



**ES Ceramics Technology Berhad**  
Registration No. 200301024697 (627117-P)

## NOTICE OF THE SEVENTEENTH ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN THAT** the Seventeenth 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 Thursday, 1 October 2020 at 10.00 a.m. to transact the following businesses:

### AGENDA

- To receive the Audited Financial Statements for the financial year ended 31 May 2020 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 2 October 2020 until the next Annual General Meeting of the Company. *Ordinary Resolution 1*
  - To re-elect the following Directors retiring in accordance with Article 107 of the Company's Constitution:-
    - Khoo Siang Hsi @ Khoo Chen Nan *Ordinary Resolution 2*
    - Dato' Kamal YP Tan *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: -
    - 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*
    - PROPOSED RETENTION OF INDEPENDENT DIRECTOR - KHOO SIANG HSI @ KHOO CHEN NAN**  
"THAT subject to the passing of Ordinary Resolution 2, 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*
    - 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 20% of the total number of issued shares of the Company for the time being." *Ordinary Resolution 7*
    - PROPOSED BONUS ISSUE OF SHARES WITH FREE WARRANTS**  
"THAT subject to the approval of all relevant authorities or parties, authority be and is hereby given to the Board to issue up to 236,565,097 new shares of the Company ("**ES Ceramics Shares**") ("**Bonus Shares**") together with up to 236,565,097 free detachable warrants of the Company ("**Warrants**") in the registered form and constituted by a deed poll to be executed by the Company ("**Deed Poll**"), on the basis of 1 Bonus Share together with 1 Warrant for every 1 existing ES Ceramics Share held by the shareholders of the Company whose names appear on the Record of Depositors of the Company as at the close of business at 5.00 p.m. on a day to be determined and announced later ("**Proposed Bonus Issue of Shares with Free Warrants**");  
THAT the Bonus Shares will, upon allotment and issuance, rank equally in all respects with the existing ES Ceramics Shares and the Bonus Shares will not be entitled to any dividends, rights, allotments and/or any other forms of distribution where the entitlement date of such distribution precedes the date of allotment and issuance of the Bonus Shares;  
THAT the Board be and is hereby authorised to enter into and execute the Deed Poll on behalf of the Company with full powers to assent to any conditions, variations, modifications and/or amendments in any manner as may be required or imposed by the relevant authorities or deemed necessary by the Board, and subject to all provisions and adjustments contained in the Deed Poll, to assent to any modifications and/or amendments to the exercise price, exercise period and/or number of Warrants as may be required or permitted to be revised as consequence of any adjustments under the provisions of the Deed Poll with full power to implement and give effects to the terms and conditions of the Deed Poll, and to take all steps as the Board deems fit and/or expedient in order to implement, finalise and give full effect to the Deed Poll;  
THAT the Board be and is hereby authorised to allot and issue such appropriate number of new ES Ceramics Shares arising from the exercise of the Warrants by the holders of the Warrants of their rights in accordance with the provisions of the Deed Poll;  
THAT the new ES Ceramics Shares to be issued pursuant to the exercise of the Warrants will, upon allotment and issuance, rank equally in all respects with the then existing ES Ceramics Shares at the date of allotment of the new ES Ceramics Shares, save and except that the new ES Ceramics Shares to be issued arising from the exercise of the Warrants will not be entitled to participate in any rights, allotments, dividends, and/or other distributions that may be declared, made or paid where the entitlement date is before the date of allotment and issuance of such new ES Ceramics Shares;  
THAT the proceeds raised from the exercise of the Warrants, if any, be utilised for the purposes set out in the circular to shareholders of the Company dated 9 September 2020 and the Board be and is hereby authorised with full power to vary the manner and/or purpose of utilisation of such proceeds in such manner as the Board may deem fit, necessary and/or expedient, subject (when required) to the approval of the relevant authorities;  
AND THAT the Board be and is hereby empowered and authorised to take all such steps and do all such acts, deeds and things and to execute, sign and deliver on behalf of the Company all necessary documents to give full effect to and for the purpose of completing and/or implementing the Proposed Bonus Issue of Shares with Free Warrants with full power to assent to any conditions, variations, modifications and/or amendments in any manner as may be required or permitted by the relevant authorities or as a consequence of any such requirement as may be deemed necessary and/or expedient in the best interest of the Company."
- To transact any other business of which due notice shall have been received.

BY ORDER OF THE BOARD

**SEOW FEI SAN** (CCM Practising Certificate 201908002299)  
**LOH LAI LING** (CCM Practising Certificate 201908002445)  
Secretaries

Petaling Jaya  
9 September 2020

#### 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 23 September 2020 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 appointor or his attorney duly authorised in writing, or if the appointor 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 shareholders' approval at general meeting under the Act, accordingly, specific shareholders' approval will be sought at the Seventeenth AGM for the payment of directors' fees to non-executive directors of up to RM150,000, for their services from 2 October 2020 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' fees.

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 2020 are disclosed in the Overview Statement on Corporate Governance as contained in the 2020 Annual Report.

#### Ordinary Resolutions 5 & 6

##### Proposed Retention 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 Directors of the Company.

The Board has determined that both of them have vast and diverse range of experiences and bring 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 2020.

For Khoo Siang Hsi @ Khoo Chen Nan who has served the Board as an Independent Non-Executive Director for more than twelve (12) years, the resolution tabled to the shareholders would be via a two-tier voting.

#### Ordinary Resolution 7

##### Authority to Allot Shares

The Proposed Ordinary Resolution 7, if passed, will empower the Directors of the Company, from the date of the above AGM until the next AGM to allot not more than 20% of the total number of issued shares of the Company (excluding Treasury Shares) ("**20% General Mandate**"). The 20% General Mandate is pursuant to directive letter from Bursa Securities dated 16 April 2020 in relation to a temporary relief measures in view of the trying and challenging times due to the COVID-19 pandemic for listed issuer to seek a higher general mandate of not more than 20% of the total number of issued shares (excluding treasury shares) instead of 10%.

The Board of Directors are of the view that the 20% General Mandate is in the best interest of the Company and its shareholders due to the rising risk from the uncertain global and domestic economic environment, coupled with weak Ringgit performance and this measure could give access to fundraising flexibility in a quick and efficient manner especially during this challenging time as to ensure the long term sustainability of the Company for the purpose of funding future investment projects, working capital and/or acquisition, or strategic opportunities involving equity deals, which may require the allotment of new shares. In addition, any delay arising from and cost involved in convening an Extraordinary General Meeting to approve such issuance of shares should be eliminated.

#### Ordinary Resolution 8

##### Proposed Bonus Issue of Shares with Free Warrants

The Proposed Ordinary Resolution 8, if passed, will empower the Directors of the Company to issue up to 236,565,097 Bonus Shares together with up to 236,565,097 Warrants. The details of the Proposed Bonus Issue of Shares with Free Warrants are set out in the Circular to Shareholders which are available on the Company's website at [www.esceramics.com.my](http://www.esceramics.com.my).