

## **Annual General Meeting**

Kemao Industries Limited ("KEM" or "the Company") wishes to advise KEM's 2022 Annual General Meeting ("the Meeting") will be held on 31 May 2022 at its principal business address No 5 Songwentou Road, Yunting Town, Jiangyin City in Jiangsu Province, China, at 10.00 am (WST). Shareholders outside China who wish to attend the meeting may join via phone connection.

Due to the travelling restrictions in response to coronavirus and the concerns of public health, to facilitate an orderly and secure Meeting and for purposes of any other government requirements, Shareholders must register their attendance with the Company by 10.00 am (WST) on 30 May 2022, via Email: [xuekun@inpgroup.com.au](mailto:xuekun@inpgroup.com.au), including the Holder Name, Address, and HIN or SRN.

In accordance with subsection the Corporations Act 2001 (Cth) as amended by Treasury Laws Amendment (2021 Measures No. 1) Act 2021, the Company will not be dispatching physical copies of the Notice of Meeting. Instead, a copy of the Notice of Meeting will be available at <https://www.nsx.com.au/marketdata/company-directory/announcements/KEM/>.

Shareholders who have elected to receive notices from the Company electronically will receive personalised proxy forms by email. For other shareholders, a copy of personalised proxy form will be sent by mail enclosed with this letter.

All resolutions at the Meeting will be voted by poll and Shareholders who are entitled to vote may vote either prior to the Meeting by appointing a proxy or by poll during the Meeting. To vote by proxy, please complete and sign the Proxy Form enclosed with the Notice of the Meeting and return by the time and in accordance with the instructions set out on the Proxy Form.

Shareholders' votes are important. Shareholders are strongly encouraged to either vote prior to the Meeting or to appoint the Chair of the Meeting as their proxy. Shareholders can complete the proxy form to provide specific instructions on how a Shareholder's vote is to be exercised on each item of business, and the Chair of the AGM must follow shareholders' instructions.

The Company appreciates shareholders' understanding and support.

Yours sincerely



Xuekun Li  
Company Secretary  
29 April 2022

# Notice of Annual General Meeting and Explanatory Statement

**KEMAO INDUSTRIES LIMITED**  
ACN 625 928 216

This Notice of Annual General Meeting and Explanatory Statement should be read in its entirety.  
If shareholders are in doubt as to how they should vote, they should seek advice from their  
accountant, solicitor or other professional advisor without delay.

**KEMAO INDUSTRIES LIMITED**  
**ACN 625 928 216**

**NOTICE OF ANNUAL GENERAL MEETING**

**NOTICE IS HEREBY GIVEN** that the 2022 Annual General Meeting of shareholders of Kemao Industries Limited will be held at the Board Room, No. 5 Songwentou Road, Yunting Town, Jiangyin, Wuxi City, Jiangsu Province, China on Tuesday 31 May 2022 at 10.00am (Western Standard Time).

The Explanatory Statement to this Notice of Annual General Meeting provides additional information on matters to be considered at the Annual General Meeting. The Explanatory Statement and the enclosed proxy form are part of this Notice of Annual General Meeting.

**AGENDA**

**Financial Report**

To receive and consider the financial report, directors' report and auditor's report for the financial year ended 31 December 2021.

**Resolution 1 – Adoption of the Remuneration Report for the year ended 31 December 2021**

To consider and, if thought fit, to pass the following as a non-binding ordinary resolution:

*"That, for the purpose of and in accordance with section 250R(2) of the Corporations Act, the Remuneration Report of the Company for the year ended 31 December 2021 be adopted."*

**Note:**

In accordance with Section 250R(2) of the Corporations Act, the vote on this resolution is advisory only and does not bind the Directors or the Company.

In accordance with the Corporations Act, if 25% or more of votes cast against the adoption of the Remuneration Report at two consecutive annual general meetings, a resolution must be put to the second of these annual general meetings requiring shareholders to vote whether another meeting be held within 90 days at which all of the Company's Directors (other than the Managing Director and CEO) must stand for re-election ("spill resolution"). For further information, please refer to the Explanatory Statement.

**Voting exclusion statement:**

A vote on the resolution must not be cast (in any capacity) by or on behalf of either of:

- a member of the key management personnel details of whose remuneration are included in the remuneration report; or
- a closely related party of such a member,

(**"Prohibited Voter"**).

However, a Prohibited Voter may cast a vote on the resolution if a Prohibited Voter does so as a proxy appointed by writing that specifies how the proxy is to vote on the proposed resolution and the vote is not cast on behalf of a Prohibited Voter.

If a Prohibited Voter is appointed but not directed how to vote on Resolution 1, they will not vote your proxy on this resolution.

## **Resolution 2 – Re-election of Ms Xuekun Li as a Director**

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

*"That Ms Xuekun Li, being a Director of the Company who retires in accordance with clause 20.2 of the Company's Constitution, be re-elected."*

## **Resolution 3 – Re-election of Mr Long Huy Lam as a Director**

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

*"That Mr Long Huy Lam, being a Director of the Company who retires in accordance with clause 20.2 of the Company's Constitution, be re-elected."*

## **Other Business**

To transact any other business which may be properly brought before the meeting in accordance with the Company's Constitution and the Corporations Act.



By Order of the Board

**Kemao Industries Limited**

**29 April 2022**

## Entitlement to Vote

In accordance with Regulation 7.11.37 of the Corporations Regulations, the Directors have determined that the persons eligible to vote at the AGM are those who are registered Shareholders of the Company at 10am (Western Standard Time) on Sunday 29 May 2022. Accordingly, transactions registered after that time will be disregarded in determining entitlements to attend and vote at the AGM.

## Voting in Person

To vote in person, attend the AGM on the date and at the place set out above.

## Voting by Proxies

A Shareholder entitled to attend and vote at the AGM is entitled to appoint not more than two proxies. If the Shareholder is entitled to two or more votes, the Shareholder may appoint two proxies and if this occurs the appointment may specify the proportion or number of votes that each proxy may exercise. If the appointment does not specify a proportion or number, each proxy may exercise half of the votes in which case any fraction of votes will be disregarded.

Pursuant to sections 250BB and 250BC of the Corporations Act, a proxy must cast all directed proxies as directed. Any directed proxies which are not voted will automatically default to the Chair, who will vote the proxies as directed.

A proxy need not be a Shareholder of the Company. If you sign the enclosed proxy form and do not write the name of a person or a body corporate in the proxy form, you will have appointed the Chair of the AGM as your proxy.

The Chair of the AGM will vote undirected proxies on, and in favour of, all of the proposed resolutions, except for Resolution 1 where the Chair will only vote if expressly directed to do so.

Please refer to the enclosed proxy form and the accompanying instructions for appointment of a proxy and lodging proxy forms.

If a shareholder appoints a body corporate as its proxy and the body corporate wishes to appoint an individual as its representative, the enclosed certificate of appointment of corporate representative should be completed and lodged in the manner specified.

To be effective, the proxy must be completed, signed and received by the Company no later than 48 hours before the AGM, that is **10am (Western Standard Time) on Sunday 29 May 2022**. Proxy forms received later than the above mentioned time will be invalid.

The enclosed Proxy Form provides further details on appointing proxies and returning Proxy Forms.

## Corporate Representative

If a representative of the corporation is to attend the Meeting the appropriate "Appointment of Corporate Representative" should be produced prior to admission. A form may be obtained from the Company's share registry online at [https:// advancedshare.com.au](https://advancedshare.com.au).

**KEMAO INDUSTRIES LIMITED**  
**ACN 625 928 216**

**EXPLANATORY STATEMENT**

This Explanatory Statement is intended to provide shareholders with sufficient information to assess the merits of the resolutions contained in the accompanying Notice.

Shareholders are specifically referred to the Glossary in the Explanatory Statement which contains definitions of capitalised terms used in the Notice and this Explanatory Statement.

The Directors recommend Shareholders read this Explanatory Statement in full before making any decision in relation to the resolutions.

The following information should be noted in respect of the various matters contained in the accompanying Notice.

**1. Financial Statements and Reports**

The Corporations Act requires the Company's financial report, the directors' report and the auditor's report for the year ended 31 December 2021 to be laid before the AGM. Shareholders will be provided with a reasonable opportunity to ask questions about the reports. There is no requirement either in the Corporations Act or the Company's Constitution that the Shareholders vote on or approve the reports.

Shareholders can access a copy of the Company's financial report, the directors' report and the auditor's report for the year ended 31 December 2021 on the NSX website.

**2. Resolution 1 – To adopt the Remuneration Report for the year ended 31 December 2021**

The Corporations Act requires the Company to include in the directors' report for the year ended 31 December 2021 a detailed remuneration report setting out certain prescribed information relating to the remuneration of the Directors and certain members of the Company's senior management ("**Remuneration Report**") and to submit this Remuneration Report for adoption by resolution of the shareholders at the annual general meeting of the Company.

The Remuneration Report:

- outlines the Board's policy for determining the nature and amount of remuneration of Directors and Senior Executives of the Company;
- sets out remuneration details for each Director and Senior Executive of the Company;
- summarises the key terms of any contract of any Director or Senior Executive of the Company for the financial year ended 31 December 2021.

The Corporations Act requires that a resolution in relation to the Remuneration Report be put to the vote at the Company's AGM. The vote on the resolution is advisory only and does not bind the Directors or the Company.

However, the Directors will consider the outcome of the vote when reviewing the Company's remuneration practices and policies. The Chair of the AGM will allow a reasonable opportunity for Shareholders as a whole to ask about, or make comments on the Remuneration Report.

The Directors unanimously recommend that Shareholders vote in favour of adopting the Remuneration Report.

Please refer to the Voting Exclusion Statement with regards to this resolution in the Notice.

### **3. Resolution 2 – Re-election of Ms Xuekun Li as a Director**

Resolution 2 seeks approval for the re-election of Ms Li as a Director with effect from the end of the AGM.

Ms Li was appointed a Director on 2 March 2021 and was elected in the AGM of 2021. Ms Li is required to retire under the rotation of directors rule in clause 20.2 of the Company's Constitution.

Clause 20.2 provides unless otherwise determined by a Resolution of the Company:

- one-third of the Directors (other than the Managing Director) for the time being; or
- if the number of Directors is not a multiple of three, then the whole number nearest one third,

must retire from office. A retiring Director is eligible for re-election.

Ms Li retires from office in accordance with this requirement and, being eligible, has offered herself for re-election as a Director of the Company.

The Board considers Ms Li as an independent director. Ms Li's financial experience and corporate governance knowledge is a valuable part of the Board's existing skills and experience. The Directors, other than Ms Li, recommend that Shareholders vote in favour of this resolution.

Details of this candidate are as follows:

#### About Ms Xuekun Li (Non-Executive Director)

Ms Li has been the Company Secretary of Kemao since 28 May 2018 and was appointed a Non-executive Director 2 March 2021. She has over 20 years' experience in corporate governance and business finance. She is a chartered accountant and a member of Governance Institute of Australia. Ms Li started her career with a big-four accounting firm and has developed herself further in corporate management and governance. She holds senior positions in a number of listed and private companies. Aged 44.

### **4. Resolution 3 – Re-election of Mr Long Huy Lam as a Director**

Resolution 3 seeks approval for the re-election of Mr Lam as a Director with effect from the end of the AGM.

Mr Lam was appointed a Director on 28 May 2018 and was elected in the AGM of 2019 and 2020. Mr Lam is required to retire under the rotation of directors rule in clause 20.2 of the Company's Constitution.

Clause 20.2 provides unless otherwise determined by a Resolution of the Company:

- one-third of the Directors (other than the Managing Director) for the time being; or
- if the number of Directors is not a multiple of three, then the whole number nearest one third,

must retire from office. A retiring Director is eligible for re-election.

Mr Lam retires from office in accordance with this requirement and, being eligible, has offered himself for re-election as a Director of the Company.

The Board considers Mr Lam as an independent director. Mr Lam's corporate management experience and financial knowledge is a valuable part of the Board's existing skills and experience. The Directors, other than Mr Lam, recommend that Shareholders vote in favour of this resolution.

Details of this candidate are as follows:

About Mr Long Huy Lam (Non-Executive Director)

Mr LAM is the founder and executive director of ABL Accounting and Taxation Pty Ltd, a boutique accounting firm which he established in 1993. Prior to founding ABL Accounting and Taxation Pty Ltd, he worked as the financial controller of Wills Australia for 10 years and at AAPT Limited, a company listed on the ASX before it was acquired, then delisted, by Telecom New Zealand. He was independent non-executive director and company secretary of Sanhe Building Materials Technology Limited, an Australian public company which was listed on the Sydney Stock Exchange. Prior to this public company experience, he has also worked, on secondment, for a company listed on the Growth Enterprise Market board of the Stock Exchange of Hong Kong. Aged 67.



## GLOSSARY

The following terms have the following meanings in this Notice and Explanatory Statement:

**"AGM"** means the annual general meeting of the Company;

**"Board"** means the Directors acting as the board of directors of the Company or a committee appointed by such board of directors;

**"Company"** or **"Kemao"** means Kemao Industries Limited ACN 625 928 216;

**"Constitution"** means the constitution of the Company as amended from time to time;

**"Corporations Act"** means the Corporations Act 2001 (Cth);

**"Director"** means a Director of the Company;

**"Explanatory Statement"** means this explanatory statement attached to the Notice, which provides information to Shareholders about the resolutions contained in the Notice;

**"Kemao China"** means Jiangsu Kemao New Materials Technology Co., Ltd, the Company's operating subsidiary in China.

**"Managing Director"** means the Managing Director of the Company;

**"Notice"** means the notice of AGM accompanying this Explanatory Statement;

**"Share"** means a fully paid ordinary share issued in the capital of the Company; and

**"Shareholder"** means a holder of Shares.