



I-STONE GROUP BERHAD
Registration No. 201801011135 (1273151-K)
(Incorporated in Malaysia)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT an Extraordinary General Meeting of i-Stone Group Berhad ("**i-Stone**" or the "**Company**") will be held at Kayangan Suite, Pulau Springs Resort Johor, Jalan Pontian Lama, 81110 Johor Bahru, Johor on Wednesday, 19 August 2020 at 11.00 a.m. or immediately after the conclusion or adjournment (as the case may be) of the Second Annual General Meeting of the Company which will be held at the same venue and on the same day at 10.00 a.m., whichever is later, or at any adjournment thereof, for the purpose of considering and, if thought fit, to pass the following resolutions:

ORDINARY RESOLUTION 1

PROPOSED ESTABLISHMENT OF AN EMPLOYEES' SHARE OPTION SCHEME ("ESOS") OF UP TO 15% OF THE TOTAL NUMBER OF ISSUED SHARES OF THE COMPANY (EXCLUDING TREASURY SHARES, IF ANY) AT ANY POINT OF TIME DURING THE DURATION OF THE SCHEME FOR ELIGIBLE EXECUTIVE DIRECTORS AND EMPLOYEES OF I-STONE AND ITS SUBSIDIARIES ("I-STONE GROUP" OR "GROUP") (EXCLUDING DORMANT SUBSIDIARIES, IF ANY) ("PROPOSED ESOS")

THAT subject to the approvals of all relevant authorities (where applicable), and to the extent permitted by law and the Constitution of the Company, the Board be and is hereby authorised and empowered to

- (i) establish, implement and administer the Proposed ESOS of up to 15% of the total number of issued shares of the Company ("**i-Stone Shares**" or "**Shares**") (excluding treasury shares, if any) of the Company at any point of time during the duration of the Proposed ESOS for the eligible executive Directors and employees of i-Stone Group (excluding dormant subsidiaries, if any) ("**Eligible Employee(s)**") in accordance with the provisions of the by-laws governing the Proposed ESOS ("**By-Laws**"), a draft of which is set out in Appendix I of the circular to shareholders of the Company dated 30 June 2020 ("**Circular**"), and to give full effect to the Proposed ESOS with full power to assent to any conditions, variations, modifications and/or amendments as may be required by the relevant authorities;
- (ii) offer and grant option(s) to subscribe for the i-Stone Share(s) under the Proposed ESOS ("**ESOS Option(s)**" or "**Option(s)**") to Eligible Employee ("**Grantee**") and issue and/or transfer such number of i-Stone Shares arising from the exercise of the ESOS Options that may be granted under the Proposed ESOS, provided that the maximum number of i-Stone Shares which may be made available under the Proposed ESOS shall not in aggregate exceed 15% of the total number of issued shares of the Company (excluding treasury shares, if any) at any point of time during the duration of the Proposed ESOS; Any Shares to be issued and/or transferred to the Grantee arising from the exercise of the Options will rank pari passu in all respects with the then existing Shares, save and except that the Shares will not be entitled to any dividends, rights, allotments and/or other distributions that may be declared, made or paid, for which the entitlement date is prior to the date of issuance and/or transfer of the abovementioned Shares;
- (iii) add to, amend, modify and/or delete all or any part of the terms and conditions as set out in the By-Laws governing the Proposed ESOS from time to time provided that such additions, modifications or amendments or deletions are effected in accordance with the provisions of the By-Laws, and to do all such acts and to enter into all such transactions, arrangements and agreements as may be necessary or expedient in order to give full effect to the Proposed ESOS;

- (iv) do all things necessary and make the necessary applications to Bursa Malaysia Securities Berhad ("**Bursa Securities**") for the listing of and quotation for the new Shares that may, hereafter from time to time, be issued arising from the exercise of the ESOS Options;
- (v) **AND THAT** the Board be and is hereby authorised to give effect to the Proposed ESOS with full power to assent to any conditions, modifications, variations and/or amendments in any manner as may be required by the relevant authorities and to deal with all matters relating thereto and to take all such steps and do all acts, deeds and things as they may consider necessary and/or expedient to implement, finalise and give full effect to the Proposed ESOS.
- (vi) **AND THAT** the draft By-Laws, as set out in Appendix I of the Circular which is in compliance with the ACE Market Listing Requirements of Bursa Securities ("**Listing Requirements**"), be and is hereby approved and adopted."

ORDINARY RESOLUTION 2

PROPOSED GRANTING OF ESOS OPTIONS TO TEE SOOK SING

"THAT, subject to the passing of Ordinary Resolution 1 above and the approvals of the relevant authorities (where required) for the Proposed ESOS, the Board be and is hereby authorised at any time and from time to time during the duration of the Proposed ESOS, to offer and grant such number of ESOS Options under the Proposed ESOS to Tee Sook Sing, the Managing Director of i-Stone, who is also a major shareholder of i-Stone by virtue of her interest in One United Equity Sdn Bhd, subject to the provisions of the By-Laws of the Proposed ESOS, provided always that:-

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

subject always to such terms and conditions and/or any adjustments which may be made in accordance with the provisions of the By-Laws of the Proposed ESOS and any prevailing guidelines issued by Bursa Securities, the Listing Requirements or any other relevant authorities as amended from time to time.

AND THAT, the Board be further authorised to issue and/or transfer such number of Shares arising from the exercise of the ESOS Options, from time to time, to the abovementioned person."

ORDINARY RESOLUTION 3

PROPOSED GRANTING OF ESOS OPTIONS TO CHAN KOK SAN

"THAT, subject to the passing of Ordinary Resolution 1 above and the approvals of the relevant authorities (where required) for the Proposed ESOS, the Board be and is hereby authorised at any time and from time to time during the duration of the Proposed ESOS, to offer and grant such number of ESOS Options under the Proposed ESOS to Chan Kok San, the Executive Director of i-Stone, who is also a major shareholder of i-Stone, subject to the provisions of the By-Laws of the Proposed ESOS, provided always that:-

- (i) he must not participate in the deliberation or discussion of his own allocation, as well as that of the persons connected with him, under the Proposed ESOS;

- (ii) not more than 50% of the total number of Shares to be issued under the Proposed ESOS shall be allocated in aggregate to the Directors and/or senior management of the i-Stone Group; and
- (iii) not more than 10% of the total number of Shares to be issued under the Proposed ESOS shall be allocated to him, if he either singly or collectively through persons connected (as defined in the Listing Requirements) with him, holds 20% or more of the total number of issued shares of the Company (excluding treasury shares, if any),

subject always to such terms and conditions and/or any adjustments which may be made in accordance with the provisions of the By-Laws of the Proposed ESOS and any prevailing guidelines issued by Bursa Securities, the Listing Requirements or any other relevant authorities as amended from time to time.

AND THAT, the Board be further authorised to issue and/or transfer such number of Shares arising from the exercise of the ESOS Options, from time to time, to the abovementioned person."

ORDINARY RESOLUTION 4

PROPOSED GRANTING OF ESOS OPTIONS TO CHIN CHUNG LEK

"**THAT**, subject to the passing of Ordinary Resolution 1 above and the approvals of the relevant authorities (where required) for the Proposed ESOS, the Board be and is hereby authorised at any time and from time to time during the duration of the Proposed ESOS, to offer and grant such number of ESOS Options under the Proposed ESOS to Chin Chung Lek, the Executive Director of i-Stone, who is also a substantial shareholder of i-Stone, subject to the provisions of the By-Laws of the Proposed ESOS, provided always that:-

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

subject always to such terms and conditions and/or any adjustments which may be made in accordance with the provisions of the By-Laws of the Proposed ESOS and any prevailing guidelines issued by Bursa Securities, the Listing Requirements or any other relevant authorities as amended from time to time.

AND THAT, the Board be further authorised to issue and/or transfer such number of Shares arising from the exercise of the ESOS Options, from time to time, to the abovementioned person."

ORDINARY RESOLUTION 5

PROPOSED GRANTING OF ESOS OPTIONS TO TEE MUN KEONG

"**THAT**, subject to the passing of Ordinary Resolution 1 above and the approvals of the relevant authorities (where required) for the Proposed ESOS, the Board be and is hereby authorised at any time and from time to time during the duration of the Proposed ESOS, to offer and grant such number of ESOS Options under the Proposed ESOS to Tee Mun Keong, the Head of Fabrication of i - Stone, who is also the brother of Tee Sook Sing, subject to the provisions of the By-Laws of the Proposed ESOS, provided always that:-

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

subject always to such terms and conditions and/or any adjustments which may be made in accordance with the provisions of the By-Laws of the Proposed ESOS and any prevailing guidelines issued by Bursa Securities, the Listing Requirements or any other relevant authorities as amended from time to time.

AND THAT, the Board be further authorised to issue and/or transfer such number of Shares arising from the exercise of the ESOS Options, from time to time, to the abovementioned person."

SPECIAL RESOLUTION 1

PROPOSED CONSOLIDATION OF EVERY FIVE (5) EXISTING ORDINARY SHARES IN I-STONE ("I-STONE SHARE(S)") INTO ONE (1) I-STONE SHARE ("CONSOLIDATED SHARE(S)") ("PROPOSED SHARE CONSOLIDATION")

"**THAT** subject to the approvals of the relevant authorities and/or parties having been obtained (where required), approval be and is hereby granted to the Company to consolidate every 5 existing i-Stone Shares held by the entitled shareholders of the Company whose names appear in the Record of Depositors of the Company as at the close of business on an entitlement date to be determined later by the Board of Directors of the Company ("**Board**") into 1 Consolidated Share and that such Consolidated Shares shall rank pari passu in all respects with one another;

THAT the fractional entitlements for the i-Stone Shares arising from the Proposed Share Consolidation, if any, shall be disregarded and dealt with by the Board in such manner at its absolute discretion as it may deem fit or expedient and in the best interest of the Company;

AND THAT the Board be and is hereby authorised to do all acts, deeds and things (including executing such documents as may be required) in the said connection and to delegate all or any of the powers herein vested in them to any Director(s) or any officer(s) of the Company to implement, finalise and give full effect to the Proposed Share Consolidation 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 regulatory authorities."

By Order of the Board

NG HENG HOOI (MAICSA 7048492) (PC No. 202008002923)
WONG MEE KIAT (MAICSA 7058813) (PC No. 202008001958)
WONG MEE CHING (LS 9014) (PC No. 202008001420)

Company Secretaries

Kuala Lumpur
30 June 2020

Notes:-

- i. Pursuant to Section 334 of the Companies Act 2016, a member shall be entitled to appoint another person as his proxy to exercise all or any of his rights to attend, participate, speak and vote in his stead.
- ii. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notary certified copy of that power or authority, shall be deposited at the office of the Company's Share Registrar at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia not less than forty-eight (48) hours before the time appointed for holding the meeting or any adjournment thereof.
- iii. A member shall be entitled to appoint more than one (1) proxy to attend and vote at the same meeting. Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he specifies the proportions of his holdings to be represented by each proxy.
- iv. Where a Member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, it may appoint only one (1) proxy in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.
- v. If the appointor is a corporation, this form must be executed under its common seal or under the hand of an attorney duly authorised.
- vi. Where a Member is an Exempt Authorised Nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account") there is no limit to the number of proxies which the Exempt Authorised Nominee may appoint in respect of each omnibus account it holds.
- vii. In respect of deposited securities, only members whose names appear on the Record of Depositors on 12 August 2020, shall be eligible to attend the meeting or appoint proxy(ies) to attend and/or vote on his behalf.
- viii. Pursuant to Paragraph 8.31A(1) of the Ace Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities"), all the resolutions set out in this Notice will be put to vote by way of poll.

Notes in Notice of Meeting & Proxy Form

The appointment of a proxy may be made in hard copy form or by electronic form. In the case of an appointment made in hard copy form, the proxy form must be deposited with the Company's Share Registrar at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or alternatively, the Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur. In the case of electronic appointment, the proxy form must be deposited via TIIH Online at <https://tiih.online>. Please refer to the Annexure to the Form of Proxy for further information on electronic submission. All proxy form submitted must be received by the Company not less than forty-eight (48) hours before the time appointed for holding the General Meeting or adjourned General Meeting at which the person named in the appointment proposes to vote.