



EITA RESOURCES BERHAD

[199601026396 (398748-T)]

(Incorporated in Malaysia)

NOTICE OF TWENTY-FOURTH ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Twenty-Fourth Annual General Meeting of EITA RESOURCES BERHAD ("EITA" or "the Company") will be held at Zamrud 2 Room, The Saujana Hotel Kuala Lumpur, Jalan Lapangan Terbang SAAS, 40150 Shah Alam, Selangor Darul Ehsan on Wednesday, 26 February 2020 at 10:30 a.m. to transact the following businesses:-

AGENDA

AS ORDINARY BUSINESS:

- 1. To receive the Audited Financial Statements for the financial year ended 30 September 2019 together with the Reports of the Directors and Auditors thereon.
2. To approve the payment of a Final Dividend of 3.0 sen per ordinary share for the financial year ended 30 September 2019.
3. To approve the payment of Directors' fees and benefits of up to RM367,800.00 for the financial year ending 30 September 2020.
4. To re-elect the following Directors who retire pursuant to Clause 85 of the Company's Constitution:-
i) Mr. Lim Joo Swee
ii) Mr. Chia Mak Hooi
iii) Ms. Ho Lee Chen
5. To re-appoint KPMG PLT as Auditors of the Company until the conclusion of the next Annual General Meeting and to authorise the Directors to fix their remuneration.

Please refer to Explanatory Note 1 (Ordinary Resolution 1) (Ordinary Resolution 2) (Ordinary Resolution 3) (Ordinary Resolution 4) (Ordinary Resolution 5) (Ordinary Resolution 6)

AS SPECIAL BUSINESS:

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

6. RETENTION OF AN INDEPENDENT NON-EXECUTIVE DIRECTOR

"THAT Mr. Chong Lee Chang who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine (9) years, be and is hereby retained as an Independent Non-Executive Director of the Company."

(Ordinary Resolution 7)

7. RETENTION OF AN INDEPENDENT NON-EXECUTIVE DIRECTOR

"THAT Mr. Tan Chuan Hock who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine (9) years, be and is hereby retained as an Independent Non-Executive Director of the Company."

(Ordinary Resolution 8)

8. GENERAL AUTHORITY FOR THE DIRECTORS TO ALLOT AND ISSUE SHARES PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT 2016

"THAT pursuant to Sections 75 and 76 of the Companies Act 2016, and subject to the approvals of the relevant governmental and/or regulatory authorities, the Directors be and are hereby empowered to allot and issue shares in the Company from time to time at such price, upon such terms and conditions, for such purposes and to such person or persons whomsoever as the Directors may deem fit provided that the aggregate number of shares issued pursuant to this resolution does not exceed ten per centum (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 approval from the Bursa Malaysia Securities Berhad for the listing of and quotation for the additional shares so issued AND THAT such authority shall continue in force until the conclusion of the next Annual General Meeting of the Company."

(Ordinary Resolution 9)

9. PROPOSED RENEWAL OF THE AUTHORITY FOR THE COMPANY TO PURCHASE ITS OWN SHARES OF UP TO TEN PERCENT (10%) OF ITS TOTAL NUMBER OF ISSUED SHARES ("PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY")

"THAT subject always to the Companies Act 2016 ("the Act"), rules, regulations and orders made pursuant to the Act, provisions of the Constitution of the Company, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") ("Listing Requirements") and the approvals of any other relevant governmental and/or regulatory authorities, the Company be and is hereby authorised to purchase and/or hold such amount of ordinary shares in the Company's issued share capital ("EITA Shares") through Bursa Securities upon such terms and conditions as the Directors may deem fit and expedient in the interest of the Company provided that:

(Ordinary Resolution 10)

- (i) the aggregate number of EITA Shares bought-back and/or held as treasury shares does not exceed ten per centum (10%) of the total number of issued shares of the Company subject to a restriction that the issued share capital of the Company does not fall below the public shareholding spread requirement of the Listing Requirements;
(ii) the maximum funds to be allocated for the share buy-back shall not exceed the aggregate of the retained earnings of the Company; and
(iii) the EITA Shares purchased pursuant to the Proposed Renewal of Share Buy-Back Authority are to be treated in any of the following manner:
(a) cancel the purchased EITA Shares;
(b) retain the purchased EITA Shares as treasury shares for distribution as share dividends to the shareholders of the Company and/or be resold through Bursa Securities in accordance with the relevant rules of Bursa Securities and/or be cancelled subsequently; or
(c) retain part of the purchased EITA Shares as treasury shares and cancel the remainder,

AND THAT such authority shall commence immediately upon the passing of this resolution until:

- (i) the conclusion of the next Annual General Meeting ("AGM") of the Company following the general meeting at which this resolution is passed, at which time it shall lapse, unless the authority is renewed by a resolution passed at the next AGM; or
(ii) the expiration of the period within which the next AGM after that date it is required by law to be held; or
(iii) revoked or varied by ordinary resolution passed by the shareholders of the Company at a general meeting of the Company, whichever occurs first, but not so as to prejudice the completion of the purchase(s) by the Company of the EITA Shares before the aforesaid date and made in any event, in accordance with the provisions of the guidelines issued by Bursa Securities and any prevailing laws, rules, regulations, orders, guidelines and requirements issued by any other relevant governmental and/or regulatory authorities;
AND FURTHER THAT, the Directors of the Company be and are hereby authorised to take all such steps as are necessary or expedient to implement, finalise, complete or to effect the Proposed Renewal of Share Buy-Back Authority with full powers to assent to any conditions, modifications, resolutions, variations and/or amendments (if any) as may be imposed by the relevant authorities and to do all such acts and things as they may deem fit and expedient in the best interest of the Company to give effect to and to complete the purchase of the EITA Shares."

(Special Resolution)

10. PROPOSED AMENDMENT TO THE CONSTITUTION OF THE COMPANY

"THAT the proposed amendment to the Constitution of the Company as set out below, be approved and adopted AND THAT the Directors and/or Secretary of the Company be authorised to take all steps as are necessary and expedient in order to implement, finalise and give full effect to the said proposed amendment for and on behalf of the Company:-

Table with 4 columns: Clause No., Existing Cause, Clause No., Proposed Cause. It details the amendment to Clause 80 regarding the instrument appointing a proxy.

- 11. To transact any other business of which due notice shall have been given.

NOTICE OF DIVIDEND ENTITLEMENT

NOTICE IS ALSO HEREBY GIVEN that a Final Dividend of 3.0 sen per ordinary share in respect of the financial year ended 30 September 2019, if approved by the shareholders at the Twenty-Fourth Annual General Meeting of the Company, will be paid on 16 March 2020 to the shareholders whose names appear in the Record of Depositors of the Company at the close of business on 2 March 2020.

A depositor shall qualify for entitlement to the dividend only in respect of:-

- (i) Shares transferred into the Depositor's Securities Account before 4.30 p.m. on 2 March 2020 in respect of ordinary transfers; and
(ii) Shares bought on Bursa Malaysia Securities Berhad on a cum-entitlement basis according to the Rules of Bursa Malaysia Securities Berhad.

By order of the Board

TEA SOR HUA (MACS 01324)

Company Secretary

Petaling Jaya, Selangor Darul Ehsan
22 January 2020

Notes:

- (a) A member who is entitled to attend, participate, speak and vote at the Twenty-Fourth Annual General Meeting ("Meeting" or "AGM") shall be entitled to appoint more than one (1) proxy to attend, participate, speak and vote at the Meeting in his/her stead. Where a member appoints more than one (1) proxy, he/she shall specify the proportion of his/her shareholdings to be represented by each proxy.
(b) A proxy may but need not be a member of the Company. A proxy appointed to attend and vote at the Meeting shall have the same rights as the member to speak at the Meeting.
(c) 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 the seal or under the hand of an officer or attorney duly authorised.
(d) Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, it may appoint one (1) proxy in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.
(e) Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one (1) 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 appointment of multiple proxies shall not be valid unless the proportion of its shareholdings represented by each proxy is specified.
(f) To be valid, the instrument appointing a proxy must be deposited at the Share Registrar of the Company situated at 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 Meeting or adjourned meeting at which the person named in the instrument proposes to vote.
(g) For the purpose of determining a member who shall be entitled to attend the Meeting, the Company will be requesting Bursa Malaysia Depository Sdn. Bhd. in accordance with Clause 63(b) of the Company's Constitution to issue a General Meeting Record of Depositors as at 20 February 2020. Only members whose names appear in the General Meeting Record of Depositors as at 20 February 2020 shall be entitled to attend, participate, speak and vote at the Meeting.
(h) All the resolutions set out in this Notice of Meeting will be put to vote by poll.

EXPLANATORY NOTES TO ORDINARY BUSINESS AND SPECIAL BUSINESS

1. Item 1 of the Agenda - Audited Financial Statements for the financial year ended 30 September 2019

The Agenda is meant for discussion only as the provision of Section 340(1)(a) of the Companies Act 2016 does not require a formal approval of the shareholders for the audited financial statements. Hence, this Agenda is not put forward for voting.

2. Item 3 of the Agenda - Directors' Fees and Benefits

Pursuant to Section 230(1) of the Companies Act 2016 which came into force on 31 January 2017, the fee of the directors and any benefits payable to the directors of a listed company and its subsidiaries shall be approved by the shareholders at a general meeting. This resolution is to facilitate payment of Directors' fees and benefit on a current financial year basis. In the event the proposed amount is insufficient due to more meetings or enlarged Board size, approval will be sought at the next AGM for the shortfall.

3. Items 6 and 7 of the Agenda - Retention of Independent Non-Executive Directors

The Board had assessed the independence of Mr. Chong Lee Chang and Mr. Tan Chuan Hock respectively, who have served as Independent Non-Executive Directors of the Company for a cumulative term of more than nine (9) years. The Board is satisfied that they have met the independence and recommended them to continue to act as Independent Non-Executive Directors of the Company based on the following reasons:

- (a) they have declared and confirmed that they fulfilled the criteria under the definition of Independent Director as set out in Paragraph 1 of the Main Market Listing Requirements of Bursa Securities;
(b) they have vast experience in their respective industries which could provide the Board with a diverse set of experience, expertise and independent judgement;
(c) they have devoted sufficient time and attention to their responsibilities as Independent Directors of the Company; and
(d) they have exercised due care during their tenure as Independent Non-Executive Directors of the Company and carried out their duties in the best interest of the Company and shareholders of the Company.

4. Item 8 of the Agenda - General Authority for the Directors to allot and issue shares pursuant to Sections 75 and 76 of the Companies Act 2016

The Ordinary Resolution 9 proposed under item 8 of the Agenda is a renewal of the general mandate for issuance and allotment of shares by the Company pursuant to Sections 75 and 76 of the Companies Act 2016. This Ordinary Resolution, if passed, is to empower the Directors to issue shares in the Company up to an amount not exceeding in total ten per centum (10%) of the total number of issued shares of the Company for such purposes as the Directors consider would be in the interest of the Company. This would avoid any delay and cost involved in convening a general meeting to approve the issuance and allotment of such shares. This authority, unless revoked or varied by the Company at a general meeting, will 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 earlier.

This general mandate will provide flexibility to the Company for issuance and allotment of shares 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).

As at the date of this Notice, no new shares in the Company were issued and allotted pursuant to the general mandate granted to the Directors at the Twenty-Third AGM held on 27 February 2019 which will lapse at the conclusion of the Twenty-Fourth AGM.

5. Item 9 of the Agenda - Proposed Renewal of Share Buy-Back Authority

The Ordinary Resolution 10 proposed under item 9 of the Agenda is to renew the shareholders' mandate for the share buy-back by the Company. The said proposed renewal of shareholders' mandate will empower the Directors to buy-back and/or hold up to a maximum of ten per centum (10%) of the Company's total number of issued shares at any point of time, by utilising the amount allocated which shall not exceed the total retained profits of the Company. This authority unless revoked or varied by the Company at a general meeting, will expire at the conclusion of the next AGM, or the expiration of period within which the next AGM is required by law to be held, whichever is earlier.

Please refer to the Share Buy-Back Statement to Shareholders dated 22 January 2020 for further details.

6. Item 10 of the Agenda - Proposed Amendment to the Constitution of the Company

The proposed amendment to the Constitution of the Company proposed under item 10 of the Agenda if approve, will provide more flexibility for the Company and its shareholders on the manner of lodgement of proxy forms.