

LUXCHEM

LUXCHEM CORPORATION BERHAD

Registration No. 199101014102 (224414-D)
(Incorporated in Malaysia)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Twenty-Eighth Annual General Meeting ("28th AGM") of the Company will be held at Nexus 1 & 2, Level 3A, Connexion Conference & Event Centre @ Nexus, No. 7, Jalan Kerinchi, Bangsar South City, 59200 Kuala Lumpur on Thursday, 30 July 2020 at 10.00 a.m. to transact the following business:

A G E N D A

AS ORDINARY BUSINESS

1. To receive the Audited Financial Statements for the financial year ended 31 December 2019 together with the Reports of the Directors and Auditors thereon. **(Please refer to Explanatory Note 1)**
2. To approve the payment of Directors' fees of RM106,000.00 for the financial year ended 31 December 2019. **Ordinary Resolution 1**
3. To approve the payment of Directors' remuneration (excluding Directors' fee) to the Non-Executive Chairman and Non-Executive Directors up to an amount of RM29,760.00 for the period from 31 July 2020 up to the date of the next annual general meeting of the Company. **Ordinary Resolution 2**
4. To re-elect the following Directors who are retiring by rotation in accordance with Clause 78 of the Constitution of the Company and, who being eligible, offer themselves for re-election:
 - (a) Encik Taufiq Ahmad @ Ahmad Mustapha Bin Ghazali **Ordinary Resolution 3**
 - (b) Datuk Kwan Foh Kwai **Ordinary Resolution 4**
 - (c) Mr Tan Teck Kiong **Ordinary Resolution 5**
5. To re-elect Mr Tang Ying See who is retiring by rotation in accordance with Clause 76(3) of the Constitution of the Company and, who being eligible, offer himself for re-election. **Ordinary Resolution 6**
6. To appoint Messrs BDO PLT as Auditors of the Company for the financial year ending 31 December 2020 and to authorise the Directors to fix their remuneration. **Ordinary Resolution 7**

AS SPECIAL BUSINESS

To consider and, if thought fit, to pass the following ordinary resolutions, with or without modifications:

7. **AUTHORITY TO ISSUE AND ALLOT SHARES PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT 2016**

Ordinary Resolution 8

“THAT subject always to the Companies Act 2016 (“the Act”), the Constitution of the Company and approvals from Bursa Malaysia Securities Berhad and any other governmental/regulatory authorities, where such approval is necessary, authority be and is hereby given to the Directors of the Company, pursuant to Sections 75 and 76 of the Act, to allot shares in the Company from time to time, at such price upon such terms and conditions and for such purposes and to such persons whomsoever as the Directors of the Company may, in their absolute discretion, deem fit, provided that the aggregate number of shares issued during the preceding 12 months does not exceed 20% of the total number of issued shares (excluding treasury shares) of the Company for the time being AND THAT the Directors of the Company be and are hereby empowered to obtain the approval for the listing of and quotation for the additional shares so issued on the Bursa Malaysia Securities Berhad AND FURTHER THAT such authority shall continue to be in force until the conclusion of the next Annual General Meeting of the Company after the approval was given or at the expiry of the period within which the next Annual General Meeting is required to be held after the approval was given, whichever is earlier, unless revoked or varied by an ordinary resolution of the Company at a general meeting.”

8. **PROPOSED RENEWAL OF SHARE BUY-BACK MANDATE**

Ordinary Resolution 9

THAT subject always to the Companies Act 2016 (“the Act”), the Constitution of the Company, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”) (“Listing Requirements”) and all other applicable laws, guidelines, rules and regulations, the Company be and is hereby authorised, to the fullest extent permitted by law, to purchase such number of issued shares in the Company as may be determined by the Directors of the Company 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:

- i. the aggregate number of issued shares in the Company (“Shares”) purchased (“Purchased Shares”) and/or held as treasury shares pursuant to this ordinary resolution does not exceed ten per centum (10%) of the total number of issued shares of the Company as quoted on Bursa Securities as at point of purchase; and
- ii. the maximum fund to be allocated by the Company for the purpose of purchasing the shares shall not exceed the aggregate of the retained profits of the Company based on the latest audited financial statements and/or the latest management accounts (where applicable) available at the time of the purchase,

("Proposed Share Buy-Back").

AND THAT the authority to facilitate the Proposed Share Buy-Back will commence immediately upon passing of this Ordinary Resolution and will continue to be in force until:

- a. the conclusion of the next Annual General Meeting of the Company following at which time the authority shall lapse unless by ordinary resolution passed at the meeting, the authority is renewed, either unconditionally or subject to conditions;
- b. the expiration of the period within which the next annual general meeting of the Company is required by law to be held; or
- c. revoked or varied by ordinary resolution passed by the shareholders of the Company at a general meeting,

whichever occurs first, but shall not prejudice the completion of purchase(s) by the Company of its own Shares before the aforesaid expiry date and, in any event, in accordance with the Listing Requirements and any applicable laws, rules, regulations, orders, guidelines and requirements issued by any relevant authorities.

AND THAT the Directors of the Company be and are hereby authorised, at their discretion, to deal with the Purchased Shares until all the Purchased Shares have been dealt with by the Directors in the following manner as may be permitted by the Act, Listing Requirements, applicable laws, rules, regulations, guidelines, requirements and/or orders of any relevant authorities for the time being in force:

- i. To cancel all or part of the Purchased Shares;
- ii. To retain all or part of the Purchased Shares as treasury shares as defined in Section 127 of the Act;
- iii. To distribute all or part of the treasury shares as dividends to the shareholders of the Company;
- iv. To resell all or part of the treasury shares;
- v. To transfer all or part of the treasury shares for the purposes of or under the employees' share scheme established by the Company and/or its subsidiaries;

- vi. To transfer all or part of the treasury shares as purchase consideration;
- vii. To sell, transfer or otherwise use the shares for such other purposes as the Minister charged with the responsibility for companies may by order prescribe; and/or
- viii. To deal with the treasury shares in the manners as allowed by the Act, Listing Requirements, applicable laws, rules, regulations, guidelines, requirements and/or orders of any relevant authorities for the time being in force.

AND THAT the Directors of the Company be and are authorised to take all such steps as are necessary or expedient [including without limitation, the opening and maintaining of central depository account(s) under Securities Industry (Central Depositories) Act, 1991, and the entering into all other agreements, arrangements and guarantee with any party or parties] to implement, finalise and give full effect to the Proposed Share Buy-Back with full powers to assent to any conditions, modifications, variations and/or amendments (if any) as may be imposed by the relevant authorities.”

By Order of the Board

WONG WAI FOONG (SSM PC NO. 202008001472)(MAICSA 7001358)
CHEN MOI KEW (SSM PC NO. 202008001043)(MIA 6359)
NG HARN SHIN (SSM PC NO. 202008001759)(MIA 22427)
Company Secretaries

Petaling Jaya
1 July 2020

Notes on the Appointment of Proxy:

1. *Pursuant to Section 320(2) of the Companies Act 2016, a copy of this Notice together with the proxy form is available at the corporate website of Luxchem Corporation Berhad at <http://www.luxchem.com.my/luxchem-28-agm.html>*
2. *For the purpose of determining who shall be entitled to attend this General Meeting, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd to make available to the Company, a Record of Depositors as at 23 July 2020. Only a member whose name appears on this Record of Depositors shall be entitled to attend this General Meeting or appoint a proxy to attend, speak and vote on his/her/its behalf.*
3. *A member entitled to attend and vote at this General Meeting is entitled to appoint a proxy or attorney or in the case of a corporation, to appoint a duly authorised representative to attend, participate, speak and vote in his place. A proxy may but need not be a member of the Company.*
4. *A member of the Company who is entitled to attend and vote at a General Meeting of the Company may appoint not more than two (2) proxies to attend, participate, speak and vote instead of the member at the General Meeting.*

5. *If two (2) proxies are appointed, the entitlement of those proxies to vote on a show of hands shall be in accordance with the listing requirements of the stock exchange.*
6. *Where a member of the Company is an authorised nominee as defined in the Central Depositories Act, it may appoint not more than two (2) proxies in respect of each securities account it holds in ordinary shares of the Company standing to the credit of the said securities account.*
7. *Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one 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 the Securities Industry (Central Depositories) Act 1991 (“Central Depositories Act”) which is exempted from compliance with the provisions of Section 25A(1) of the Central Depositories Act.*
8. *Where a member appoints more than one (1) proxy, the proportion of shareholdings to be represented by each proxy must be specified in the instrument appointing the proxies.*
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 General Meeting 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, this proxy form must be deposited at the Share Registrar’s Office, Tricor Investor & Issuing House Services Sdn. Bhd. at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur or alternatively, the Customer Services Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur.
 - (ii) *Online*
In the case of an appointment made via online lodgement facility, please login to the link website at <https://tjih.online> and select “e-Services” to login. Please refer to the Administrative Guide on how to register to TIH Online and submit your Form of Proxy electronically.
10. *Any authority pursuant to which such an appointment is made by a power of attorney must be deposited at the Share Registrar’s Office, Tricor Investor & Issuing House Services Sdn. Bhd. at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur or alternatively, the Customer Services Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur not less than forty-eight (48) hours before the time appointed for holding the General Meeting 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. *Please ensure ALL the particulars as required in this proxy form are completed, signed and dated accordingly.*
12. *Last date and time for lodging this proxy form is 10.00 a.m. on Tuesday, 28 July 2020.*
13. *Please bring an **ORIGINAL** of the following identification papers (where applicable) and present it to the registration staff for verification:*
 - a. *Identity card (NRIC) (Malaysian), or*
 - b. *Police report (for loss of NRIC) / Temporary NRIC (Malaysian), or*

c. Passport (Foreigner).

14. For a corporate member who has appointed a representative instead of a proxy to attend this meeting, please bring the **ORIGINAL** certificate of appointment executed in the manner as stated in this proxy form if this has not been lodged at the Company's registered office earlier.

Explanatory Notes to Ordinary Business:

1. Item 1 of the Agenda – Receipt of Report and Audited Financial Statements

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

2. Ordinary Resolution 1 – Directors' Fees

The Board of Directors, upon Remuneration Committee's recommendation, has reviewed the Directors' fees after taking into consideration time commitment and responsibilities of the respective Director. Payment of the Directors' fees for the financial year ended 31 December 2019 amounting to RM106,000.00 will be made by the Company if the proposed Ordinary Resolution 1 is passed in the forthcoming Annual General Meeting.

3. Ordinary Resolution 2 – Directors' Remuneration (excluding Directors' fee)

Pursuant to Section 230(1) of the Act, Directors' remuneration (excluding Directors' fee) to the Non-Executive Chairman and Non-Executive Directors of the Company will have to be approved by the shareholders at a general meeting. The Company is seeking shareholders' approval for the payment of Directors' benefits for the period from the 28th AGM up to the date of the next Annual General Meeting of the Company.

The details of the Directors' Remuneration can be found on Practice 7.1 of CG Report published on the Company's website at <http://www.luxchem.com.my/luxchem-28-agm.html>

4. Ordinary Resolutions 3, 4 and 5 – Re-election of Directors

Clause 78 of the Constitution provides that any Director so appointed shall hold office only until the next Annual General Meeting and shall be eligible for re-election.

Encik Taufiq Ahmad @ Ahmad Mustapha Bin Ghazali, Datuk Kwan Foh Kwai and Mr Tan Teck Kiong were appointed as Independent Non-Executive Directors of the Company on 13 March 2020.

5. Ordinary Resolution 7 – Re-appointment of Auditors

The Board has through the Audit and Risk Management Committee, considered the re-appointment of Messrs BDO PLT as Auditors of the Company. The factors considered by the Audit and Risk Management Committee in making the recommendation to the Board to table their re-appointment at the 28th AGM are disclosed in the page 31 of this Annual Report.

Explanatory Notes to Special Business:

1. Ordinary Resolution 8 - Authority to issue and allot shares pursuant to Sections 75 and 76 of the Act

The proposed Ordinary Resolution 9 is a renewal of the previous year's general mandate for issuance of shares by the Company under Sections 75 and 76 of the Act. The Ordinary Resolution, if passed, will empower the Directors of the Company, from the date of the 28th AGM, to issue and allot new ordinary shares of the Company of up to twenty percent (20%)

of the total number of issued shares (excluding treasury shares) of the Company for the time being for such purposes as the Directors of the Company consider would be in the best interest of the Company. This authority, unless earlier revoked or varied by the Company at a General Meeting, will expire at the conclusion of the next Annual General Meeting of the Company or the expiration of the period within which the next Annual General Meeting is required by law to be held, whichever is earlier.

The authority to issue shares pursuant to Sections 75 and 76 of the Act will provide flexibility and expediency to the Company for any possible fund raising activities involving the issuance or placement of shares to facilitate business expansion or strategic merger and acquisition opportunities involving equity deals or part equity or to fund future investment project(s) or for working capital requirements, which the Directors of the Company consider to be in the best interest of the Company. The approval is sought to avoid any delay and cost in convening a general meeting to approve such issuance of shares.

As at the date of this Notice, the Company did not issue any new shares pursuant to the general mandate granted to the Directors at the Twenty-Seventh Annual General Meeting of the Company held on 3 May 2019 and the mandate will lapse at the conclusion of the 28th AGM. A renewal of this authority is being sought at the 28th AGM.

2. *Ordinary Resolution 9 – Proposed Renewal of Share Buy-Back Mandate*

The proposed Ordinary Resolution 10, if passed will empower the Company to renew its existing authorisation to purchase its own ordinary shares up to ten per centum (10%) of the total number of issued shares of the Company. Please refer to the Statement to Shareholders dated 1 July 2020 for further information.

Statement Accompanying Notice of Annual General Meeting (Pursuant to Paragraph 8.27(2) of Bursa Malaysia Securities Berhad Main Market Listing Requirements)

There is no Director standing for election at the 28th AGM of the Company.