

# FRONTKEN

FRONTKEN CORPORATION BERHAD

200401012517 (651020-T)

(Incorporated in Malaysia under the Companies Act 2016)

## NOTICE OF NINETEENTH ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN THAT** the Nineteenth Annual General Meeting of the Company ("19th AGM") will be held entirely on a fully virtual basis at the broadcast venue at Tricor Business Centre, Manuka 2 & 3 Meeting Room, Unit 29-01, Level 29, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia through the online meeting platform of TIIH Online website at <https://tiih.online> (Domain registration number with MYNIC: D1A282781) provided by Tricor Investor & Issuing House Services Sdn Bhd, Malaysia on Friday, 2 June 2023 at 10.00 a.m. for the transaction of the following businesses:

### AGENDA

#### As Ordinary Business:

- To receive the Audited Financial Statements for the year ended 31 December 2022 together with the Reports of the Directors and the Auditors thereon. *(Please refer to Explanatory Note 1)*
- To approve the payment of dividend of 2.6 sen per ordinary share of the Company for the year ended 31 December 2022. *(Ordinary Resolution 1)*
- To re-elect the following Directors:
  - Dr Tay Kiang Meng who will be retiring pursuant to Clause 75(2) of the Company's Constitution; and *(Ordinary Resolution 2)*
  - Mr Ng Chee Whye who will be retiring pursuant to Clause 75(2) of the Company's Constitution. *(Ordinary Resolution 3)*
- To approve the payment of Directors' fees and Benefits of up to RM600,000.00 for the financial year ending 31 December 2023 up to the following next Annual General Meeting. *(Ordinary Resolution 4)*
- To re-appoint Messrs Crowe Malaysia PLT as Auditors of the Company for the financial year ending 31 December 2023 and to authorise the Directors to fix their remuneration. *(Ordinary Resolution 5)*

#### As Special Business:

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

- AUTHORITY TO ISSUE SHARES PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT 2016 ("ACT")** *(Ordinary Resolution 6)*

THAT subject always to the Act, the Constitution of the Company and the approvals of Bursa Malaysia Securities Berhad ("Bursa Securities") and the relevant regulatory authorities where such approval is necessary, the Directors be and are hereby empowered, pursuant to Sections 75 and 76 of the Act, to issue shares of the Company at any time until the conclusion of the next Annual General Meeting ("AGM") or any adjournment thereof 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 to be issued does not exceed 10% of the total number of issued shares of the Company (excluding treasury shares) at the time of issue until the conclusion of the next AGM of the Company ("General Mandate"); AND THAT the Directors be and are also empowered to obtain the approval for the listing of and quotation for the additional shares so issued on Bursa Securities and that such authority shall continue to be in force until the conclusion of the next AGM of the Company.

- PROPOSED WAIVER FROM THE SHAREHOLDERS TO WAIVE THEIR STATUTORY PRE-EMPTIVE RIGHTS TO GENERAL MANDATE TO ISSUE SHARES** *(Ordinary Resolution 7)*

THAT pursuant to Section 85 of the Act and Clause 12 of the Company's Constitution, approval be and is hereby given for the statutory pre-emptive rights of the shareholders of the Company to be first offered new shares in the Company ranking equally with the existing shares of the Company to be waived insofar as the new shares are issued pursuant to the General Mandate above ("Waiver of Statutory Pre-emptive Rights").

- PROPOSED RENEWAL OF AUTHORITY FOR THE COMPANY TO PURCHASE ITS OWN SHARES ("PROPOSED RENEWAL OF SHARE BUY-BACK MANDATE")** *(Ordinary Resolution 8)*

THAT subject to the provisions under the Act, the Constitution of the Company, the Listing Requirements and any other applicable laws, rules, regulations and guidelines for the time being in force, the Company be and is hereby authorised to purchase such number of ordinary shares in the Company ("Shares") as may be determined by the Directors from time to time through Bursa Securities upon such terms and conditions as the Directors may deem fit and expedient in the interest of the Company provided that the aggregate number of Shares purchased pursuant to this resolution shall not exceed 10% of the total number of issued shares of the Company.

THAT the maximum amount of funds to be allocated for the purpose of purchasing the Shares shall not exceed the retained profits of the Company or RM50 million, whichever is the lower.

THAT authority be and is hereby given to the Directors to decide at their discretion, as may be permitted and prescribed by the Act and/or any prevailing laws, rules, regulations, orders, guidelines and requirements issued by the relevant authorities for the time being in force to deal with any of the Shares so purchased by the Company in the following manner:

- the Shares so purchased could be cancelled or transferred; or
- the Shares so purchased could be retained as treasury shares for distribution as dividends or bonus Shares to the shareholders of the Company and/or be resold through Bursa Securities in accordance with the relevant rules of Bursa Securities and/or transferred to employees under an employees' share scheme and/or as purchase consideration for any acquisition; or
- combination of (i) and (ii) above.

THAT the authority conferred by this resolution will be effective immediately from the passing of this ordinary resolution and shall continue to be in force until:

- the conclusion of the next AGM or any adjournment thereof of the Company, at which time the said authority would lapse unless by an ordinary resolution passed at that meeting, the authority is renewed, either unconditionally or subject to conditions; or
- the expiration of the period within which the next AGM is required by law to be held; or
- the authority is revoked or varied by an ordinary resolution of the shareholders of the Company in a general meeting,

whichever occurs first.

AND THAT the Directors be and are hereby authorised to take such steps as are necessary or expedient to implement or to effect the purchase(s) of the Shares with full power to assent to any conditions, modifications, variations and/or amendments as may be imposed by the relevant authorities and to take such steps as they may deem necessary or expedient in order to implement, finalise and give full effect in relation thereto.

- To transact any other business of which due notice shall be given.

#### BY ORDER OF THE BOARD

Mah Li Chen (MAICSA 7022751) (PC No. 202008002006)

Chew Mei Ling (MAICSA 7019175) (PC No. 201908003178)

Company Secretaries

Kuala Lumpur

28 April 2023

#### Notes:

- Remote Participation and Voting ("RPV")**

This 19th AGM will be conducted fully virtually through live streaming and online remote voting via RPV facilities. Please follow the procedures provided in the Administrative Guide in order to register, participate and vote remotely via the RPV facilities. No member/proxy is to be physically present at the broadcast venue on the day of the meeting.
- A Member entitled to attend and vote at this meeting is entitled to appoint a proxy/proxies to attend and vote in his/her stead. A proxy need not be a member of the Company.
- Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he/she specifies the proportions of his/her holdings to be represented by each proxy.
- Where the appointer is a corporation, this form must be executed under its common seal, if any or under the hand of an officer or attorney duly authorised.
- The instrument appointing a proxy or proxies must be deposited at the office of the Share Registrar of the Company situated at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur or via TIIH Online at <https://tiih.online> not less than forty-eight (48) hours before the time fixed for convening the 19th AGM or any adjournment thereof. Please refer to the Administrative Guide for further information on submission via TIIH Online.
- For the purpose of determining a member who shall be entitled to attend the 19th AGM or any adjournment thereof, the Company shall request Bursa Malaysia Depository Sdn Bhd to issue a Record of Depositors as at **26 May 2023**. Only a depositor whose name appears on the Record of the Depositors as at **26 May 2023** shall be entitled to attend and vote at this 19th AGM or any adjournment thereof or appoint proxies to attend and/or vote on his/her behalf.

#### Explanatory Notes on Ordinary Business:

- Item 1 of the Agenda**

This Agenda item is meant for discussion only as the provision of Section 340(1)(a) of the Act does not require a formal approval of the shareholders for the Audited Financial Statements. Hence, this item is not put forward to shareholders for voting.
- Item 2 of the Agenda**

The proposed declaration of the dividend of 2.6 sen per ordinary share of the Company is subject to shareholders' approval and it was recommended by the Board of Directors at the Board of Directors' Meeting held in February 2023 for the approval of the shareholders.
- Item 3 of the Agenda**

The Nomination Committee has evaluated both Dr Tay Kiang Meng and Mr Ng Chee Whye based on the Board Effectiveness Evaluation carried out in-house including the "Fit and Proper Test" to assess them and they were found to have met the Board's expectation in discharging their duties and responsibilities and recommended to the Board for their re-election. In turn, the Board recommends to the shareholders to re-elect Dr Tay Kiang Meng and Mr Ng Chee Whye at the 19th AGM or any adjournment thereof.
- Item 4 of the Agenda**

Section 230(1) of the Act requires that the fees of the directors and any benefits payable to the directors be approved at a general meeting. The benefits comprised of travelling allowance.

#### Explanatory Note on Special Business:

- Item 6 of the Agenda**

The proposed Ordinary Resolution 6, if passed, will empower the Directors from the conclusion of this AGM, to allot and issue up to a maximum of 10% of the total number of issued shares of the Company (excluding treasury shares) at the time of issue (other than bonus or rights issue) until the conclusion of the next AGM of the Company without the need to convene a general meeting and for such purposes as they consider would be in the best interest of the Company. This authority, unless revoked or varied at a general meeting, will expire at the conclusion of next AGM of the Company. The Board is of the view that the 10% general mandate is in the best interest of the Company and its shareholders as it would provide the flexibility to the Company for any possible fundraising activities that the Company may undertake for working capital and/or any investment or acquisition purposes in an expeditious and efficient manner. At this juncture, there is no decision to issue any additional share. If there should be a decision to issue any new share after the general mandate is sought, the Company will make an announcement in respect thereof.

The proposed Ordinary Resolution 6 is a renewal of the general mandate for issuance of shares pursuant to Sections 75 and 76 of the Act obtained at the 18th AGM held on 10 June 2022 which will lapse at the conclusion of this 19th AGM. As at the date of this notice, the Company did not issue any share pursuant to the said general mandate.
- Item 7 of the Agenda**

The Company is seeking for a specific waiver of statutory pre-emption from the shareholders of the Company so that the Company need not offer new shares issued by the Company ranking equally with the existing shares of the Company pursuant to the General Mandate to all the Company's existing shareholders prior to the issuance of such additional shares.

By voting in favour of the Waiver of Statutory Pre-emptive Rights, the existing shareholders of the Company would be waiving their statutory pre-emptive right.
- Item 8 of the Agenda**

The proposed Ordinary Resolution 8, if passed, will give the Directors of the Company the authority to take all such steps as are necessary or expedient to implement, finalise, complete and/or effect the purchase(s) of Shares by the Company as the Directors may deem fit and expedient in the best interest of the Company. This authority will, unless renewed or revoked or varied by the Company at a general meeting, continue to be in force until the conclusion of the next AGM or any adjournment thereof of the Company or the expiry of the period within which the next AGM of the Company following the 19th AGM is required by the law to be held. Please refer to the Share Buy-Back Statement dated 28 April 2023 which is circulated together with this Notice for more information.