

**EUPE CORPORATION BERHAD**  
**199601005416 (377762-V)**  
(Incorporated in Malaysia)

**MINUTES OF THE EXTRAORDINARY GENERAL MEETING (“EGM”) OF EUPE CORPORATION BERHAD (“EUPE” OR “THE COMPANY”) CONDUCTED VIRTUALLY THROUGH LIVE STREAMING AND ONLINE REMOTE VOTING PLATFORM FROM THE BROADCAST VENUE AT D-26-01, MENARA MITRALAND, NO. 13A, JALAN PJU 5/1, KOTA DAMANSARA PJU5, 47810 PETALING JAYA, SELANGOR, MALAYSIA (“BROADCAST VENUE”) ON FRIDAY, 22 DECEMBER 2023 AT 11.00 A.M.**

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Present at the Broadcast Venue	: Alfian Bin Tan Sri Mohamed Basir (Independent Non-Executive Chairman)
	: Dato' Beh Huck Lee (Group Managing Director)
	: Victor Wong Tze Meng (Chief Financial Officer)
	: Te Hock Wee (Company Secretary)
Present via video conference	: Muhamad Faisal Bin Tajudin (Executive Director)
	: Beh Yeow Seang (Non-Independent Non-Executive Director)
	: Iskandar Abdullah @ Sim Kia Miang (Senior Independent Non-Executive Director)
	: Tham Sau Kien (Independent Non-Executive Director)
	: Leow Peen Fong (Independent Non-Executive Director)
	: Stanley Lee
	: Enelli Binti Abdul Kadir
	: Tan Ming-li
	: Wong Shin Wern
	} Representing RHB Investment Bank Berhad, the principal adviser of the corporate proposals
	} Representing Cheang & Ariff, the solicitors of the corporate proposals

The shareholders/corporate representatives/proxies who attended the EGM remotely via the live streaming and online remote voting platform are as stated in the Attendee Report.

## 1. CHAIRMAN

The Chairman, Alfian Bin Tan Sri Mohamed Basir (“**Chairman**”) welcomed all shareholders, proxies and invitees present at the EGM.

He then introduced the Board members, the Chief Financial Officer (“**CFO**”), the Company Secretary and the representatives from the principal adviser and the solicitors of the corporate proposals.

## 2. QUORUM

The Chairman informed that the quorum for a virtual general meeting is determined by the number of members who logged-in at the commencement of the meeting.

There being a quorum, the Chairman called the meeting to order.

## 3. NOTICE

The notice of the EGM dated 7 December 2023 (“**the Notice**”), having been circulated to all the shareholders within the prescribed period, was taken as read.

#### 4. POLLING PROCEDURES AND ADMINISTRATIVE MATTERS

The Chairman informed the meeting that pursuant to the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all resolutions set out in the notice of general meeting must be voted by poll. The Company is also required to appoint at least one independent scrutineer to validate the votes cast at the general meeting.

The Chairman further informed that the Company had appointed Mega Corporate Services Sdn. Bhd. (the Company's Share Registrar) as Poll Administrator to facilitate the poll voting process and Cygnus Technology Solutions Sdn. Bhd. as independent scrutineer to verify the poll results.

A guide on the remote voting procedure and the manner to pose questions at the meeting were presented to the shareholders and proxies.

#### 5. PRESENTATION ON QUESTIONS FROM MINORITY SHAREHOLDER WATCH GROUP ("MSWG")

The Chairman informed that the Company had received some questions from MSWG, to which the Company had responded in writing. MSWG had requested the reply to be presented to the meeting, for the benefit of the shareholders.

At the invitation of the Chairman, the CFO presented the Company's responses to the questions raised by MSWG, the details of which are annexed herein as Appendix A.

The meeting proceeded to the agenda of the meeting.

#### 6. ORDINARY RESOLUTIONS 1 TO 11

The Chairman went through each of the motions set out in the Notice.

#### 7. QUESTION & ANSWER ("Q&A") SESSION

The meeting continued with the Q&A session. The following are the questions raised by the shareholders and proxies during the meeting (including those which were not addressed during the meeting), some of the questions had been moderated for brevity and clarity:-

##### **(Q1) Request for door gift/ voucher to attendees as a token of appreciation.**

###### **Eupe's response:**

The Company had at the last Annual General Meeting ("AGM") held in August 2023 provided the shareholders who virtually attended the AGM with vouchers. After careful consideration, the Board decides not to provide any vouchers for the shareholders, proxies and corporate representatives who register, attend and participate at this EGM. The Board does appreciate the presence of those who had attended this meeting virtually.

##### **(Q2) How much does the Company spend for this virtual EGM?**

###### **Eupe's response:**

The cost for holding this meeting is approximately RM10,000.

##### **(Q3) Could the Company conduct the next AGM or EGM physically?**

**Eupe's response:**

The Management is of the view that virtual meeting is more efficient in terms of time and resources compared with physical meeting. It also eliminates travel time of the shareholders and yet, shareholders could participate in the meeting remotely from different locations.

Nevertheless, the Board will deliberate on holding a physical AGM next year, if possible.

**8. POLL VOTING SESSION**

After dealing with all questions raised, the Chairman invited the shareholders and proxies to cast their votes remotely.

Thereafter, the meeting proceeded for the tabulation of the poll results.

**9. ANNOUNCEMENT OF POLL RESULTS**

The poll results obtained from the independent scrutineer were presented to the meeting. The Chairman declared that all resolutions set out in the Notice were carried, as follows:-

**ORDINARY RESOLUTION 1:**

**PROPOSED PRIVATE PLACEMENT OF UP TO 19,200,000 NEW ORDINARY SHARES IN EUPE ("EUPE SHARES" OR "SHARES") ("PLACEMENT SHARES"), REPRESENTING 15% OF THE TOTAL NUMBER OF ISSUED SHARES (EXCLUDING TREASURY SHARES, IF ANY) OF THE COMPANY ("PROPOSED PRIVATE PLACEMENT")**

By a vote of 68,815,827 shares (representing 99.9956%) voted for and 3,001 shares (representing 0.0044%) voted against the resolution, it was **RESOLVED**:-

**THAT** subject to the approvals of all relevant authorities and/or parties being obtained, approval be and is hereby given to the Board of Directors of the Company ("**Board**") to allot and issue up to 19,200,000 Placement Shares, representing 15% of the total number of issued Shares (excluding treasury shares, if any) of the Company, by way of private placement to independent third party investor(s) to be identified later ("**Placee(s)**") to be implemented in one or more tranches, at an issue price for each tranche to be determined and fixed by the Board at a later date, within 6 months from the date of approval of Bursa Malaysia Securities Berhad ("**Bursa Securities**") for the Proposed Private Placement or any extended period as may be approved by Bursa Securities **AND THAT** the issue price of the Placement Shares shall be priced at a discount of not more than 10% to the 5-day volume weighted average share price of Eupe Shares immediately preceding the price-fixing date(s);

**THAT** such Placement Shares shall, upon allotment and issuance, rank equally in all respects with the then existing Eupe Shares, save and except that the holder(s) of the Placement Shares will not be entitled to any dividends, rights, allotments and/or other forms of distribution that may be declared, made or paid to the shareholders of the Company, for which the relevant entitlement date(s) are prior to the date on which the Placement Shares are credited into the central depository system ("**CDS**") accounts of the Placee(s) and the Placement Shares will be subject to all the provisions of the Company's Constitution relating to transfer, transmission and otherwise;

**THAT** pursuant to Section 85(1) of the Companies Act, 2016 ("**Act**") read together with Clause 12(3) of the Company's Constitution, approval be and is hereby given for the waiver of the pre-emptive rights of the existing shareholders of the Company to be offered new Eupe Shares ranking equally to the existing issued Shares of the Company arising from the allotment and issuance of the Placement Shares pursuant to the Proposed Private Placement **AND THAT** the Board is exempted from the obligation to offer such Placement Shares first to the existing shareholders of the Company in respect of the allotment and issuance of the Placement Shares to the Placee(s) pursuant to the Proposed Private Placement;

**THAT** authority be and is hereby given to the Board to utilise the proceeds from the Proposed Private Placement for such purposes as set out in Section 2.1.4 of the circular to shareholders of the Company dated 7 December 2023 ("**Circular**") and the Board be and is hereby authorised with full powers 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 in the best interest of the Company, subject to the compliance with the Main Market Listing Requirements of Bursa Securities ("**Listing Requirements**") and the approval of the relevant authorities, where required and in the best interest of the Company;

**AND THAT** the Board be and is 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 (including without limitations, the affixation of the Company's Common Seal in accordance with the Company's Constitution) as may be necessary or expedient in order to implement, finalise, give effect and complete the Proposed Private Placement with full powers to assent to any condition, modification, variation and/or amendment in any manner as may be required or imposed by the relevant authorities or as the Board may deem necessary or expedient in the best interest of the Company.

#### **ORDINARY RESOLUTION 2:**

**PROPOSED ESTABLISHMENT OF A LONG-TERM INCENTIVE PLAN ("LTIP") OF UP TO 15% OF THE TOTAL NUMBER OF ISSUED SHARES (EXCLUDING TREASURY SHARES, IF ANY) OF THE COMPANY AT ANY POINT IN TIME DURING THE DURATION OF THE LTIP ("PROPOSED LTIP")**

By a vote of 68,545,577 shares (representing 99.6033%) voted for and 273,001 shares (representing 0.3967%) voted against the resolution, it was **RESOLVED**:-

**THAT** subject to the approvals of all relevant authorities and/or parties being obtained, and to the extent permitted by law and the Constitution of the Company, the Board be and is hereby authorised for the following:

- (i) to establish the Proposed LTIP comprising the proposed employees' share option scheme ("**Proposed ESOS**") and the proposed share grant plan ("**Proposed SGP**"), of up to 15% of the total number of issued Shares (excluding treasury shares, if any) of the Company from time to time for the benefit of the eligible Directors and employees of Eupe and its subsidiaries ("**Eupe Group**" or "**Group**") (excluding dormant subsidiaries, if any) who meet the eligibility criteria for participation in the Proposed LTIP ("**Eligible Persons**") in accordance with the draft by-laws governing the Proposed LTIP ("**By-Laws**") as set out in Appendix I of the Circular;

- (ii) to establish, appoint and authorise a committee ("**LTIP Committee**") to implement and administer the Proposed LTIP for the benefit of the Eligible Persons, in accordance with the By-Laws;
- (iii) to allot and issue and/or procure the transfer of such number of Eupe Shares as may be required from time to time pursuant to the Proposed LTIP, **PROVIDED THAT** the total number of new Shares to be allotted and issued and/or transferred under the Proposed LTIP shall not in aggregate exceed 15% of the total number of issued Shares (excluding treasury shares, if any) of the Company at any point in time during the duration of the Proposed LTIP **AND THAT** the new Shares to be allotted and issued pursuant to the Proposed LTIP will, upon allotment and issuance, rank equally in all respects with the existing Eupe Shares, save and except that the new Eupe Shares will not be entitled to any dividends, rights, allotments, and/or other forms of distribution where the entitlement date(s) are prior to the date(s) on which the new Shares are credited into the CDS accounts of the Eligible Persons and such new Shares will be subject to all the provisions of the Company's Constitution relating to transfer, transmission and otherwise;
- (iv) to do all necessary and make the necessary applications to Bursa Securities for the listing and quotation of the new Shares (as adjusted or modified from time to time pursuant to the By-Laws) that may hereafter from time to time be allotted and issued pursuant to the Proposed LTIP;
- (v) to add, amend, modify, and/or delete all or any of the terms in the By-Laws from time to time as may be required/permitted by the authorities or deemed necessary by the authorities or the Board **PROVIDED THAT** such additions, amendments, modifications, and/or deletions are effected and permitted in accordance with the provisions of the By-Laws relating to modifications, variations and/or amendments, deeds or undertakings and to deliver and/or impose such terms and conditions and/or delegate part of its powers as may be necessary or expedient in order to implement, finalise and give full effect to the Proposed LTIP;
- (vi) to establish a trust to be administered by the trustee ("**Trust**") to be appointed by the Company from time to time for the administration of the Trust ("**Trustee**"), in accordance with the terms and conditions of a trust deed to be executed between the Trustee and the Company, to facilitate the implementation and administration of the Proposed LTIP and be entitled from time to time to the extent permitted by law and as set out under the By-Laws to accept funding and/or assistance, financial or otherwise from the Company, the subsidiaries of the Company and/or third parties to enable the Trustee to subscribe for new Eupe Shares, acquire existing Eupe Shares and/or receive treasury shares for the purpose of the Proposed LTIP and to pay expenses in relation to the administration of the Trust, if required; and
- (vii) to extend the duration of the Proposed LTIP, if the Board deems fit, for up to a maximum period of an additional 5 years ("**Extension**") upon the recommendation by the LTIP Committee, **PROVIDED ALWAYS THAT** the initial Proposed LTIP period of 5 years and such Extension made pursuant to the By-Laws shall not in aggregate exceed a duration of 10 years, and that the Board be and is hereby authorised to implement the Extension and do all such acts and things and to execute all necessary documents to give full effect to and complete the Extension with full power to assent to or make any modifications, variations and/or amendments as may be required by the relevant authorities and to take all steps and actions as may be required by the relevant authorities and as the Board may

deem necessary and/or expedient to finalise, implement and give full effect to and complete the Extension;

**THAT** pursuant to Section 85(1) of the Act read together with Clause 12(3) of the Company's Constitution, approval be and is hereby given for the waiver of the preemptive rights of the existing shareholders of the Company to be offered new Eupe Shares ranking equally to the existing issued Shares of the Company arising from the allotment and issuance of the new Shares to be issued pursuant to the Proposed LTIP;

**THAT** the Board be and is 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 (including without limitations, the affixation of the Company's Common Seal in accordance with the Company's Constitution) as may be necessary or expedient in order to implement, finalise, give effect and complete the Proposed LTIP and the terms of the By-Laws with full powers to assent to any conditions, modifications, variations and/or amendments in any manner as may be required or imposed by the relevant authorities or as the Board may deem necessary or expedient in the best interest of the Company;

**AND THAT** the draft By-Laws, as set out in Appendix I of the Circular, be and is hereby approved and adopted.

**ORDINARY RESOLUTION 3:**

**PROPOSED ALLOCATION OF AWARDS UNDER THE PROPOSED LTIP TO DIRECTORS OF EUPE AND PERSONS CONNECTED WITH THEM PURSUANT TO THE PROPOSED LTIP  
– ALFIAN BIN TAN SRI MOHAMED BASIR (INDEPENDENT NON-EXECUTIVE CHAIRMAN)**

By a vote of 68,545,377 shares (representing 99.6027%) voted for and 273,451 shares (representing 0.3973%) voted against the resolution, it was **RESOLVED**:-

**THAT** subject to the passing of Ordinary Resolution 2 above and the approvals of all relevant authorities and/or parties being obtained, approval be and is hereby given to the Board to authorise the LTIP Committee, at any time and from time to time throughout the duration of the Proposed LTIP, to offer and grant to the following Directors and persons connected with them, ESOS options to subscribe for new Shares under the Proposed ESOS and/or Shares to be made available under the Proposed SGP, subject to the provisions of the By-Laws:

- (i) Alfian Bin Tan Sri Mohamed Basir (Independent Non-Executive Chairman)

Provided always that:

- (i) the abovementioned persons must not participate in the deliberation and/or discussion of their own respective allocation as well as allocations to persons connected with them, if any;
- (ii) not more than 10% of the total number of new Shares to be issued under the Proposed LTIP shall be allocated to any one of the abovementioned persons who, either singly or collectively through persons connected with them, holds 20% or more of the total number of issued Shares of the Company; and

- (iii) the allocation of ESOS options and/or Shares to the abovementioned persons shall be subject always to such terms and conditions and/or any adjustments which may be made in accordance with the provisions of the By-Laws, Listing Requirements, or any prevailing guidelines issued by Bursa Securities, as amended from time to time;

**THAT** at any point in time during the duration of the Proposed LTIP, not more than 60% of the total number of ESOS Options available under the Proposed ESOS shall be allocated, in aggregate to the Directors (including executive and non-executive Directors) and senior management of Eupe Group (excluding dormant subsidiaries, if any) pursuant to the Proposed ESOS;

**AND THAT** the Board be and is hereby authorised to allot and issue and/or procure to transfer such number of Shares that may be granted to the abovementioned persons under the Proposed LTIP.

**ORDINARY RESOLUTION 4:**

**PROPOSED ALLOCATION OF AWARDS UNDER THE PROPOSED LTIP TO DIRECTORS OF EUPE AND PERSONS CONNECTED WITH THEM PURSUANT TO THE PROPOSED LTIP  
– DATO' BEH HUCK LEE (GROUP MANAGING DIRECTOR)**

By a vote of 15,101,172 shares (representing 98.2227%) voted for and 273,251 shares (representing 1.7773%) voted against the resolution, it was **RESOLVED**:-

**THAT** subject to the passing of Ordinary Resolution 2 above and the approvals of all relevant authorities and/or parties being obtained, approval be and is hereby given to the Board to authorise the LTIP Committee, at any time and from time to time throughout the duration of the Proposed LTIP, to offer and grant to the following Directors and persons connected with them, ESOS options to subscribe for new Shares under the Proposed ESOS and/or Shares to be made available under the Proposed SGP, subject to the provisions of the By-Laws:

- (ii) Dato' Beh Huck Lee (Group Managing Director)

Provided always that:

- (i) the abovementioned persons must not participate in the deliberation and/or discussion of their own respective allocation as well as allocations to persons connected with them, if any;
- (ii) not more than 10% of the total number of new Shares to be issued under the Proposed LTIP shall be allocated to any one of the abovementioned persons who, either singly or collectively through persons connected with them, holds 20% or more of the total number of issued Shares of the Company; and
- (iii) the allocation of ESOS options and/or Shares to the abovementioned persons shall be subject always to such terms and conditions and/or any adjustments which may be made in accordance with the provisions of the By-Laws, Listing Requirements, or any prevailing guidelines issued by Bursa Securities, as amended from time to time;

**THAT** at any point in time during the duration of the Proposed LTIP, not more than 60% of the total number of ESOS Options available under the Proposed ESOS shall be allocated, in aggregate to the Directors (including executive and non-executive Directors) and senior management of Eupe Group (excluding dormant subsidiaries, if any) pursuant to the Proposed ESOS;

**AND THAT** the Board be and is hereby authorised to allot and issue and/or procure to transfer such number of Shares that may be granted to the abovementioned persons under the Proposed LTIP.

**ORDINARY RESOLUTION 5:**

**PROPOSED ALLOCATION OF AWARDS UNDER THE PROPOSED LTIP TO DIRECTORS OF EUPE AND PERSONS CONNECTED WITH THEM PURSUANT TO THE PROPOSED LTIP**

**– MUHAMAD FAISAL BIN TAJUDIN (EXECUTIVE DIRECTOR)**

By a vote of 68,545,477 shares (representing 99.6028%) voted for and 273,351 shares (representing 0.3972%) voted against the resolution, it was **RESOLVED**:-

**THAT** subject to the passing of Ordinary Resolution 2 above and the approvals of all relevant authorities and/or parties being obtained, approval be and is hereby given to the Board to authorise the LTIP Committee, at any time and from time to time throughout the duration of the Proposed LTIP, to offer and grant to the following Directors and persons connected with them, ESOS options to subscribe for new Shares under the Proposed ESOS and/or Shares to be made available under the Proposed SGP, subject to the provisions of the By-Laws:

(iii) Muhamad Faisal Bin Tajudin (Executive Director)

Provided always that:

- (i) the abovementioned persons must not participate in the deliberation and/or discussion of their own respective allocation as well as allocations to persons connected with them, if any;
- (ii) not more than 10% of the total number of new Shares to be issued under the Proposed LTIP shall be allocated to any one of the abovementioned persons who, either singly or collectively through persons connected with them, holds 20% or more of the total number of issued Shares of the Company; and
- (iii) the allocation of ESOS options and/or Shares to the abovementioned persons shall be subject always to such terms and conditions and/or any adjustments which may be made in accordance with the provisions of the By-Laws, Listing Requirements, or any prevailing guidelines issued by Bursa Securities, as amended from time to time;

**THAT** at any point in time during the duration of the Proposed LTIP, not more than 60% of the total number of ESOS Options available under the Proposed ESOS shall be allocated, in aggregate to the Directors (including executive and non-executive Directors) and senior management of Eupe Group (excluding dormant subsidiaries, if any) pursuant to the Proposed ESOS;



**AND THAT** the Board be and is hereby authorised to allot and issue and/or procure to transfer such number of Shares that may be granted to the abovementioned persons under the Proposed LTIP.

**ORDINARY RESOLUTION 6:**

**PROPOSED ALLOCATION OF AWARDS UNDER THE PROPOSED LTIP TO DIRECTORS OF EUPE AND PERSONS CONNECTED WITH THEM PURSUANT TO THE PROPOSED LTIP**

**– ISKANDAR ABDULLAH @ SIM KIA MIANG (SENIOR INDEPENDENT NON-EXECUTIVE DIRECTOR)**

By a vote of 68,545,377 shares (representing 99.6027%) voted for and 273,451 shares (representing 0.3973%) voted against the resolution, it was **RESOLVED**:-

**THAT** subject to the passing of Ordinary Resolution 2 above and the approvals of all relevant authorities and/or parties being obtained, approval be and is hereby given to the Board to authorise the LTIP Committee, at any time and from time to time throughout the duration of the Proposed LTIP, to offer and grant to the following Directors and persons connected with them, ESOS options to subscribe for new Shares under the Proposed ESOS and/or Shares to be made available under the Proposed SGP, subject to the provisions of the By-Laws:

(iv) Iskandar Abdullah @ Sim Kia Miang (Senior Independent Non-Executive Director)

Provided always that:

- (i) the abovementioned persons must not participate in the deliberation and/or discussion of their own respective allocation as well as allocations to persons connected with them, if any;
- (ii) not more than 10% of the total number of new Shares to be issued under the Proposed LTIP shall be allocated to any one of the abovementioned persons who, either singly or collectively through persons connected with them, holds 20% or more of the total number of issued Shares of the Company; and
- (iii) the allocation of ESOS options and/or Shares to the abovementioned persons shall be subject always to such terms and conditions and/or any adjustments which may be made in accordance with the provisions of the By-Laws, Listing Requirements, or any prevailing guidelines issued by Bursa Securities, as amended from time to time;

**THAT** at any point in time during the duration of the Proposed LTIP, not more than 60% of the total number of ESOS Options available under the Proposed ESOS shall be allocated, in aggregate to the Directors (including executive and non-executive Directors) and senior management of Eupe Group (excluding dormant subsidiaries, if any) pursuant to the Proposed ESOS;

**AND THAT** the Board be and is hereby authorised to allot and issue and/or procure to transfer such number of Shares that may be granted to the abovementioned persons under the Proposed LTIP.

**ORDINARY RESOLUTION 7:**

**PROPOSED ALLOCATION OF AWARDS UNDER THE PROPOSED LTIP TO DIRECTORS OF EUPE AND PERSONS CONNECTED WITH THEM PURSUANT TO THE PROPOSED LTIP  
– BEH YEOW SEANG (NON-INDEPENDENT NON-EXECUTIVE DIRECTOR)**

By a vote of 15,101,172 shares (representing 98.2227%) voted for and 273,251 shares (representing 1.7773%) voted against the resolution, it was **RESOLVED**:-

**THAT** subject to the passing of Ordinary Resolution 2 above and the approvals of all relevant authorities and/or parties being obtained, approval be and is hereby given to the Board to authorise the LTIP Committee, at any time and from time to time throughout the duration of the Proposed LTIP, to offer and grant to the following Directors and persons connected with them, ESOS options to subscribe for new Shares under the Proposed ESOS and/or Shares to be made available under the Proposed SGP, subject to the provisions of the By-Laws:

(v) Beh Yeow Seang (Non-Independent Non-Executive Director)

Provided always that:

- (i) the abovementioned persons must not participate in the deliberation and/or discussion of their own respective allocation as well as allocations to persons connected with them, if any;
- (ii) not more than 10% of the total number of new Shares to be issued under the Proposed LTIP shall be allocated to any one of the abovementioned persons who, either singly or collectively through persons connected with them, holds 20% or more of the total number of issued Shares of the Company; and
- (iii) the allocation of ESOS options and/or Shares to the abovementioned persons shall be subject always to such terms and conditions and/or any adjustments which may be made in accordance with the provisions of the By-Laws, Listing Requirements, or any prevailing guidelines issued by Bursa Securities, as amended from time to time;

**THAT** at any point in time during the duration of the Proposed LTIP, not more than 60% of the total number of ESOS Options available under the Proposed ESOS shall be allocated, in aggregate to the Directors (including executive and non-executive Directors) and senior management of Eupe Group (excluding dormant subsidiaries, if any) pursuant to the Proposed ESOS;

**AND THAT** the Board be and is hereby authorised to allot and issue and/or procure to transfer such number of Shares that may be granted to the abovementioned persons under the Proposed LTIP.

**ORDINARY RESOLUTION 8:**

**PROPOSED ALLOCATION OF AWARDS UNDER THE PROPOSED LTIP TO DIRECTORS OF EUPE AND PERSONS CONNECTED WITH THEM PURSUANT TO THE PROPOSED LTIP  
– LEOW PEEN FONG (INDEPENDENT NON-EXECUTIVE DIRECTOR)**

By a vote of 68,545,477 shares (representing 99.6028%) voted for and 273,351 shares (representing 0.3972%) voted against the resolution, it was **RESOLVED**:-

**THAT** subject to the passing of Ordinary Resolution 2 above and the approvals of all relevant authorities and/or parties being obtained, approval be and is hereby given to the Board to authorise the LTIP Committee, at any time and from time to time throughout the duration of the Proposed LTIP, to offer and grant to the following Directors and persons connected with them, ESOS options to subscribe for new Shares under the Proposed ESOS and/or Shares to be made available under the Proposed SGP, subject to the provisions of the By-Laws:

(vi) Leow Peen Fong (Independent Non-Executive Director)

Provided always that:

- (i) the abovementioned persons must not participate in the deliberation and/or discussion of their own respective allocation as well as allocations to persons connected with them, if any;
- (ii) not more than 10% of the total number of new Shares to be issued under the Proposed LTIP shall be allocated to any one of the abovementioned persons who, either singly or collectively through persons connected with them, holds 20% or more of the total number of issued Shares of the Company; and
- (iii) the allocation of ESOS options and/or Shares to the abovementioned persons shall be subject always to such terms and conditions and/or any adjustments which may be made in accordance with the provisions of the By-Laws, Listing Requirements, or any prevailing guidelines issued by Bursa Securities, as amended from time to time;

**THAT** at any point in time during the duration of the Proposed LTIP, not more than 60% of the total number of ESOS Options available under the Proposed ESOS shall be allocated, in aggregate to the Directors (including executive and non-executive Directors) and senior management of Eupe Group (excluding dormant subsidiaries, if any) pursuant to the Proposed ESOS;

**AND THAT** the Board be and is hereby authorised to allot and issue and/or procure to transfer such number of Shares that may be granted to the abovementioned persons under the Proposed LTIP.

**ORDINARY RESOLUTION 9:**

**PROPOSED ALLOCATION OF AWARDS UNDER THE PROPOSED LTIP TO DIRECTORS OF EUPE AND PERSONS CONNECTED WITH THEM PURSUANT TO THE PROPOSED LTIP  
– THAM SAU KIEN (INDEPENDENT NON-EXECUTIVE DIRECTOR)**

By a vote of 66,558,177 shares (representing 99.5910%) voted for and 273,351 shares (representing 0.4090%) voted against the resolution, it was **RESOLVED**:-

**THAT** subject to the passing of Ordinary Resolution 2 above and the approvals of all relevant authorities and/or parties being obtained, approval be and is hereby given to the Board to authorise the LTIP Committee, at any time and from time to time throughout the duration of the Proposed LTIP, to offer and grant to the following Directors and persons connected with them, ESOS options to subscribe for new Shares under the Proposed ESOS and/or Shares to be made available under the Proposed SGP, subject to the provisions of the By-Laws:

(vii)Tham Sau Kien (Independent Non-Executive Director)

Provided always that:

- (i) the abovementioned persons must not participate in the deliberation and/or discussion of their own respective allocation as well as allocations to persons connected with them, if any;
- (ii) not more than 10% of the total number of new Shares to be issued under the Proposed LTIP shall be allocated to any one of the abovementioned persons who, either singly or collectively through persons connected with them, holds 20% or more of the total number of issued Shares of the Company; and
- (iii) the allocation of ESOS options and/or Shares to the abovementioned persons shall be subject always to such terms and conditions and/or any adjustments which may be made in accordance with the provisions of the By-Laws, Listing Requirements, or any prevailing guidelines issued by Bursa Securities, as amended from time to time;

**THAT** at any point in time during the duration of the Proposed LTIP, not more than 60% of the total number of ESOS Options available under the Proposed ESOS shall be allocated, in aggregate to the Directors (including executive and non-executive Directors) and senior management of Eupe Group (excluding dormant subsidiaries, if any) pursuant to the Proposed ESOS;

**AND THAT** the Board be and is hereby authorised to allot and issue and/or procure to transfer such number of Shares that may be granted to the abovementioned persons under the Proposed LTIP.

**ORDINARY RESOLUTION 10:**

**PROPOSED ALLOCATION OF AWARDS UNDER THE PROPOSED LTIP TO DIRECTORS OF EUPE AND PERSONS CONNECTED WITH THEM PURSUANT TO THE PROPOSED LTIP  
– DATIN MICHELLE GAN EILEEN (DIRECTOR OF SALES, MARKETING AND DESIGN AND SPOUSE OF DATO' BEH HUCK LEE)**

By a vote of 15,101,172 shares (representing 98.2227%) voted for and 273,251 shares (representing 1.7773%) voted against the resolution, it was **RESOLVED:-**

**THAT** subject to the passing of Ordinary Resolution 2 above and the approvals of all relevant authorities and/or parties being obtained, approval be and is hereby given to the Board to authorise the LTIP Committee, at any time and from time to time throughout the duration of the Proposed LTIP, to offer and grant to the following Directors and persons connected with them, ESOS options to subscribe for new Shares under the Proposed ESOS and/or Shares to be made available under the Proposed SGP, subject to the provisions of the By-Laws:

(viii) Datin Michelle Gan Eileen (Director of Sales, Marketing and Design and spouse of Dato' Beh Huck Lee)

Provided always that:

- (i) the abovementioned persons must not participate in the deliberation and/or discussion of their own respective allocation as well as allocations to persons connected with them, if any;
- (ii) not more than 10% of the total number of new Shares to be issued under the Proposed LTIP shall be allocated to any one of the abovementioned persons who, either singly or collectively through persons connected with them, holds 20% or more of the total number of issued Shares of the Company; and
- (iii) the allocation of ESOS options and/or Shares to the abovementioned persons shall be subject always to such terms and conditions and/or any adjustments which may be made in accordance with the provisions of the By-Laws, Listing Requirements, or any prevailing guidelines issued by Bursa Securities, as amended from time to time;

**THAT** at any point in time during the duration of the Proposed LTIP, not more than 60% of the total number of ESOS Options available under the Proposed ESOS shall be allocated, in aggregate to the Directors (including executive and non-executive Directors) and senior management of Eupe Group (excluding dormant subsidiaries, if any) pursuant to the Proposed ESOS;

**AND THAT** the Board be and is hereby authorised to allot and issue and/or procure to transfer such number of Shares that may be granted to the abovementioned persons under the Proposed LTIP.

**ORDINARY RESOLUTION 11:**

**PROPOSED ALLOCATION OF AWARDS UNDER THE PROPOSED LTIP TO DIRECTORS OF EUPE AND PERSONS CONNECTED WITH THEM PURSUANT TO THE PROPOSED LTIP**

**– SHERYL BEH WEI SHAN (SENIOR EXECUTIVE, MANAGEMENT ASSOCIATE AND CHILD OF DATO' BEH HUCK LEE AND DATIN MICHELLE GAN EILEEN)**

By a vote of 15,101,072 shares (representing 98.2220%) voted for and 273,351 shares (representing 1.7780%) voted against the resolution, it was **RESOLVED:-**

**THAT** subject to the passing of Ordinary Resolution 2 above and the approvals of all relevant authorities and/or parties being obtained, approval be and is hereby given to the Board to authorise the LTIP Committee, at any time and from time to time throughout the duration of the Proposed LTIP, to offer and grant to the following Directors and persons connected with them, ESOS options to subscribe for new Shares under the Proposed ESOS and/or Shares to be made available under the Proposed SGP, subject to the provisions of the By-Laws:

- (ix) Sheryl Beh Wei Shan (Senior Executive, Management Associate and child of Dato' Beh Huck Lee and Datin Michelle Gan Eileen)

Provided always that:

- (i) the abovementioned persons must not participate in the deliberation and/or discussion of their own respective allocation as well as allocations to persons connected with them, if any;
- (ii) not more than 10% of the total number of new Shares to be issued under the Proposed LTIP shall be allocated to any one of the abovementioned persons who, either singly or collectively through persons connected with them, holds 20% or more of the total number of issued Shares of the Company; and
- (iii) the allocation of ESOS options and/or Shares to the abovementioned persons shall be subject always to such terms and conditions and/or any adjustments which may be made in accordance with the provisions of the By-Laws, Listing Requirements, or any prevailing guidelines issued by Bursa Securities, as amended from time to time;

**THAT** at any point in time during the duration of the Proposed LTIP, not more than 60% of the total number of ESOS Options available under the Proposed ESOS shall be allocated, in aggregate to the Directors (including executive and non-executive Directors) and senior management of Eupe Group (excluding dormant subsidiaries, if any) pursuant to the Proposed ESOS;

**AND THAT** the Board be and is hereby authorised to allot and issue and/or procure to transfer such number of Shares that may be granted to the abovementioned persons under the Proposed LTIP.

**10. CLOSURE OF MEETING**

There being no further business, the meeting concluded at 11.50 a.m. with a vote of thanks to the Chair.

SIGNED AS A CORRECT RECORD

CHAIRMAN

Date: 5 February 2024



Building Lifestyles, Building Trust

# EXTRAORDINARY GENERAL MEETING (EGM)

Reply To MSWG's Queries  
Dated 13 December 2023

22 DECEMBER 2023







# PROPOSED ESTABLISHMENT OF LONG-TERM INCENTIVE PLAN (“LTIP”)

- 1) What is the maximum number of ESOS shares to be granted to every director of the Company as no such numbers are specified in the proposed resolutions?

The proposed resolutions in relation to the proposed allocation of LTIP Awards to the Directors (including executive and non-executive Directors) and persons connected with them are to seek the shareholders' approval for the specific allotment of Shares to such Directors and persons connected with them in accordance with Paragraph 6.06(1) of the Listing Requirements.

We view these resolutions as a facilitation step that will provide a framework with which Eupe can design and develop the detail around appropriate incentive arrangements for our employees going forward.

We plan to engage a Remuneration and Recruitment Consultant ("the RRC"), to benchmark the current remuneration and incentive arrangements of our employees. This will ensure that whatever the quantum, we meet best practice requirements while having sufficiently robust measures in place to incentivise and retain talents in the medium to long-term.

The RRC should be able to provide the LTIP Committee with relevant advice on the specific quantum of ESOS Options to be granted under the Proposed ESOS and to whom, as well as the quantum of Eupe Shares to be granted under the Proposed SGP and to whom. We target this work to be completed by the RRC by mid 2024.

In line with the relevant By-Laws, no more than 60% of the total ESOS Awards will be allocated to the Directors (including executive and non-executive Directors) and senior management of the Group.

- 2) The Proposed Long-Term Incentive Plan (“LTIP”), will not be subjected to any retention period unless otherwise stated in the LTIP Awards as determined by the LTIP Committee at its sole discretion (Page 11 of the Circular).

With no retention period, the Grantees can sell the ESOS shares for immediate gain, and this may depress the share price. With a retention period, Grantees will only be able to sell the ESOS shares over a period.

Why is there no retention period?

As mentioned, the LTIP Committee in making informed decisions on the specific arrangements of the new incentive structure, including retention clauses, will consider the advice and recommendations of the RRC following what will be a comprehensive benchmarking exercise.

We would highlight that regarding shares awarded under the ESOS scheme, an ESOS Grantee who is a non-executive Director of the Group will be subject to a retention period in which they must not sell, transfer or assign the Eupe Shares obtained through the exercise of ESOS Options offered to him/her within 1 year from the date of the ESOS Awards. This is based on Paragraph 8.20 of the Listing Requirements.

Regarding SGP arrangements, we do not envisage a retention period at this stage. This is because the SGP will be structured on the overall principle that shares will be only granted once clear performance hurdles set by the LTIP Committee (based on the benchmarking work of the RRC) are met by the eligible employee.

Nonetheless, for the benefit of both parties, the setting of these performance targets will ensure the interests and performance of the recipient are aligned with those of the company as closely as possible.

3) Why is there no claw-back for the Share Grant Plan (“SGP”) Award?

As stated, based on the principle outlined above no claw-back provisions for the SGP Awards are warranted given SGP Awards will only be granted based on the past performance of eligible recipients meeting agreed performance targets.

4) Please outline the Performance Targets to be imposed by the LTIP Committee on the SGP Award.

Again, based on the RRC’s benchmarking work, the LTIP Committee will determine the terms and conditions of the SGP Awards including the performance targets to be set for prior to making the SGP Awards, as well as the number of Eupe Shares to be allocated to each SGP Grantee.

- 5) In the Performance Targets and/or other conditions imposed (if any) are not fulfilled, the LTIP Committee may, in its sole and absolute discretion, determine the number of SGP Awards which will be vested (Page 41 of the Circular).

Why may the LTIP Committee grant SGP Award to Grantees if they do not fulfil the Performance Targets set for them? This is contrary to the spirit of SGP Awards as the purpose of SGP Award is to motivate executive directors and senior management for high performance.

Considering the benchmarking advice by the RRC, the performance targets set by the LTIP Committee, will be based on appropriate factors such as the individual's performance, the financial performance of Eupe Group and the achievement of specific operational and/or financial measures that contribute to the Groups' performance. They will also factor in market conditions and other relevant external factors that may enhance or impede the performance of the relevant employee.

While there are clear performance hurdles attached to the proposed share incentives approach, an 'all or nothing' approach is not necessarily an appropriate strategy to incentivise or retain key staffs. For example, a Grantee may have succeeded in achieving most of their agreed performance goals but fallen short of some or may have been impeded from reaching certain goals due to circumstances beyond the company or the employees' control. On that basis, there should be scope for discretion in awarding part of the SGP award after taking into consideration external factors or unforeseen challenges that may have impacted the SGP Grantee's performance, or if there are other valid reasons for the SGP Grantee's underperformance.

In short, it is prudent for the LTIP Committee to have discretion so it is able to take a longer-term, contextual view on incentivising and retaining a Grantee through the SGP scheme.

- 6) Notwithstanding the above, in accordance with Paragraph 8.20 of the Listing Requirements, an ESOS Grantee who is a non-executive Director, must not sell, transfer, or assign the Shares obtained through the exercise of the ESOS Options offered to him/her within one (1) year from the date of the ESOS Award. (Page 43 of the Circular)

Is there any retention period for the executive directors? If yes, what is the period? If no, why?

Regarding the retention period for executive directors, we will await advice from the RRC on this and other specific matters related to the structure of ESOS/SGP arrangements. As per the answer to Question #2, there will not be retention period to SGP, but ESOS will be subject to the retention period of 1 year as per Paragraph 8.20.

- 7) The LTIP Committee may, at its sole discretion, consider the settlement of such LTIP Awards in cash in lieu of Eupe Shares (“Alternative Settlement”). The Alternative Settlement will give the Company the flexibility to satisfy the LTIP Awards in an expedient, fair and equitable manner. (Page 7 of the Circular)

The payment of cash in lieu of Eupe Shares is uncommon as most companies will reward shares rather than cash as the intention is to enable LTIP Grantees to hold the shares for long term.

This particular proposal is designed with the interests of Eupe lower level employees in mind. These employees may only be allocated access to a relatively small number of shares under the ESOS scheme. Accessing these shares, including setting up a share account, or providing funds to secure their rights to these shares may be prohibitive for some employees who are on low incomes and/or are not familiar with share accounts or transactions.

As a result, we believe it is important that the LTIP Committee has the discretion to decide if it is better and fairer to reward and incentive employees in this category through the payment of a cash equivalent of their share entitlement. In this way, we believe all employees have the potential to benefit from the ESOS arrangement in an expedient and equitable manner.



**THANK YOU**