

PEKAT GROUP BERHAD

[Registration No. 201901011563 (1320891-U)]
(Incorporated in Malaysia)

MINUTES OF THE EXTRAORDINARY GENERAL MEETING (“EGM”) OF PEKAT GROUP BERHAD (“PEKAT” OR “THE COMPANY”) HELD ON A VIRTUAL BASIS VIDE THE ONLINE MEETING PLATFORM HOSTED ON SECURITIES SERVICES E-PORTAL AT [HTTPS://SSHSB.NET.MY/](https://sshsb.net.my/) AT THE BROADCAST VENUE, WHICH WAS THE MAIN VENUE OF THE EGM, AT THE MEETING ROOM OF SECURITIES SERVICES (HOLDINGS) SDN. BHD., LEVEL 7, MENARA MILENIUM, JALAN DAMANLELA, PUSAT BANDAR DAMANSARA, DAMANSARA HEIGHTS, 50490 KUALA LUMPUR, WILAYAH PERSEKUTUAN ON THURSDAY, 10 OCTOBER 2024 AT 11:00 A.M.

DIRECTORS PRESENT AT BROADCAST VENUE : Mr. Kok Kong Chin (*Chairman*)
Mr. Chin Soo Mau
Mr. Tai Yee Chee
Mr. Ong Keng Siew
Ms. Yeong Siew Lee
Datin Shelina Binti Razaly Wahi

INDIVIDUAL MEMBERS, REPRESENTATIVES AND PROXIES PRESENT : As per the Attendance List

BY INVITATION : Mr. Oh Keng Jin (*Chief Financial Officer*)
Mr. Tong Pau Liong (*Pekat Group Berhad*)
Mr. Liew Wei Chyi (*Pekat Group Berhad*)
Ms. Yu Siew Ling (*Pekat Group Berhad*)
Mr. Adrian Kok Hong Yew (*Public Investment Bank Berhad*)
Mr. Lit Jit Suan (*Public Investment Bank Berhad*)
Mr. Kuan Kang Seng (*Public Investment Bank Berhad*)
Mr. Wooi Tan (*Vital Factor Consulting Sdn. Bhd.*)
Ms. Cynthia Toh Mei Lee (*Messrs. Wong Beh & Toh*)
Ms. Melissa Tan Zin Huey (*Messrs. Wong Beh & Toh*)
Mr. Ong Sern Tai (*Messrs. Wong Beh & Toh*)
Mr. Tan Dai Liang (*Strategic Capital Advisory Sdn. Bhd.*)
Mr. Voon Liq Ming (*Grant Thornton Malaysia PLT*)
Ms. Ho Ying Ying (*Grant Thornton Malaysia PLT*)

IN ATTENDANCE : Ms. Yee Kit Yeng (*Company Secretary*)
Mr. Simon Chong Kah Tah (*Assisting the Company Secretary*)
Ms. Lim Sook Hui (*Assisting the Company Secretary*)

CHAIRMAN

Mr. Kok Kong Chin (“**Chairman**”) was in the chair. He welcomed all present to the EGM (“**the Meeting**”) of the Company and thanked all present for their attendance including those participating in the EGM remotely from various locations through live streaming.

The Chairman informed that the EGM was conducted on a virtual basis via live streaming webcast and online remote voting using the remote participation and voting facilities of SS E Solutions Sdn. Bhd. without physical attendance by shareholders, proxies and corporate representatives.

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QUORUM

The requisite quorum being present pursuant to Clause 81 of the Company's Constitution, the Chairman declared the Meeting duly convened.

The Chairman informed the Meeting that only members whose names appeared in the Record of Depositors on 3 October 2024 were eligible to attend the Meeting.

NOTICE

The Notice convening the Meeting dated 20 September 2024 having been circulated within the prescribed period, was with the permission of the Meeting, taken as read.

POLL VOTING

The Chairman informed that the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad ("**Bursa Securities**") has mandated poll voting for all resolutions set out in the notice of general meetings. Pursuant to the above and Section 330 of the Companies Act 2016 ("**the Act**"), the Chairman exercised his right to direct the vote on all resolutions set out in the Notice of the Meeting to be conducted by way of a poll to demonstrate shareholder democracy of one-share one-vote.

PROCEEDINGS

The Chairman then invited Ms. Yee Kit Yeng ("**Ms. Yee**"), the Company Secretary to brief all on the proceedings of the Meeting.

Ms. Yee briefed all present that with the remote participation and voting facilities, shareholders, corporate representatives and proxies of the Company are allowed to post questions to the Board of Directors of the Company and vote remotely at the Meeting.

The Meeting was informed that there were shareholders who were unable to participate in the Meeting and had appointed the Chairman of the Meeting to vote on their behalf. Accordingly, the Chairman would be voting in his capacity as proxy in accordance with the shareholders' instructions, where indicated.

Ms. Yee then briefed the Meeting that there is no legal requirement for a proposed resolution to be seconded, and as such, the voting module had been made accessible to all shareholders, corporate representatives and proxies to cast and submit their votes from the start of the Meeting and shall continue to be accessible for an additional ten (10) minutes after all the questions transmitted during the Meeting have been dealt with.

Ms. Yee informed that the Meeting would first present the Company's responses to the questions from Minority Shareholders Watch Group ("**MSWG**"). Thereafter, the Meeting would go through all the items on the Agenda, followed by a question and answer session ("**Q&A Session**") to respond to questions transmitted by the shareholders, corporate representatives and proxies during the Meeting. Shareholders, corporate representatives and proxies may rely on the real-time submission of typed texts to exercise their rights to speak or communicate in a virtual meeting by using the text box facility under the live stream player within the same e-Portal page to transmit their questions and/or remarks during the Meeting.

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The Meeting was further informed that SS E Solutions Sdn. Bhd. was the appointed Poll Administrator and Commercial Quest Sdn. Bhd. was the appointed Independent Scrutineer to verify the results of the poll voting.

At this juncture, a step-by-step guide together with a short video clip on the online voting module within the e-Portal was played.

RESPONSES TO MSWG

The Chairman informed the Meeting that the Company had received a letter from MSWG dated 2 October 2024 and was requested to respond to the queries raised by MSWG at the Meeting.

At this juncture, the Chairman invited Mr. Oh Keng Jin, the Company's Chief Financial Officer to bring the participants through the queries received from MSWG and responses to the said queries as stipulated under Annexure "A" attached to this Minutes.

Upon completion, the Chairman thanked Mr. Oh for his presentation on the queries raised by MSWG and the Company's responses.

1.0 ORDINARY RESOLUTION 1

- **PROPOSED ESTABLISHMENT OF AN EMPLOYEES' SHARE OPTION SCHEME ("ESOS") OF UP TO 10% OF THE TOTAL NUMBER OF ISSUED ORDINARY SHARES OF PEKAT (EXCLUDING TREASURY SHARES, IF ANY) AT ANY POINT IN TIME OVER THE DURATION OF THE ESOS FOR THE ELIGIBLE DIRECTORS AND EMPLOYEES OF PEKAT AND ITS SUBSIDIARIES (EXCLUDING DORMANT SUBSIDIARIES, IF ANY) ("PROPOSED ESOS")**
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The Chairman informed the Meeting that the first item on the Agenda was to seek approval of the Ordinary Resolution No. 1 on the Proposed ESOS.

The Chairman then informed the Meeting that all the Directors of the Company and major shareholders (namely, Mr. Chin Soo Mau and Mr. Tai Yee Chee) are eligible to participate in the Proposed ESOS, and therefore, they are deemed interested to the extent of their respective Proposed Allocations of ESOS Options as well as the Proposed Allocations to persons connected with them, under the Proposed ESOS.

The Interested Directors and Interested Major Shareholders will abstain and ensure that persons connected with them will abstain from voting, in respect of their direct and/or indirect interests in the Company on the resolutions pertaining to their respective allocations as well as allocations to persons connected with them under the Proposed ESOS during this Meeting.

The Meeting was informed that further information on the Proposed ESOS is set out in the circular to shareholders dated 20 September 2024.

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2.0 ORDINARY RESOLUTIONS 2 TO 7

- PROPOSED ALLOCATION OF OFFER TO THE FOLLOWING ELIGIBLE PERSONS WHO ARE DIRECTORS OF PEKAT AND THE PERSONS CONNECTED WITH THEM UNDER THE PROPOSED ESOS

The Chairman informed the Meeting that all the Board Members and himself were interested to item 2 on the Agenda, and invited Ms. Yee to brief the Meeting on this segment of the Agenda.

Ms. Yee informed that the second item on the Agenda was to seek approval of the Ordinary Resolutions No. 2 to 7 pertaining to the Proposed Allocation of Offer to the Eligible Directors, namely,

1. Mr. Kok Kong Chin, Independent Non-Executive Chairman;
2. Mr. Chin Soo Mau, Managing Director;
3. Mr. Tai Yee Chee, Executive Director & Chief Executive Officer;
4. Mr. Ong Keng Siew, Independent Non-Executive Director;
5. Ms. Yeong Siew Lee, Independent Non-Executive Director; and
6. Datin Shelina Binti Razaly Wahi, Independent Non-Executive Director.

She further informed that each Proposed Allocation of offer to the Eligible Directors would be voted on individually. Ms. Yee then passed the floor back to the Chairman.

QUESTION AND ANSWER SESSION

The following question (in redacted/ summarised forms) was received during the Meeting:-

No.	Question from shareholder	Response by the Company
(1)	Will The Board consider giving door gift such e-voucher or e-wallets for those participating in this EGM as a token of appreciation?	The Company has no plans to provide e-vouchers or e-wallet credits to shareholders attending at the EGM. However, the Company will consider this request, and the Board expressed their gratitude for the continued support of its shareholders.

POLLING PROCESS

There being no further questions received, the shareholders, proxies and corporate representatives were given another ten (10) minutes to cast and submit their votes.

Upon closure of the voting session, the Meeting was adjourned at 11:25 a.m. and proceeded with the verification of votes results by the Independent Scrutineers, Commercial Quest Sdn. Bhd.

ANNOUNCEMENT OF POLL RESULTS

The Meeting resumed at 11:35 a.m. and the Chairman called the Meeting in order.

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The results of the poll voting were as follows:-

Resolutions	Voted in Favour		Voted Against		Results
	No. of Shares	%	No. of Shares	%	
Ordinary Resolution 1 Proposed ESOS	434,705,741	97.7784	9,877,000	2.2216	Carried
Ordinary Resolution 2 Proposed allocation of Offer to Mr. Kok Kong Chin	412,320,941	94.9102	22,111,800	5.0898	Carried
Ordinary Resolution 3 Proposed allocation of Offer to Mr. Chin Soo Mau	209,643,941	95.5007	9,877,000	4.4993	Carried
Ordinary Resolution 4 Proposed allocation of Offer to Mr. Tai Yee Chee	371,928,841	97.4131	9,877,000	2.5869	Carried
Ordinary Resolution 5 Proposed allocation of Offer to Mr. Ong Keng Siew	422,370,941	95.0253	22,111,800	4.9747	Carried
Ordinary Resolution 6 Proposed allocation of Offer to Ms. Yeong Siew Lee	422,370,941	95.0253	22,111,800	4.9747	Carried
Ordinary Resolution 7 Proposed allocation of Offer to Datin Shelina Binti Razaly Wahi	422,370,941	95.0253	22,111,800	4.9747	Carried

Based on the results of the poll voting, the Chairman declared the following resolutions as **CARRIED**: -

ORDINARY RESOLUTION 1

- **PROPOSED ESTABLISHMENT OF AN EMPLOYEES' SHARE OPTION SCHEME ("ESOS") OF UP TO 10% OF THE TOTAL NUMBER OF ISSUED ORDINARY SHARES OF PEKAT (EXCLUDING TREASURY SHARES, IF ANY) AT ANY POINT IN TIME OVER THE DURATION OF THE ESOS FOR THE ELIGIBLE DIRECTORS AND EMPLOYEES OF PEKAT AND ITS SUBSIDIARIES (EXCLUDING DORMANT SUBSIDIARIES, IF ANY) ("PROPOSED ESOS")**

"THAT subject to the approvals from all relevant regulatory authorities and parties being obtained for the Proposed ESOS, and to the extent permitted by law and the Constitution of the Company, approval and authority be and is hereby given to the Board of Directors of the Company to undertake the following:

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- (i) *to establish and implement an employees' share option scheme for the benefit of eligible Directors and employees of the Company and its subsidiaries (excluding subsidiaries which are dormant, if any) ("**Group**") ("**Eligible Persons**") who fulfil certain specified conditions of eligibility for participation in the Proposed ESOS and to implement and administer the same in accordance with the by-laws of the Proposed ESOS ("**By-Laws**") which is set out in Appendix I of the circular to shareholders of Pekat dated 20 September 2024 ("**Circular**");*
- (ii) *to allot and issue such number of new ordinary shares in the Company (as adjusted or modified from time to time pursuant to the By-Laws) ("**Pekat Share(s)**") from time to time as may be required for the purpose of or in connection with the Proposed ESOS, provided that the total number of Pekat Shares be allotted and issued, pursuant to the granting of options to subscribe for Pekat Shares ("**ESOS Option(s)**"), to eligible Director(s) and eligible employees of the Group in relation to the Proposed ESOS shall not exceed 10% in aggregate of the total number of issued shares of the Company (excluding treasury shares, if any) at any point in time throughout the duration of the Proposed ESOS;*
- (iii) *to set up a committee to implement and administer the Proposed ESOS ("**ESOS Committee**");*
- (iv) *to make the necessary application to Bursa Malaysia Securities Berhad ("**Bursa Securities**") for permission to deal in and for the listing of and quotation for the new Pekat Shares (as adjusted or modified from time to time pursuant to the By-Laws) that may hereafter from time to time be allotted and issued pursuant to the Proposed ESOS; and*
- (v) *to do all such acts, execute all such documents and to enter into all such transactions, arrangements and agreements, deeds or undertakings and to make such rules and regulations, or to impose such terms and conditions or delegate part of its power as may be necessary or expedient in order to give full effect to the Proposed ESOS and the terms of the By-Laws;*

THAT pursuant to Section 85 of the Companies Act 2016 ("**Act**") which must be read together with Clause 15 of the Constitution of the Company ("**Constitution**"), approval be and is hereby given to disapply the pre-emptive rights of the existing shareholders of the Company to be offered any new Pekat Shares ranking equally to the existing issued Pekat Shares arising from any allotment and issuance of new Pekat Shares to the Eligible Persons pursuant to the Proposed ESOS.

AND THAT the By-Laws which is in compliance with the ACE Market Listing Requirements of Bursa Securities, be and is hereby approved and adopted and the Directors of the Company be and are hereby authorised to give effect to the Proposed ESOS with full power to modify, add, delete and/or amend the By-Laws from time to time as may be required or deemed necessary in accordance with the provisions of the By-Laws relating to amendments and/or modifications and to assent to any conditions, modifications, revaluations, variations and/or amendments as may be required by any relevant authorities and to deal with all matters relating thereto and to take all such steps and do all acts and things in any manner as they may deem necessary or expedient to implement, finalise and give full effect to the Proposed ESOS."

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ORDINARY RESOLUTIONS 2 TO 7

- PROPOSED ALLOCATION OF OFFER TO THE FOLLOWING ELIGIBLE PERSONS WHO ARE DIRECTORS OF PEKAT AND THE PERSONS CONNECTED WITH THEM UNDER THE PROPOSED ESOS

*"**THAT** subject to the passing of Ordinary Resolution 1 and the approvals of all relevant authorities being obtained, approval be and is hereby given to the Board at any time and from time to time throughout the duration of the Proposed ESOS, to offer and grant to each of the Directors and persons connected with them as named therein below respectively and to allot and issue such ESOS Options to them provided always that not more than 10% of the Pekat Shares available under the Proposed ESOS shall be allocated to any Eligible Person, who, either singly or collectively through persons connected with the Eligible Person, holds 20% (or such other percentage as the relevant authorities may permit) or more of the number of issued shares (excluding treasury shares, if any) of Pekat, subject always to such terms and conditions of the By-Laws and/or any adjustment which may be made in accordance with the provisions of the By-Laws.*

Name	Designation	Ordinary Resolution
Kok Kong Chin	Independent Non-Executive Chairman	Ordinary Resolution 2
Chin Soo Mau	Managing Director	Ordinary Resolution 3
Tai Yee Chee	Executive Director & Chief Executive Officer	Ordinary Resolution 4
Ong Keng Siew	Independent Non-Executive Director	Ordinary Resolution 5
Yeong Siew Lee	Independent Non-Executive Director	Ordinary Resolution 6
Datin Shelina Binti Razaly Wah	Independent Non-Executive Director	Ordinary Resolution 7

***THAT** pursuant to Section 85 of the Act which must be read together with Clause 15 of the Constitution, approval be and is hereby given to disapply the pre-emptive rights of the existing shareholders of the Company to be offered any new Pekat Shares ranking equally to the existing issued Pekat Shares arising from any allotment and issuance of new Pekat Shares to the above Eligible Persons to the Eligible Persons and the Persons connected with them pursuant to the Proposed ESOS."*

CONCLUSION

There being no other business to be transacted, Chairman concluded the Meeting at 11:40 a.m. and thanked all present for their attendance.

RESPONSES TO MINORITY SHAREHOLDERS WATCH GROUP ("MSWG")

Proposed establishment of an Employees' Share Option Scheme ("ESOS") of up to 10% of the total number of issued ordinary share of Pekat (excluding treasury shares, if any)

- 1) *The Group has proposed seeking shareholders' approval for granting ESOS Options to the following Independent Non-Executive Chairman ("INEC") and Independent Non-Executive Directors ("INEDs").*

Ordinary Resolution	Name	Designation
2	Kok Kong Chin	INEC
5	Ong Keng Siew	INED
6	Yeong Siew Lee	INED
7	Datin Shelina Binti Razaly Wahi	INED

The term "Employees" in ESOS explicitly signifies that the scheme is intended for the benefit and participation of employees of the Group. It is crucial to acknowledge that INEC and INEDs, who serve in a non-executive capacity, are not classified as employees of the Group.

MSWG discourages the participation of INEC and INEDs in any form of share options due to their non-executive management roles and responsibilities in overseeing the allocation of share options to executive directors and employees.

The allocation of ESOS to the abovementioned directors raises concerns regarding potential conflicts of interest, dilution of independence, impaired objectivity, and shareholder value preservation. These risks arise due to the possibility of INEC and INEDs being influenced by personal financial interests aligned with share price performance, compromising their objectivity in oversight duties and decision-making processes.

Considering that the INEC and INEDs do not have executive responsibilities and are already adequately compensated through director fees and other benefits, please provide justifications for allocating ESOS to the abovementioned directors?

Response:

The Independent Non-Executive Directors (including the Independent Non-Executive Chairman) comprise professionals from different background and experiences. Although the Non-Executive Directors are not involved in the day-to-day business operations of Pekat, they play a pivotal role in applying their experience, drawing on their knowledge and utilising their expertise for the governance, growth and performance of the Group. The granting of the ESOS Options to the Non-Executive Directors of Pekat is to recognise their services and contributions and to further align their interests with that of the Group.

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In addition to the above, we wish to clarify that pursuant to the Rule 6.07(1) of Listing Requirements, the allocations of the ESOS Options to any of the Non-Executive Directors are subject to shareholders' approval in a general meeting. Furthermore, the Non-Executive Directors are subject to retention period and restriction on dealings of Pekat Shares whereby they must not sell, transfer or assign the Pekat Shares obtained through the exercise of the ESOS options within one (1) year from the Date of Offer, pursuant to the Rule 8.22 of Listing Requirements.
