



**EKOVEST**

**Ekovest Berhad**

(Incorporated in Malaysia)

(Registration No. 198501000052 (132493-D))

## Notice of the Thirty-Fourth Annual General Meeting

**NOTICE IS HEREBY GIVEN THAT** the Thirty-Fourth Annual General Meeting of the Company will be held at DoubleTree by Hilton Kuala Lumpur, The Intermark, 348, Jalan Tun Razak, 50400 Kuala Lumpur on Wednesday, 27 November 2019 at 10.30 a.m. for the purpose of transacting the following businesses:-

### AGENDA

- To lay the Audited Financial Statements for the financial year ended 30 June 2019 together with the Reports of the Directors and the Auditors thereon. Please refer Explanatory Note A
- To re-elect the following Directors who retire in accordance with Article 82 of the Company's Article of Association:
  - Dato' Lim Hoe
  - Dr. Wong Kai Fatt
  - Mr. Lee Wai Kuen
- To approve the payment of Directors' Fees of RM 270,000.00 for the financial year ended 30 June 2019. Resolution 1
- To approve the payment of Directors' Benefits up to an amount of RM 200,000.00 from the conclusion of the Thirty-Fourth Annual General Meeting until the next Annual General Meeting of the Company. Resolution 2
- To declare a First and Final Single Tier Dividend of 1 sen per share in respect of the financial year ended 30 June 2019. Resolution 3
- To re-appoint Messrs. Mazars PLT as Auditors for the financial year ending 30 June 2020 and to authorise the Directors to fix their remuneration. Resolution 4
- As Special Business, to consider and if thought fit, to pass the following resolutions with or without modifications:-
  - A. ORDINARY RESOLUTION**  
**CONTINUING IN OFFICE AS INDEPENDENT NON-EXECUTIVE DIRECTOR**  
"THAT approval be and is hereby given for Ms. Kang Hui Ling who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than 12 years, to continue to act as an Independent Non-Executive Director of the Company." Resolution 5
  - B. ORDINARY RESOLUTION**  
**PROPOSED RENEWAL OF THE AUTHORITY FOR DIRECTORS TO ALLOT AND ISSUE SHARES**  
"THAT pursuant to Section 75 and 76 of the Companies Act 2016, the Directors be and are hereby given full authority to allot and issue shares in the Company, at any time 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 issued pursuant to this resolution in any one financial year does not exceed 10% of the issued capital of the Company for the time being AND THAT the Directors be and are hereby given full authority to obtain approval for the listing of and quotation for the additional shares so issued on Bursa Malaysia Securities Berhad AND THAT such authority shall continue in force until the conclusion of the next Annual General Meeting is required to be held in accordance with the provisions of the Companies Act 2016, whichever is the earlier." Resolution 6
  - C. ORDINARY RESOLUTION**  
**PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE AND ADDITIONAL MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE ("Mandate")**  
"THAT authority be and is hereby given pursuant to paragraph 10.09 of the Main Market Listing Requirements of the Bursa Malaysia Securities Berhad for the Company and its subsidiaries to enter into recurrent related party transactions of a revenue or trading nature as stated in section 2.4 of the Circular to Shareholders dated 30 October 2019 with the related parties listed in section 2.3 of the Circular which are necessary for the day-to-day operations, in the ordinary course of business, made on at arm's length basis and on normal commercial terms which are not more favourable than those normally available to the public and are not to the detriment of the minority shareholders.  
AND THAT the authority conferred by this Mandate shall commence immediately upon the passing of this resolution and is subject to annual renewal. In this respect the authority shall only continue to be in force until:
    - the conclusion of the next Annual General Meeting of the Company at which time the authority will lapse, unless the authority is renewed by a resolution passed at that Annual General Meeting;
    - the expiration of the period within which the next Annual General Meeting is to be held pursuant to Section 340(2) of the Companies Act 2016 ("the Act") but must 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 in general meeting, whichever is the earlier.FURTHER THAT the Directors and/or any of them be and are hereby authorised to complete and do all such acts and things including executing such documents as may be required to give effect to the Mandate" Resolution 7
  - D. SPECIAL RESOLUTION**  
**PROPOSED ALTERATION OF THE EXISTING MEMORANDUM AND ARTICLES OF ASSOCIATION BY REPLACING WITH A NEW CONSTITUTION ("PROPOSED ALTERATION")**  
"THAT the existing Memorandum and Articles of Association of the Company be hereby altered by replacing with a new Constitution enclosed herewith as Annexure A with effect from the date of passing this special resolution, and  
AND THAT the Directors of the Company be hereby authorized 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 Alteration with full power to assent to any condition, modification, variation and/or amendment as may be required or imposed by the relevant authorities." Resolution 8
- To transact any other matter of which due notice shall have been given in accordance with the Company's Articles of Association and the Companies Act 2016. Resolution 9

### NOTICE OF DIVIDEND ENTITLEMENT

**NOTICE IS HEREBY GIVEN THAT** subject to the approval of the shareholders at the Thirty-Fourth Annual General Meeting, the First and Final Single Tier Dividend of 1 sen per share will be paid on 12 December 2019 to members whose names appear in the Record of Depositors on 29 November 2019.

**NOTICE IS ALSO HEREBY GIVEN THAT** a Depositor shall qualify for entitlement only in respect of:

- Shares transferred into the Depositor's Securities Account before 4.30 p.m. on 29 November 2019 in respect of ordinary transfers; and
- Shares bought on the Bursa Malaysia Securities Berhad ("Bursa Malaysia") on a cum entitlement basis according to the Rules of the Bursa Malaysia.

By Order of the Board

**Lim Thiam Wah, ACIS**  
Chartered Secretary  
Kuala Lumpur  
30 October 2019

### Notes:

- Only depositors whose names appear in the General Meeting Record of Depositors as at 7 November 2019 shall be entitled to attend and vote at the Annual General Meeting.
- A member shall be entitled to appoint not more than two (2) proxies to attend and vote at the same meeting provided that 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.
- A proxy may but need not be a member of the Company. There shall be no restriction as to the qualification of a proxy.
- For 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.
- If the appointor is a corporation, the proxy form must be executed under its common seal or under the hand of an officer or attorney duly authorised.
- To be valid, the proxy form, duly completed must be deposited at the Registered Office not less than forty-eight (48) hours before the time for holding the meeting or any adjournment thereof, in the case of a poll, not less than twenty-four (24) hours before the time appointed for the taking of the poll.
- Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all resolutions set out in this Notice will be put to vote by way of poll.

### Explanatory Notes:-

#### Note A:

The Audited Financial Statements is laid in accordance with Section 340(1)(a) of the Companies Act 2016 ("CA 2016") and meant for discussion only as the Audited Financial Statements do not require shareholders' approval under the provision of Section 251(1) of the CA 2016. As such, this Agenda item is not to be put forward for voting.

#### Resolutions 1 to 3:

Article 82 of the Company's Articles of Association expressly states that at the annual general meeting in every subsequent year, one-third of the Directors for the time being or, if their number is not three or a multiple of three, then, the number nearest to one-third shall retire from office and be eligible for re-election. Pursuant to Article 82, Dato' Lim Hoe, Dr. Wong Kai Fatt and Mr. Lee Wai Kuen are standing for re-election at this Annual General Meeting.

The profiles of the Directors standing for re-election are set out in their respective profiles in the Annual Report. The Nomination Committee of the Company has assessed the criteria and contribution of Dato' Lim Hoe, Dr. Wong Kai Fatt and Mr. Lee Wai Kuen and recommended for their re-election. The Board endorsed the Nomination Committee's recommendation that Dato' Lim Hoe, Dr. Wong Kai Fatt and Mr. Lee Wai Kuen be re-elected as Directors of the Company.

#### Resolutions 4 and 5

Section 230(1) of the CA 2016 provides amongst others, that 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 wishes to seek shareholders' approval for the following payments to the Directors of the Company at the Annual General Meeting in two (2) separate resolutions as below:

Resolution 4 seeks approval for the payment of Directors' Fees of RM 270,000.00 for the financial year ended 30 June 2019. Resolution 5 seeks approval for the payment of Directors' Benefits up to an amount of RM200,000.00 from the conclusion of the Thirty-Fourth Annual General Meeting until the next Annual General Meeting of the Company.

In determining the estimated total amount of Directors' Fees and Benefits payable for the Directors of the Company, the Board has considered various factors including the number of scheduled meetings for the Board, Board Committees, Board of Subsidiaries and Management Committees as well as the number of Directors involved in these meetings based on the current number of Directors and has included additional provisional sum for future appointment of Directors of the Company. In the event where the Directors' Benefits payable exceeds the estimated amount sought in the Annual General Meeting, a shareholders' approval is to be sought in the next Annual General Meeting of the Company in 2020 on the payment of the exceeded amount.

#### Resolution 6

With reference to Section 131 of the CA 2016, a Company may only make a distribution to the shareholders out of profits of the Company available if the Company is solvent. On 30 August 2019 the Board has considered the amount of dividend and decided to recommend the same for approval. The Directors of the Company are satisfied that the Company will be solvent as it will be able to pay its debt as and when the debts become due within twelve (12) months immediately after the distribution is made on 12 December 2019 in accordance with the requirements under Section 132 of the CA 2016.

#### Resolution 7

The Audit and Risk Management Committee and the Board have considered the re-appointment of Messrs. Mazars PLT ("Mazars") as Auditors of the Company and collectively agreed that Mazars has met the relevant criteria prescribed under Paragraph 15.21 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

#### Explanatory notes on Special Business:-

##### Resolution 8

The Proposed Resolution 8, if passed, will allow Ms. Kang Hui Ling to continue in office as Independent Non-Executive Director. The Malaysian Code on Corporate Governance states that if the Board intends to retain an independent director beyond twelfth years, it should justify and seek annual shareholders' approval through a two-tier voting process.

Key justifications for her to continue as Independent Non-Executive Director are as follows:

- Fulfills the independent director criteria set out in the Main Market Listing Requirements of Bursa Malaysia Securities Berhad;
- Relevant experience and expertise as set out in her profile in the Annual Report; and
- Long service with the Company enhances her knowledge and understanding of the business operations of the Group which enable her to contribute actively and effectively during deliberations or discussion at Audit and Risk Management Committee and Board meetings.

##### Resolution 9

The Proposed Resolution 9, if passed, will empower the Directors of the Company to issue and allot shares in the Company up to an aggregate amount not exceeding ten per centum (10%) of the total number of issued shares of the Company for the time being for such purposes as they consider would be in the interest of the Company. This authority unless revoked or varied at a general meeting will expire at the next Annual General Meeting. On 23 April 2019, RHB Investment Bank Berhad and Astramina Advisory Sdn. Bhd. have made an announcement on behalf of the Board of Directors of Ekovest Berhad that the Company had proposed to undertake a private placement exercise ("Private Placement") to place such number of new ordinary shares not exceeding 10% of its issued share capital to third party investors pursuant to the mandate granted to the Directors at the Thirty-Third Annual General Meeting held on 27 November 2018 ("33rd AGM"). As at the date of this Notice, 214,800,000 new ordinary shares in the Capital of the Company at an issue price of RM0.83 each were issued through the Private Placement pursuant to the mandate granted.

The Proposed Resolution will again 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(s), working capital and/or acquisitions.

##### Resolution 10

The Proposed Resolution 10, if passed, will enable the Group to enter into recurrent related party transactions of a revenue or trading nature which are necessary for the Group's day-to-day operations and are in the ordinary course of business made at arm's length basis and 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 minority shareholders of the Company. This authority, unless revoked or varied at a general meeting, will expire at the conclusion of the next Annual General Meeting of the Company. Details of the Proposed Mandate are set out in the Circular to Shareholders dated 30 October 2019.

##### Resolution 11

The Proposed Special Resolution 11, if passed, will enable the Company to alter its existing Memorandum and Articles of Association by replacing with a new Constitution ("Proposed Alteration") which is drafted in accordance with the relevant provisions of the Companies Act 2016, relevant amendments of Chapter 7 and other Chapters of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and other provisions of laws and regulations that are applicable to the Company.