



LKL INTERNATIONAL BERHAD
(Registration No. 201501014673 (1140005-V))
(Incorporated in Malaysia)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting ("EGM" or "Meeting") of LKL International Berhad ("LKL International" or the "Company") will be held at Melur, Level 3 (Lobby Level), Bangi Resort Hotel, Off Persiaran Bandar, 43650 Bandar Baru Bangi, Selangor Darul Ehsan on Tuesday, 13 October 2020 at 11.00 a.m., or immediately following the conclusion or adjournment of the Company's Sixth Annual General Meeting ("6th AGM"), which will be held at the same venue and on the same day at 10.00 a.m., whichever is later, for the purpose of considering and, if thought fit, passing the following resolutions with or without modifications:

ORDINARY RESOLUTION 1

PROPOSED PRIVATE PLACEMENT OF UP TO 85,760,000 NEW ORDINARY SHARES IN LKL INTERNATIONAL, REPRESENTING NOT MORE THAN 20% OF THE TOTAL NUMBER OF ISSUED LKL INTERNATIONAL SHARES TO PARTIES TO BE IDENTIFIED AT A LATER DATE

THAT, subject to the approval of all the relevant authorities, approval be and is hereby given to the Board of Directors of the Company ("Board" or "Directors") to allot and issue up to 85,760,000 new ordinary shares in the Company ("LKL International Shares" or "Shares") ("Placement Shares") by way of private placement to independent third party investor(s) to be identified later in one or more tranches at an issue price for each tranche to be determined at a later date by the Board ("Price-Fixing Date") upon such terms and conditions as disclosed in the circular to the shareholders of the Company ("Shareholders") dated 28 September 2020 ("Circular") ("Proposed Private Placement");

THAT, the issue price for each tranche of the Placement Shares will be determined based on a discount of not more than 10% to the 5-day volume-weighted average market price of LKL International Shares up to and including the Price-Fixing Date;

THAT, the Directors be and are hereby authorised to utilise the proceeds to be derived from the Proposed Private Placement for such purposes as set out in the Circular and the Board be and is hereby authorised with full power to vary the manner and/or purpose of the utilisation of such proceeds from the Proposed Private Placement in the manner as the Board may deem fit, necessary and/or expedient, subject (where required) to the approval of the relevant authorities and in the best interest of the Company;

THAT, such Placement Shares shall, upon allotment, issuance and full payment of the issue price, rank equally in all respects with the then existing issued Shares, save and except that the holders of such Placement Shares shall not be entitled to any dividend, rights, allotments and/or other distributions which may be declared, made or paid to the Shareholders, the entitlement date of which is prior to the date of allotment and issuance of the Placement Shares;

AND THAT, the Directors be and are hereby empowered and authorised to do all acts, deeds and things and to execute, sign, deliver and cause to be delivered on behalf of the Company all such documents and/or arrangements as may be necessary to give effect and complete the Proposed Private Placement and to assent to any conditions, modifications, variations and/or amendments in any manner as may be required by the relevant authorities or as the Directors may deem necessary in the interest of the Company and to take such steps as they may deem necessary or expedient in order to implement, finalise, give full effect and to complete the Proposed Private Placement.

ORDINARY RESOLUTION 2

PROPOSED ESTABLISHMENT OF AN EMPLOYEES' SHARE OPTION SCHEME ("ESOS") OF UP TO 15% OF THE TOTAL NUMBER OF ISSUED SHARES OF THE COMPANY (EXCLUDING TREASURY SHARES, IF ANY) AT ANY POINT IN TIME TO THE ELIGIBLE EMPLOYEES AND DIRECTORS OF THE COMPANY AND ITS SUBSIDIARIES ("LKL INTERNATIONAL GROUP") ("PROPOSED ESOS")

THAT, subject to the approvals of all relevant authorities/parties, where relevant/required being obtained, approval is given to the Board to undertake the proposed establishment of an employees' share option scheme of up to 15% of the total number of issued shares of LKL International (excluding treasury shares, if any) to enable the granting of new ordinary shares in LKL International ("LKL International Shares") at any point in time to the eligible employees and Directors of the Company and its subsidiaries (excluding subsidiary companies which are dormant, if any) ("Eligible Person(s)") in accordance with the by-laws governing the ESOS ("By-Laws") as set out in Appendix I of the circular to shareholders dated 28 September 2020, and to adopt and approve the By-Laws and do all such acts, as may be necessary or expedient in order to give full effect to the Proposed ESOS;

THAT, the Board be and is hereby authorised to issue and allot from time to time such number of new LKL International Shares as may be required pursuant to the exercise of the options under the Proposed ESOS ("Options"), provided that the aggregate number of new LKL International Shares to be issued and allotted and/or transferred shall not exceed 15% of the total number of issued shares of LKL International (excluding treasury shares, if any) at any point in time throughout the duration of the Proposed ESOS and such new LKL International Shares shall, upon allotment and issuance, rank pari passu in all respects with the then existing issued shares of the Company, except that the new LKL International Shares so issued and allotted will not be entitled to any dividends, rights, allotments and/or other forms of distribution, for which the entitlement date is prior to the date of allotment and issuance of such new LKL International Shares;

THAT, the Board be and is hereby authorised to do all such acts and things and to execute all such documents and enter into all such transactions, arrangements and agreements, deeds or undertakings, to make such rules or regulations, or impose such terms and conditions or delegate part of its power and to generally exercise such powers and perform such acts as may be necessary or expedient in order to give full effect to the Proposed ESOS and the terms of the By-Laws;

AND THAT, the Board be and is hereby authorised to add, modify and/or amend the Proposed ESOS, By-Laws and all rules, regulations and administration relating to the Proposed ESOS and/or administration thereof, from time to time as may be permitted by the authorities or deemed necessary by the relevant regulatory authorities or the Board or any committee established to administer the Proposed ESOS, provided that such additions, modifications and/or amendments are effected and permitted in accordance with the provisions of the By-Laws.

PROPOSED GRANTING OF OPTIONS TO THE DIRECTORS OF LKL INTERNATIONAL AND PERSON CONNECTED WITH THEM

THAT subject to the passing of Ordinary Resolution 2 as well as the approvals of all relevant authorities, and for so long as this approval remains in force, approval be and is hereby given to the Board at any time and from time to time during the duration of the Proposed ESOS, to offer and grant options to each of the Directors and persons connected with them as named therein below:

- ORDINARY RESOLUTION 3** **TAN SRI DATUK ADZMI BIN ABDUL WAHAB**
(Independent Non-Executive Chairman)
- ORDINARY RESOLUTION 4** **LIM KON LIAN**
(Managing Director)
- ORDINARY RESOLUTION 5** **MOK MEI LAN**
(Executive Director)
- ORDINARY RESOLUTION 6** **LIM PAK HONG**
(Executive Director)
- ORDINARY RESOLUTION 7** **SELMA ENOLIL BINTI MUSTAPHA KHALIL**
(Independent Non-Executive Director)
- ORDINARY RESOLUTION 8** **SANDRA MOHAN A/L MANTHIRY**
(Independent Non-Executive Director)
- ORDINARY RESOLUTION 9** **WONG YEONG LEE**
(Independent Non-Executive Director)
- ORDINARY RESOLUTION 10** **LIM MING CHANG**
(Chief Executive Officer of LKL Advance Metaltech Sdn. Bhd.)
- ORDINARY RESOLUTION 11** **ELAINE LIM SIN YEE**
(Human Resource and Administration Manager)
- ORDINARY RESOLUTION 12** **TAN LEE CHING**
(Manufacturing Operations Manager)
- ORDINARY RESOLUTION 13** **LIM KON KHOON**
(Senior Assembly Supervisor)

to subscribe for such number of LKL International Shares to be issued under the Proposed ESOS subject always to the following provisions:

- (i) he/she must not participate in the deliberation or discussion of his/her own allocation of new LKL International Shares to be issued under the Proposed ESOS;
- (ii) not more than 50% of the total number of new LKL International Shares to be issued under the Proposed ESOS shall be allocated in aggregate to the Directors and senior management of LKL International Group;
- (iii) not more than 10% of the total number of new LKL International Shares to be issued under the Proposed ESOS shall be allocated to him/her, if he/she either singly or collectively through persons connected with him/her, holds 20% or more of the total number of issued shares of the Company (excluding treasury shares, if any); and

also subject always to such terms and conditions and/or any adjustments which may be made in accordance with the provisions of the Proposed ESOS and any prevailing guidelines issued by Bursa Malaysia Securities Berhad ("Bursa Securities"), ACE Market Listing Requirements of Bursa Securities or any other relevant authorities as amended from time to time,

AND THAT, the Board be further authorised to issue, allot and/or transfer such number of new LKL International Shares arising from the exercise of the ESOS Options that may be granted to him/her under the Proposed ESOS.

By Order of the Board

TEA SOR HUA (MACS 01324) (SSM PC NO.: 201908001272)
Company Secretary

Petaling Jaya, Selangor Darul Ehsan
28 September 2020

Notes:

- (a) A member who is entitled to attend and vote at the Meeting shall be entitled to appoint more than one (1) proxy to attend 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) 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 the General Meeting Record of Depositors as at 5 October 2020. Only members whose names appear in the General Member Record of Depositors as at 5 October 2020 shall be regarded as members and entitled to attend, speak and vote at the Meeting.
- (g) The instrument appointing a proxy must be deposited with 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, Wilayah Persekutuan, or alternatively, the Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Wilayah Persekutuan not less than forty-eight (48) hours before the time set for holding the EGM.
- (h) All resolutions as set out in the Notice of the Meeting will be put to vote by poll.
- (i) Members are advised to refer to the Administrative Notes on the registration and voting process for the Meeting. The Administrative Notes has taken into account the latest measures to date to deal with the COVID-19 situation announced and/or implemented in Malaysia which affects the holding or conduct of general meetings. The Company will closely monitor the situation and reserve the right to take further measures or short-notice arrangements as and when appropriate in order to minimise any risk to the Meeting. Any material developments or updates on the Meeting will be announced on the website of Bursa Securities regularly.