



# E.A. TECHNIQUE (M) BERHAD

(256516-W)

**NOTICE IS HEREBY GIVEN** that the Twenty Fifth (25th) Annual General Meeting ("AGM") of E.A. Technique (M) Berhad ("EAT" or the "Company") will be held at Permata Ballroom, Level B2, The Puteri Pacific Hotel, Jalan Abdullah Ibrahim, 80000 Johor Bahru, Johor on Monday, 29 April 2019 at 12.00 p.m. for the transaction of the following purposes:-

## ORDINARY BUSINESS

1. To receive the Audited Financial Statements for the financial year ended 31 December 2018 and the Reports of the Directors and Auditors thereon.

Please refer to Explanatory Note A

2. To re-elect the following Directors who retire in accordance with Article 113 of the Company's Articles of Association and who being eligible offer themselves for re-election:

- (i) Ahamad bin Mohamad
- (ii) Rozan bin Mohd Saát

**Ordinary Resolution 1**  
**Ordinary Resolution 2**

Please refer to Explanatory Note B

3. To approve the Proposed Directors' Fees amounting to RM80,000 per annum for the Non-Executive Chairman and RM66,000 per annum for each of the Non-Executive Directors in respect of the financial year ending 31 December 2019.

Please refer to Explanatory Note C

**Ordinary Resolution 3**

4. To approve the payment of Remunerations (excluding Proposed Directors' Fees) to Non-Executive Chairperson and Non-Executive Directors for the period from 30 April 2019 until the next AGM of the Company ("Relevant Period").

Please refer to Explanatory Note D

**Ordinary Resolution 4**

5. To re-appoint Messrs. Ernst & Young as Auditors of the Company for the financial year ending 31 December 2019 and to authorise the Board of Directors to determine their remuneration.

Please refer to Explanatory Note E

**Ordinary Resolution 5**

## SPECIAL BUSINESS

To consider and, if thought fit, to pass the following resolutions:

### 6. Ordinary Resolution

Authority to Issue and Allot Shares Pursuant To Section 75 of the Companies Act, 2016 "THAT pursuant to Section 75 of the Companies Act, 2016 ("Act"), and approvals of the relevant government and/or regulatory authorities, the Directors be and are hereby empowered to issue and allot shares in the Company, from time to time, 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 issued pursuant to this resolution does not exceed ten percent (10%) of the total number of issued shares of the Company for the time being and that the Directors be and are also empowered to obtain the approval for the listing of and quotation for the additional shares so issued on the Main Market of Bursa Malaysia Securities Berhad ("Bursa Securities") and that such authority shall continue in force until the conclusion of the next AGM of the Company.

Please refer to Explanatory Note F

**Ordinary Resolution 6**

### 7. Ordinary Resolution

Proposed Subject Buy-Back Renewal

"THAT, subject to Section 127 of the Act, the provisions of the Main Market Listing Requirements of the Bursa Securities ("Listing Requirements") and all other applicable laws, rules, regulations and guidelines for the time being in force, the Directors of the Company be and are hereby authorised, to make purchase(s) of ordinary shares in the Company on Bursa Securities subject to the following:-

- (a) The maximum aggregate number of shares which may be purchased and/or held by the Company shall not exceed ten percent (10%) of the total number of issued shares of the Company at any point in time;

(b) The maximum fund to be allocated by the Company for the purpose of purchasing its shares shall not exceed the retained profits of the Company;

AND THAT the Directors be and are hereby authorised to deal with the shares so bought-back at their absolute discretion in any of the following manner:-

- (i) cancel the shares so purchased; or
- (ii) retain the shares so purchased as treasury shares; or
- (iii) retain part of the shares so purchased as treasury shares and cancel the remainder; or,
- (iv) distribute the treasury shares as share dividends to shareholders and/or resell on Bursa Securities in accordance with the relevant rules of Bursa Securities; or
- (v) transfer all or part of the treasury shares for purposes of an employees' share scheme, and/or as purchase consideration; or
- (vi) cancel the treasury shares or any of the said shares; or

in any other manner as prescribed by the Act, rules, regulations and guidelines pursuant to the Act and the Listing Requirements and any other relevant authority for the time being in force;

AND THAT the authority conferred by this resolution shall continue to be in force until-

- (a) the conclusion of the next AGM of the Company; or
- (b) the expiration of the period within which the next AGM is required by law to be held; or
- (c) revoked or varied by a resolution passed by the shareholders of the Company in a general meeting,

whichever is earlier, but not so as to prejudice the completion of the purchase(s) by the Company before the aforesaid expiry date and in any event, in accordance with the provisions of the Listing Requirements or any other relevant authorities.

AND THAT the Directors of the Company be and are authorised to take all such steps to implement, finalise and give full effect to the purchase by the Company of its own shares with full power to assent to any conditions, modifications, revaluations and/or amendments as may be imposed by the relevant authorities and with full power to do all such acts and things thereafter in accordance with the Act, the Listing Requirements and the guidelines issued by Bursa Securities and any other relevant authorities."

Please refer to Explanatory Note G

**Ordinary Resolution 7**

8. Proposed Adoption of a New Constitution of the Company in place of the existing Memorandum & Articles of Association ("Proposed New Constitution")

"THAT approval be and is hereby given for the Company to adopt the new Constitution in the form and manner as set out in the Circular to Shareholders dated 29 March 2019, in place of the existing Memorandum & Articles of Association;

AND THAT the Board of Directors of the Company be and is hereby authorised to assent to any modifications, variations and/or amendments as may be required by any relevant authorities and to do all acts necessary to give effect to the Proposed New Constitution.

Please refer to Explanatory Note H

**Special Resolution 1**

BY ORDER OF THE BOARD

NURALIZA A. RAHMAN (MAICSA 7067934)  
SABARUDIN HARUN (MIA 30423)  
Company Secretaries

Johor Bahru, Johor  
29 March 2019

## NOTES:

### Proxy and/or Authorised Representatives

1. In respect of deposited securities, only Members whose names appear in the Record of Depositors on 22 April 2019 (General Meeting Record of Depositors) shall be entitled to attend, speak and vote at this 25th Annual General Meeting ("AGM").

2. A Member entitled to attend, speak and vote at this 25th AGM may appoint a proxy to attend, speak and vote on his behalf. A proxy need not be a Member of the Company.

3. A Member shall not be entitled to appoint more than two (2) proxies to attend and vote at this 25th AGM provided that where a Member is an authorised nominee as defined in accordance with the provisions of the Securities Industry (Central Depositories) Act, 1991, it may appoint up to two (2) proxies in respect of each Securities Account it holds with ordinary shares in the Company standing to the credit of the said Securities Account.

Where a Member appoints two (2) proxies, the appointment shall be invalid unless he specifies the proportions of his shareholdings to be represented by each proxy.

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 is no limit to the number of proxies which the exempt authorised nominees 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 which is exempted from compliance with the provisions of section 25A(1) of the said Act.

4. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or if the appointor is a corporation, either under its common seal or under the hand of an officer or attorney of the corporation duly authorised.

5. The instrument appointing a proxy must be deposited at the registered office of the Company, E.A. Technique (M) Berhad, Level 16, Menara KOMTAR, Johor Bahru City Centre, 80000 Johor Bahru, Johor, Malaysia not less than twenty-four (24) hours before the time set for this 25th AGM.

6. Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") ("Listing Requirements"), all resolutions set out in this Notice will be put to vote by way of poll.

### Abstention from Voting

Any Director referred to in Resolution 1 and 2 who is a shareholder of the Company shall abstain from voting on the resolution in respect of his election or re-appointment as Director of the Company at the 25th AGM.

### EXPLANATORY NOTES ON ORDINARY AND SPECIAL BUSINESS

A. The audited financial statements are laid in accordance with Section 340(1)(a) of the Companies Act 2016 ("the Act") for discussion only and does not require the Company to obtain shareholders' approval. Henceforth, this will not put forward for voting.

B. Articles 113 provides that one third (1/3) of the Directors of the Company for the time being shall retire by rotation at an AGM of the Company. All Directors shall retire from office once at least in each three years but shall be eligible for re-election. Two (2) out of seven (7) Directors are to retire in accordance with Article 113. Ahamad bin Mohamad and Rozan bin Mohd Sa'at are standing for re-elections as Directors of the Company and being eligible, have offered themselves for re-elections.

C. The proposed Ordinary Resolution 3, if passed will facilitate payment of Proposed Directors' Fees of the Non-Executive Chairman ("NEC") and Non-Executive Directors ("NEDs") on current year basis pursuant to Section 230(1)(b) of the Act.

D. The proposed Ordinary Resolution 4, if passed will allow the payment of the Directors' Remuneration (excluding Directors' fees) to the NEDs of the Company on a monthly/quarterly basis and/or when incurred within the Relevant Period.

In view of the increasing challenges that the Company faces to grow its business, the Nomination and Remuneration Committee ("NRC") saw the need to review its current rates of remuneration of the NEC and NEDs to be able to maintain its competitiveness and sufficiency to attract and retain individuals with strong credentials and high calibre to serve on the Board of the Company. A review is also essential to be at par with the prevalent market practice, and to contribute with the Directors' responsibilities, commitment and remuneration with reference to their statutory duties, the complexity of the Group's business and increased expectations from various stakeholders.

An external consultant, KPMG Management & Risk Consulting Sdn Bhd ("KPMG"), was engaged to conduct a Remuneration Benchmarking for Board and Board Committees of the Company ("Benchmarking") to assist the NRC to make recommendation to the Board on whether

an increase in NEC and NEDs' remuneration is advisable. In its review, KPMG has adopted comparator which includes all Public Listed Companies on Bursa Securities in the transportation and logistics services sector.

The Board on 12 March 2019 approved the NRC's recommendation for the proposed revision to the NEDs' fees as set out in the right column of the table below:

Annual Fees	Current Rate per annum (RM)	Proposed New Rate per annum (RM)
<b>Board of Directors*</b>		
Chairman	72,000	80,000
Other Members (per person)	48,000	66,000

### NOTE:

i. The payment of the annual fees for nominee directors representing JCorp Corporation ("JCorp") will be paid to JCorp as Corporate Fee.

2. Directors' Remuneration

#### a. Committee Fees

Annual Fees	Current Rate per annum (RM)	Proposed New Rate per annum (RM)
<b>Committees</b>		
Audit:		
Chairperson	-	20,000
Member	-	10,000
Tender Board		
Chairperson	-	20,000
Member	-	10,000

### NOTE:

i. The payment of the annual fees for nominee directors representing JCorp will be paid to JCorp as Corporate Fee.

ii. The payment of the Committees' annual fees is extended to all Directors in the Committees except for the Managing Director of the Company.

iii. The payment of Committee annual fees is not applicable to Nomination and Remuneration Committees.

Sitting Allowances for Board / Committees (per member/per meeting)	Chairman		Members	
	Current Rate (RM)	Proposed Rate (RM)	Current Rate (RM)	Proposed Rate (RM)
Board of Directors	700	2,000	600	1,000
<b>Committees:</b>				
Audit	700	2,000	600	1,000
Nomination	-	2,000	-	1,000
Remuneration	-	2,000	-	1,000
Tender Board	-	2,000	-	1,000

### NOTE:

i. The payments of the Sitting Allowances are extended to all Directors except for the Managing Director and Executive Directors of the Company.

The above recommendation by the NRC is for the Company to do a calibration to align its directors' remuneration to that of the prevailing competition by increasing its annual remuneration to the normalised annual remuneration of similar representative in the transportation and logistics services sector across all Public Listed Companies on Bursa Securities.

The Board is of the view that it is just and equitable for the NEDs to be paid the Directors' Remuneration on a monthly/quarterly basis and/or as and when incurred particularly after they have discharged their responsibilities and rendered their services to the Company throughout the Relevant Period.

In the event that the Directors' Remuneration (excluding Proposed Directors' Fees) proposed is insufficient (e.g. due to more meetings or enlarged Board size), approval of the shareholders of the Company will be sought at the next AGM for the additional remuneration to meet the shortfall. The estimated amount of RM222,000 for the Relevant Period is derived from a total of RM148,000 for FY2019 and a total of RM74,000 for the period from 1 January 2020 until the next AGM in 2020.

Details of the estimated Directors' Remuneration for NEDs for the Relevant Period are as below:-

#### (a) Directors' Fees

ANNUAL FEES	2018	2019
<b>Board of Directors</b>		
Chairman	RM72,000 per annum	RM80,000 per annum
Other Members (per person)	RM48,000 per annum	RM66,000 per annum

## NOTE:

i. The payment of the annual fees for nominee directors representing JCorp will be paid to JCorp as Corporate Fee.

### (b) Directors' Remuneration (excluding Directors' fees)

#### (1) Committee Fees

ANNUAL FEES	CHAIRMAN	NEDs / MEMBER
Audit Committee	RM20,000 per annum	RM10,000 per annum
Tender Board	RM20,000 per annum	RM10,000 per annum

### NOTE:

i. The payment of the annual fees for nominee directors representing JCorp will be paid to JCorp as Corporate Fee.

ii. The payment of the Committees' annual fees is extended to all Directors in the Committees except for the Managing Director of the Company.

iii. The payment of Committee annual fees is not applicable to Nomination and Remuneration Committees.

#### (2) Meeting Allowance

MEETING ALLOWANCE (PER MEETING)	CHAIRMAN	NEDs / MEMBER
Board of Directors	RM2,000	RM1,000
Audit Committee	RM2,000	RM1,000
Tender Board Committee	RM2,000	RM1,000
Nomination Committee	RM2,000	RM1,000
Remuneration Committee	RM2,000	RM1,000

### NOTE:

i. The payments of the Sitting Allowances are extended to all Directors except for the Managing Director and Executive Directors of the Company.

E. The Audit Committee ("AC") and the Board of Directors at their Meetings on 22 February 2019 and 27 February 2019 respectively have considered the re-appointment of Messrs. Ernst & Young ("EY") as Auditors of the Company and collectively agreed that EY met the relevant criteria as prescribed by Paragraph 15.21 of the Listing Requirements.

F. The Ordinary Resolution 6, if passed, will give the Directors of the Company authority to issue ordinary shares in the Company at any time in their absolute discretion without convening a General Meeting. The authorisation, unless revoked or varied by the Company at a General Meeting, will expire at the conclusion of the next AGM of the Company. The general mandate if granted will provide flexibility to the Company for any possible fund raising activities, including but not limited to further placing of shares, for the purpose of funding future investment project(s), working capital and/or acquisition(s).

G. The Company has not issued any new shares under the general mandate for issuance and allotment of shares up to ten percent (10%) of the issued and paid-up capital of the Company, which was approved at the 24th AGM held on 14 May 2018 and which shall lapse at the conclusion of the 25th AGM to be held on 29th April 2019.

The proposed Ordinary Resolution 7 is a renewal of the general mandate obtained from the shareholders of the Company at the previous AGM. In accordance with Section 75 of the Act, a renewal is sought from shareholders for Directors to issue and allot new shares in the Company of up to an amount not exceeding ten percent (10%) of the issued and paid up share capital of the Company for such purposes as the directors may deem fit in the best interest of the Company including for any possible fund raising activities for the Company's working capital requirements and strategic investments.

This resolution if approved, will give the Company and its Directors the mandate and flexibility to issue and allot new shares in the Company for possible fund raising activities without the need to seek shareholders' approval via a general meeting subsequent to this 25th AGM, which may delay the capital raising initiatives and incur relevant cost in organising the general meeting. The authorisation, unless revoked or varied by the Company at a general meeting, will be valid until the next AGM of the Company.

H. The Special Resolution 1, if passed, will streamline the Company's Constitution with the new provisions of the Act, amendments made to the Listing Requirements and enhance administrative efficiency. The Board proposed that the existing Memorandum and Articles of Association be amended in its entirety by the replacement of a new Constitution. The Proposed New Constitution shall take effect once it has been passed by a majority of not less than seventy-five percent (75%) of such members who are entitled to vote and do vote in person or by proxy at the 25th AGM.