”

[Please refer to Explanatory Note (f) below]

8. **Authority to Issue and Allot Shares pursuant to Sections 75 And 76 of the Companies Act, 2016** (Ordinary Resolution 7)

“THAT pursuant to Sections 75 and 76 of the Companies Act, 2016, 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 10% of the total number of issued shares (excluding any treasury shares) of the Company (“Proposed Mandate”).

THAT such approval on the Proposed 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.

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 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 Mandate.”

[Refer to Explanatory Note (g)]

9. **Proposed Renewal of Shareholders’ Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature (“RRPT”)** **(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 RRPT with the related parties as set out in Section 2.3.3 of the Circular to Shareholders dated 27 April 2023 (“the Circular”), which are necessary for the Company and/or its subsidiaries’ day-to-day operations and 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 detrimental to the interest 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
- (c) 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 (f) below]

10. 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. 202208000633) (MAICSA 7065544)
Choo Sook Fun (SSM PC No. 202008000567) (LS 0009607)
Company Secretaries

Kuala Lumpur
27 April 2023

NOTES:

1. The Fourth Annual General Meeting (“4th AGM”) will be conducted 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 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 Annual General Meeting. Members/Proxies/Corporate Representatives will not be allowed to be physically present at the broadcast venue on the day of the 4th AGM.

2. Members are to attend, speak (including posing questions to the Board via real time submission of typed texts) and vote (collectively, “participate”) remotely at the 4th AGM via RPV facilities provided by Tricor via its TIIH Online website at <https://tiih.online>. Please read the Administrative Guide for the 4th AGM of the Company for details on the registration process and procedures for RPV to participate remotely at the 4th AGM of the Company.
3. 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 not more than two (2) proxies 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.
4. 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.
5. 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.

6. 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.
7. A member who has appointed a proxy or attorney or corporate representative to attend and vote at the 4th 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 Sunday, 11 June 2023 at 10.00 a.m. Please follow the RSVP Procedures in the Administrative Guide for the 4th AGM.
8. The instrument appointing a proxy shall be in writing signed by the appointor or by his attorney who is authorised in writing. In the case of a corporation, the instrument appointing proxy(ies) must be made either under its common seal or signed by an officer or an attorney duly authorised.
9. 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 4th 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 its 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 for further information on electronic submission of proxy form.
10. Any authority pursuant to which such an appointment is made by a power of attorney must be deposited with the share registrar in accordance with Note (9) above not less than forty-eight (48) hours before the time appointed for holding the AGM or adjourned general meeting at which the person named in the appointment proposes to vote. A copy of the power of attorney may be accepted provided that it is certified notarially and/or in accordance with the applicable legal requirements in the relevant jurisdiction in which it is executed.
11. For a corporate member who has appointed a representative, please deposit the ORIGINAL OR DULY CERTIFIED certificate of appointment with the share registrar in accordance with Note (9) above. The certificate of appointment should be executed in the following manner:
 - a. 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.
 - b. 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:
 - i. at least two (2) authorised officers, of whom one shall be a director; or
 - ii. any director and/or authorised officers in accordance with the laws of the country under which the corporate member is incorporated.
12. For the purpose of determining who shall be entitled to participate in this 4th AGM, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd to make available to the Company, the **Record of Depositors as at Tuesday, 6 June 2023**. Only a member whose name appears on this Record of Depositors shall be entitled to participate in this 4th 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 Nominating 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. A fit and proper assessment was also conducted by the NC on the Directors who are standing for re-election pursuant to Clause 128 and Clause 134 of the Constitution respectively to ensure that they have the essential quality and integrity as well as the relevant character, experience, competence, time and commitment to discharge their roles as Directors.

Based on the results of the BEA together with fit and proper assessment for the financial year ended 31 December 2022, the NC concluded that Mr Kok Kong Chin, Mr Tai Yee Chee and Ms Ooi Youk Lan have the requisite competence, caliber to serve on the Board and Board Committees and had demonstrated his/her commitment to the Group in terms of time, participation and discussion during the current year under review. The NC also agreed that their performances are satisfactory, and the Directors have met the Board’s expectation in the discharge of their duties and responsibilities. They have the relevant mix of experience, skills and expertise that are beneficial to the Company. They also devote adequate time in discharging their duties and responsibilities as Directors, work constructively with other Board members, attend meetings with well preparation and will continue to bring value and insight to the Board.

The Board supported and approved the NC’s recommendation on the re-election of the aforesaid Directors who are due to retire at the 4th AGM in accordance with Clause 128 and Clause 134 of the Company’s Constitution respectively. Each Director, being eligible, has expressed his/her willingness for re-election at the 4th AGM. They have abstained from deliberations and decisions on their own eligibility to stand for re-election. Their profiles are set out on pages 35 to 42 of the Annual Report 2022.

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 from 1 July 2023 until the next Annual General Meeting of the Company in 2024. 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 Annual General Meeting for additional fees to meet the shortfall.

Directors’ benefits include allowances for travel for directors 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 the period from 1 July 2023 until the next Annual General Meeting of the Company.

e. Ordinary Resolution No. 6

The Board had its meeting held on 24 February 2023 approved the recommendation by the Audit and Risk Management Committee (“ARMC”) to re-appoint Grant Thornton Malaysia PLT (“GT”). The Board and ARMC 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. Special Resolution No. 1

The Special Resolution is pertaining to the waiver of pre-emptive rights granted to the shareholders pursuant to Section 85 of the Companies Act, 2016. By voting in favour of the Special Resolution, the shareholders of

the Company would be waiving their statutory pre-emptive rights. The Special Resolution, if passed, would allow the Directors to issue new shares to any person under the Proposed General Mandate without having to offer the new Company shares to be issued equally to all existing shareholders of the Company prior to issuance.

g. Ordinary Resolution No. 7

The proposed ordinary resolution, 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 10% of the total number of issued shares (excluding treasury shares) of the Company for the time being ("Proposed Mandate").

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

This proposed Resolution is a renewal of the previous year's 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 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, the Company did not implement its proposal for new allotment of shares under the general mandate pursuant to Sections 75 and 76 of the Companies Act 2016 which was approved by the shareholders at the 3rd AGM held on 9 June 2022 and will lapse at the conclusion of the 4th AGM to be held on 13 June 2023. 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.

h. Ordinary Resolution No. 8

The proposed Ordinary Resolution No. 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 detrimental to the interest of the minority shareholders. For further information, please refer to the Circular to the Shareholders dated 27 April 2023.