

Notice of Annual General Meeting



NOTICE IS HEREBY GIVEN that the Twenty-Third (23rd) Annual General Meeting ("AGM") of Eupe Corporation Berhad will be held at Nadia, Cinta Sayang Golf and Country Resort, Persiaran Cinta Sayang, 08000 Sungai Petani, Kedah Darul Aman on Thursday, 25 July 2019 at 10:00 a.m. for the following purposes:

EUPE CORPORATION BERHAD
(Company No. 37762-V)
(Incorporated in Malaysia)

AS ORDINARY BUSINESS

AGENDA

- To receive the Audited Financial Statements for the financial year ended 28 February 2019 together with the Reports of the Directors and Auditors thereon. (Please refer to the Explanatory Notes to the Agenda)
- To approve the payment of the following Directors' remuneration by the Company for the period from 25 July 2019 until the conclusion of the next AGM in 2020:
(a) Directors' fees of RM5,000 per month per Non-Executive Director. Ordinary Resolution 1
(b) Chairmanship allowance of RM5,000 per annum payable to Board Chairman, and each Chairman/Chairperson of Board Committees namely Risk Management and Audit Committee, Nominations Committee and Remuneration Committee. Ordinary Resolution 2
- To elect the following Directors (for term of Directors) or RM1,100 per trip (for chairman/Directors). Ordinary Resolution 3
(a) Dato' Beh Huck Lee
(b) Iskandar Abdullah @ Sim Kia Miang
(c) To re-elect Beh Yeow Seang who is retiring pursuant to Article 82 of the Articles of Association, comprising part of the Constitution of the Company. Ordinary Resolution 4
(d) To re-elect Beh Yeow Seang who is retiring pursuant to Article 88 of the Articles of Association, comprising part of the Constitution of the Company. Ordinary Resolution 5
(e) To re-appoint RSM Malaysia as Auditors of the Company and to authorise the Directors to fix their remuneration. Ordinary Resolution 7

AS SPECIAL BUSINESS

To consider, and if thought fit, with or without any modification(s), to pass the following resolutions:

- PROPOSED CONTINUATION IN OFFICE OF DATO' PADUKA HAJI ISMAIL BIN HAJI SHAFIE AS INDEPENDENT NON-EXECUTIVE DIRECTOR ("INED")**
"THAT approval be and is hereby given to Dato' Paduka Haji Ismail Bin Haji Shafie who has served as an INED of the Company since 24 September 2010 and will reach the nine-year term limit on 23 September 2019 to continue to act as an INED of the Company until the conclusion of the next AGM in accordance with the Malaysian Code on Corporate Governance." Ordinary Resolution 8
- PROPOSED CONTINUATION IN OFFICE OF DATUK TAN HIANG JOO AS INED**
"THAT approval be and is hereby given to Datuk Tan Hiang Joo who has served as an INED of the Company for a cumulative term of more than twelve (12) years to continue to act as an INED of the Company until the conclusion of the next AGM in accordance with the Malaysian Code on Corporate Governance." Ordinary Resolution 9
- PROPOSED CONTINUATION IN OFFICE OF KEK JENNY AS INED**
"THAT approval be and is hereby given to Kek Jenny who has served as an INED of the Company for a cumulative term of more than twelve (12) years to continue to act as an INED of the Company until the conclusion of the next AGM in accordance with the Malaysian Code on Corporate Governance." Ordinary Resolution 10
- PROPOSED AUTHORITY TO ISSUE AND ALLOT SHARES PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT 2016**
"THAT pursuant to Sections 75 and 76 of the Companies Act 2016 (the "Act") and subject to the Memorandum and Articles of Association of the Company and the approvals of the relevant government/regulatory authorities (if any), the Directors of the Company be and are hereby authorised to issue and allot shares in the Company from time to time, at such price, upon such terms and conditions and for such purposes and to such persons whomsoever as the Directors may in their absolute discretion deem fit, provided that the aggregate number of shares to be issued does not exceed ten percent (10%) of the total number of the issued shares (excluding treasury 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 from Bursa Malaysia Securities Berhad ("Bursa Securities"); AND THAT such authority shall commence immediately upon the passing of this resolution and continue to be in force until the conclusion of the next AGM of the Company, or at the expiry of the period within which the next AGM is required to be held after the approval was given, whichever is earlier, unless revoked or varied by an ordinary resolution of the Company at a general meeting." Ordinary Resolution 11
- PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR SHARE BUY-BACK**
"THAT subject always to the Act, the Memorandum and Articles of Association of the Company, the Main Market Listing Requirements ("Listing Requirements") of Bursa Malaysia Securities Berhad ("Bursa Securities") and the approvals of all relevant authorities (if any), approval be and is hereby given for the Company to purchase such amount of ordinary shares in the Company as may be determined by the Directors of the Company from time to time through Bursa Securities upon such terms and conditions as the Directors may deem fit and expedient in the best interest of the Company ("Share Buy-Back Mandate") provided that:
(i) the aggregate number of ordinary shares in the Company which may be purchased and/or held by the Company at any point of time pursuant to the Share Buy-Back Mandate shall not exceed ten percent (10%) of the total number of issued shares of the Company as at the point of purchase(s);
(ii) the maximum funds to be allocated by the Company for the purpose of purchasing its ordinary shares shall not exceed the total retained profits of the Company based on the latest Audited Financial Statements and/or the latest management accounts (where applicable) available at the time of the purchase; and
(iii) the Directors of the Company may decide either to retain the shares so purchased as treasury shares or cancel the shares so purchased or retain part of the shares so purchased and cancel the remainder or resell the treasury shares on Bursa Securities or distribute the treasury shares as dividends or transfer the treasury shares under an employees' share scheme or as purchase consideration or otherwise use the treasury shares for such other purpose in the manner as prescribed by the applicable laws, guidelines, rules and regulations.
THAT the authority conferred by this resolution will commence immediately upon the passing of this resolution and will continue to be in force until:
(a) the conclusion of the next AGM of the Company, at which time it shall lapse, unless by an ordinary resolution passed at that meeting, the authority is renewed, either unconditionally or subject to conditions;
(b) the expiration of the period within which the next AGM of the Company after that date is required by law to be held; or
(c) revoked or varied by ordinary resolution passed by the shareholders in a general meeting, whichever occurs first, but shall not prejudice the completion of purchase(s) by the Company before the aforesaid expiry date and, in any event, in accordance with the provisions of the Listing Requirements and any prevailing laws, rules, regulations, orders, guidelines and requirements issued by any relevant authority.
AND THAT authority be and is hereby given to the Directors of the Company to take all such steps to implement, finalise and to give full effect to the Proposed Renewal of Shareholders' Mandate for Share Buy-Back with full power to assent to any conditions, modifications, variations and/or amendments as may be required by the relevant authorities or as the Directors deem fit and expedient at their discretion in the best interest of the Company in accordance with the Act, regulations and guidelines." Ordinary Resolution 12
- PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS ("RRPTs") OF A REVENUE OR TRADING NATURE ("PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR RRPTs")**
"THAT subject always to the Listing Requirements, approval be and is hereby given to the Company and/or its subsidiaries to enter into the RRPTs of a revenue or trading nature with the related parties as specified in Section 2.3 of Part B of the Statement/Circular to Shareholders dated 27 June 2019, provided that such transactions are necessary for the Group's day-to-day operations and conducted in the ordinary course of business and at arm's length basis on normal commercial terms which are not more favourable to the related parties than those generally available to the public and are not detrimental to the interest of the minority shareholders of the Company.
THAT the authority conferred by such mandate shall continue to be in force until:
(i) the conclusion of the next AGM of the Company, at which time it will lapse, unless by a resolution passed at the meeting, the authority is renewed;
(ii) the expiration of the period within which the next AGM is required to be held pursuant to Section 340(2) of the Act (but must not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or
(iii) revoked or varied by a resolution passed by the shareholders in a general meeting, whichever is the earlier.
AND THAT the Directors of the Company be and are hereby authorised to complete and do all such acts and things as they may consider expedient or necessary or in the best interest of the Company to give effect to the Proposed Renewal of Shareholders' Mandate for RRPTs." Ordinary Resolution 13
- PROPOSED ADOPTION OF NEW CONSTITUTION OF THE COMPANY**
"THAT the Companies Act 2016, the Memorandum and Articles of Association be deleted in its entirety and that the new Constitution as set out in Part C of the Statement/Circular to Shareholders dated 27 June 2019 be and is hereby adopted as the new Constitution of the Company with effect from the date of passing this special resolution.
AND THAT the Directors of the Company be hereby authorised to do all such acts and things and to take all such steps as they deem fit, necessary, expedient and/or appropriate in order to complete and give full effect to the Proposed Adoption of New Constitution of the Company with full powers to assent to any condition, modification, variation and/or amendment as may be required or imposed by the relevant authorities." Special Resolution
- To transact any other business of which due notice shall have been given in accordance with the Act and the Articles of Association, comprising part of the Constitution of the Company.

By Order of the Board

WONG WAI FOONG (MAICSA 7001358)

TAN BEE HWEE (MAICSA 7021024)

Company Secretaries

Sungai Petani, Kedah Darul Aman

27 June 2019

Notes:

- For the purposes of determining a member who shall be entitled to attend, speak and vote at the 23rd AGM, the Company shall be requesting the Record of Depositors as at 18 July 2019. Only a depositor whose name appears on the Record of Depositors as at 18 July 2019 shall be entitled to attend and vote at the meeting or appoint proxies to attend, speak and vote on his/her stead.
- A member of the Company entitled to attend, speak and vote at the meeting is entitled to appoint not more than two (2) proxies to attend, speak and vote in his/her stead. A proxy need not be a member of the Company. There shall be no restriction as to the qualification of the proxy.
- 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 authorised attorney.
- The Form of Proxy must be deposited at or by facsimile transmission to the Company's Registered Office at 5th Floor, Wisma Ria, Taman Ria, 08000 Sungai Petani, Kedah Darul Aman not less than forty-eight (48) hours before the time appointed for holding the meeting or at adjourned meeting thereof.
- Where a member is an Authorised Nominee as defined in the Securities Industry (Central Depositories) Act 1991, it may appoint not more than two proxies in respect of each Securities Account it holds in ordinary shares of the Company standing to the credit of the said Securities Account.
- Where a member 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 Nominee may appoint in respect of each omnibus account it holds.
- Where a member or the Authorised Nominee appoints two (2) proxies, or where an Exempt Authorised Nominee appoints two (2) or more proxies to attend at the same meeting, the proportion of his/her shareholdings to be represented by each proxy must be specified in the instrument appointing the proxies.
- Pursuant to Paragraph 8.29A(1) of the Listing Requirements, all resolutions set out in this Notice will be put to vote by poll.
 - They had fulfilled the criteria under the definition of Independent Directors as stated in the Listing Requirements, and hence they would be able to bring the element of objectivity, independent judgement and balance to the Board.
 - They are knowledgeable and have applied their vast experience and exercised due care during their tenure as INED of the Company. They have carried out their duties with reasonable skill and competence, bringing independent judgement and depth into the Board's decision making in the best interest of the Company, shareholders and stakeholders;
 - They have been with the Company long and therefore understand the Company's business operations which enable them to participate actively and contribute during Board and Board Committee meetings; and
 - They exhibited high commitment and devoted sufficient time and efforts to attend the meetings for informed and balanced decision making.

6. Ordinary Resolution 11

Proposed Authority to issue and allot shares pursuant to Sections 75 and 76 of the Act

The proposed Ordinary Resolution 11, if passed, will empower the Directors to issue and allot ordinary shares up to 10% of the total number of the issued shares (excluding treasury shares) of the Company for such purposes as the Directors consider would be in the best interest of the Company. This authority will, unless revoked or varied by the Company in a general meeting, expire at the conclusion of the next AGM or the expiration of the period within which the next AGM is required by law to be held, whichever is the earlier. This proposed resolution is a renewal of the previous year's mandate. The mandate will provide flexibility to the Company to issue new securities without the need to convene separate general meeting to obtain its shareholders' approval so as to avoid incurring additional costs and time. This is also for any possible fund-raising activities, including but not limited to further placing of shares, for the purpose of funding current and/or future investment project(s), working capital and/or acquisition as the Directors may deem fit in the best interest of the Company.
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 26 July 2018 and the mandate will lapse at the conclusion of the 23rd AGM.

7. Ordinary Resolution 12

Proposed Renewal of Shareholders' Mandate for Share Buy-Back

The Ordinary Resolution 12, if passed, will enable the Directors of the Company to purchase Company's shares up to 10% of the total number of the issued shares of the Company by utilising the funds allocated which shall not exceed the total amount of the retained profits of the Company based on the latest Audited Financial Statements and/or the latest management accounts (where applicable) available in respect of any purchase of shares pursuant to the Proposed Renewal of Shareholders' Mandate for Share Buy-Back. This authority, unless revoked or varied at a general meeting, will expire at the next AGM of the Company.
The Company has not purchased any of its own shares since obtaining the said mandate from its shareholders at the last AGM held on 26 July 2018.
Further information relating to the Proposed Renewal of Shareholders' Mandate for Share Buy-Back are set out in Part A of the Company's Statement/Circular to Shareholders dated 27 June 2019 which was circulated together with the Company's 2019 Annual Report.

8. Ordinary Resolution 13

Proposed Renewal of Shareholders' Mandate for RRPTs

The proposed Ordinary Resolution 13, if passed, will allow the Group to enter into RRPTs with its related parties in accordance with the Listing Requirements without the necessity to convene separate general meetings to seek shareholders' approval as and when RRPTs occur. This would reduce substantial administrative time and expenses associated with the convening of such meetings without compromising the corporate objectives of the Group or affecting the business opportunities available to the Group. This authority, unless revoked or varied at a general meeting, will expire at the next AGM of the Company and is subject to renewal on an annual basis. Further details relating to this proposed resolution are set out in Part B of the Company's Statement/Circular to Shareholders dated 27 June 2019, which was circulated together with the Company's 2019 Annual Report.

9. Special Resolution

Proposed Adoption of New Constitution of the Company

The proposed Special Resolution, if passed, will align the Constitution of the Company with the Act, the updated provisions of the Listing Requirements and other provisions of laws and regulations which are applicable to the Company. The new Constitution is set out in Part C of the Company's Statement/Circular to Shareholders dated 27 June 2019 which was circulated together with the Company's 2019 Annual Report.

EXPLANATORY NOTES TO THE AGENDA:

1. Item 1 of the Agenda

Audited Financial Statements for the financial year ended 28 February 2019
This Agenda item is meant for discussion. The provision of Section 340(1)(a) of the Act does not require a formal approval of the shareholders for the Audited Financial Statements. Hence, this Agenda item will not be put forward to the shareholders for voting.

2. Ordinary Resolutions 1, 2 and 6

Payment of Directors' Fees, Chairmanship Allowance and Attendance Allowance
Pursuant to Section 230(1) of the Act, the fees of the Directors and any benefits payable to the Directors of a listed company and its subsidiaries, shall be approved at a general meeting. In this respect, the Board of Directors of the Company has recommended to the shareholders for approval on the payment of Directors' fees, chairmanship allowance and attendance allowance to Directors for the period from 25 July 2019 until the conclusion of the next AGM at the forthcoming 23rd AGM of the Company.

3. Ordinary Resolutions 4, 5 and 7

Re-election of retiring Directors
Dato' Beh Huck Lee, Enok Iskandar Abdullah @ Sim Kia Miang and Ms Beh Yeow Seang are standing for re-election as Directors of the Company and being eligible, have offered themselves for re-election at the 23rd AGM.

The Board of Directors had via the Nomination Committee ("NC") carried out the necessary assessment on the aforesaid Directors and concluded that they met the criteria as prescribed under Paragraph 2.20A of the Listing Requirements on character, experience, integrity, competence and time commitment to effectively discharge their roles as Directors. The Board had recommended the re-election of the aforesaid Directors. Their profiles are set out in the Profiles of Directors from pages 12 to 15 of the Company's 2019 Annual Report.

4. Ordinary Resolution 7

Re-appointment of RSM Malaysia as Auditors of the Company
The Board had via the Risk Management and Audit Committee evaluated the independence, competency and reliability of RSM Malaysia according to the relevant criteria prescribed by Paragraph 15.21 of the Listing Requirements. The Board was satisfied with the performance of RSM Malaysia and had recommended the re-appointment of RSM Malaysia as Auditors of the Company for the financial year ending 29 February 2020 to the shareholders for approval.

5. Ordinary Resolutions 8, 9 and 10

Proposed continuation in office of Dato' Paduka Haji Ismail Bin Haji Shafie, Datuk Tan Hiang Joo and Kek Jenny as Independent Directors

The Board, through the NC, had conducted annual performance evaluation and assessment on Dato' Paduka Haji Ismail Bin Haji Shafie who is serving as an INED since 24 September 2010 and will reach the nine-year term limit on 23 September 2019, Datuk Tan Hiang Joo and Ms Kek Jenny both who had served as INED of the Company for a cumulative term of more than twelve (12) years and had recommended them to continue to act as INEDs of the Company based on the following justifications:-