

EONMETALL GROUP BERHAD (631617D)

Notice of Annual General Meeting



(631617-D)

NOTICE IS HEREBY GIVEN that the Fifteenth Annual General Meeting of EONMETALL GROUP BERHAD ("the Company") will be held at Ground Floor, Lot 393, MK 12, Kawasan Perusahaan Valdor, 14200 Sungai Bakap, Penang on Monday, 28 May 2018 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 2017 together with the Reports of Directors and Auditors thereon. **Ordinary Resolution 1**
 - To re-elect the following Directors retiring pursuant to Article 86 of the Company's Articles of Association (Constitution) and who, being eligible, offer themselves for re-election:
(a) Mr Goh Kee Seng; and
(b) Madam Tang Yin Kham **Ordinary Resolution 2**
 - To approve the payment of Directors' Fees from the Group totaling RM270,000 for the financial year ended 31 December 2017. **Ordinary Resolution 3**
 - To approve the benefit payable to the Directors of the Company up to an aggregate amount of approximately RM50,000 from 28 May 2018 until the conclusion of the next Annual General Meeting of the Company. **Ordinary Resolution 4**
 - To re-appoint Messrs BDO as Auditors of the Company until the next Annual General Meeting of the Company and to authorise the Directors to fix their remuneration. **Ordinary Resolution 5**
- As Special Business**
- To consider and if thought fit, to pass the following resolutions as Ordinary Resolutions:
- AUTHORITY TO ISSUE SHARES PURSUANT TO SECTION 76 OF THE COMPANIES ACT 2016** **Ordinary Resolution 6**
"THAT, subject always to the Companies Act 2016 ("the Act"), the Company's Articles of Association (Constitution) 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 Annual General Meeting 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."
 - PROPOSED RENEWAL OF EXISTING SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE ("PROPOSED SHAREHOLDERS' MANDATE")** **Ordinary Resolution 7**
"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 30 April 2018, 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 Annual General Meeting 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 Annual General Meeting 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."
 - PROPOSED RENEWAL OF AUTHORITY TO BUY-BACK ITS OWN SHARES BY THE COMPANY** **Ordinary Resolution 8**
"THAT subject always to the Act, rules, regulations and orders made pursuant to the Act, provisions of the Memorandum and Articles of Association (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:-
 - 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/total number voting shares of the Company for the time being ("EONMETALL Shares");
 - 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 RM87,176,040 of the Company as at 31 December 2017;
 - 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 Annual General Meeting 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 Annual General Meeting 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;
 - 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 resale 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 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."
 - RETENTION OF INDEPENDENT NON-EXECUTIVE DIRECTOR** **Ordinary Resolution 9**
"THAT Tang Yin Kham be retained as Independent Non-Executive Director of the Company."
 - 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, 30 April 2018

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 George Town, 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/their 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 members whose names appear on the Record of Depositors on 16 May 2018 (General Meeting Record of Depositors) shall be eligible to attend the meeting or appoint proxy(ies) to attend and/or vote on his/her behalf.

Explanatory Note on Ordinary Business:

- The Ordinary Resolution 4, 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 Annual General Meeting 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 Annual General Meeting 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.

Explanatory Notes on Special Business:

- The proposed Ordinary Resolution 6, 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 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 or revoked/varied by resolution passed by the shareholders in general meeting whichever is the earlier.
As at the date of this Notice, the Company had issued 17,117,100 ordinary shares at an issue price of RM0.74 per ordinary share pursuant to the mandate granted to the Directors at the last Annual General Meeting held on 25 May 2017 and which will lapse at the conclusion of the Fifteenth Annual General Meeting.
The renewal of this 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 7, 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 Annual General Meeting 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 Annual General Meeting 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 8, if passed, will allow the Company to purchase its own shares. The total number of shares purchased shall not exceed 10% of the issued shares capital/total number voting shares of the Company. This authority will, unless revoked or varied by the Company in general meeting, expires at the next Annual General Meeting of the Company.
- The proposed Ordinary Resolution 9, if passed, will allow Tang Yin Kham to be retained as Independent Non-Executive Director ("INED") of the Company. The Board of Directors had, vide the Nominating Committee, conducted an annual performance evaluation and assessment of, Tang Yin Kham, who will serve as INED of the Company for a cumulative term of more than twelve (12) years and recommended her to continue acting as INED of the Company based on the justifications as set out in Corporate Governance Overview Statement in the Annual Report 2017.