



NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Twenty-Ninth Annual General Meeting ("AGM") of shareholders of EG Industries Berhad ("EG" or "the Company") will be held at Plot 102, Jalan 4, Bakar Arang Industrial Estate, 08000 Sungai Petani, Kedah on Friday, 27 November 2020 at 11:30 a.m. to transact the following business:

As Ordinary Business:

- To receive the Audited Financial Statements for the financial year ended 30 June 2020 and the Reports of Directors and Auditors thereon.
- To approve the following payments to Directors of the Company:
 - Fees and benefits payable of up to an aggregate amount of RM150,000 for the financial year ended 30 June 2020. Ordinary Resolution 1
 - Fees and benefits payable of up to an aggregate amount of RM200,000 for the period from 1 July 2020 until the next AGM of the Company and further, to authorise the Directors to apportion the fees and make payment in the manner as the Directors may determine. Ordinary Resolution 2
- To re-elect the following Directors who retire in accordance with Clause 99 of the Company's Constitution:-
 - Mr Ang Seng Wong Ordinary Resolution 3
 - Dato' Terence Tea Yeok Kian Ordinary Resolution 4
- To re-appoint Messrs UHY as Auditors of the Company and to authorise the Directors to fix their remuneration. Ordinary Resolution 5

AS SPECIAL BUSINESS, to consider and if thought fit, to pass with or without any modification, the following Resolutions :-

- Retention of Senior Independent Non Executive Director** Ordinary Resolution 6
"That Mr Ang Seng Wong be hereby retained as a Senior Independent Non-Executive Director ("Senior INED") of the Company until the conclusion of the next AGM."
- Power to Issue Shares Pursuant to Section 75 and 76 of the Companies Act 2016** Ordinary Resolution 7
"THAT subject always to the Companies Act 2016 ("Act"), the Constitution of the Company, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and the approvals of the relevant governmental or regulatory authorities, where such approval is required, the Directors be and are hereby authorised and empowered pursuant to Section 75 and 76 of the Act to issue and allot shares in the Company to such persons, at any time until the conclusion of the next AGM and 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 does not exceed ten per centum (10%) of the total number of issued shares (excluding treasury shares) of the Company for the time being."
- Proposed Renewal of Authority to Buy Back Its Own Shares by the Company** Ordinary Resolution 8
"THAT subject always to the Companies Act 2016 ("Act"), rules, regulations and orders made pursuant to the Act, provisions of the Constitution of the Company and the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") and any other relevant authorities, the Directors of the Company be hereby unconditionally and generally authorised to make purchases of ordinary shares in the Company's total number of issued shares through the Bursa Securities at any time and upon such terms and conditions and for such purposes as the Directors may, in their discretion deem fit, subject to the following:-
 - the aggregate number of ordinary shares which may be purchased and/or held by the Company shall be ten per centum (10%) of the total number of issued shares of the Company for the time being ("EG Shares");
 - the amount of fund to be allocated by the Company for the purpose of purchasing the EG Shares shall not exceed the aggregate of the retained profits of the Company based on the latest audited financial statements and/or the latest management accounts (where applicable);
 - the authority conferred by this Resolution will be effective immediately upon the passing of this Resolution and will continue in force until:
 - the conclusion of the next AGM of the Company, unless by ordinary resolution passed at the meeting, the authority is renewed, either unconditionally or subject to conditions;
 - the expiration of the period within which the next AGM is required by law to be held (unless earlier revoked or varied by ordinary resolution of the shareholders of the Company in general meeting) but not so as to prejudice the completion of purchase(s) by the Company made before the aforesaid expiry date and, in any event, in accordance with the Main Market Listing Requirements of the Bursa Securities or any other relevant authorities;
 - upon completion of the purchase(s) of the EG Shares by the Company, the Directors of the Company be hereby authorised to deal with the EG Shares in the following manner:
 - to cancel the EG Shares so purchased; or
 - to retain the EG Shares so purchased as treasury shares for distribution as dividend to the shareholders and/or resale on the market of Bursa Securities and/or for cancellation subsequently; or
 - to retain part of the EG Shares so purchased as treasury shares and cancel the remainder; or
 - in such other manner as the Bursa Securities and such other relevant authorities may allow from time to time.

AND THAT the Directors of the Company be and are hereby authorised to take all such actions and steps as are necessary or expedient to implement or to effect the purchase of EG shares."

- Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions between the Company and/or its Subsidiaries** Ordinary Resolution 9
"THAT subject to the provisions of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities"), approval be and is hereby given to the Company and/or its subsidiaries ("EG Group") to enter into recurrent related party transactions of a revenue or trading nature as set out in the Circular to Shareholders dated 30 October 2020 which transactions are necessary for the day-to-day operations in the ordinary course of business of EG Group on terms not more favourable to the related parties than those generally available to the public and are not to the detriment of the minority shareholders of the Company.

AND THAT, such approval, shall continue to be in force until:

- the conclusion of the next AGM of the Company at which time it will lapse, unless by a resolution passed at the next AGM, the authority is renewed;
- the expiration of the period within which the next AGM after the date it is required to be held pursuant to Section 340(2) of the Companies Act 2016 ("Act") (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or
- revoked or varied by resolution passed by the shareholders of the Company in a general meeting, whichever is earlier.

FURTHER THAT the Directors of the Company be and are hereby authorised to do all acts, deeds, things and execute all necessary documents as they may consider necessary or expedient in the best interest of the Company with full powers to assent to any conditions, variations, modifications and/or amendments in any manner as may be required or permitted under relevant authorities to give full effect to the Proposed Shareholders' Mandate."

- To transact any other business of which due notice shall have been given in accordance with the Company's Constitution.

By Order of the Board

ONG TZE-EN (MAICSA 7026537) (SSM PC NO. 202008003397)
LAU YOKE LENG (MAICSA 7034778) (SSM PC NO. 202008003368)
Joint Company Secretaries
Penang, 30 October 2020

Notes on proxy and voting:

- A proxy may but need not be a member of the Company.
- For a proxy to be valid, the Form of Proxy duly completed must be deposited at the Registered Office of the Company at 170-09-01 Livingston Tower, Jalan Argyll, 10050 George Town, Penang, Malaysia not less than forty-eight (48) hours before the time for holding the meeting PROVIDED that in the event the member(s) duly executes the Form of Proxy but does not name any proxy, such member(s) shall be deemed to have appointed the Chairman of the meeting as his/their proxy, provided always that the rest of the Form of Proxy, other than the particulars of the proxy have been duly completed by the member(s).
- A member entitled to attend and vote is entitled to appoint more than one (1) proxy to attend and vote in his stead. Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he specifies the proportions of his holdings to be represented by each proxy. A proxy appointed to attend and vote at a meeting of the Company shall have the same rights as the member to speak at the meeting.
- Where a member of the Company is an authorised nominee as defined under the Securities Industries (Central Depositories) Act, 1991 ("SICDA"), it may appoint at least (1) proxy in respect of each securities account it may hold with ordinary shares of the Company standing to the credit of the said securities account.
- 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 shall be no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds. An exempt authorised nominee refers to an authorized nominee defined under the SICDA which is exempted from compliance with the provisions of subsection 25A(1) of SICDA.
- If the appointer is a corporation, the Form of Proxy must be executed under the corporation's common seal or under the hand of two (2) authorised officers, one of whom shall be a director, or of its attorney duly authorised in writing.
- In respect of deposited securities, only a Depositor whose name appears on the Record of Depositors on 20 November 2020 (General Meeting Record of Depositors) shall be eligible to attend the meeting or appoint proxy to attend and/or vote on his/her behalf.

Explanatory Notes on Ordinary Business:

- The Ordinary Resolutions 1 and 2, are to seek shareholders' approval on the Directors' Fees and benefits payable to the Directors which had been reviewed by the Remuneration Committee and the Board of Directors of the Company, which recognises that the Fees and benefits payable is in the best interest of the Company and in accordance with the remuneration framework of the Group. It will also authorised payment to be made by the Company on a monthly basis and/or as and when incurred. The Board is of the view that it is fair and equitable for the Directors to be paid on a monthly basis and/or as and

when incurred particularly after they have discharged their responsibilities and rendered their services to the Company. The benefits payable comprise of meeting and Board Committee allowances. This approval shall continue to be in force until the conclusion of the next AGM of the Company. Please refer the Corporate Governance Overview Statement for details of the fees and benefits payable for the Directors.

Explanatory Notes on Special Business:

- The Ordinary Resolution 6, is to seek shareholders' approval on the appointment of Mr Ang Seng Wong ("Mr Ang") as INED. Mr Ang was appointed as INED on 30 January 2009 and has served the Company as INED for more than twelve (12) years as at the date of the notice of the Twenty Ninth Annual General Meeting. The Nominating Committee has assessed the independence of Mr Ang and noted that he met the independence guidelines as set out in Chapter 1 and Practice Note 13 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. He has demonstrated independence in character, opinion and judgement. The Board, therefore, considers Mr Ang to be independent and recommends him to remain as Senior INED of the Company.
- The Proposed Ordinary Resolution 7, if passed, will give the Directors of the Company authority to issue shares in the Company up to an amount not exceeding 10% of the total number of issued shares / total number of voting shares of the Company for the time being for such purposes as the Directors consider would be in the best interest of the Company. This authority, unless revoked or varied by the shareholders of the Company in general meeting will expire at the conclusion of the next AGM. As at the date of this Notice, no new shares in the Company were issued pursuant to the mandate granted to the Directors at last AGM held on 29 November 2019 and which will lapse at the conclusion of the Twenty Ninth AGM. This renewed General Mandate 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.
- The Proposed Ordinary Resolution 8, if passed, will allow the Company to purchase its own shares. The total number of shares purchased shall not exceed 29,385,893 shares representing 10% of the total number of issued shares of the Company. This authority will, unless revoked or varied by the Company in general meeting, expires at the next AGM of the Company.
- The Proposed Ordinary Resolution 9, if passed, will approve the Proposed Renewal of Shareholders' Mandate on Recurrent Related Party Transactions and allow the Company and its subsidiaries to enter into Recurrent Related Party Transactions in accordance with Chapter 10 of the Listing Requirements of the Bursa Securities. This approval shall continue to be in force until the conclusion of the next AGM or the expiration of the period within which the next AGM is required by the law to be held or revoked/varied by resolution passed by the shareholders in general meeting whichever is the earlier.