

**PROGRESSIVE IMPACT CORPORATION BERHAD (203352 V)**  
(Incorporated in Malaysia)

**NOTICE OF ANNUAL GENERAL MEETING**

**NOTICE IS HEREBY GIVEN** that the 23<sup>rd</sup> Annual General Meeting of the Company will be held at Competitive Room, Ground Floor, MERCU PICORP, Lot 10, Jalan Astaka U8/84, Bukit Jelutong, 40150 Shah Alam, Selangor Darul Ehsan on **Tuesday, 30 June 2015**, at **9.00 a.m.** to transact the following business:-

**ORDINARY BUSINESS**

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|----|---|---|
| 1. | To receive the Audited Financial Statements for the financial year ended 31 December 2014 together with the Directors' and Auditors' Reports thereon. | (Please refer to Note 1 of the Explanatory Notes) |
| 2. | To re-elect Datuk Abdul Hamid Bin Sawal who shall retire pursuant to Article 83 of the Company's Articles of Association.                             | Resolution 1                                      |
| 3. | To re-elect Zaid Bin Abdullah who shall retire pursuant to Article 83 of the Company's Articles of Association.                                       | Resolution 2                                      |
| 4. | To re-elect Usamah Bin Zaid who shall retire pursuant to Article 90 of the Company's Articles of Association.   | Resolution 3                                      |
| 5. | To re-elect Dato' Dr Lukman Bin Ibrahim who shall retire pursuant to Article 90 of the Company's Articles of Association.                             | Resolution 4                                      |
| 6. | To approve the Directors' Remuneration of RM322,865 for the year ended 31 December 2014.  | Resolution 5                                      |
| 7. | To re-appoint Messrs Ernst & Young as Auditors of the Company and to authorise the Directors to fix their remuneration.                               | Resolution 6                                      |

**SPECIAL BUSINESS**

To consider and if thought fit, to pass the following resolutions, with or without modifications, as Ordinary Resolutions of the Company:-

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|----|--|--------------|
| 8. | <b>ORDINARY RESOLUTION I<br/>PROPOSED RENEWAL OF THE EXISTING SHAREHOLDERS'<br/>MANDATE AND PROPOSED NEW SHAREHOLDERS' MANDATE<br/>FOR RECURRENT RELATED PARTY TRANSACTIONS OF A<br/>REVENUE OR TRADING NATURE</b> |              |
|    | "THAT subject to the Main Market Listing Requirements of Bursa Malaysia Securities Berhad:-  | Resolution 7 |

- (a) approval be and is hereby given for the Renewal of the Existing Shareholders' Mandate for the Company and/or its subsidiaries to enter into and give effect to the category of the recurrent arrangements or transactions of a revenue or trading nature from time to time with the Related Parties as specified in Section 2.2 of the Circular to Shareholders dated 29 May 2015; and
- (b) a New Shareholders' Mandate be and is hereby granted for the Company and/or its subsidiaries to enter into additional recurrent related party transactions of a revenue or trading nature from time to time with the Related Parties as specified in Section 2.2 of the Circular to Shareholders dated 29 May 2015,

provided that such transactions are:-

- (i) recurrent transactions of a revenue or trading nature;
- (ii) necessary for the Group's day-to-day operations;
- (iii) carried out in the ordinary course of business on normal commercial terms which are not more favourable to the Related Parties than those generally available to the public; and
- (iv) not to the detriment of minority shareholders;

(the "Mandate").

THAT such authority shall commence upon the passing of this resolution and shall continue to be in force until:-

- (i) the conclusion of the next Annual General Meeting of the Company following the Annual General Meeting at which such mandate was passed, at which time it will lapse, unless the authority is renewed by a resolution passed at the meeting;
- (ii) the expiration of the period within which the next Annual General Meeting is required to be held pursuant to Section 143(1) of the Companies Act, 1965 but shall not extend to such extension as may be allowed pursuant to Section 143(2) of the Companies Act, 1965; or
- (iii) revoked or varied by resolution passed by the shareholders in a general meeting;

whichever is the earlier.

THAT the Directors of the Company be authorised to complete and do all such acts and things (including executing all such documents as may be required), as they may consider expedient or necessary to give effect to the Mandate."

9. **ORDINARY RESOLUTION II  
AUTHORITY TO ISSUE SHARES PURSUANT TO SECTION 132D  
OF THE COMPANIES ACT 1965**

“THAT pursuant to Section 132D of the Companies Act 1965, the Directors of the Company be and are hereby empowered to issue shares in the Company at any time and upon such terms and conditions and for such purposes as the Directors may in their absolute discretion deem fit provided that the aggregate number of shares issued pursuant to this resolution does not exceed 10% of the issued share capital of the Company for the time being and that the Directors be and are also empowered to obtain approval for the listing of and quotation for the additional shares so issued on Bursa Malaysia Securities Berhad and that such authority shall continue to be in force until the conclusion of the next Annual General Meeting of the Company unless revoked or varied by the Company at a general meeting.”

Resolution 8

10. **ORDINARY RESOLUTION III  
CONTINUING IN OFFICE AS INDEPENDENT NON-EXECUTIVE  
DIRECTOR**

“THAT authority be and is hereby given to Lee Weng Chong, who has served the Company as an Independent Non-Executive Director for more than nine (9) years, to continue to act as an Independent Non-Executive Director of the Company.”

Resolution 9

11. To transact any other business of which due notice shall have been given in accordance with the Companies Act 1965 and Articles of Association.

By order of the Board  
**ZAIDAH BINTI MOHD SALLEH (MIA 3313)**  
Company Secretary  
Shah Alam

29 May 2015

Notes:

- i) *A member entitled to attend and vote is entitled to appoint up to 2 proxies to attend and vote instead of him. A proxy may but need not be a member of the Company and the provision of Section 149(1)(b) of the Companies Act, 1965 shall not apply.*
- ii) *A member of the Company who is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, can appoint not more than two (2) proxies in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.*
- iii) *Where a member of the Company 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.*

- iv) *Where a member or authorized nominee or an exempt authorized nominee appoints more than one (1) proxy, the proportion of shareholdings to be represented by each proxy must be specified in the instrument appointing the proxies.*
- v) *The instrument appointing a proxy shall be in writing under the hand of the appointer or of his attorney duly authorised in writing or, if the appointer is a corporation, either under seal or under the hand of an officer or attorney duly authorised.*
- vi) *The instrument appointing a proxy and the power of attorney or other authority, if any under which it is signed or notarially certified copy of that power of authority shall be deposited at the office of the Company's Share Registrar at Level 17, The Gardens North Tower, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur, not less than 48 hours before the time appointed for holding the Meeting or adjourned meeting.*
- vii) *For the purpose of determining who shall be entitled to attend this meeting, the Company shall be requesting the Bursa Malaysia Depository Sdn Bhd to make available to the Company, a Record of Depositors as at 22 June 2015. Only a Member whose name appears on this Record of Depositors shall be entitled to attend this meeting or appoint a proxy to attend, vote and speak on his/her behalf.*

### **Explanatory Notes on Ordinary Business**

1. Agenda item no. 1 is meant for discussion only as the provision of Section 169(1) of the Companies Act 1965 does not require a formal approval of shareholders for the Audited Financial Statements. Hence, this item on the Agenda is **not put forward for voting**.
2. Datuk Abdul Hamid Bin Sawal and Dato' Dr Lukman Bin Ibrahim are standing for re-election as Directors of the Company and being eligible, have offered themselves for re-election at the 23<sup>rd</sup> Annual General Meeting. The Board has conducted an assessment on their independence and is satisfied that they have complied with the independence criteria applied by the Company.

### **Explanatory Notes on Special Business**

#### Resolution 7

This proposed Resolution, if passed, will enable the Company and/or its subsidiaries to enter into recurrent transactions involving the interest of Related Parties, which are of a revenue or trading nature and necessary for the Group's day-to-day operations, subject to the transactions being carried out in the ordinary course of business and on terms not to the detriment of the minority shareholders of the Company.

For further information on the recurrent related party transactions, please refer to the Circular to Shareholders dated 29 May 2015 enclosed together with the Company's Annual Report 2014.

#### Resolution 8

This proposed Resolution, if passed, will empower the Directors to issue up to a maximum of 10% of the issued share capital of the Company for the time being for such purposes as the Directors consider would be in the interest of the Company. This authority will, unless revoked or varied by the Company in a general meeting, expire at the conclusion of the next Annual General Meeting ("AGM") or the expiration of the period within which the next AGM required by law to be held, whichever is earlier.

This proposed Resolution is a renewal of the previous year's mandate. The mandate is to provide flexibility to the Company to issue new securities without the need to convene separate general meeting to obtain its shareholders' approval so as to avoid incurring additional costs and time. The purpose of this general mandate is for possible fund raising exercise including but not limited to further placement of shares for purpose of funding current and/or future investment projects, working capital, repayment of bank borrowings, acquisitions and/or for issuance of shares as settlement of purchase consideration or such other application as the Directors may deem fit in the best interest of the Company.

As at the date of this Notice, no new shares in the Company were issued pursuant to the mandate granted to the Directors at the last Annual General Meeting held on 27 May 2014 and the mandate will lapse at the conclusion of the 23<sup>rd</sup> Annual General Meeting.

## Resolution 9

The Board has assessed the independence of Mr. Lee Weng Chong, who has served as an Independent Non-Executive Director of the Company for a term of nine (9) years, and recommended that he continues to act as an Independent Non-Executive Director of the Company based on the following justifications:-

- He fulfils the criteria defined under Para 1.01 of the Main Market Listing Requirements.
- His length of service as Independent Non-Executive Director of more than nine (9) years does not in any way interfere with his exercise of objective judgment or his ability to act in the best interests of the Company.
- He has a strong understanding of the Group's corporate history and business and has devoted sufficient time and commitment to discharge his responsibilities as an Independent Non-Executive Director.
- He has exercised due care during his tenure as Independent Non-Executive Director of the Company and participated actively in meetings, giving his independent views in a constructive manner and bringing an element of objectivity to the Board's decision making.