



ES Ceramics Technology Berhad

(Company No. 627117-P)
(Incorporated in Malaysia)

Notice of the Fifteenth Annual General Meeting

NOTICE IS HEREBY GIVEN THAT the Fifteenth Annual General Meeting of the Company will be held at Arcadia I, Level 3, Hotel Armada Petaling Jaya, Lot 6, Lorong Utara C, Section 52, 46200 Petaling Jaya, Selangor Darul Ehsan on Monday, 29 October 2018 at 10.00 a.m. to transact the following businesses:

AGENDA

- To receive the Audited Financial Statements for the financial year ended 31 May 2018 and the Reports of Directors and Auditors thereon. **Please refer Note 1**
- To approve the payment of Directors' fees of up to RM150,000 to the non-executive directors for their services from 30 October 2018 to the next Annual General Meeting of the Company. **Ordinary Resolution 1**
- To re-elect the following Directors retiring in accordance with Article 83 of the Company's Constitution:-
(i) Tan Boon Sing **Ordinary Resolution 2**
(ii) Khoo Siang Hsi @ Khoo Chen Nan **Ordinary Resolution 3**
- To appoint Auditors of the Company and authorise the Directors to determine their remuneration. **Ordinary Resolution 4**
- As Special business, to consider and if thought fit, to pass the following Ordinary Resolutions, with or without modifications:-
(i) **PROPOSED RETENTION OF INDEPENDENT DIRECTOR - RITHAUDDIN HUSSEIN JAMALATIFF BIN JAMALUDDIN**
"THAT Rithauddin Hussein Jamalattiff bin Jamaluddin who has served the Board as Independent Non-Executive Director for a cumulative term of more than nine (9) years be and is hereby retained as an Independent Director of the Company." **Ordinary Resolution 5**
(ii) **PROPOSED RETENTION OF INDEPENDENT DIRECTOR - KHOO SIANG HSI @ KHOO CHEN NAN**
"THAT subject to the passing of Ordinary Resolution 3, Khoo Siang Hsi @ Khoo Chen Nan who has served the Board as Independent Non-Executive Director for a cumulative term of more than nine (9) years be and is hereby retained as an Independent Director of the Company." **Ordinary Resolution 6**
(iii) **AUTHORITY TO ALLOT SHARES**
"THAT subject always to the Companies Act 2016 ("Act") and the approvals of the relevant authorities, the Directors be and are hereby authorised pursuant to Section 75 of the Act, to allot shares in the Company at any time until the conclusion of the next Annual General Meeting 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 10% of the total number of issued shares of the Company for the time being." **Ordinary Resolution 7**
- To transact any other business of which due notice shall have been received.

BY ORDER OF THE BOARD

SEOW FEI SAN
LOH LAI LING
Secretaries

Petaling Jaya
28 September 2018

Notes:

- The shareholders' approval on the Audited Financial Statements are not required pursuant to the provisions of Section 340(1) of the Companies Act 2016 ("Act"), hence, the matter will not be put for voting.
- Only depositors whose names appear on the Record of Depositors as at 22 October 2018 shall be regarded as members and entitled to attend, speak and vote at the Annual General Meeting.
- A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote in his stead. A proxy need not be a Member of the Company and a Member may appoint any persons to be his proxy.
- A Member shall be entitled to appoint up to two (2) proxies to attend and vote at the Annual General Meeting. Where a Member appoints two (2) proxies, the appointment shall be invalid unless the Member specifies the proportions of his holding to be represented by each proxy. Where a member of the Company is an Exempt Authorised Nominee which holds ordinary share in the Company for multiple beneficial owners in one securities account (omnibus account), there is no limit to the number of proxies which the Exempt Authorised Nominee may appoint in respect of each omnibus account it holds.
- The instrument appointing a proxy shall be in writing under the hand of the appointer or his attorney duly authorised in writing, or if the appointer is a corporation, either under its Common Seal or under the hand of its officer or attorney duly authorised.
- The instrument appointing a proxy and the power of attorney or other authority (if any), under which it is signed or a notarially certified copy thereof, must be deposited at the Company's Share Registrar's Office at Tricor Investor & Issuing House Services Sdn. Bhd., Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, not less than forty eight (48) hours before the time for holding the Annual General Meeting or any adjournment thereof.
- Explanatory Notes:

Ordinary Resolution 1 **Directors Fees**

Pursuant to Section 230(1) of the Act, the fees of the directors payable to the directors of a listed company and its subsidiaries shall be approved at a general meeting.

In view that Directors fees for the non-executive directors is subject to shareholder's approval at general meeting under the Act, accordingly, specific shareholder's approval will be sought at the 15th AGM for the payment of directors' fees to non-executive directors of up to RM150,000, for their services from 30 October 2018 until the next AGM. This amount is estimated based on the basis that there is no increase in the number of non-executive directors and directors' fee.

The Board will seek shareholders' approval at the next AGM in the event the amount of Directors' fees approved under Ordinary Resolution 1 is insufficient due to an increase in Board size and/or the number of meetings.

Details of the Directors' fees of the non-executive directors for the financial year ended 31 May 2018, totaling RM100,000 are disclosed in the Overview Statement on Corporate Governance as contained in the 2018 Annual Report.

Ordinary Resolutions 5 & 6 **Proposed Retentions of Independent Directors**

The proposed Ordinary Resolutions 5 & 6, if passed, will allow Rithauddin Hussein Jamalattiff bin Jamaluddin and Khoo Siang Hsi @ Khoo Chen Nan to be retained and continue to act as Independent Non-Executive Director of the Company.

The Board has determined that both of them have vast and diverse range of experiences and brings the right mix of skills to the Board. As Independent Directors, they continue to bring independent and objective judgements to Board deliberations and decision-making process as a whole. The Board therefore would recommend that they continue to act as the Independent Directors of the Company.

The details of the Board's justifications for the retention of Rithauddin Hussein Jamalattiff bin Jamaluddin and Khoo Siang Hsi @ Khoo Chen Nan are set out in the Overview Statement on Corporate Governance in the Annual Report 2018.

Ordinary Resolution 7 **Authority to Allot Shares**

The proposed Ordinary Resolution 7, if passed, will empower the Directors of the Company to allot not more than 10% of the issued share capital of the Company subject to the approvals of all the relevant governmental and/or other regulatory bodies and for such purposes as the Directors consider would be in the interest of the Company. The authority, unless revoked or varied by the Company in general meeting, will expire at the conclusion of the next Annual General Meeting of the Company.

The authority 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, repayment of bank borrowings (if any), etc.

As at the date of this Notice, no new shares in the Company were issued pursuant to the authority granted to the Directors at the Fourteenth Annual General Meeting held on 25 October 2017 and which will lapse at the conclusion of the Fifteenth Annual General Meeting.