



# EONMETALL GROUP BERHAD (631617-D)

## Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the Thirteenth Annual General Meeting ("13th AGM") of shareholders of the Company will be held at 1st Floor, Lot 393, MK 12, Kawasan Perusahaan Valdor, 14200 Sungai Bakap, Penang on Tuesday, 24 May 2016 at 2.00 pm for the following purposes:-

### AGENDA

#### AS ORDINARY BUSINESS

- To receive the audited Financial Statements for the year ended 31 December 2015 and the Reports of the Directors and Auditors thereon.
- To re-elect the following Directors retiring pursuant to Article 86 of the Company's Articles of Association and who, being eligible, offer themselves for re-election:
  - Mr Yeoh Cheng Chye
  - Madam Tang Yin Kham
- To approve Directors' fees of RM270,000.00 for the year ended 31 December 2015.
- To re-appoint Messrs BDO as Auditors of the Company and to authorise Directors to determine their remuneration.

Ordinary Resolution 1  
Ordinary Resolution 2  
Ordinary Resolution 3  
Ordinary Resolution 4

#### AS SPECIAL BUSINESS

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

#### 5. AUTHORITY UNDER SECTION 132D OF THE COMPANIES ACT, 1965 FOR THE DIRECTORS TO ALLOT AND ISSUE SHARES

"THAT pursuant to Section 132D of the Companies Act, 1965 ("the Act"), the Articles of Association of the Company and subject to the approval of all the relevant government and/or regulatory authorities, the Board of Directors of the Company be and is hereby authorised to issue and allot from time to time such number of ordinary shares of the Company upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion, deem fit, PROVIDED ALWAYS THAT the aggregate number of ordinary shares issued pursuant to this resolution does not exceed 10% of the total issued share capital of the Company for the time being AND THAT the Directors are also empowered to obtain the approval for the listing of and quotation for the additional shares so issued on the Bursa Malaysia Securities Berhad ("Bursa Securities") AND THAT such authority shall continue in force until the conclusion of the next Annual General Meeting ("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."

Ordinary Resolution 5

#### 6. 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 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 29 April 2016, 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 143(1) of the Act (but shall not extend to such extension as may be allowed pursuant to Section 143(2) 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

#### 7. PROPOSED RENEWAL OF AUTHORITY FOR THE COMPANY TO BUY-BACK ITS OWN SHARES ("PROPOSED RENEWAL SHARE BUY-BACK MANDATE")

"THAT subject to the Act, rules, regulations and orders made pursuant to the Act, provisions of the Company's Memorandum and Articles of Association and the requirements of Bursa Securities and any other relevant authorities, the Directors of the Company be hereby unconditionally and generally authorised to make purchases of ordinary shares of RM0.50 each in the Company's issued and paid-up capital through Bursa Securities at anytime and upon such terms and conditions and for such purposes as the Directors may, in their discretion deem fit, subject to the following:-

Ordinary Resolution 7

- the maximum number of ordinary shares which may be purchased and/or held by the Company shall be ten per centum (10%) of the issued and paid-up ordinary share capital of the Company for the time being ("Eonmetall Shares");
- the maximum fund to be allocated by the Company for the purpose of purchasing the Eonmetall Shares shall not exceed the aggregate of the retained profits and/or share premium account of the Company, otherwise available for dividend for the time being.
- the authority conferred by this Resolution will be effective immediately upon the passing of this Resolution and will continue in force until:-
  - 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;
  - 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 Bursa Securities or any other relevant authorities;
- 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:-
  - to cancel the Eonmetall Shares so purchased; or
  - to retain the Eonmetall Shares so purchased as treasury shares for distribution as dividend to the shareholders and/or resell on the market of Bursa Securities and/or for cancellation subsequently; or
  - to retain part of the Eonmetall Shares so purchased as treasury shares and cancel the remainder; or
  - in such other manner as 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, finalise, complete or to effect the Proposed Renewal of Share Buy-Back Mandate and to do all such acts and things as the Directors may deem fit and expedient in the best interest of the Company to give effect to and to complete the purchase of Eonmetall Shares."

#### 8. CONTINUATION IN OFFICE AS DIRECTORS OF THE COMPANY

"THAT authority be and are hereby given to re-appoint the following Directors who retire pursuant to Section 129 of the Companies Act, 1965, to continue in office as Directors of the Company:

- Tan Sri Dato' Mohd Desa Bin Pachi
- Tan Sri Dato' Soong Siew Hoong"

Ordinary Resolution 8  
Ordinary Resolution 9

#### 9. 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 10

- 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, 29 April 2016

### Notes:

#### 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/his 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.
- In respect of deposited securities, only a Depositor whose name appears on the Record of Depositors on 13 May 2016 (General Meeting Record of Depositors) shall be eligible to attend the meeting or appoint proxy to attend and/or vote in his/her behalf.

#### 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 issue and allot ordinary shares from the unissued capital of the Company 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 29 May 2015 and which will lapse at the conclusion of the 13th 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 143(1) of the Act (but shall not extend to such extension as may be allowed pursuant to Section 143(2) 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.
- The proposed Ordinary Resolutions 8 and 9, is in accordance with Section 129(6) of the Companies Act, 1965 which requires that a separate resolution be passed to re-appoint Tan Sri Dato' Mohd Desa bin Pachi and Tan Sri Dato' Soong Siew Hoong who are over 70 years of age as Directors of the Company and to hold office until the conclusion of the next AGM of the Company. These resolutions shall be effect if be passed by a majority of not less than three-fourth of such shareholders of the Company as being entitled to vote in person or where proxies are allowed, by proxy at the AGM of the Company.
- The proposed Ordinary Resolution 10, 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 2015 Annual Report.