

LUXCHEM

LUXCHEM CORPORATION BERHAD

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

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Thirtieth Annual General Meeting ("30th AGM") of the Company will be held on a fully virtual basis at the Broadcast Venue: 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 on **Thursday, 26 May 2022**, at **10.00 a.m.** via Remote Participation and Voting facilities ("RPV") which are available at Tricor Investor & Issuing House Services Sdn. Bhd ("Tricor")'s online website at <https://tiih.online> or <https://tiih.com.my> (Domain registration number with MYNIC: D1A282781), for the following purposes:

A G E N D A

AS ORDINARY BUSINESS

- | | |
|---|---|
| 1. To receive the Audited Financial Statements for the financial year ended 31 December 2021 together with the Reports of the Directors and Auditors thereon. | (Please refer to Explanatory Note 1) |
| 2. To approve the payment of respective Directors' fees for the financial year ending 31 December 2022: | |
| (a) RM50,000.00 for Datuk Kwan Foh Kwai | Ordinary Resolution 1 |
| (b) RM50,000.00 for Tan Teck Kiong | Ordinary Resolution 2 |
| (c) RM50,000.00 for Taufiq Ahmad @ Ahmad Mustapha bin Ghazali | Ordinary Resolution 3 |
| (d) RM40,000.00 for Chen Moi Kew | Ordinary Resolution 4 |
| 3. To approve the payment of Directors' Benefits up to an amount of RM21,000.00 for the financial year ending 31 December 2022. | Ordinary Resolution 5 |
| 4. To re-elect the following Directors who are retiring by rotation in accordance with Clause 76(3) of the Constitution of the Company and, who being eligible, offer themselves for re-election: | |
| (a) Mr Tang Ying See | Ordinary Resolution 6 |
| (b) Datuk Kwan Foh Kwai | Ordinary Resolution 7 |
| 5. To appoint Messrs BDO PLT as Auditors of the Company for the financial year ending 31 December 2022 and to authorise the Directors to fix their remuneration. | Ordinary Resolution 8 |

AS SPECIAL BUSINESS

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

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

Ordinary Resolution 9

“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 10% 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.”

7. PROPOSED RENEWAL OF SHARE BUY-BACK MANDATE

Ordinary Resolution 10

“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.”

8. **AUTHORITY FOR DIRECTORS TO ISSUE AND ALLOT NEW ORDINARY SHARES IN THE COMPANY (“LCB SHARES”) UNDER THE PROPOSED GENERAL MANDATE FOR RIGHTS ISSUE ON A PRO RATA BASIS (“PROPOSED RIGHTS ISSUE MANDATE”)**

Ordinary Resolution 11

“THAT pursuant to Sections 75 and 76 of the Companies Act 2016, Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”) and the approval of the relevant regulatory authorities, where such approval is required, approval be and is hereby given to the Board of Directors of the Company (“Board”) to:

- (a) provisionally issue and allot by way of a rights issue on a pro rata basis of new LCB Shares (“Rights Shares”) to the shareholders of the Company whose names appear in the Record of Depositors of the Company at the close of business on an entitlement date to be determined and announced by the Board later;
- (b) issue such new Rights Shares as may be required to give effect to the Proposed Rights Issue Mandate, including any persons entitled on renunciation of the provisional allotments;
- (c) determine and fix the entitlement basis and issue price of the new Rights Shares which shall be announced by the Board later;

- (d) utilise the proceeds to be derived from the Proposed Rights Issue Mandate for the purposes as determined and announced by the Board later; and
- (e) vary the manner and/or purpose of such proceeds as the Board may deem fit and in the best interest of the Company,

provided that:

- (i) such new Rights Shares to be issued pursuant to this resolution, does not exceed fifty per centum (50%) of the total number of the issued shares (excluding any treasury shares) of the Company for the time being; and
- (ii) the new Rights Shares shall not price at more than thirty per centum (30%) discount to the theoretical ex-rights price.

THAT such approval on the Proposed Rights Issue Mandate shall continue to be in force until 31 December 2022.

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 Rights Shares on the Main Market of Bursa Securities.

THAT authority be and is hereby given to the Directors of the Company to do all such acts and things as may be necessary or expedient in order to give full effect to the Proposed Rights Issue 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 Rights Issue Mandate.”

By Order of the Board

WONG WAI FOONG (SSM PC NO. 202008001472) (MAICSA 7001358)
CHEN MOI KEW (SSM PC NO. 202008001043) (MIA 6359)
LIM YOU JING (SSM PC NO. 202108000369) (MAICSA 7075638)
Company Secretaries

Petaling Jaya
6 April 2022

Notes on the Appointment of Proxy:

1. As part of the initiatives to curb the spread of Covid-19, the Thirtieth Annual General Meeting ("30th AGM") of the Company will be conducted on a fully virtual basis by way of live streaming and online remote voting via Remote Participation and Voting ("RPV") facilities available on Tricor Investor & Issuing House Services Sdn. Bhd.'s TIIH Online website at <https://tiih.online>. Please follow the procedures provided in the 'Administrative Details' section of the 30th AGM in order to register, participate and vote remotely via the RPV facilities.
2. The broadcast venue of the 30th AGM is strictly for the purpose of complying with Section 327(2) of the Act and Clause 52(3) of the Company's Constitution which stipulate that the Chairman shall be at the main venue. Member(s)/proxy(ies)/corporate representative(s) **WILL NOT BE ALLOWED** to attend the 30th AGM in person at the broadcast venue on the day of the meeting.
3. 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 30th AGM via the RPV provided by Tricor Investor & Issuing House Services Sdn. Bhd. ("Tricor") via its **TIIH Online** website at <https://tiih.online>. Please follow the Procedures for RPV provided in the Administrative Details of the 30th AGM and read the notes below in order to participate remotely via RPV.
4. Members may submit questions to the Board of Directors prior to the 30th AGM via Tricor's TIIH Online website at <https://tiih.online> by selecting "e-Services" to login, pose questions and submit electronically no later than Tuesday, 24 May 2022 at 10.00 a.m. or to use the query box to transmit questions to the Chairman/Board via RPV during live streaming.
5. For the purpose of determining who shall be entitled to attend this General Meeting via RPV, the Company shall be requesting Bursa Malaysia Depository Sdn. Bhd. to make available to the Company, a Record of Depositors as at 17 May 2022. Only a member whose name appears on this Record of Depositors shall be entitled to attend in this 30th AGM via RPV.
6. 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.
7. 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.
8. 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.
9. Where a member of the Company is an authorised nominee as defined in the Securities Industry (Central Depositories) Act 1991 ("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.
10. 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 Central Depositories Act which is exempted from compliance with the provisions of Section 25A(1) of the Central Depositories Act.
11. 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.

12. A member who has appointed a proxy or attorney or authorised representative to attend, participate, speak and vote at this 30th AGM via RPV must request his/her proxy to register himself/herself for RPV at TIIH Online website at <https://tiah.online>. Please follow the Procedures for RPV in the Administrative Details of the 30th AGM.
13. 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://tiah.online> and select "e-Services" to login. Please refer to the Administrative Guide on how to register to TIIH Online and submit your Form of Proxy electronically.
14. 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.
15. Please ensure ALL the particulars as required in this proxy form are completed, signed and dated accordingly.
16. Last date and time for lodging this proxy form is 10.00 a.m. on Tuesday, 24 May 2022.
17. A corporate member who has appointed a representative, please deposit the **ORIGINAL** or **DULY CERTIFIED** certificate of appointment with the Share Registrar of the Company, 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. The certificate of appointment should be executed in the following manner:
- (i) 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.
- (ii) 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:
- (a) at least two (2) authorised officers, of whom one shall be a director; or
- (b) any director and/or authorised officers in accordance with the laws of the country under which the corporate member is incorporated.

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 Resolutions 1, 2, 3, 4 and 5 – Directors' Fees and Directors' Benefits for the financial year ending 31 December 2022**

The Board of Directors has reviewed the Directors' fees and benefits after taking into consideration the market trends for similar positions, time commitment and responsibilities of the respective Directors.

Payment of the Directors' fees for the financial year ending 31 December 2022 amounting to RM190,000.00 will be made by the Company if the proposed Ordinary Resolutions 1, 2, 3, 4 and 5 are passed in the forthcoming Annual General Meeting.

The proposed structure of the Directors' benefits for the financial year ending 31 December 2022 is as follows:

| Type of Benefits | Amount |
|--|--------------------|
| Meeting Attendance Allowance | |
| Board Committee and Board Meeting Allowances | RM1,000.00 per day |

Payment of the Directors' fees and Directors' benefits will be made by the Company as and when incurred if the proposed Ordinary Resolutions 1, 2, 3, 4 and 5 are passed.

3. **Ordinary Resolutions 6 and 7 – Re-election of Directors who retire in accordance with Clause 76(3) of the Constitution of the Company**

Pursuant to Practice 5.7 of the Malaysian Code on Corporate Governance 2021, the profiles of the Directors who are standing for re-election as per Agenda item 4 is set out in the Board of Directors' profile of the Annual Report 2021. Based on the recommendation of Nominating Committee, the Board supports the re-election of Mr Tang Ying See and Datuk Kwan Foh Kwai as Directors of the Company based on the following justifications:-

Ordinary Resolution 6: Re-election of Mr Tang Ying See as Executive Director/Chief Executive Officer

1. Mr Tang Ying See has vast experience in operational matters of the Group. He is primarily responsible for managing day-to-day business operations, which include driving profitability, managing company organisational structure, strategy, and communicating with the Board. He is familiar with the Group's business operation and is able to provide valuable input to boost the Group's performance.

Ordinary Resolution 7: Re-election of Datuk Kwan Foh Kwai as Independent Non-Executive Chairman

1. Datuk Kwan Foh Kwai fulfils the requirements of independence set out in the Main Market Listing Requirements of Bursa Securities. He has remained objective and independent in expressing his view and participating in Board deliberations and decision-making.
2. Datuk Kwan Foh Kwai has vast experience in the construction industry in both the public and private sectors as well as strategy consulting, and is able to provide the Board with a diverse set of expertise and perspective.
3. Datuk Kwan Foh Kwai has exercised his due care and carried out his professional duties proficiently during his tenure as Independent Non-Executive Chairman of the Company.

4. Ordinary Resolution 8 – 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 30th AGM are disclosed in the page 37 of this Annual Report.

Explanatory Notes to Special Business:

5. Ordinary Resolution 9 - 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 9, if passed, will empower the Directors of the Company, from the date of the 30th AGM, to issue and allot new ordinary shares of the Company of up to ten percent (10%) 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, there was 72,891,566 new ordinary shares in the Company were issued and allotted pursuant to Sections 75 and 76 of the Companies Act 2016 which was approved by the shareholders at the Twenty-Ninth Annual General Meeting of the Company held on 27 May 2021 and the mandate will lapse at the conclusion of the 30th AGM. A renewal of this authority is being sought at the 30th AGM.

6. Ordinary Resolution 10 – 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 6 April 2022 for further information.

7. Ordinary Resolution 11 – Authority for Directors to issue and allot New Ordinary Shares in the Company under the Proposed General Mandate for Rights Issue on a Pro Rata Basis

Bursa Malaysia Securities Berhad ("Bursa Securities") had on 23 December 2021 further extended the implementation and utilisation of the pro rata 50% general mandate which was first introduced on 10 November 2020 to provide flexibility to the listed issuers to facilitate secondary fund raising through an enhanced rights issue framework where the listed issuers are allowed to undertake a rights issue of ordinary shares on a pro rata basis through a higher general mandate, under Paragraph 6.03(3) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, to not more than 50% of the total number of issued shares (excluding treasury shares) of the company, and such new ordinary shares are not priced at more than 30% discount to the theoretical ex-rights price, subject to compliance with certain conditions, up to 31 December 2022.

The proposed Ordinary Resolution 11, if passed, will give authority to the Company to undertake a rights issue exercise on a pro rata basis ("Proposed Rights Issue") and the Directors of the Company to issue and allot new ordinary shares in the capital of the Company in relation to the Proposed Rights Issue ("New Rights Shares"), which does not exceed fifty per centum (50%) of the total number of the issued shares (excluding treasury shares) of the Company for the time being, and the new Rights Shares shall be priced at not more than thirty per centum (30%) discount to the theoretical ex-rights price ("Proposed Rights Issue Mandate").

The Proposed Rights Issue Mandate shall continue to be in force until 31 December 2022.

The Proposed Rights Issue is a renewal of the previous year's mandate obtained at the Twenty-Ninth Annual General Meeting held on 27 May 2021 ("29th AGM"). The Proposed Rights Issue Mandate is to provide flexibility to the Company to issue new ordinary shares without the need to convene separate general meeting to obtain its shareholders' approval so as to avoid incurring additional costs and time. The Company did not utilise the mandate obtained at the 29th AGM.

The Board is of the opinion that the Proposed Rights Issue Mandate is in the best interests of the Company and its shareholders, and will allow the Company to further enhance the liquidity of the Group.

The purpose of the Proposed Rights Issue 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 or such other application as the Directors may deem fit in the best interest of the Company.

**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 30th AGM of the Company.