

**THIS STATEMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.**

If you are in any doubt as to the course of action you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other professional advisers immediately.

In line with the provisions of Practice Note 18 on Perusal of Draft Circulars and Other Documents, Bursa Malaysia Securities Berhad has not perused this Share Buy-Back Statement ("Statement") as those transactions fall under the category of Exempt Circulars as outlined in the aforesaid practice note.

Bursa Malaysia Securities Berhad takes no responsibility for the contents of this Statement, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Statement.

# FRONTKEN

## FRONTKEN CORPORATION BERHAD

200401012517 (651020-T)

(Incorporated in Malaysia under the Companies Act 2016)

### SHARE BUY-BACK STATEMENT

in relation to

### PROPOSED RENEWAL OF AUTHORITY FOR THE COMPANY TO PURCHASE ITS OWN SHARES

The above proposal will be tabled as Special Business at Frontken Corporation Berhad's Twentieth Annual General Meeting ("AGM") which will be held entirely on a fully virtual basis at the broadcast venue at Suite 301, Block F, Pusat Dagangan Phileo Damansara 1, No. 9, Jalan 16/11, Off Jalan Damansara, 46350 Petaling Jaya, Selangor Darul Ehsan, 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, 14 June 2024 at 10.00 a.m. The Notice of the AGM and the Form of Proxy are enclosed in the 2023 Annual Report.

If you are unable to attend and vote at the AGM in person, you are requested to complete the enclosed Form of Proxy in accordance with the instructions as contained therein and deposit it at the office of the Share Registrar of the Company 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 set for holding the AGM or any adjournment thereof. The lodging of the Form of Proxy will not preclude you from attending and voting in person at the AGM should you subsequently wish to do so.

Last date and time for lodging the Form of Proxy : Wednesday, 12 June 2024 at 10.00 a.m.

Date and time of AGM : Friday, 14 June 2024 at 10.00 a.m.

This Statement is dated 29 April 2024

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## DEFINITIONS

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Except where the context otherwise requires, the following definitions shall apply throughout this Statement:

“Act”	:	Companies Act 2016 as amended from time to time and all subsidiary legislations thereof
“AGM”	:	Annual General Meeting or any adjournment thereof
“Board”	:	Board of Directors of FCB
“Bursa Securities”	:	Bursa Malaysia Securities Berhad
“Code”	:	Malaysian Code of Take-Overs and Mergers 2016
“Director”	:	A person within the meaning of Section 2(1) of the Capital Markets and Services Act 2007 and includes a reference to:  (a) a person occupying or acting in the position of director of a corporation, by whatever name called and whether or not validly appointed to occupy, or duly authorised to act in, the position;  (b) a person in accordance with whose directions or instructions the directors of a corporation are accustomed to act; or  (c) an alternate or substitute director
“EPS”	:	Earnings per share
“FCB” or “Company”	:	Frontken Corporation Berhad
“FCB Group” or “Group”	:	FCB and its subsidiaries
“FCB Share(s)” or “Share(s)”	:	Ordinary shares in FCB
“Listing Requirements”	:	Main Market Listing Requirements of Bursa Securities, as amended from time to time
“LPD”	:	29 March 2024, being the latest practicable date prior to the printing of this Statement
“Major Shareholder”	:	A person who has an interest or interests in one or more voting shares in a corporation and the number or aggregate number of those shares, is:  (a) 10% or more of the total number of voting shares in the corporation; or  (b) 5% or more of the total number of voting shares in the corporation where such person is the largest shareholder of the corporation.  For the purpose of this definition, “interest” shall have the meaning of “interest in shares” given in section 8 of the Act.
“Proposed Renewal of Share Buy-Back Mandate”	:	Proposed renewal of authority for the Company to purchase its own shares of up to 10% of the total number of issued shares of the Company

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**DEFINITIONS (Cont'd)**

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- “Rules” : Rules on Take-Overs, Mergers and Compulsory Acquisitions
- “Substantial Shareholder” : A person who has an interest in one or more voting shares in the company and the number or the aggregate number of such shares is not less than 5% of the total number of all the voting shares included in the company.
- For the purpose of this definition, “interest in shares” shall have the meaning given in Section 8 of the Act.
- “Warrant(s)” : 524,137,195 five (5) year warrants issued pursuant to the Deed Poll dated 14 April 2021. Each warrant entitles the Warrant holder to subscribe for 1 FCB Share at the exercise price of RM4.00 for each Warrant to be satisfied in cash. The Warrants can be exercised at any time during the exercise period from 4 May 2021 to 3 May 2026 and upon the terms and subject to the provisions of the Deed Poll dated 14 April 2021 constituting the Warrants.

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# FRONTKEN

## FRONTKEN CORPORATION BERHAD

200401012517 (651020-T)

(Incorporated in Malaysia under the Companies Act 2016)

### 1. INTRODUCTION

At the last AGM of the Company held on 2 June 2023, the Company had obtained the shareholders' approval to purchase its own shares on Bursa Securities of not more than 10% of the total number of issued shares of the Company, subject to the prevailing laws and relevant regulations, rules and guidelines as may be issued by the relevant authorities, and the availability of retained profits in the Company. The said authority will lapse at the conclusion of the forthcoming AGM of the Company to be held on 14 June 2024.

On 27 March 2024, the Company announced that it would seek the approval of the shareholders for the Proposed Renewal of Share Buy-Back Mandate at the forthcoming AGM of the Company.

The purpose of this Statement is to provide you with the details of the Proposed Renewal of Share Buy-Back Mandate and to seek your approval for the ordinary resolution relating to the Proposed Renewal of Share Buy-Back Mandate, to be tabled at the forthcoming AGM of the Company. The Notice of AGM and the Form of Proxy are enclosed in the 2023 Annual Report.

### 2. THE PROPOSED RENEWAL OF SHARE BUY-BACK MANDATE

#### 2.1 Details

As at LPD, the total number of issued shares of FCB stood at RM118,441,045 comprising 1,580,152,675 Shares. In addition, as at LPD, the Company has 524,137,195 outstanding Warrants and the Warrant holders are entitled to subscribe for 524,137,195 new shares. Assuming all the Warrants are exercised, the total number of issued shares of the Company will increase to 2,104,289,870 Shares.

Assuming no further FCB Shares is issued, a total of up to 150,769,017 Shares (after deducting 7,246,250 Shares held as treasury shares as at LPD) may be purchased by the Company pursuant to the Proposed Renewal of Share Buy-Back Mandate. However, assuming all the Warrants are exercised, a total of up to 203,182,737 Shares may be purchased by the Company.

The approval from the shareholders for the Proposed Renewal of Share Buy-Back Mandate will be effective immediately after the passing of the ordinary resolution relating to the Proposed Renewal of Share Buy-Back Mandate to be tabled at the forthcoming AGM and will continue to be in force until:

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

whichever occurs first.

The shareholders' approval for the Proposed Renewal of Share Buy-Back Mandate does not impose an obligation on the Company to purchase its own Shares. Rather, it will allow the Board to exercise the power of the Company to purchase its own Shares at any time within the abovementioned time period.

## 2.2 Maximum amount of funds to be allocated and the source of funds

The maximum amount of funds to be allocated for the Proposed Renewal of Share Buy-Back Mandate shall not exceed the retained profits of the Company or RM50 million, whichever is the lower. The Proposed Renewal of Share Buy-Back Mandate is subject to compliance with Sections 112, 113 and 127 of the Act and any prevailing laws, rules and regulations, orders, guidelines and requirements issued by the relevant authorities at the time of the purchase. The retained profits of the Company based on the latest audited financial statements of the Company as at 31 December 2023 is RM56,466,865.

The Proposed Renewal of Share Buy-Back Mandate will be funded by internally generated funds and/or external borrowings. The amount of internally generated funds and/or external borrowings to be utilised will only be determined later depending on, among others, the availability of internally generated funds, actual number of Shares to be purchased and other relevant cost factors. The actual number of FCB Shares to be purchased and/or held, and the timing of such purchases will depend on, among others, the market conditions and sentiments of the stock market as well as the retained profits and financial resources available to the Company. In the event that the Company purchases and holds its own Shares using external borrowings, the Board will ensure that the Company has sufficient funds to repay the external borrowings and that the repayment will not have a material effect on the cash flow of the Group.

## 2.3 Historical share prices

The monthly highest and lowest prices of FCB Shares as traded on the Main Market of Bursa Securities for the last twelve (12) months preceding the date of this Statement are as follows:

Month and year	Highest (RM)	Lowest (RM)
<b>2023</b>		
April	3.28	3.00
May	3.19	2.76
June	3.30	3.04
July	3.54	3.09
August	3.50	3.22
September	3.50	3.09
October	3.29	3.10
November	3.34	3.13
December	3.27	3.06
<b>2024</b>		
January	3.60	3.13
February	3.82	3.38
March	3.92	3.61

Note: The last transacted price of FCB Shares on the LPD was RM3.88.  
(Source: *investing.com*)

## 2.4 Purchase, resale or transfer or cancellation of its own shares made in the previous twelve (12) months

During the last twelve (12) months preceding to the LPD, a total of 1,955,000 treasury shares had been transferred to eligible employees via vesting of shares under the Share Grant Plan ("SGP"). The Company's SGP is governed by the By-Laws which was approved by the shareholders of the Company on 10 June 2022.

Details of the shares transferred are as follows:

Date of transfer	Number of treasury shares transferred	Transfer price <sup>^</sup> per share RM	Total consideration RM
5 December 2023	1,955,000	2.14	4,183,700

<sup>^</sup> The transfer price was computed based on the 5 day volume weighted average market price of FCB Shares prior to the date of offer.

As at 29 March 2024, the Company is holding a total of 7,246,250 FCB Shares as treasury shares.

## **2.5 Rationale**

The Proposed Renewal of Share Buy-Back Mandate will enable the Company to utilise its surplus financial resources to purchase its own Shares on Bursa Securities as and when the Board deems fit in the interests of the Company and its shareholders during the validity period of the mandate.

The purchased Shares can be held as treasury shares and transferred under an employees' share scheme or as purchase consideration and/or resold on Bursa Securities at a higher price with the intention of realising potential gains without affecting the total number of issued shares of the Company. Should any treasury shares be distributed as share dividends, this would serve to reward the shareholders of the Company.

## **2.6 Potential advantages and disadvantages**

### **2.6.1 Potential advantages**

The potential advantages of the Proposed Renewal of Share Buy-Back Mandate are as follows:

- (a) it will allow the Company to utilise its financial resources where there is no immediate use, to purchase FCB Shares. If the purchased Shares are subsequently cancelled, this may strengthen the EPS of the Group;
- (b) it may stabilise the supply and demand of FCB Shares traded on Bursa Securities and reduce the volatility of share prices. The stability of FCB Share price is important to maintain investors' confidence and may also assist in facilitating future fund raising exercises via the equity market;
- (c) it will provide the Company with opportunities for potential gains if the purchased FCB Shares which are retained as treasury shares are resold at prices higher than the costs of purchase;
- (d) in the event the treasury shares are distributed as share dividends or bonus shares, it will serve to reward the shareholders of FCB;
- (e) in the event the treasury shares are transferred under an employees' share scheme, it will serve to reward the employees of FCB; and
- (f) in the event the treasury shares are transferred to be used as purchase consideration for any acquisition, it will save the company the time and costs associated with the fresh issuance of share.

### **2.6.2 Potential disadvantages**

The potential disadvantages of the Proposed Renewal of Share Buy-Back Mandate are as follows:

- (a) if implemented, it will reduce the financial resources of the Group, which may result in the Group having to forego other feasible investment opportunities that may emerge in the future and/or any income that may be derived from alternative uses of such funds, such as deposit in interest-bearing instruments. However, the financial resources of the Group may recover or increase if the purchased Shares held are resold on Bursa Securities at or higher than the costs of purchase; and
- (b) as the funds to be allocated must be made wholly out of the Company's retained profits, the amount available from these accounts for distribution of dividends to shareholders of the Company may decrease accordingly.

Nevertheless, the Board is of the view that the Proposed Renewal of Share Buy-Back Mandate is not expected to have any potential material disadvantage to the Group and the shareholders of the Company as it will be implemented only after careful consideration of the financial resources of the Group and the resultant impact on the shareholders of the Company.

## 2.7 Financial effects

The effects of the Proposed Renewal of Share Buy-Back Mandate are as follows:

### 2.7.1 Share Capital

The effect of the Proposed Renewal of Share Buy-Back Mandate on the total number of issued shares of the Company will depend on whether the purchased Shares are cancelled or transferred or retained as treasury shares. The Proposed Renewal of Share Buy-Back Mandate will result in a reduction of the total number of issued shares of the Company if the purchased Shares are cancelled.

However, if the purchased FCB Shares are retained as treasury shares, the Proposed Renewal of Share Buy-Back Mandate will not have any effect on the total number of issued shares of the Company. Nevertheless, the rights attached to the FCB Shares as to voting, dividends and participation in other distribution are suspended and the treasury shares shall not be taken into account in calculating the number or percentage of shares or of a class of shares in the Company for any purpose including but without limiting to the generality of this provision, the provision of any law or requirements of the Constitution of FCB or the Listing Requirements on substantial shareholding, takeovers, notices, the requisitioning of meetings, quorum for general meetings and the result of votes on resolution at a general meeting.

Based on the Company's total number of issued shares as at the LPD, the effect of the Proposed Renewal of Share Buy-Back Mandate, assuming that all the purchased Shares are cancelled, is as follows:

	<b>Minimum Scenario<sup>(1)</sup></b>	<b>Maximum Scenario<sup>(2)</sup></b>
	<b>No. of Shares</b>	<b>No. of Shares</b>
As at LPD	1,580,152,675	1,580,152,675
Assuming all the Warrants are fully exercised	-	524,137,195
	<hr/> 1,580,152,675	<hr/> 2,104,289,870
Treasury shares held as at LPD	(7,246,250)	(7,246,250)
Assuming full implementation of the Proposed Renewal of Share Buy-Back Mandate and cancellation of the purchased Shares	(150,769,017)	(203,182,737)
Resultant share capital	<hr/> 1,422,137,408	<hr/> 1,893,860,883

**Notes:**

(1) Assuming none of the outstanding Warrants is exercised

(2) Assuming all outstanding Warrants are exercised

As at the LPD, FCB has 524,137,195 outstanding Warrants. The effects arising from the exercise of the outstanding Warrants have not been illustrated in view that the Warrants are currently out of money.

### 2.7.2 Earnings

The effective reduction in the total number of issued shares of the Company pursuant to the Proposed Renewal of Share Buy-Back Mandate will, generally, all else being equal, have a positive impact on the consolidated EPS of the Company.

The effects of the Proposed Renewal of Share Buy-Back Mandate on the earnings of the Group are dependent on the number of Shares purchased, the effective funding cost to finance such purchases and/or any loss of interest income to the Group if internally generated funds are utilised. Further, the purchase of the Shares will result in a lower number of FCB Shares being taken into account for the purpose of EPS computation.



### **2.7.3 Net Assets**

If the purchased Shares are cancelled, the Proposed Renewal of Share Buy-Back Mandate would reduce the net assets per Share if the purchase price of each Share exceeds the net assets per Share at the time of purchase. Conversely, the net assets per Share will increase if the purchase price is less than the net assets per Share at the time of purchase.

The net assets per Share will decrease by the cost of the treasury shares if the purchased Shares are retained as treasury shares due to the requirement for the treasury shares to be carried at cost.

If the treasury shares are subsequently resold on Bursa Securities, the net assets per Share will increase upon a resale, if the Company realises a gain from the resale, and vice versa. If the treasury shares are distributed as dividends, the net assets of the Group will be reduced by the cost of the treasury shares.

### **2.7.4 Working Capital**

The implementation of the Proposed Renewal of Share Buy-Back Mandate will reduce the working capital and cash flow of the FCB Group, the quantum of which depends on, among others, the number of Shares purchased and the purchase prices of the Shares.

### **2.7.5 Dividend**

The Proposed Renewal of Share Buy-Back Mandate may have an impact on the Company's dividend pay-out as it may reduce the cash available, which would otherwise be used for the dividend payment.

## 2.7.6 Directors' and Substantial Shareholders' Shareholdings

Based on the Company's Register of Directors' Shareholding and Register of Substantial Shareholders as at the LPD, the proforma effects of the Proposed Renewal of Share Buy-Back Mandate on the Directors' and Substantial Shareholders' shareholdings in the Company are set out below:

	As at LPD			After Proposed Renewal of Share Buy-Back Mandate <sup>(a)</sup>		
	Direct		Indirect	Direct		Indirect
	No. of Shares	% <sup>(b)</sup>	No. of Shares	No. of Shares	%	No. of Shares
<b><u>Directors</u></b>						
Ng Wai Pin	12,009,350	0.8	264,037,209 <sup>(c)</sup>	12,009,350	0.8	264,037,209 <sup>(c)</sup>
Dr Tay Kiang Meng	14,127,212	0.9	-	14,127,212	1.0	-
Ng Chee Whye	125,000	~	168,580 <sup>(d)</sup>	125,000	~	168,580 <sup>(d)</sup>
Gerald Chiu Yoong Chian	-	-	-	-	-	-
Koh Huey Min	-	-	3,000 <sup>(d)</sup>	-	-	3,000 <sup>(d)</sup>
YM Raja Jastina Adlina Binti Raja Arshad	-	-	-	-	-	-
<b><u>Substantial Shareholders</u></b>						
Dazzle Clean Ltd	264,037,209	16.8	-	264,037,209	18.6	-
Employees Provident Fund Board	140,640,034	8.9	-	140,640,034	9.9	-

### Notes:

- (a) Assuming the Proposed Renewal of Share Buy-Back Mandate is implemented in full and that the FCB Shares are purchased from parties other than the Directors and Substantial Shareholders of the Company.
- (b) Excluding 7,246,250 Shares held as treasury shares as at LPD.
- (c) Deemed interested by virtue of section 8(4)(c) of the Act, through his substantial shareholding in Dazzle Clean Ltd.
- (d) Deemed interested by virtue of section 8(4)(c) of the Act, through spouse's shareholding.
- ~ Negligible

As at the LPD, FCB has 524,137,195 outstanding Warrants. The effects arising from the exercise of the outstanding Warrants have not been illustrated in view that the Warrants are currently out of money.

## **2.8 Pricing**

Pursuant to Paragraph 12.17 of the Listing Requirements, the Company shall purchase its own Shares on Bursa Securities at a price which is not more than fifteen percent (15%) above the weighted average market price of the Shares for the five (5) market days immediately before the purchase.

In addition, pursuant to Paragraph 12.18 of the Listing Requirements, in the case of a resale or transfer of treasury shares, the Company may only re-sell the purchased Shares held as treasury shares on Bursa Securities or transfer the treasury shares at:

- (i) a price which is not less than the weighted average market price for FCB Shares for the 5 market days immediately before the resale or transfer; or
- (ii) a discounted price of not more than 5% to the weighted average market price for FCB Shares for the 5 market days immediately before the resale provided that:
  - (a) the resale or transfer takes place not earlier than thirty (30) days from the date of purchase; and
  - (b) the resale or transfer price is not less than the cost of purchase of FCB Shares being resold or transferred.

## **2.9 Public shareholding spread of FCB**

As at LPD, the public shareholding spread of the Company was 72.34% (excluding treasury shares). Assuming the Proposed Renewal of Share Buy-Back Mandate is implemented, the public shareholding spread of the Company is expected to be reduced to 69.41%. The Board undertakes that any proposed purchase of the Shares will only be conducted in accordance with prevailing law at the time of the purchase, including compliance with the public shareholding spread that at least 25% of the Company's total listed Shares (excluding any treasury shares) are in the hands of public shareholders as required by the Listing Requirements.

## **2.10 Implication on the Code and the Rules**

The implementation of the Proposed Renewal of Share Buy-Back Mandate is not expected to trigger any obligation to undertake a mandatory offer under the Code and the Rules based on the total number of issued shares of the Company and the shareholdings of the Directors and major and substantial shareholders and/or persons connected as at LPD.

## **2.11 Directors' and Major Shareholders' interests**

Save for the proportionate increase in the percentage shareholdings and/or voting rights of the shareholders of the Company as a result of the Proposed Renewal of Share Buy-Back Mandate, none of the Directors and/or Major Shareholders of the Company and/or persons connected with them has any interest, direct or indirect, in the proposed purchase of shares and/or resale and/or transfer of treasury shares, if any.

## **3. APPROVAL REQUIRED**

The Proposed Renewal of Share Buy-Back Mandate is conditional upon the approval of the shareholders of the Company at the forthcoming AGM.

## **4. DIRECTORS' RECOMMENDATION**

Your Board, having considered all aspects of the Proposed Renewal of Share Buy-Back Mandate, is of the opinion that the Proposed Renewal of Share Buy-Back Mandate is in the best interests of the Company and accordingly recommends that you vote in favour of the ordinary resolution in relation to the Proposed Renewal of Share Buy-Back Mandate to be tabled at the forthcoming AGM.

## 5. RESPONSIBILITY STATEMENT

This Statement has been seen and approved by the Board and the Directors collectively and individually accept full responsibility for the accuracy of the information given herein and confirm that, after making all reasonable enquiries and to the best of their knowledge and belief, there are no other facts the omission of which would make any statement herein misleading.

## 6. AGM

The resolution pertaining to the Proposed Renewal of Share Buy-Back Mandate is set out in the Extract of the Notice of AGM in this Statement as Special Business in the Notice of the AGM contained in the 2023 Annual Report of FCB.

The AGM will be held entirely on a fully virtual basis at the broadcast venue at Suite 301, Block F, Pusat Dagangan Phileo Damansara 1, No. 9, Jalan 16/11, Off Jalan Damansara, 46350 Petaling Jaya, Selangor Darul Ehsan, 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, 14 June 2024 at 10.00 a.m. for the purpose of considering and if thought fit, passing, among others, the resolution to give effect to the Proposed Renewal of Share Buy-Back Mandate.

You will also find in the 2023 Annual Report of FCB a copy of the Form of Proxy. If you are unable to attend and vote in person at the AGM, you are requested to complete, sign and return the Form of Proxy in accordance with the instructions printed therein as soon as possible and in any event, so as to arrive at the office of the Share Registrar of the Company 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 set for the AGM. The lodging of the Form of Proxy will not preclude you from attending and voting in person at the AGM should you subsequently wish to do so.

## 7. DOCUMENTS FOR INSPECTION

The following documents are available for inspection at the Registered Office of the Company at B-11-10, Level 11, Megan Avenue II, Jalan Yap Kwan Seng, 50450 Kuala Lumpur from the date of issuance of this Statement until the date of the AGM:

- (i) Constitution; and
- (ii) The Audited Financial Statements of FCB for the past two (2) financial years ended 31 December 2022 and 31 December 2023 and once available the latest unaudited quarterly results for the quarter ended 31 March 2024.

Yours faithfully,  
For and on behalf of the Board of Directors  
**FRONTKEN CORPORATION BERHAD**

**MAH LI CHEN**  
Company Secretary

**EXTRACT OF THE NOTICE OF AGM****PROPOSED RENEWAL OF AUTHORITY FOR THE COMPANY TO PURCHASE ITS OWN SHARES (“PROPOSED RENEWAL OF SHARE BUY-BACK MANDATE”)**

(Ordinary Resolution 7)

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:

- (i) the Shares so purchased could be cancelled or transferred; or
- (ii) 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
- (iii) 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:

- (i) 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
- (ii) the expiration of the period within which the next AGM is required by law to be held; or
- (iii) 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.

