

EONMETALL GROUP BERHAD (631617D) Notice of Annual General Meeting



EONMETALL

(631617-D)

NOTICE IS HEREBY GIVEN that the Fourteenth Annual General Meeting ("14th AGM") of Shareholders of the Company will be held at Ground Floor, Lot 393, MK 12, Kawasan Perusahaan Valdor, 14200 Sungai Bakap, Penang on Thursday, 25 May 2017 at 2.00 p.m. for the following purposes:

AGENDA

- As Ordinary Business**
- To receive the Audited Financial Statements for the financial year ended 31 December 2016 together with the Reports of Directors and Auditors thereon. **Please refer to Note 1**
 - To re-elect the following Directors retiring pursuant to Article 86 of the Company's Constitution and who, being eligible, offer themselves for re-election:
(i) Dato' Goh Cheng Huat **Ordinary Resolution 1**
(ii) Dato' Wahab Bin Hamid **Ordinary Resolution 2**
 - To approve the payment of Directors' Fees from the Group totaling RM270,000 for the financial year ended 31 December 2016. **Ordinary Resolution 3**
 - To re-appoint Messrs BDO as Auditors of the Company until the next Annual General Meeting ("AGM") of the Company 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 as Ordinary Resolutions:
a. **AUTHORITY TO ISSUE SHARES PURSUANT TO SECTION 76 OF THE COMPANIES ACT, 2016**
"THAT, subject always to the Companies Act, 2016 ("the Act"), the Constitution of the Company and the approvals of the relevant government/regulatory authorities, the Directors be and are hereby authorised, pursuant to Section 76 of the Act, to allot and issue shares in the Company at any time until the conclusion of the next AGM and to such person or persons, upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion deemed fit, provided that the aggregate number of shares to be issued does not exceed 10% of total number of issued shares/ total number of voting shares of the Company for the time being and that the Directors are also empowered to obtain the approval from the Bursa Malaysia Securities Berhad for the listing and quotation for the additional shares to be issued." **Ordinary Resolution 5**
 - PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE ("PROPOSED SHAREHOLDERS' MANDATE")**
"THAT pursuant to Chapter 10.09 of the Main Market Listing Requirements ("Listing Requirements") of Bursa Malaysia Securities Berhad ("Bursa Securities"), a general mandate of the shareholders be and is hereby granted for the Company and its subsidiaries to enter into recurrent related party transactions as set out in Section 2.4 under Part A of the Circular dated 28 April 2017, which are necessary for the Group's day to day operations and are carried out in the ordinary course of business and are on normal commercial terms which are not more favourable to the related parties than those generally available to the public and not detrimental to the minority shareholders; and that the approval shall continue to be in force until the conclusion of the next AGM of the Company at which time it will lapse unless the authority is renewed by a resolution passed at the meeting; or the expiration of the period within which the next AGM after the date it is required to be held pursuant to Section 340(2) of the Act (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or revoked or varied by resolutions passed by the shareholders of the Company in a general meeting; whichever is the earlier." **Ordinary Resolution 6**
 - PROPOSED RENEWAL OF AUTHORITY TO BUY-BACK ITS OWN SHARES BY THE COMPANY**
"THAT subject always to the Act, rules, regulations and orders made pursuant to the Act, provisions of the Constitution of the Company and the Listing Requirements of the Bursa Securities and any other relevant authorities, the Directors of the Company be hereby unconditionally and generally authorised to make purchases of ordinary shares in the Company's total number of issued shares through the Bursa Securities at any time and upon such terms and conditions and for such purposes as the Directors may, in their discretion deem fit, subject to the following:-
i) the aggregate number of ordinary shares which may be purchased and/ or held by the Company shall be ten per centum (10%) of the total number of issued shares of the Company for the time being ("EONMETALL Shares");
ii) the amount of fund to be allocated by the Company for the purpose of purchasing the EONMETALL Shares shall not exceed the aggregate of the retained profits of RM1,944,000 of the Company as at 31 December 2016;
iii) the authority conferred by this Resolution will be effective immediately upon the passing of this Resolution and will continue in force until:-
a) the conclusion of the next AGM of the Company, 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 AGM is required by law to be held (unless earlier revoked or varied by ordinary resolution of the shareholders of the Company in general meeting) but not so as to prejudice the completion of purchase(s) by the Company made before the aforesaid expiry date and, in any event, in accordance with the Listing Requirements of the Bursa Securities or any other relevant authorities;
iv) upon completion of the purchase(s) of the EONMETALL Shares by the Company, the Directors of the Company be hereby authorised to deal with the EONMETALL Shares in the following manner:-
a) to cancel the EONMETALL Shares so purchased; or
b) to retain the EONMETALL Shares so purchased as treasury shares for distribution as dividend to the shareholders and/ or resale on the market of Bursa Securities and/ or for cancellation subsequently; or
c) to retain part of the EONMETALL Shares so purchased as treasury shares and cancel the remainder; or
d) in such other manner as the Bursa Securities and such other relevant authorities may allow from time to time.
AND THAT the Directors of the Company be and are hereby authorised to take all such actions and steps as are necessary or expedient to implement or to effect the purchase of EONMETALL shares." **Ordinary Resolution 7**
 - PROPOSED PAYMENT OF BENEFITS PAYABLE TO THE DIRECTORS UNDER SECTION 230 OF THE COMPANIES ACT, 2016**
"THAT approval of benefits payable to the Directors in the Group for the period from 31 January 2017 through to the conclusion of the next AGM or the expiration of the period within which the next AGM is required by law to be held or revoked/varied by resolution passed by the shareholders in a general meeting, whichever is the earlier." **Ordinary Resolution 8**
 - CONTINUATION IN OFFICE AS INDEPENDENT NON-EXECUTIVE DIRECTOR**
"THAT Madam Tang Yin Kham who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine (9) years, be retained and shall continue to act as an Independent Non-Executive Director of the Company in accordance with the Malaysian Code of Corporate Governance 2012 ("MCCG 2012") until the conclusion of the next AGM. **Ordinary Resolution 9**
 - RE-APPOINTMENT OF DIRECTORS**
"THAT the following Directors be hereby re-appointed as Directors of the Company:
i) Tan Sri Dato' Mohd Desa Bin Pachi **Ordinary Resolution 10**
ii) Tan Sri Dato' Soong Siew Hoong" **Ordinary Resolution 11**
 - To transact any other business of which due notice shall have been given.

By Order of the Board

Tai Yit Chan (MAICSA 7009143)
Ong Tze-En (MAICSA 7026537)
Joint Company Secretaries
Penang, 28 April 2017

Note: Appointment of Proxy

- A proxy may but need not be a Member or a qualified legal practitioner or an approved company auditor or a person approved by the Registrar.
- To be valid, this form, duly completed must be deposited at the Registered Office of the Company at Suite 16-1, (Penthouse Upper), Menara Penang Garden, 42A Jalan Sultan Ahmad Shah, 10050 Penang, not less than forty-eight (48) hours before the time for holding the meeting. Provided That in the event the Member(s) duly executes the form of proxy but does not name any proxy, such Member(s) shall be deemed to have appointed the Chairman of the meeting as his/her proxy. Provided Always that the rest of the proxy form, other than the particulars of the proxy have been duly completed by the Member(s).
- A Member shall be entitled to appoint two (2) or more proxies to attend and vote at the same meeting and the appointment shall be invalid unless he specifies the proportions of his holdings to be represented by each proxy. If a Member appoints two (2) proxies, he must specify which proxy is entitled to vote on a show of hands. Only one (1) of those proxies is entitled to vote on a show of hands.
- Where a Member is an authorised nominee as defined under the Central Depositories Act, it may appoint up to two (2) proxies in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.
- If the appointor is a corporation this form must be executed under the corporation's common seal or under the hand of an officer or attorney duly authorised.
- 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 shall be 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 ("SICDA") which is exempted from compliance with the provisions of subsection 25A(1) of SICDA.
- A proxy appointed to attend and vote at a meeting of the Company shall have the same rights as the members to speak at the meeting.
- For purpose of determining who shall be entitled to attend 14th AGM meeting, the Company shall be requesting Bursa Malaysia Depository Sdn. Bhd. in accordance with Article 62 of the Articles of Association of the Company and Section 340(1) of SICDA to issue a General Meeting Record of Depositors ("ROD") as at 18 May 2017. Only a Depositor whose name appears on the ROD as at 18 May 2017 shall be entitled to attend the said meeting or appoint proxy to attend and/ or vote in his/her behalf.

Explanatory Notes on Ordinary Business:

- Agenda 1 is meant for discussion only as the provision of Section 340(1)(a) of the Companies Act, 2016 does not require a formal approval of shareholders of the Company and hence, Agenda 1 is not put forward for voting.

Explanatory Notes on Special Business:

- The proposed Ordinary Resolution 5, is for the purpose of granting a renewed general mandate ("General Mandate") and if passed, will give authority to the Board of Directors to issued and allot ordinary shares at any time in their absolute discretion and that such authority shall continue in force until the conclusion of the next AGM of the Company or the expiration of the period within which the next AGM is required by law to be held or revoked/varied by resolution passed by the shareholders in general meeting whichever is the earlier.
As at the date of this Notice, no new shares in the Company were issued pursuant to the mandate granted to the Directors at the last AGM held on 24 May 2016 and which will lapse at the conclusion of the 14th AGM.
The 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 future investment project(s), working capital and/or acquisitions.
- The proposed Ordinary Resolution 6, if passed, will approve the Proposed Shareholders' Mandate and allow the Company and its subsidiaries to enter into the existing recurrent related party transactions as set out in Section 2.4 under Part A of the Circular. This approval shall continue to be in force until the conclusion of the next AGM of the Company at which time it will lapse unless the authority is renewed by a resolution passed at the meeting; or the expiration of the period within which the next AGM after the date it is required to be held pursuant to Section 340(2) of the Act (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or revoked or varied by resolutions passed by the shareholders of the Company in a general meeting; whichever is the earlier.
- The proposed Ordinary Resolution 7, if passed, will allow the Company to purchase its own shares. The total number of shares purchased shall not exceed 10% of the issued and paid-up share capital of the Company. This authority will, unless revoked or varied by the Company in general meeting, expires at the next AGM of the Company.
- Under the Ordinary Resolution 8, the benefits payable to the Directors has been reviewed by the Remuneration Committee and the Board of Directors of the Company, which recognises that the benefits payable is in the best interest of the Company and in accordance with the remuneration framework of the Group. The benefits comprised of meeting allowance, travelling allowance and Board Committee allowances.
This approval shall continue to be in force until the conclusion of the next AGM of the Company at which time it will lapse unless the authority is renewed by a resolution passed at the meeting; or the expiration of the period within which the next AGM after the date it is required to be held pursuant to the Act; or revoked/varied by resolutions passed by the shareholders of the Company in general meeting; whichever is the earlier.
- The proposed Ordinary Resolution 9, if passed, will retain Madam Tang Yin Kham as an Independent Non-Executive Director of the Company to fulfill the requirements of Paragraph 3.04 of Bursa Securities' Main Market Listing Requirements and in line with the recommendation No. 3.2 of the MCCG 2012. The detail of the Board's justification and recommendation for the retention of the Independent Director is set out in the Statement on Corporate Governance in the 2016 Annual Report.
- The proposed Ordinary Resolutions under item 7 is to seek shareholders' approval on the re-appointment of (i) Tan Sri Dato' Mohd Desa Bin Pachi and (ii) Tan Sri Dato' Soong Siew Hoong, who had been re-appointed in the previous Annual General Meeting held on 24 May 2016 as Directors under Section 129(6) of the former Companies Act 1965 which was then in force and whose term would expire at the conclusion of this meeting, as Directors of the Company. If passed, the proposed Ordinary Resolutions 10 and 11 will authorize the continuation of the Directors in office from the date of this Annual General Meeting onwards.

Statement Accompanying Notice of Annual General Meeting (Pursuant to Paragraph 8.27(2) of the Listing Requirements of Bursa Securities)

- No individual is standing for election as a Director at the forthcoming 14th AGM of the Company.