



NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Thirty-Sixth ("36th") Annual General Meeting ("AGM") of Jankun International Berhad ("Jankun" or "the Company") will be held at Ballroom III, Main Wing, Jalan Kelab Tropicana, Tropicana Golf & Country Resort, 47410 Petaling Jaya, Selangor Darul Ehsan on Thursday, 3 September 2020, at 10.00 a.m. or at any adjournment thereof, for the purpose of transacting the following businesses:

AGENDA

- 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*
 - To approve the payment of Directors' fees up to RM150,000 and other benefits of up to RM14,000 to be divided amongst the Directors in such manner as the Directors may determine for the period commencing from the conclusion of the 36th AGM until the conclusion of the next AGM of the Company. *Ordinary Resolution 1*
 - To re-elect the following Directors who retire by rotation in accordance with Clause 105(1) of the Company's Constitution and who being eligible offer themselves for re-election:
 - En. Fathi Ridzuan Bin Ahmad Fauzi *Ordinary Resolution 2*
 - Mr. Lee Leong Kui *Ordinary Resolution 3*
 - To re-appoint Messrs. UHY as Auditors of the Company for the ensuing year and to authorise the Directors to fix their remuneration. *Ordinary Resolution 4*
- As Special Business:**
To consider and, if thought fit, to pass the following resolutions:
- Authority to Allot and Issue Shares Pursuant to Sections 75 and 76 of the Companies Act, 2016** *Ordinary Resolution 5*
THAT subject to the Companies Act, 2016 ("the Act"), the Constitution of the Company, the Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad ("Bursa Securities"), Additional Temporary Relief Measures to Listed Corporations for COVID-19, issued by Bursa Securities on 16 April 2020 and subject to the approvals of the relevant governmental/regulatory authorities, the Directors be and are hereby authorised and empowered pursuant to Sections 75 and 76 of the Act, to issue and allot shares in the Company, at any time to such persons 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 pursuant to this resolution does not exceed twenty per centum (20%) of the total number of issued shares of the Company (excluding treasury shares) at any point in time ("20% General Mandate"); AND THAT the Directors be and are hereby also empowered to obtain approval from the Bursa Securities for the listing and quotation of the additional shares so issued pursuant to the 20% General Mandate on Bursa Securities;
AND THAT such authority shall commence immediately upon the passing of this resolution and continue to be in force until 31 December 2021, as empowered by Bursa Securities pursuant to their letter dated 16 April 2020 to grant additional temporary relief measures to listed corporations, notwithstanding Section 76(3) of the Act, duly varied and adopted by the Directors of the Company pursuant to Section 76(4) of the Act.
 - Proposed Share Buy-Back of up to ten percent (10%) of the total number of issued shares of the Company at any given point in time ("Proposed Share Buy-Back")** *Ordinary Resolution 6*
THAT subject to the Act, provisions of the Company's Constitution, the MMLR of Bursa Securities and the approvals of all relevant regulatory authorities and parties, the Company be and is hereby authorised to purchase such number of ordinary shares in Jankun on the Main Market of Bursa Securities and/or hold from 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 ordinary shares in the Company purchased ("Purchased Share(s)") and/or held as treasury shares pursuant to this ordinary resolution shall not exceed 10% of the total number of issued shares of the Company at any point in time;
(ii) the maximum funds to be allocated by the Company for the Proposed Share Buy-Back shall not exceed the total retained earnings of the Company at the time of the purchase;
THAT upon purchase by the Company, the Board of Directors of Jankun shall have the absolute discretion to decide whether such Purchased Shares are to be cancelled and/or retained as treasury shares, or dealt with in such manner as provided under Section 127(7) of the Act;
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:-
(i) the conclusion of the AGM of the Company at which time the authority shall lapse unless by an ordinary resolution passed at the AGM, the authority is renewed, either unconditionally or subject to conditions;
(ii) the expiration of the period within which the AGM of the Company is required by law to be held; or
(iii) revoked or varied by ordinary resolution passed by the shareholders in general meeting,
Whichever occurs first, but not so as to prejudice the completion of the purchase(s) by the Company of the Jankun Shares before the aforesaid expiry date and made in any event, in accordance with the provisions of the Act, rules and regulations made pursuant to the Act, the MMLR and any requirements issued by any other relevant government and/or regulatory authorities;
AND THAT the Board be and is hereby authorised to take all such steps as are necessary or expedient to implement, finalise, complete or to give effect to the Proposed Share Buy-Back with full powers to assent to any conditions, modifications, variations and/or amendments in any manner as may be required by the 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 Share Buy-Back.
 - To transact any other business of which due notices shall have been given in accordance with the Act.

BY ORDER OF THE BOARD,

TAN TONG LANG (MAICSA 7045482/ SSM PC No. 201908002253)

THIEN LEE MEE (LS0009760/ SSM PC No. 201908002254)

Company Secretaries

Kuala Lumpur

Date: 4 August 2020

Notes:

- A proxy may but need not be a member of the Company and a member may appoint any person to be his/her proxy without limitation.
- The proxy form must be completed and deposited at the office of the Share Registrar's Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinci, 59200 Kuala Lumpur, Malaysia not less than forty-eight (48) hours before the time appointed for holding the meeting.
- A member shall be entitled to appoint one (1) or more proxies to attend and vote at the same meeting.
- Where a member appoints more than one (1) or more proxies, the appointments shall be invalid unless he specifies the proportions of his holdings to be represented by each proxy.
- If the appointor is a corporation, this form must be executed under its Common Seal or under the hand of its attorney.
- Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories) Act, 1991 ("Central Depositories Act"), it may appoint more than one proxy in respect of each securities account it holds with ordinary shares to the credit of the said securities account.
- Where a member of the Company is an exempt authorised nominee as defined under the Central Depositories Act which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("Omnibus Account"), there shall be no limit to the number of proxies which the Exempt Authorised Nominee may appoint in respect of each Omnibus Account it holds.
- For purpose of determining who shall be entitled to attend this meeting, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd to make available to the Company, a Record of Depositors ("ROD") as at 27 August 2020 and only a member whose name appears on such ROD shall be entitled to attend, speak and vote at this meeting or appoint proxy to attend and/or speak and/or vote in his/her behalf.
- Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all resolutions set out in this Notice will be put to vote by way of poll.

COVID-19 Outbreak Measure Notes

The health and safety of our members and staff who will attend the 36th AGM are the top priority of the Company. Hence, the following precautionary measures will be taken for the conduct of the 36th AGM:

- Members or proxies are encouraged to abide by the most current regulations in place and enforced by the Ministry of Health and Government of Malaysia at the time deciding on whether or not to attend the 36th AGM in person.
- Securities Commission Malaysia had on 18 April 2020 (revised on 18 June 2020) issued a Guidance and FAQs on the Conduct of General Meetings for Listed Issuers ("SC Guidance"). The Malaysian National Security Council had on 16 June 2020 issued a Standard Operating Procedures ("SOP") for government and private events, including meetings.
- Pursuant to the SOP, only member/proxy aged between 18 to 60 years old are allowed to enter the venue and Patient under Investigation (PU) and Person under Surveillance (PUS) are not allowed to enter the venue.
- Members are encouraged to appoint the Chairman of the meeting (or any other person) to act as proxy to attend and vote at the 36th AGM on their behalf by submitting the proxy form with predetermined voting instruction.
- Members or proxies who are feeling unwell or have been placed on quarantine orders or stay-at-home notices, you are advised to refrain from attending the 36th AGM in person.
- Members or proxies who had been in physical contact with a person infected with COVID-19 are advised to refrain from attending the 36th AGM in person.
- In the interest of the public health including the well-being of our members, members must cooperate with the precautionary measures put in place by the Company should members (or your proxies) wish to attend the 36th AGM in person.
- Members/proxies must sanitise their hands and are strongly advised to wear a face mask if they are attending the meeting in person.
- Members or proxies are advised to observe/maintain social distancing throughout the meeting.
- NO door gift will be provided to the Members or proxies.

In view of the constant evolving COVID-19 situation in Malaysia, we may be required to change the arrangements of our 36th AGM at short notice. Kindly check Bursa Securities's and Company's website at www.jk.com.my for the latest updates on the status of the said meeting.

EXPLANATORY NOTES ON ORDINARY AND SPECIAL BUSINESS:

- Audited Financial Statements for the Financial Year Ended 31 December 2019**
This Agenda item is meant for discussion only as Section 340(1) (a) of the Act does not require a formal approval of the shareholders for the Audited Financial Statements. Hence, this Agenda is not put forward for voting.
- Ordinary Resolution 1: Payment of Directors' Fees and Other Benefits Payable**
The proposed Ordinary Resolution 1 is to facilitate the payment of Directors' Fees and Other Benefits payable to Directors.
The other benefits comprise the allowances and other benefits. The total estimated amount of other benefits payable is calculated based on the number of scheduled Board's and Board Committees' meetings for the period from the conclusion of the 36th AGM until the next AGM of the Company.
- Ordinary Resolution 5: Authority to Allot and Issue Shares pursuant to Sections 75 and 76 of the Act**
The Ordinary Resolution 5, if passed, is a renewal of the general mandate and empowered the Directors of the Company pursuant to Sections 75 and 76 of the Act to issue and allot new shares in the Company ("General Mandate").
The Company had obtained the mandate from the shareholders at the last AGM held on 13 June 2019 ("Previous Mandate"). As at the date of this Notice, no new shares in the Company were issued pursuant to the Previous Mandate and accordingly, no proceeds were raised.
As part of the initiative from Bursa Malaysia Securities Berhad ("Bursa Securities") has via their letter dated 16 April 2020 granted several additional temporary relief measures to listed corporations, amongst others, an increase in general mandate limit for new issues of securities to not more than 20% of the total number of issued shares of the Company for the time being ("20% General Mandate"). Pursuant to the 20% General Mandate, Bursa Securities has also mandated that the 20% General Mandate may be utilised by a listed corporation to issue new securities until 31 December 2021 ("Extended Utilisation Period") and thereafter, the 10% general mandate will be reinstated.
Having considered the current economic climate arising from the global COVID-19 pandemic and future financial needs of the Group, the Board would like to procure approval for the 20% General Mandate, inclusive of the Extended Utilisation Period, pursuant to Section 76(4) of the Act, from its shareholders at the forthcoming 36th AGM of the Company.
The purpose to seek the 20% General Mandate is to enable the Directors of the Company to issue and allot shares at any time to such persons in their absolute discretion without convening a general meeting as it would be both time and cost-consuming to organise a general meeting merely for such purpose. The 20% General Mandate will provide flexibility to the Company for any possible fund raising activities, including but not limited to further placing of shares, for purpose of funding its business plans, future investment project(s), working capital and/or acquisitions.
The 20% General Mandate, unless revoked or varied by the Company in general meeting, will expire at the end of the Extended Utilisation Period, i.e. by 31 December 2021.
The Board of Directors of the Company, after due consideration, is of the opinion that in the face of unprecedented challenges to the Company brought by COVID-19 pandemic, this 20% General Mandate will enable the Company further flexibility to raise funds expeditiously other than incurring additional interest costs as compared to bank borrowings, thereby allowing the Company to preserve its cash flow and achieve a more optimal capital structure. Any funds raised from this 20% General Mandate is expected to be used as working capital to finance day-to-day operational expenses, on-going projects or future projects/investments to ensure the long-term sustainability of the Company.
The Board, having considered the current and prospective financial position, needs and capacity of the Company, is of the opinion that the 20% General Mandate is in the best interest of the Company and its subsidiaries.
- Ordinary Resolution 6: Proposed Share Buy-Back**
This proposed Ordinary Resolution 6, if passed, will empower the Company to purchase and/or hold up to 10% of the issued and paid-up share capital of the Company. This authority unless revoked or varied by the Company at a General Meeting will expire at the next AGM of the Company.
Further information on the Proposed Share Buy-Back is set out in the Circular to Shareholders which is dispatched together with Notice of 36th AGM.