

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in any doubt as to the course of action you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other professional adviser immediately.

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EONMETALL GROUP BERHAD

Registration No. 200301029197 (631617-D)

(Incorporated in Malaysia)

CIRCULAR/STATEMENT TO SHAREHOLDERS IN RELATION TO

PART A

PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR EXISTING RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE

AND

PART B

PROPOSED RENEWAL OF AUTHORITY FOR THE COMPANY TO BUY-BACK ITS OWN SHARES

The resolutions in respect of the above proposals will be tabled as Special Businesses at the Twenty-First ("21st") Annual General Meeting ("AGM") of Eonmetall Group Berhad ("the Company"). The notice of the 21st AGM of the Company together with the Form of Proxy are set out in the Annual Report 2023. The 21st AGM will be conducted fully virtual through live streaming and Remote Participation and Electronic Voting ("RPEV") facilities through meeting platform at <https://meeting.boardroomlimited.my> on Friday, 31 May 2024 at 2.30 pm or at any adjournment thereof.

If you are unable to attend and vote in person at the 21st AGM, you are entitled to appoint a proxy by completing the Form of Proxy for the 21st AGM and deposit it by post or electronic means to the Registered Office of the Company at 170-09-01, Livingston Tower, Jalan Argyll, 10050 George Town, Pulau Pinang, Malaysia not less than forty-eight (48) hours before the time appointed for holding the 21st AGM or at any adjournment thereof. Alternatively, you may submit the Form of Proxy electronically through the Boardroom Smart Investor Portal ("BSIP") at <https://investor.boardroomlimited.com>.

The lodging of the Form of Proxy will not preclude you from attending and voting at the meeting if you subsequently wish to do so.

Date and time of the 21st AGM : Friday, 31 May 2024 at 2.30 pm

Last date and time for lodging of the Form of Proxy : Wednesday, 29 May 2024 at 2.30 pm (Prior to 2.30 pm)

This Circular and Statement are dated 30 April 2024

DEFINITIONS

Except where the context otherwise requires, the following definitions shall apply throughout this Circular:

Act	:	Companies Act 2016, as amended from time to time and any re-enactment thereof
AGM	:	Annual General Meeting
Bursa Securities	:	Bursa Malaysia Securities Berhad
Board	:	The Board of Directors of Eonmetall
Code	:	Malaysian Code on Take-Overs and Mergers 2016 including any amendments that may be made from time to time
Director(s)	:	Shall have the meaning given in Section 2 of the Capital Markets and Services Act 2007 and includes any person who is or was within the preceding 6 months of the date on which the terms of the transaction were agreed upon, a Director or a chief executive of our Group
Eonmetall or the Company	:	Eonmetall Group Berhad
Eonmetall Group or Group	:	Eonmetall and its subsidiaries
EPS	:	Earnings per Share
Listing Requirements	:	Main Market Listing Requirements of Bursa Malaysia, as amended from time to time and any re-enactment thereof
LPD	:	1 April 2024, being the latest practicable date prior to the printing of this Circular
Major Shareholder(s)	:	<p>A person who has an interest or interests in one or more voting shares in the Company and the number or aggregate number of those shares, is:</p> <p>(a) 10% or more of the total number of voting shares in the Company; or</p> <p>(b) 5% or more of the total number of voting shares in the Company where such person is the largest shareholder of the Company</p> <p>For the purpose of this definition, “interest” shall have meaning of “interest in shares” given in Section 8 of the Act. A major shareholder includes any person who is or was within the preceding six (6) months of the date on which the terms of the transaction were agreed upon</p>
NA	:	Net assets
Person(s) Connected	:	Shall have the same meaning given in Paragraph 1.01 of the Listing Requirements

Proposed Renewal of Share Buy-Back	:	Proposed renewal of authority to buy-back its own shares by the Company of up to maximum of ten per centum (10%) of total number issued shares of the Company
Proposed Shareholders' Mandate	:	Proposed renewal of shareholders' mandate for existing Recurrent Related Party Transactions of a revenue or trading nature to be entered into by the Group from the date of the upcoming 21 st AGM to the 22 nd AGM
Purchased Shares	:	Shares that have been purchased by the Company pursuant to the Proposed Renewal of Share Buy-Back
Recurrent Related Party Transaction(s) or RRPT	:	Related Party Transaction(s) involving recurrent transactions of a revenue or trading nature that are necessary for the day-to-day operations and are in the ordinary course of business of the Group
Related Party(ies)	:	Director(s), Major Shareholder(s) or Person(s) Connected with such Director or Major Shareholder
RM and sen	:	Ringgit Malaysia and sen, respectively, the lawful currency of Malaysia
SC	:	Securities Commission
Shares	:	Ordinary shares
Substantial Shareholder	:	Shall have the meaning given in Section 136 of the Act
Treasury Shares	:	Purchased Shares which are or will be retained in treasury by the Company and shall have the meaning given under Section 127 of the Act

All references to “we”, “us”, “our” and “ourselves” are to our Company, or where the context requires, are to our Group. All references to “you” in this Circular are references to the shareholders of our Company.

Words incorporating the singular shall, where applicable, include the plural and vice versa and words incorporating the masculine gender shall, where applicable, include the feminine and neuter genders and vice versa.

Reference to persons shall include a corporation, unless otherwise specified. Any reference in this Circular to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any reference to a time of day in this Circular shall be a reference to Malaysian time, unless otherwise specified.

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PART A

**PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR EXISTING RECURRENT
RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE**



EONMETALL GROUP BERHAD
Registration No. 200301029197 (631617-D)
(Incorporated in Malaysia)

Registered Office: -
170-09-01, Livingston Tower, Jalan Argyll
10050 George Town, Pulau Pinang

30 April 2024

Board of Directors:

Tan Sri Dato' Mohd Desa Bin Pachi (Independent Non-Executive Chairman)
Yeoh Cheng Chye (Managing Director/Chief Executive Officer)
Dato' Goh Cheng Huat (Executive Director)
Goh Hong Kent (Executive Director/Chief Operating Officer)
Chan Theng Sung (Independent Non-Executive Director)
Datuk Yogeesvaran A/L Kumaraguru (Independent Non-Executive Director)
Dato' Mohammad Radhi Bin Abdul Razak (Independent Non-Executive Director)
Dato' Wahab Bin Hamid (Non-Independent Non-Executive Director)
Tang Yin Kham (Non-Independent Non-Executive Director)
Goh Kee Seng (Non-Independent Non-Executive Director)

To: The Shareholders of Eonmetall

Dear Sir/Madam

PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR EXISTING RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE

1. INTRODUCTION

At the Company's Twentieth AGM held on 31 May 2023, shareholders had approved a general mandate for the Company/or its subsidiaries to enter into RRPT of a revenue or trading nature which are necessary for Eonmetall Group's day to day operations and are in the ordinary course of business and on terms not more favourable to the Related Parties than those generally available to the public. The said general mandate for RRPT shall, in accordance with Listing Requirements, lapse at the conclusion of the forthcoming AGM unless authority for its renewal is renewed.

On 15 April 2024, the Company made announcement to Bursa Securities that the Company proposed to seek its shareholders' approval for the Proposed Shareholders' Mandate for the Eonmetall Group under Paragraph 10.09 of the Listing Requirements at the forthcoming AGM to be convened.

The transactions concluded for the last financial year ended 31 December 2023 are incorporated in the Annual Report 2023.

The Proposed Shareholders' Mandate, if approved by the Eonmetall shareholders at the forthcoming AGM, will take effect from the date of the passing of the proposed ordinary resolutions at the forthcoming AGM and shall continue to be in force until: -

- (i) the conclusion of the next AGM of the Company following the forthcoming AGM at which the Proposed Shareholders' Mandate is passed, at which time it will lapse, unless the authority is renewed by a resolution passed at the next AGM; or

- (ii) the expiration of the period within which the next AGM after that date is required to be held pursuant to Section 340(2) of the Act (but must not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or
- (iii) revoked or varied by resolutions passed by the shareholders of the Company in a general meeting;

whichever is the earlier.

Thereafter, the approval from shareholders will be sought for a renewal of the Proposed Shareholders' Mandate for RRPT at each subsequent AGM of the Company.

The purpose of this Circular is to provide shareholders with the relevant information on the Proposed New Shareholders' Mandate and to seek the shareholders' approval for the ordinary resolution to be tabled at the forthcoming AGM, which will be conducted on a fully virtual basis through live streaming and entirely via RPEV facilities through meeting platform at <https://meeting.boardroomlimited.my> on Friday, 31 May 2024 at 2.30 pm or at any adjournment thereof.

YOU ARE ADVISED TO READ AND CONSIDER THE CONTENTS OF THIS CIRCULAR INCLUDING THE APPENDIX CAREFULLY BEFORE VOTING ON THE RESOLUTION PERTAINING TO THE PROPOSED SHAREHOLDERS MANDATE TO BE TABLED AT THE FORTHCOMING AGM

2. DETAILS OF THE PROPOSED SHAREHOLDERS' MANDATE

2.1 Provisions under the Listing Requirements

Paragraph 10.09(2) of the Listing Requirements provides that a listed issuer may seek a shareholders' mandate in respect of recurrent transactions with related parties which are of a revenue or trading nature and are necessary for its day-to-day operations subject to the following:-

- (i) the transactions are in the ordinary course of business and are on terms not more favourable to the related party than those generally available to the public;
- (ii) the shareholders' mandate is subject to annual renewal and disclosure is made in the annual report of the aggregate value of transactions conducted pursuant to the shareholders' mandate during the financial year where in relation to a listed issuer with a share capital of RM60 million and above:-
 - (a) the consideration, value of the assets, capital outlay or costs of the RRPT is RM1 million or more; or
 - (b) the percentage ratio of such RRPT is 1% or more,

whichever is the higher;

- (iii) the issuance of circular to shareholders for shareholders' mandate shall include information as may be prescribed by the Bursa Securities;
- (iv) in a meeting to obtain the shareholders' mandate, the interested director, interested major shareholder or interested person connected with a director or major shareholder; and where it involves the interest of a person connected with a director or major shareholder, such director or major shareholder, must not vote on the resolution approving the transactions. An interested director or interested major shareholder must ensure that persons connected with him abstain from voting on the resolution approving the transactions; and
- (v) the listed issuer immediately announces to Bursa Securities when the actual value of a RRPT entered into by the listed issuer, exceeds the estimated value of the RRPT disclosed in the circular by 10% or more and must include the information as may be prescribed by Bursa Securities in its announcement.

2.2 Background information

Eonmetall is an investment holding whilst the principal activities of its subsidiaries are more particularly set out under Note 8 to the Audited Financial Statements for the year ended 31 December 2023 enclosed in the Annual Report 2023.

The subsidiaries of Eonmetall which are involved in the RRPT are as set out in the table below:-

Name of companies	Interest held (%)	Principal activities
Eonmetall Industries Sdn. Bhd. ("EMI")	100	Manufacture and distribution of steel products, focusing on cold rolled coils, galvanised coils and flat steel products
Eonmetall Systems Sdn. Bhd. ("EMS")	100	Manufacture of steel products, focusing on steel storage systems
Eonmetall Technology Sdn. Bhd. ("EMT")	100	Manufacture of metalwork and industrial process machinery and equipment
Eonsteel Sdn. Bhd. ("ESL")	100	Property holding, manufacture and trading of steel products

2.3 The principal activities of the other related transacting parties

The principal activities of the other related transacting parties which are not part of Eonmetall Group that are involved in the RRPT with the Eonmetall Group are set out below:-

Related transacting parties	Principal activities
Leader Steel Sdn. Bhd. ("LSSB")	Manufacturing, processing and trading of steel and metal products and minerals
Leader Steel Service Centre Sdn. Bhd. ("LSSC")	Manufacturing, trading of steel products and providing transportation services
Genrizt Storage System ("Genrizt")	Trading of storage systems and hardware
Eonlipids Sdn. Bhd. ("Eonlipids")	Manufacturing and trading of edible fat products involving in non-dairy creamer, sweeteners, bakery mix for food and beverage
Eonlipids Nutrition Specialties Sdn. Bhd. ("ENS")	Manufacturing of all kinds of edible oil, fat products, foodstuffs and beverages.
EMT Systems Sdn. Bhd. ("EMTS")	Provision of end-to-end racking systems, logistics storage and retail display solutions, offering of consultancy services, warehouse system design, supply of metal shelving solutions, and installation works to both local and international clients

2.4 Nature of RRPT and Class of Related Parties

The details of the nature and estimated annual value of the RRPT in respect of which the Company is seeking renewal of mandate from its shareholders as contemplated under the Proposed Shareholders' Mandate are as follows:

Proposed Renewal of Shareholders' Mandate for Existing RRPT

Provider of goods and services	Recipient of goods and services	Nature of Transaction	Estimated aggregate value as disclosed in the Circular to Shareholders dated 28 April 2023 (RM)	Actual value transacted ¹ (RM)	Estimated aggregate value of the transactions during the validity of the Proposed Shareholders' Mandate to the next AGM ² (RM)	Related Parties ³
EMI	Genrizt	Sales of steel products	1,500,000	236,082	1,500,000	<p>Dato' Goh Cheng Huat ("Dato' Goh") is a major shareholder of Eonmetall Corporation Sdn. Bhd. ("ECSB").</p> <p>Datin Tan Pak Say ("Datin Tan") is the spouse of Dato' Goh and the sister of Tan Phaik Hoon ("TPH"). She is also a major shareholder of ECSB by virtue of her indirect interest through ECSB and her spouse.</p> <p>Goh Hong Kent ("GHK") is a director of EMI. He is a person connected to Dato' Goh and Datin Tan.</p> <p>Tan Kheng Hwa ("TKH") is the spouse of TPH.</p> <p>Genrizt is a partnership owned by TKH and TPH.</p>

¹ The actual value transacted of RRPT from the date on which the existing mandate was obtained up to LPD before the printing of this Circular.

² From the date of forthcoming AGM up to date of the next AGM. The estimated value for mandate is based on management forecast of transaction value that have been undertaken and anticipated. The estimated value is subject to changes.

³ The direct and indirect shareholdings of these interested related parties (if any) are set out in Section 7 below. Accordingly, these interested related parties will abstain from voting in respect of their direct or indirect shareholdings in Eonmetall at the forthcoming AGM on the Proposal Shareholders' Mandate.

2.4 Nature of RRPT and Class of Related Parties

The details of the nature and estimated annual value of the RRPT in respect of which the Company is seeking renewal of mandate from its shareholders as contemplated under the Proposed Shareholders' Mandate are as follows:

Proposed Renewal of Shareholders' Mandate for Existing RRPT (Cont'd)

Provider of goods and services	Recipient of goods and services	Nature of Transaction	Estimated aggregate value as disclosed in the Circular to Shareholders dated 28 April 2023 (RM)	Actual value transacted ¹ (RM)	Estimated aggregate value of the transactions during the validity of the Proposed Shareholders' Mandate to the next AGM (RM)	Related Parties
EMI & EMT	Eonlipids	Sales of steel products, sales and maintenance of machinery, and project works ⁴	5,000,000	-	5,000,000	Dato' Goh is a director of Eonlipids and ENS.
	ENS		5,000,000	-	5,000,000	Dato' Goh and Datin Tan are major shareholders of Eonlipids and ENS by virtue of their indirect interest through ECSB. GHK is a director of EMI and EMT. He is a person connected to Dato' Goh and Datin Tan. Goh Kee Seng is a director of EMT, Eonlipids and ENS. He is a person connected to Dato' Goh and Datin Tan. He is also major shareholders of Eonlipids and ENS. Eonlipids and ENS are subsidiaries of ECSB.

⁴ Project delay pending finalisation of negotiations on the project specification as well as terms and conditions of award.

2.4 Nature of RRPT and Class of Related Parties

The details of the nature and estimated annual value of the RRPT in respect of which the Company is seeking renewal of mandate from its shareholders as contemplated under the Proposed Shareholders' Mandate are as follows:

Proposed Renewal of Shareholders' Mandate for Existing RRPT (Cont'd)

Provider of goods and services	Recipient of goods and services	Nature of Transaction	Estimated aggregate value as disclosed in the Circular to Shareholders dated 28 April 2023 (RM)	Actual value transacted ¹ (RM)	Estimated aggregate value of the transactions during the validity of the Proposed Shareholders' Mandate to the next AGM ² (RM)	Related Parties ³
EMI	LSSB ⁵ & LSSC ⁵	Sales and servicing of steel products	30,000,000	1,500	30,000,000	<p>Tan Sri Dato' Mohd Desa Bin Pachi is a director of EMT and Leader Steel Holdings Berhad ("LSH").</p> <p>Dato' Goh is a director of LSH, LSSB and LSSC. He is also a major shareholder of LSH by virtue of his interest and indirect interest through Bischart Sdn. Bhd. ("Bischart") and Datin Tan.</p> <p>Datin Tan is a director of LSH, LSSB and LSSC. She is also a major shareholder of LSH by virtue of her interest and indirect interest through Bischart and Dato' Goh.</p> <p>GHK is a director of EMI, EMS, EMT, ESL and LSSC. He is a person connected to Dato' Goh and Datin Tan. He also has interest in LSH.</p> <p>ECSB is a major shareholder of Eonmetall.</p>
LSSC ⁵	EMI	Purchase and servicing of steel products		1,917,578		
	EMS			-		
	ESL			-		
EMT	LSSB ⁵	Sales and maintenance of machinery	8,000,000	42,929	8,000,000	
LSSB ⁵ & LSSC ⁵	EMT	Purchase and maintenance of machinery		19,360		

⁵ Subsidiary of LSH

2.4 Nature of RRPT and Class of Related Parties

The details of the nature and estimated annual value of the RRPT in respect of which the Company is seeking renewal of mandate from its shareholders as contemplated under the Proposed Shareholders' Mandate are as follows:

Proposed Renewal of Shareholders' Mandate for Existing RRPT (Cont'd)

Provider of goods and services	Recipient of goods and services	Nature of Transaction	Estimated aggregate value as disclosed in the Circular to Shareholders dated 28 April 2023 (RM)	Actual value transacted ¹ (RM)	Estimated aggregate value of the transactions during the validity of the Proposed Shareholders' Mandate to the next AGM ² (RM)	Related Parties ⁽³⁾
EMT	LSSC ⁵	Sales and maintenance of machinery	8,000,000	500,000	8,000,000	Tan Sri Dato' Mohd Desa Bin Pachi is a director of EMT and LSH.
LSSB ⁵	EMI	Purchase and servicing of steel products	30,000,000	-	30,000,000	Dato' Goh is a director of LSH, LSSB and LSSC. He is also a major shareholder of LSH by virtue of his interest and indirect interest through Bischart and Datin Tan.
	EMS			-		
	ESL			-		
EMS & ESL	LSSB ⁵ LSSC ⁵	Sales and servicing of steel products		-		Datin Tan is a director of LSH, LSSB and LSSC. She is also a major shareholder of LSH by virtue of her interest and indirect interest through Bischart and Dato' Goh.
						GHK is a director of EMI, EMS, ESL and LSSC. He is a person connected to Dato' Goh and Datin Tan. He also has interest in LSH.
						ECSB is a major shareholder of Eonmetall.

2.4 Nature of RRPT and Class of Related Parties

The details of the nature and estimated annual value of the RRPT in respect of which the Company is seeking renewal of mandate from its shareholders as contemplated under the Proposed Shareholders' Mandate are as follows:

Proposed Renewal of Shareholders' Mandate for Existing RRPT (Cont'd)

Provider of goods and services	Recipient of goods and services	Nature of Transaction	Estimated aggregate value as disclosed in the Circular to Shareholders dated 28 April 2023 (RM)	Actual value transacted ¹ (RM)	Estimated aggregate value of the transactions during the validity of the Proposed Shareholders' Mandate to the next AGM ² (RM)	Related Parties ³
LSSB ⁵	EMI & EMT	Renting of single storey factory ⁶	4,000,000	2,911,610	4,000,000	Tan Sri Dato' Mohd Desa Bin Pachi is a director of EMT and LSH. Dato' Goh is a director of LSH, LSSB and LSSC. He is also a major shareholder of LSH by virtue of his interest and indirect interest through Bischart and Datin Tan. Datin Tan is a director of LSH, LSSB and LSSC. She is also a major shareholder of LSH by virtue of her interest and indirect interest through Bischart and Dato' Goh.
LSSC ⁵	EMT	Purchase and servicing of steel products	3,000,000	18,225	3,000,000	GHK is a director of EMI and EMT. He is a person connected to Dato' Goh and Datin Tan. He also has interest in LSH. ECSB is a major shareholder of Eonmetall.
LSSB ⁵			3,000,000	-	3,000,000	

⁶ A single storey factory building located at Lot 1596, Mukim 12, Kawasan Perusahaan Valdor, 14200 Sungai Bakap, Daerah Seberang Perai Selatan, Penang measuring approximately 75,000 to 210,000 square feet in area at a monthly rental approximately RM70,000 to RM270,000.

2.4 Nature of RRPT and Class of Related Parties

The details of the nature and estimated annual value of the RRPT in respect of which the Company is seeking renewal of mandate from its shareholders as contemplated under the Proposed Shareholders' Mandate are as follows:

Proposed Renewal of Shareholders' Mandate for Existing RRPT (Cont'd)

Provider of goods and services	Recipient of goods and services	Nature of Transaction	Estimated aggregate value as disclosed in the Circular to Shareholders dated 28 April 2023 (RM)	Actual value transacted ¹ (RM)	Estimated aggregate value of the transactions during the validity of the Proposed Shareholders' Mandate to the next AGM ² (RM)	Related Parties ³
EMI	EMTS	Trading of steel products	80,000,000	22,437,656	80,000,000	<p>Dato' Goh is an Executive Director and major shareholder of Eonmetall and Malaysian Bulk Carriers Berhad ("Maybulk"). He is also a major shareholder of ECSB.</p> <p>Datin Tan is the spouse of Dato' Goh. She is also a major shareholder of ECSB by virtue of her indirect interest through ECSB and Dato' Goh.</p> <p>GHK is an Executive Director of Eonmetall. He is also a director of EMI and EMS. He is the son to Dato' Goh and Datin Tan.</p> <p>Goh Kee Seng is a Non-Independent Non-Executive Director of Eonmetall. He is the brother to Dato' Goh and brother-in-law to Datin Tan.</p> <p>Lim Junliang, Troy is a Non-Independent Non-Executive of Maybulk. He is the son-in-law to Dato' Goh.</p>
EMS	EMTS	Trading of steel products		11,422,682		
EMT	EMTS	Sales and maintenance of machinery		11,000		

2.5 Amount Due and Owing by Related Parties

As at financial year ended 31 December 2023, outstanding amount due and owing by the Related Parties under the RRPT of the Group, which exceeded the credit term are as follows:

No.	Transacting Parties	Total sum due and owing pursuant to a RRPT which exceeded the credit term as at the financial year ended 31 December 2023 by:							
		Exceeding credit term but ≤ 1 year		1 year to ≤ 3 years		3 years to ≤ 5 years		> 5 years	
		Principal (RM)	Interest (RM)	Principal (RM)	Interest (RM)	Principal (RM)	Interest (RM)	Principal (RM)	Interest (RM)
1	Genrizt	81,681	-	-	-	-	-	-	-
2	LSSC	608,826	-	-	-	-	-	-	-
3	LSSB	33,846	-	-	-	-	-	-	-

Notes:

1. There are no late payment charges imposed on the outstanding amounts as these are trade in nature.
2. The Group continuously follow-up with the debtor for timely settlement of outstanding amounts.
3. The Board is of the opinion that there is no recoverability issue as the debtor is a related party with a long standing relationship with the Group.
4. Out of the total outstanding amount due and owing by Related Parties a sum of RM181,633 have been settled as at LPD.

2.6 Guidelines and Review Procedures

The Group had established the guidelines and procedures to ensure that the RRPT contemplated under the Proposed Shareholders' Mandate are undertaken on transaction prices and terms which are not more favourable to the Related Parties than those generally available to the public and are not to the detriment of our minority shareholders:-

(i) Methods for Determination of Transaction Price

- (a) The transaction prices and the terms and conditions are determined by current market forces under similar commercial terms and normal trade practices for transactions with third parties.
- (b) The Group shall ensure that at least 2 other contemporaneous transactions with unrelated third parties for similar products/services and/or quantities will be used as comparison, whenever possible, to determine whether the price and terms offered to/by the related parties are fair and reasonable and comparable to those offered to/by other unrelated third parties for the same or substantially similar type of products/services and/or quantities.
- (c) In the event that quotation or comparative pricing from unrelated third parties cannot be obtained, the Group's pricing for the products/services to be supplied/provided and/or purchased/received will be determined in accordance with the Group's usual business practices and policies, which are on terms not more favourable to the related parties than those extended to third parties/public and not to the detriment of minority shareholders of the Company.
- (d) The rental rates for the properties were determined based on the valuation report from professional valuer and/or conducting an internal market survey and comparison with the rental rate at the adjacent properties.

(ii) Thresholds for Approval of RRPT

There are no specific thresholds for the approval of RRPT within the Group. All the RRPT will be reviewed by the Audit Committee and approved by the Board of Directors (excluding the interested Directors).

(iii) Monitoring of RRPT

- (a) An updated list of related parties shall be circulated within the Group from time to time for reference and at the same time, the related party will be notified to ensure that all RRPT are undertaken in accordance with the policies.
- (b) All operating divisions and subsidiary companies shall review the existing information systems to ensure that information on Related Party Transactions are captured at source.
- (c) Records will be maintained by the Company for Audit Committee's review in order to capture all RRPT which are entered into pursuant to the shareholders' mandate.
- (d) The Audit Committee shall review the internal audit reports as and when required to ascertain that the guidelines and procedures established to monitor RRPT have been complied with.
- (e) The Board and the Audit Committee shall have overall responsibility for the determination of the review procedures with authority to sub-delegate to individuals or committees within the Company as they deem appropriate. If a member of the Board or Audit Committee has an interest, as the case may be, he will abstain from any decision making by the Board and the Audit Committee respectively in respect of the said transaction.
- (f) Additional quotations, if relevant, from third parties will be obtained and will be evaluated based on ranking on the price, delivery, services and other terms and conditions before entering into such transactions.

If it is determined that the guidelines and/or procedures stated in Section 2.6(i) of Part A in this Circular are inadequate and to ensure that:-

- (i) the RRPT will be conducted at arm's length and on normal commercial terms which are not more favourable to the Related Parties than those generally available to the public; and
- (ii) such transactions are not to the detriment of the minority shareholders of the Company or prejudicial to the interests of the shareholders.

The Company will obtain a fresh shareholders' mandate based on new guidelines and procedures. The Audit Committee shall also have the discretion to request for limits to be imposed or for additional procedures to be followed if it considers such a request to be appropriate. In that event, such limits or procedures may be implemented without the approval of shareholders, provided that they are more stringent than the existing limits or procedures.

Pursuant to Paragraph 10.09 of the Listing Requirements, in a meeting to obtain the Proposed Shareholders' Mandate, the interested Director, interested Major Shareholder or interested persons connected with a Director and/or Major Shareholder; and where it involves the interest of an interested person connected with a director or major shareholder, such director or major shareholder, must not vote on the resolution approving the transactions.

2.7 Deviation from mandate

The actual value of RRPT did not exceed 10% of the estimated values as approved under the previous shareholders' mandate granted to the Company at the AGM held on 31 May 2023.

3. STATEMENT BY AUDIT COMMITTEE

The Audit Committee of the Company has seen and reviewed the procedure mentioned in Section 2.6 above and is of the view that:-

- (i) The procedures and processes are sufficient to ensure that the RRPT are carried out on terms that are not more favourable to the related parties than those generally available to the public and are not detrimental to the minority shareholders; and
- (ii) The Group has in place adequate procedures and processes to monitor, track and identify RRPT in a timely and orderly manner, and such procedures and processes are reviewed on a yearly basis or whenever the need arises.

4. RATIONALE FOR AND BENEFITS OF THE PROPOSED SHAREHOLDERS' MANDATE

4.1 Rationale for the Proposed Shareholders' Mandate

The rationale for the Proposed Shareholders' Mandate is to enable Eonmetall Group to obtain general mandate from its shareholders for the RRPT. On the whole, the RRPT are considered by the Board to be beneficial to the Eonmetall Group as they constitute recurrent transactions of a revenue or trading nature which are necessary for the day-to-day operations of Eonmetall Group, and which contribute to the generation of their turnover.

It is envisaged that in the normal course of business of Eonmetall Group, transactions in respect of goods or services with the Related Parties will occur with some degree of frequency from time to time and may arise at any time.

Some of these RRPT may be time-sensitive and it may be impractical to seek shareholders' approval on a case to case basis before entering into such RRPT.

The obtaining of the shareholders' mandate and the renewal thereof on an annual basis would eliminate the necessity to convene separate general meetings from time to time to seek shareholders' approval as and when such RRPT arise, thereby reducing administrative time and cost associated with the corporate objectives or adversely affecting the business opportunities available to Eonmetall Group.

4.2 Benefits of the Proposed Shareholders' Mandate

Some of the benefits to be derived from the Proposed Shareholders' Mandate of these RRPT are:-

- (i) flexibility and choice of parties to enter into such transactions, whether with Related Parties or Non-Related Parties;
- (ii) facilitate transactions with Related Parties which are in the ordinary course of business of Eonmetall Group undertaken at arm's length basis, normal commercial terms and on terms which are 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;
- (iii) facilitate transactions with Related Parties in an expeditious manner to meet business needs for the supply and/or provision of goods and services which are necessary for its day-to-day operations, particularly business needs which are time sensitive in nature; and
- (iv) eliminate the need to announce and convene separate general meetings to seek shareholders' mandate for each transaction and as such, substantially reduce expenses, time and other resources associated with the making of announcements and convening of general meetings on an ad hoc basis, improve administrative efficiency considerably and allow financial and manpower resources to be channeled to attain more productive objectives.

In addition to the above benefits, the Related Parties had also proven to be reliable in its delivery of services and products as well as fulfilling the quality expectations of the Eonmetall Group. Due to previous business dealings with the Related Parties, the Related Parties are familiar with the Group's operations and are able to meet the Group's business requirements even when short notice is given. This has allowed the Group to benefit from sudden business opportunities that had arisen.

5. EFFECTS OF THE PROPOSED SHAREHOLDERS' MANDATE

The Proposed Shareholders' Mandate is not expected to have any effect on the total number issued shares, the substantial shareholders' shareholdings of the Company, the NA per share and gearing of the Group for the financial year ending 31 December 2024.

6. APPROVAL REQUIRED

The Proposed Shareholders' Mandate is subject to the approval of the shareholders of Eonmetall at the forthcoming AGM.

7. DIRECTORS' AND MAJOR SHAREHOLDERS' INTEREST

The direct and indirect interest of the interested Major Shareholders and the interested Directors of Eonmetall and Persons Connected with them as at LPD are summarised below:

Interested Directors of Eonmetall	Shareholdings			
	Direct		Indirect	
	No. of shares	%	No. of shares	%
Tan Sri Dato' Mohd Desa Bin Pachi	30,000	0.01	-	-
Dato' Goh Cheng Huat (" Dato' Goh ")	36,128,918	13.04	84,049,128 ^(a)	30.34
Goh Hong Kent	-	-	-	-
Goh Kee Seng ^(b)	-	-	-	-

Notes:

- (a) Deemed interested by virtue of his interest in Eonmetall Corporation Sdn. Bhd. ("**ECSB**") pursuant to Section 8(4) of the Act.
(b) Goh Kee Seng is a Non-Independent Non-Executive Director of Eonmetall. He is the brother of Dato' Goh.

The abovenamed Interested Directors had abstained and will continue to abstain from Board deliberation and voting in respect of their direct and indirect interests in Eonmetall on the ordinary resolutions pertaining to the Proposed Shareholders' Mandate at the forthcoming AGM.

Interested Persons Connected to Interested Directors and Interested Major Shareholders of Eonmetall	Shareholdings			
	Direct		Indirect	
	No. of shares	%	No. of shares	%
Datin Tan Pak Say	-	-	120,178,046	43.39
Tan Kheng Hwa	50	0.00	-	-
Wong Yang Chong	180,000	0.06	-	-
Tan Phaik Hoon	10,000	0.00	-	-
ECSB	84,049,128	30.34	-	-

Note:

- (c) Deemed interested by virtue of her spouse's direct and indirect interest pursuant to Section 8(4) and Section 59(11)(c) of the Act.

The abovenamed Interested persons connected to Directors and/or Major Shareholders, shall abstain from voting and deliberating in respect of their direct and indirect shareholdings in the Company, if any, at the forthcoming AGM on the resolutions approving the RRPT involving their interests which are comprised in the Proposed Shareholders' Mandate.

The Directors and/or Major Shareholders have undertaken to ensure that all the Persons Connected to them will abstain from voting in respect of their direct and/or indirect interests in the Company on the ordinary resolutions pertaining to the Proposed Shareholders' Mandate at the forthcoming AGM.

Save as disclosed above, none of the other Directors or Major Shareholders of the Group and/or Persons Connected to them, have any interest, direct or indirect, in the Proposed Shareholders' Mandate.

8. DIRECTORS' RECOMMENDATION

Having considered the rationale for the Proposed Shareholders' Mandate and deliberated on the same, the Board with the exception of Tan Sri Dato' Mohd Desa Bin Pachi, Dato' Goh Cheng Huat, Goh Kee Seng and Goh Hong Kent, is of the opinion that the Proposed Shareholders' Mandate is in the best interest of the Group.

With the exception of Tan Sri Dato' Mohd Desa Bin Pachi, Dato' Goh Cheng Huat, Goh Kee Seng and Goh Hong Kent who are interested in the Proposed Shareholders' Mandate in the manner disclosed in the table in Section 2.4 of Part A in this Circular, and have therefore abstained from making any recommendation in respect of the RRPT in which they are involved, the Board recommends that you vote in favour of the Ordinary Resolution on the Proposed Shareholders' Mandate to be tabled at the forthcoming AGM.

9. AGM

The AGM, the notice of which is enclosed in the Annual Report of the Company for the financial year ended 31 December 2023, will be conducted fully virtual through live streaming and RPEV facilities via RPEV facilities through meeting platform at <https://meeting.boardroomlimited.my> on Friday, 31 May 2024 at 2.30 pm or at any adjournment thereof, for the purpose of considering and, if thought fit, passing with or without any modifications, to give effect to the Proposed Shareholders' Mandate under the Special Business in the AGM.

If you are unable to attend the AGM in person, you are requested to complete the enclosed Form of Proxy in accordance with the instructions contained therein and forward it to the Registered Office of the Company at 170-09-01, Livingston Tower, Jalan Argyll, 10050 George Town, Pulau Pinang, Malaysia so as to arrive not less than forty-eight (48) hours before the time set for the holding of the AGM. The lodging of the Form of Proxy will not preclude you from attending and voting in person at the AGM should you subsequently wish to do so.

10. FURTHER INFORMATION

Shareholders of Eonmetall are requested to refer to the attached Appendix I contained in this Circular for further information.

Yours faithfully
for and on behalf of the Board of
Eonmetall Group Berhad

Chan Theng Sung
Independent Non-Executive Director & Chairman of the Audit Committee

PART B

**STATEMENT OF PROPOSED RENEWAL OF AUTHORITY FOR THE COMPANY
TO BUY-BACK ITS OWN SHARES**



EONMETALL GROUP BERHAD
Registration No. 200301029197 (631617-D)
(Incorporated in Malaysia)

STATEMENT OF PROPOSED RENEWAL OF AUTHORITY FOR THE COMPANY TO BUY-BACK ITS OWN SHARES

1. INTRODUCTION

At the Company's Twentieth AGM held on 30 May 2023, the Board had obtained shareholders' approval to undertake the share buy-back of up to ten per centum (10%) of the total number of issued shares of the Company. This authority will, in accordance with Chapter 12 of the Listing Requirements, lapse at the conclusion of forthcoming AGM unless a renewal of authority of share buy-back is obtained from the shareholders of the Company at the forthcoming AGM.

On 15 April 2024, the Company made announcement to Bursa Securities that the Company proposes to seek its shareholders' approval for the Proposed Renewal of Authority for the Company to Buy-Back its Own Shares at the forthcoming AGM, to be held on 31 May 2024.

The purpose of this Statement is to provide you with the details of the Proposed Renewal of Share Buy-Back and to seek your approval for the ordinary resolution to be tabled at the forthcoming AGM.

YOU ARE ADVISED TO READ AND CONSIDER THE CONTENTS OF THIS STATEMENT INCLUDING THE APPENDIX CAREFULLY BEFORE VOTING ON THE RESOLUTION PERTAINING TO THE PROPOSED SHARE BUY-BACK TO BE TABLED AT THE FORTHCOMING AGM

2. DETAILS OF THE PROPOSED RENEWAL OF SHARE BUY-BACK

2.1 Proposed Renewal of Share Buy-back

The Company proposes to seek the authority from shareholders of Eonmetall to renew the authority to enable the Company to purchase and/or hold from time to time and at any time up to ten per centum (10%) of the total number of issued shares of the Company as at the point of purchase. In accordance with Section 127 of the Act, and any prevailing laws, rules, regulations, orders, guidelines and requirements issued by the relevant authorities at the time of the purchase, the Company is allowed to purchase its own Shares on the Bursa Securities through its appointed stockbroker(s) as approved by Bursa Securities.

As at LPD, the Company has bought back 3,096,600 shares from the open market.

As at LPD, the total number of issued shares of Eonmetall before adjusting for Treasury Shares is 280,084,392 shares ("**Eonmetall Shares**"). A total of up to 28,008,439 Eonmetall Shares may be purchased by the Company. As such, the balance that can be purchased as at to-date is 24,911,839 shares. None of the Eonmetall Shares bought back have been cancelled.

The Proposed Renewal of Share Buy-Back, if approved, will be effective upon the passing of the ordinary resolution at the forthcoming AGM and shall continue to be in force until:

- (i) the conclusion of the next AGM of the Company following the general meeting at which such resolution was passed at which time the authority will lapse unless by ordinary resolution passed at that meeting, the authority is renewed, either unconditionally or subject to conditions; or
 - (ii) the expiration of the period within which the next AGM is required by law to be held; or
 - (iii) revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting,
- whichever occurs first.

2.2 Purchase, Resale or Transfer Price

Pursuant to the Listing Requirements, the Company may only purchase its own Shares on the Bursa Securities at a price not more than fifteen per centum (15%) above the weighted average market price for the Shares for the five (5) market days immediately before the purchase.

The Company may only resell the Treasury Shares on the Bursa Securities or transfer treasury shares pursuant to section 127(7) of the Act at -

- (a) a price which is not less than the weighted average market price for the Shares for the past five (5) market days immediately before the resale; or
- (b) a discounted price of not more than five per centum (5%) to the weighted average market price of the Shares for the five (5) market days immediately before the resale or transfer provided that:
 - (i) the resale or transfer takes place no earlier than thirty (30) days from the date of purchase; and
 - (ii) the resale or transfer price is not less than the cost of purchase of the Shares being resold or transferred.

2.3 Treatment of Shares Purchased

Pursuant to the provisions of Section 127 of the Act, the Company may either retain the Purchased Shares as Treasury Shares or cancel the Purchased Shares or a combination of both. The Purchased Shares held as Treasury Shares may either be distributed as share dividends, resold on Bursa Securities in accordance with the relevant rules of Bursa Securities, subsequently cancelled or any combination of the three (3). The distribution of Treasury Shares as share dividends may be applied as a reduction of the retained profits or share premium account of the Company subject to any prevailing laws, rules, regulations, orders, guidelines and requirements issued by the relevant authorities at the time of the purchase.

To date, the Company has yet to determine the manner of which the Purchased Shares are to be treated. However, the Board will deal with the Purchased Shares in accordance with Section 127 of the Act and will make an immediate announcement to Bursa Securities regarding the treatment of the Purchased Shares, whether the Shares purchased will be cancelled, retained as Treasury Shares, distributed as dividend to the shareholders and/or resold on Bursa Securities, or a combination of above, once determined.

2.4 Ranking

While the Purchased Shares are held as Treasury Shares, Section 127(9) of the Act states that the rights attached to them as to voting, dividends and participation in other distribution and otherwise are suspended. The Treasury Shares shall not be taken into account in calculating the number or percentage of Eonmetall Shares or of a class of Eonmetall Shares for any purposes including substantial shareholding, takeovers, notices, the requisitioning of meetings, the quorum for a meeting and the result of a vote on a resolution at a meeting.

3. SOURCE OF FUND

The Proposed Renewal of Share Buy-Back will be financed through internally generated funds and/or bank borrowings. The maximum amount of funds to be utilised by the Company for the Proposed Renewal of Share Buy-Back shall not exceed the retained profits of the Company.

The retained profit of the Company, based on the latest audited financial statements of the Company as at 31 December 2023 is RM131,479,221.

In the event that the Company intends to purchase its own shares using bank borrowings, the Board shall ensure that the Company shall have sufficient funds to repay the external borrowings and that the repayment would not have any material effect on the cash flow of the Group.

4. RATIONALE FOR THE PROPOSED RENEWAL OF SHARE BUY-BACK

Proposed Renewal of Share Buy-Back will give the Directors the flexibility to purchase Shares, if and when circumstances permit, with a view to enhance the EPS of the Group and NA per share of the Company.

The Proposed Renewal of Share Buy-Back is not expected to have any potential material disadvantage to the Company and the shareholders and it will be exercised only after due consideration of financial resources of Eonmetall Group and of the resultant impact on its Shareholders. The Board in exercising any decision to buy-back any Eonmetall Shares will be mindful of the interests of the Company and the Shareholders.

5. POTENTIAL ADVANTAGES AND DISADVANTAGES OF THE PROPOSED RENEWAL OF SHARE BUY-BACK

The Proposed Renewal of Share Buy-Back, if exercised, is expected to potentially benefit the Company and its shareholders as follows:

5.1 Potential Advantages

- (i) The Company would expect to enhance the EPS of the Group (in the case where the Directors resolve to cancel the Shares so purchased and/or retain the Shares in treasury and the Treasury Shares are not subsequently resold), and thereby long-term and genuine investors are expected to enjoy a corresponding increase in the value of their investments in the Company;
- (ii) If the Shares bought back are kept as Treasury Shares, it will give the Directors an option to sell the Shares so purchased at a higher price and therefore make an exceptional gain for the Company. Alternatively, the Shares so purchased can be distributed as share dividends to reward shareholders;
- (iii) The Company may be able to stabilise the supply and demand of its Shares in the open market and thereby supporting its fundamental values;
- (iv) It allows the Company flexibility in attaining its desired capital structure; and
- (v) It will enable the Company to utilise its surplus financial resources which is not immediately required for other usage as an additional option to utilise its financial resources more efficiently.

5.2 Potential Disadvantages

- (i) The Proposed Renewal of Share Buy-Back, if exercised, will reduce the financial resources of Eonmetall and may result in Eonmetall having to forego other alternative investment opportunities which may emerge in the future or, at the least, deprive the Eonmetall interest income that can be derived from the funds utilised for the Proposed Renewal of Share Buy-Back; and
- (ii) The Proposed Renewal of Share Buy-Back if implemented, may result in a lower amount of cash reserves available for distribution in the form of cash dividends to shareholders. However, the financial resources of the Company may increase upon resale of the Purchased Shares held as Treasury Shares at prices higher than the purchased price.

The Proposed Renewal of Share Buy-Back is not expected to have any potential material disadvantage to the Company and its shareholders, other than as disclosed above, as it will be exercised only after consideration of the financial resources of the Group and of the resultant impact on its shareholders.

Nevertheless, the Board will be mindful of the interest of the Company and its shareholders in undertaking the Proposed Renewal of Share Buy-Back and the subsequent resale of Treasury Shares on Bursa Securities.

6. FINANCIAL EFFECTS OF THE PROPOSED RENEWAL OF SHARE BUY-BACK

Assuming that the Proposed Renewal of Share Buy-Back is implemented in full, by the Company, the effects of the Proposed Renewal of Share Buy-Back on the number of issued shares, EPS, NA, working capital and dividend are as set out below: -

6.1 Share Capital

In the event that all the shares purchased are cancelled and on the assumption that the Proposed Renewal of Share Buy-Back is exercised in full, the proforma effects of the Proposed Renewal of Share Buy-Back on the number of issued shares of Eonmetall as at LPD are as follows:

	<u>Number of Shares</u>
Total number of issued shares	280,084,392
Less: Maximum number of Shares that may be purchased*	<u>28,008,439</u>
Total number of issued shares after the Proposed Renewal of Share Buy-Back	<u><u>252,075,953</u></u>

However, there should be no effect on the number of issued shares of Eonmetall if the Shares so purchased are retained as Treasury Shares.

Note:

* Inclusive 3,096,600 Treasury Shares currently held by the Company.

6.2 EPS

The effect of the Proposed Renewal of Share Buy-Back on the EPS of the Group will depend on the purchase price(s) of the Shares and the actual number of Shares bought back. The reduced number of issued shares subsequent to the Proposed Renewal of Share Buy-Back will generally have a positive impact, all else being equal, on the Group's EPS.

6.3 NA

The effect of the Proposed Renewal of Share Buy-Back on the NA per share of the Group is dependent on the purchase price(s) of the Shares purchased. If the purchase price is less than the audited NA per share of the Group at the time of purchase, the NA per share will increase. Conversely, if the purchase price exceeds the audited NA per share of the Group at the time of purchase, the NA per share will decrease.

6.4 Working Capital

The Proposed Renewal of Share Buy-Back is likely to reduce the working capital of the Group, the quantum of which depends on, amongst others, the number of Shares purchased, the purchase price of the Shares and any associated costs incurred in making the purchase.

However, if the Purchased Shares kept as Treasury Shares are resold on Bursa Securities, the working capital of the Group would increase if the Company realises a gain from the resale. The quantum of the increase in the working capital will depend on the actual selling price of the Treasury Shares and the number of Treasury Shares resold.

6.5 Dividend

The Proposed Renewal of Share Buy-Back may reduce the amount of distributable reserves available for payment of dividend in the immediate future.

7. IMPLICATION OF THE CODE

Pursuant to the Code, a person and any person acting in concert with him, will be obliged under Part II of the Code to make a mandatory offer for the remaining Shares of the Company not already owned by him/them if he and/or persons acting in concert with him hold more than 33% but less than 50% of the voting shares of the Company and has inadvertently increased his/their shareholdings by 2% or more in any six (6) month period.

However, an exemption from a mandatory general offer may be granted by the SC under Practice Note 9 of the Code, subject to the substantial shareholder(s) and/or the person(s) acting in concert complying with conditions stipulated in the said practice note, if the obligation is triggered as a result of any action that is outside their direct participation.

Should such circumstances arise and if required, the substantial shareholder(s) and/or the person(s) acting in concert are expected to make an application to the SC for the waiver from implementing a mandatory general offer under the Code, before implementing the Proposed Renewal of Share Buy-Back.

In the event the proposed waiver is not granted by the SC, the Company will only proceed with Proposed Renewal of Share Buy-Back to the extent that it will not contravene the limit as provided under the Code.

There is no implication relating to the Code on the Company's shareholders arising from the Proposed Renewal of Share Buy-Back, in the event the Share Buy-Back is implemented in full.

8. PURCHASE, RESALE AND CANCELLATION OF EONMETALL SHARES MADE IN THE PRECEDING TWELVE (12) MONTHS

The Company did not purchase Eonmetall Shares in the preceding twelve (12) months.

As at LPD, the Company has bought back 3,096,600 ordinary shares from the open market. There was no cancellation of Eonmetall Shares held as Treasury Shares in the preceding twelve (12) months. The entire shares bought back were retained as Treasury Shares.

9. PUBLIC SHAREHOLDING SPREAD

As at LPD, the public shareholding spread of the Company was approximately 48.80%. Assuming the Proposed Renewal of Share Buy-Back is implemented in full, and the number of ordinary shares held by the Major Shareholders, Directors and persons connected to the Major Shareholders and/or Directors remain unchanged, the public shareholdings spread of the Company will reduce to 43.74%.

The Company will only undertake the Proposed Renewal of Share Buy-Back, provided that the public shareholding spread of at least 25% of the total number of issued shares of Eonmetall (excluding treasury shares) are in the hands of public shareholders. The Board is mindful of the compliance with the public shareholding spread as required by the Listing Requirements and will take into consideration the requirement when making any purchase of Eonmetall Shares pursuant to the Proposed Renewal of Share Buy-Back.

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10. INTEREST OF DIRECTORS, SUBSTANTIAL SHAREHOLDERS AND/OR PERSONS CONNECTED

The Directors, Substantial Shareholders and persons connected to the Directors and/or Substantial Shareholders of Eonmetall Group have no direct or indirect interest in the Proposed Renewal of Share Buy-Back and/or the resale of Treasury Shares, if any.

The proforma table below shows the equity interests held directly and indirectly in Eonmetall by the Directors and Substantial shareholders of Eonmetall as at LPD before and after the Proposed Renewal of Share Buy-Back:-

Directors	No. of Eonmetall Shares held							
	Before Proposed Renewal of Share Buy-Back				After Proposed Renewal of Share Buy-Back			
	Direct		Indirect		Direct		Indirect	
	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
Tan Sri Dato' Mohd Desa Bin Pachi	30,000	0.01	-	-	30,000	0.01	-	-
Yeoh Cheng Chye	50,000	0.02	-	-	50,000	0.02	-	-
Dato' Goh Cheng Huat	36,128,918	13.04	84,049,128 ^(a)	30.34	36,128,918	14.33	84,049,128 ^(a)	33.34
Goh Hong Kent	-	-	-	-	-	-	-	-
Dato' Wahab Bin Hamid	-	-	-	-	-	-	-	-
Chan Theng Sung	180,000	0.06	-	-	180,000	0.07	-	-
Dato' Mohammad Radhi Bin Abdul Razak	-	-	-	-	-	-	-	-
Tang Yin Kham	-	-	-	-	-	-	-	-
Goh Kee Seng	-	-	-	-	-	-	-	-

Substantial Shareholders	No. of Eonmetall Shares held							
	Before Proposed Share Buy-Back				After Proposed Share Buy-Back			
	Direct		Indirect		Direct		Indirect	
	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
Dato' Goh Cheng Huat	36,128,918	13.04	84,049,128 ^(a)	30.34	36,128,918	14.33	84,049,128 ^(a)	33.34
Datin Tan Pak Say	-	-	120,178,046 ^(b)	43.39	-	-	120,178,046 ^(b)	47.68
Eonmetall Corporation Sdn. Bhd. ("ECSB")	84,049,128	30.34	-	-	84,049,128	33.34	-	-
Chuah Theong Yee	21,179,428	7.65	-	-	21,179,428	8.40	-	-

Notes:

- (a) Deemed interested by virtue of his interest in ECSB pursuant to Section 8(4) of the Act.
(b) Deemed interested by virtue of her spouse's direct and indirect interest pursuant to Section 8(4) and Section 59(11)(c) of the Act.

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11. SHARE PRICES

The monthly highest and lowest prices of the Shares traded on the Bursa Securities for the last twelve (12) months from April 2023 to March 2024 are as follows:

Year	Month	Highest price (RM)	Lowest price (RM)
2023	April	0.565	0.490
	May	0.560	0.480
	June	0.560	0.490
	July	0.555	0.495
	August	0.575	0.505
	September	0.525	0.495
	October	0.505	0.480
	November	0.510	0.480
	December	0.490	0.480
2024	January	0.520	0.480
	February	0.490	0.405
	March	0.425	0.375

(Source: Bloomberg)

The last transacted price of Eonmetall Shares on LPD, being the LPD prior to the printing of this Circular was RM0.400.

12. DIRECTORS' RECOMMENDATION

The Board, having considered all aspects of the Proposed Renewal of Share Buy-Back, is of the opinion that the Proposed Renewal of Share Buy-Back is in the best interests of the Group. Accordingly, the Board recommends that you vote in favour of the ordinary resolution pertaining to the Proposed Renewal of Share Buy-Back to be tabled at the forthcoming AGM.

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FURTHER INFORMATION**1. DIRECTORS' RESPONSIBILITY STATEMENT**

This Circular has been seen and approved by the Board and they collectively and individually accept full responsibility for the accuracy of the information given and confirm that after making all reasonable enquiries and to the best of their knowledge and belief there are no other facts the omission of which would make any statement in this Circular misleading.

2. MATERIAL CONTRACTS

Neither the Company nor of its subsidiaries have entered into any material contracts (not being contracts entered into in the ordinary course of business of the Group) within two (2) years preceding the date of the Circular save for the following:

- (a) Sale and Purchase Agreement dated 30 August 2023 entered into by Eonmetall Industries Sdn. Bhd. (a wholly owned subsidiary of Company and as vendor) and Golden Valley International Sdn. Bhd. (as purchaser) for the disposal of all that piece of land known as Geran No. Hakmilik 652, Lot 20024, Mukim 12, Daerah Seberang Perai Selatan, Negeri Pulau Pinang measuring 0.3178 hectares, for a total consideration of Ringgit Malaysia One Million Eight Hundred Eighty-One Thousand Four Hundred Twenty Three and Sen Ninety (RM1,881,423-90) only.
- (b) On 10 January 2024, Eonmetall Land Sdn. Bhd. (a wholly owned subsidiary of Company) received a Notis Award dan Tawaran Pampasan ("Borang H") from the Pejabat Daerah Dan Tanah Klang invoking compulsory acquisition under Land Acquisition Act, 1960 ("Act 486") to acquire approximately 8,996 square meter in area of land forming part of H.S.(D) 166442, No. PT85117 (115881) Mukim Kapar, Daerah Klang, Negeri Selangor for a cash consideration of Ringgit Malaysia Thirty Million Four Hundred Fourteen Five Hundred Four and Sen Seventy (RM30,414,504.17) only. This transaction was completed on 26 March 2024.

3. MATERIAL LITIGATION

Neither the Company nor of its subsidiaries is engaged in any material litigation, claim and arbitrations either, as plaintiff or defendant, and the Board have no knowledge of any proceedings pending or threatened against the Group or of any fact likely to give rise to any proceedings which might materially and adversely affect the position or business of the Company and its subsidiaries.

4. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at the registered office of the Company at 170-09-01, Livingston Tower, Jalan Argyll, 10050 George Town, Pulau Pinang, Malaysia during normal office hours from Mondays to Fridays (except public holidays) from the date of this Circular up to the time set for convening the 21st AGM:

- (i) Constitution of the Company; and
- (ii) Audited Financial Statements of the Company for the past two (2) financial years ended 31 December 2022 and 2023.