



NOTICE OF FIFTEENTH ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Fifteenth Annual General Meeting of the Company will be held at Ballroom, Level 1, Tropicana Golf and Country Resort, Jalan Kelab Tropicana, 47410 Petaling Jaya, Selangor Darul Ehsan on Thursday, 11 May 2017 at 11.00 a.m for the following purposes:-

THREE-A RESOURCES BERHAD (Company No. 481559-M) (Incorporated in Malaysia)

AGENDA

- 1. To receive the Audited Financial Statements for the financial year ended 31 December 2016 together with the Reports of the Directors and Auditors thereon. (Please see Note 2)
2. To approve the following payments to Directors:
(i) Fees of RM230,000.00 for the financial year ended 31 December 2016. (Resolution 1)
(ii) Benefits of RM288,000.00 for the financial year ending 31 December 2017. (Resolution 2)
3. To re-elect Mr Fang Chew Ham who retires pursuant to Article 86 of the Constitution of the Company as Director. (Please see Note 3)
4. To re-appoint the following as Directors of the Company:- (Please see Note 4)
(i) Mr. Fong Chu King @ Tong Chu King (Resolution 4)
(ii) Mr. Tan Chon Sing @ Tan Kim Tieng (Please see Note 5) (Resolution 5)
5. To re-appoint Messrs BDO as Auditors of the Company and to authorise the Directors to fix their remuneration. (Resolution 6)

AS SPECIAL BUSINESS

To consider and if thought fit, to pass, with or without modifications, the following resolutions:-

- 6. ORDINARY RESOLUTION AUTHORITY TO ALLOT SHARES PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT, 2016 (Please see Note 6)
'THAT pursuant to Sections 75 and 76 of the Companies Act 2016, and subject to the approval of the relevant governmental/regulatory authorities (if any), the Directors be and are hereby authorised to allot shares in the Company, from time to time, at such price, upon such terms and conditions and for such purpose and to such person or persons whomsoever as the Directors may in their absolute discretion deem fit provided that the aggregate number of shares to be issued does not exceed ten per centum (10%) of the total number of issued shares (excluding treasury shares) of the Company for the time being and THAT the Directors be and are hereby also empowered to obtain the approval for the listing of and quotation for the additional shares so issued from Bursa Malaysia Securities Berhad and THAT such authority shall continue to be in force until conclusion of the next annual general meeting of the Company after the approval was given or at the expiry of the period within which the next annual general meeting is required to be held after the approval was given, whichever is earlier, unless such approval is revoked or varied by the Company at a general meeting.' (Resolution 7)
7. ORDINARY RESOLUTION PROPOSED RENEWAL OF AUTHORITY TO PURCHASE ITS OWN SHARES BY THE COMPANY (Please see Note 7)

'THAT, subject always to the Companies Act 2016 ('Act'), the provisions of the Constitution of the Company, Bursa Malaysia Securities Berhad ('Bursa Securities') Main Market Listing Requirements of Bursa Securities ('Listing Requirements') and all other applicable laws, guidelines, rules and regulations, the Company be and is hereby authorised, to the fullest extent permitted by law, to purchase such amount of ordinary shares in the Company as may be determined by the Directors of the Company from time to time through Bursa Securities upon such terms and conditions as the Directors may deem fit and expedient in the interest of the Company provided that:-' (Resolution 8)

- (i) the aggregate number of shares purchased does not exceed ten per centum (10%) of the total number of issued shares of the Company as quoted on Bursa Securities as at the point of purchase;
(ii) an amount not exceeding the Company's audited retained profits at the time of purchase(s) will be allocated by the Company for the purchase of own shares; and
(iii) the Directors of the Company may decide either to retain the shares purchased as treasury shares or cancel the shares or retain part of the shares so purchased as treasury shares and cancel the remainder or to resell the shares or distribute the shares as dividends or to deal with the treasury shares in the manners as allowed by the Act.
AND THAT the authority conferred by this resolution will commence immediately upon the passing of this Ordinary Resolution and will continue to be in force until:
(a) the conclusion of the next Annual General Meeting of the Company following at which time the authority shall lapse unless by ordinary resolution passed at that meeting, the authority is renewed, either unconditionally or subject to conditions;
(b) the expiration of the period within which the next AGM of the Company is required by law to be held; or
(c) revoked or varied by ordinary resolution passed by the shareholders of the Company at a general meeting, whichever occurs first, but shall not prejudice the completion of purchase(s) by the Company before the aforesaid expiry date and, in any event, in accordance with the provisions of the Listing Requirements and any other relevant authorities.

AND THAT authority be and is hereby given to the Directors of the Company to take all such steps as are necessary or expedient to implement, finalise and give full effect to the aforesaid purchase(s) with full powers to assent to any conditions, modifications, variations and/or amendments (if any) as may be required or imposed by the relevant authorities and with the fullest power to do all such acts and thing thereafter in accordance with the Act, the provisions of the Constitution of the Company and the requirements and/or guidelines of Bursa Securities for the Main Market and all other relevant governmental and/or regulatory authorities.'

- 8. ORDINARY RESOLUTION PROPOSED RENEWAL OF THE EXISTING SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE AND PROPOSED NEW SHAREHOLDERS' MANDATE FOR ADDITIONAL RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE (Please see Note 8)

'THAT subject to the provisions of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (Listing Requirements), approval be and is hereby given to the Company and its subsidiaries ('Group') to enter into and give effect to the recurrent related party transactions of a revenue or trading nature with the related parties as set out in Section 2.4 of the Circular to Shareholders dated 18 April 2017, provided that such arrangements and/or transactions which are necessary for the Group's day-to-day operations are undertaken in the ordinary course of business, at arm's length basis, on normal commercial terms and transaction prices which are not more favourable to the related parties than those generally available to the public and not detrimental to the minority shareholders of the Company (hereinafter referred to as the 'Proposed Shareholders' Mandate'). (Resolution 9)

- THAT the Proposed Shareholders' Mandate shall only continue to be in full force until:-
(a) the conclusion of the next Annual General Meeting ('AGM') of the Company at which time it will lapse, unless by a resolution passed at the said AGM, such authority is renewed;
(b) the expiration of the period within which the next AGM after the date it is required to be held pursuant to Section 340(2) of the Companies Act, 2016 ('Act') (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or
(c) revoked or varied by a resolution passed by the shareholders of the Company in a general meeting; whichever is earlier.

AND THAT the Directors of the Company be and are hereby 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 or in the best interest of the Company to give effect to the Proposed Shareholders' Mandate.'

- 9. ORDINARY RESOLUTIONS CONTINUATION IN OFFICE AS INDEPENDENT NON-EXECUTIVE DIRECTORS

- (i) 'THAT subject to the passing of Resolution 5 above approval be and is hereby given to Tan Chon Sing @ Tan Kim Tieng who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine years, to continue to act as an Independent Non-Executive Director of the Company to hold office until the conclusion of next Annual General Meeting of the Company.' (Resolution 10) (Please see Note 9)
(ii) 'THAT approval be and is hereby given to Chew Eng Chai who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine years, to continue to act as an Independent Non-Executive Director of the Company to hold office until the conclusion of next Annual General Meeting of the Company.' (Resolution 11) (Please see Note 10)
(iii) 'THAT approval be and is hereby given to Khoo Wee Boon who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine years, to continue to act as an Independent Non-Executive Director of the Company to hold office until the conclusion of next Annual General Meeting of the Company.' (Resolution 12) (Please see Note 11)
(iv) 'THAT approval be and is hereby given to Mohd Zaki bin Hamzah who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine years, to continue to act as an Independent Non-Executive Director of the Company to hold office until the conclusion of next Annual General Meeting of the Company.' (Resolution 13) (Please see Note 12)

10. To consider any other business of which due notice shall have been given.

By Order of the Board,

Wong Wai Foong (MAICA 7001358)
Ng Bee Lian (MAICA 7041392)
Yap Sit Lee (MAICA 7028098)
Company Secretaries

Kuala Lumpur
18 April 2017

NOTES:-

- 1. APPOINTMENT OF PROXY
a) A proxy may but need not be a member of the Company. There is no restriction as to the qualification of the proxy.
b) To be valid, the proxy form must be duly completed and deposited at the registered office of the Company at AL 308, Lot 590 & Lot 4196, Jalan Industri, U19, Kampung Baru Sungai Buloh, 40160 Shah Alam, Selangor Darul Ehsan, Malaysia not less than forty-eight (48) hours before the time set for the Meeting or any adjourned thereof.
c) Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, it may appoint not more than two (2) proxies in respect of each securities account it holds with ordinary shares of the Company standing to credit of the said securities account.
d) Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account ('omnibus account'), there is no limit to the number of proxies which the exempt authorised nominees may appoint in respect of each omnibus account it holds.
e) Where a member or the authorised nominee appoints two (2) proxies or where an exempt authorised nominee appoints two (2) or more proxies, the proportion of shareholdings to be represented by each proxy must be specified in the instrument appointing the proxies.

- f) The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, either under the corporation's common seal or under the hand of an officer or attorney duly authorised.
g) Only members whose name appear in the Record of Depositors as at 3 May 2017 will be entitled to attend, vote and speak at the meeting or appoint proxy(ies) to attend, vote and speak on their behalf.

- 2. AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016
The Audited Financial Statements is meant for discussion only as an approval from shareholders is not required pursuant to the provisions of Sections 248(2) and 340(1) of the Companies Act, 2016. Hence, this item on the Agenda is not put forward for voting by shareholders of the Company.

- 3. RETIREMENT OF DIRECTORS
Besides Mr Fang Chew Ham, Mr Sun You Ning and Mr Kwek Ju-Yang, Mark (Guo Zuyang, Mark) are retiring by rotation in accordance with Article 86 of the Constitution of the Company as Directors of the Company at the Fifteenth Annual General Meeting. However, both Mr Sun You Ning and Mr Kwek Ju Yang, Mark (Guo Zuyang, Mark) had indicated to the Company that they would not be seeking for re-election at the Fifteenth Annual General Meeting. Therefore, Mr Sun You Ning and Mr Kwek Ju-Yang, Mark (Guo Zuyang, Mark) shall retire as Directors at the conclusion of the Fifteenth Annual General Meeting.

- 4. RE-APPOINTMENT OF DIRECTORS
The proposed Resolution 4 and Resolution 5 are to seek shareholders' approval on the re-appointment of Mr Fong Chu King @ Tong Chu King and Mr Tan Chon Sing @ Tan Kim Tieng, who had been re-appointed in the previous Annual General Meeting held on 5 May 2016 as Directors under Section 129(6) of the former Companies Act 1965 which was then in force and whose term would expire at the conclusion of this meeting, as Directors of the Company. If passed, the proposed Resolution 4 and Resolution 5 will authorise the continuation of the Directors in office from the date of this Annual General Meeting onwards.

- 5. RE-APPOINTMENT OF INDEPENDENT DIRECTOR
In line with the Recommendation 3.1 of the Malaysian Code on Corporate Governance 2012, the Nomination Committee and the Board of Directors had undertaken an annual assessment on the independence of Mr. Tan Chon Sing @ Tan Kim Tieng who is seeking re-appointment at the forthcoming Annual General Meeting. Please refer to page 28 as stated in the Statement of Corporate Governance Statement contained in the Company's Annual Report 2016 for further details.

- 6. AUTHORITY TO ALLOT SHARES PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT, 2016
The proposed Resolution 7 is the renewal of the mandate obtained from the members at the last Annual General Meeting ('the previous mandate'). As at the date of this Notice, the Company did not allot any shares pursuant to the mandate granted to the Directors at the Fourteenth Annual General Meeting held on 5 May 2016 as there were no requirements for such fund raising activities.

The proposed Resolution 7, if passed, would provide flexibility to the Directors to undertake fund raising activities, including but not limited to further placement of shares for the purpose of funding the Company's future investment project(s), working capital and/or acquisition(s), by the issuance of shares in the Company to such persons at any time as the Directors may deem fit provided that the aggregate number of shares issued pursuant to the mandate does not exceed 10% of the total number of issued shares (excluding treasury shares) of the Company for the time being, without having to convene a general meeting. This authority, unless revoked or varied by the Company in a general meeting, will expire at the conclusion of the next Annual General Meeting of the Company or at the expiry of the period within which the next annual general meeting is required to be held after the approval was given, whichever is earlier.

- 7. PROPOSED RENEWAL OF AUTHORITY FOR THE COMPANY TO PURCHASE ITS OWN SHARES
The proposed Resolution 8, if passed, will allow the Company to purchase its own shares through Bursa Securities up to ten per centum (10%) of the total number of issued shares of the Company. Please refer to the Statement to Shareholders dated 18 April 2017 in relation to the Proposed Renewal of Authority for Share Buy-Back for further details.

- 8. PROPOSED RENEWAL OF THE EXISTING SHAREHOLDERS' MANDATE AND PROPOSED NEW SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE
The proposed Resolution 9, if passed, will allow the Company and its subsidiaries to enter into recurrent related party transactions made on an arm's length basis and on normal commercial terms which are not detrimental to the interest of the minority shareholders.

Please refer to the Circular to Shareholders dated 18 April 2017 for further information.

- 9. CONTINUATION IN OFFICE FOR MR. TAN CHON SING @ TAN KIM TIENG AS AN INDEPENDENT NON-EXECUTIVE DIRECTOR
Pursuant to the Malaysian Code on Corporate Governance 2012, it is recommended that approval of shareholders be sought in the event the Company intends to retain an Independent Director who has served in that capacity for more than nine years.

The Nomination Committee and the Board of Directors had assessed the independence of Mr. Tan Chon Sing @ Tan Kim Tieng, and recommended him to continue to act as Independent Non-Executive Directors of the Company based on the following justifications:-

- (i) His vast experience in finance and manufacturing industry and securities market would enable him to provide the Board with a diverse set of experience, expertise and independent judgement to better manage and run the Group;
(ii) He has fulfilled the criteria under the definition of Independent Directors pursuant to the Main Market Listing Requirements of Bursa Malaysia Securities Berhad;
(iii) He has ensured effective check and balance in the proceedings of the Board and the Board Committees;
(iv) He has actively participated in Board deliberations, provided objectivity in decision-making and an independent voice to the Board and contributed in preventing Board domination by any single party;
(v) He has devoted sufficient time and attention to his responsibilities as Independent Non-Executive Director of the Company; and
(vi) He has exercised his due care in the interest of the Company and shareholders during his tenure as Independent Non-Executive Director of the Company.

The proposed Resolution 10, if passed, will enable Mr. Tan Chon Sing @ Tan Kim Tieng to continue to act as Independent Non-Executive Director of the Company.

- 10. CONTINUATION IN OFFICE FOR MR. CHEW ENG CHAI AS AN INDEPENDENT NON-EXECUTIVE DIRECTOR
Pursuant to the Malaysian Code on Corporate Governance 2012, it is recommended that approval of shareholders be sought in the event the Company intends to retain an Independent Director who has served in that capacity for more than nine years.

The Nomination Committee and the Board of Directors had assessed the independence of Mr. Chew Eng Chai, and recommended him to continue to act as Independent Non-Executive Director of the Company based on the following justifications:-

- (i) He has fulfilled the criteria under the definition of Independent Directors pursuant to the Main Market Listing Requirements of Bursa Malaysia Securities Berhad;
(ii) He has ensured effective check and balance in the proceedings of the Board and the Board Committees;
(iii) He has actively participated in Board deliberations, provided objectivity in decision-making and an independent voice to the Board and contributed in preventing Board domination by any single party;
(iv) His vast experience in finance and manufacturing would enable him to provide the Board with a diverse set of experience, expertise and independent judgement to better manage and run the Group;
(v) He has devoted sufficient time and attention to his responsibilities as Independent Non-Executive Director of the Company; and
(vi) He has exercised his due care in the interest of the Company and shareholders during his tenure as Independent Non-Executive Director of the Company.

The proposed Resolution 11, if passed, will enable Mr. Chew Eng Chai to continue to act as Independent Non-Executive Director of the Company.

- 11. CONTINUATION IN OFFICE FOR MR. KHOO WEE BOON AS AN INDEPENDENT NON-EXECUTIVE DIRECTOR
Pursuant to the Malaysian Code on Corporate Governance 2012, it is recommended that approval of shareholders be sought in the event the Company intends to retain an Independent Director who has served in that capacity for more than nine years.

The Nomination Committee and the Board of Directors had assessed the independence of Mr. Khoo Wee Boon, and recommended him to continue to act as Independent Non-Executive Director of the Company based on the following justifications:-

- (i) He has ensured effective check and balance in the proceedings of the Board and the Board Committees;
(ii) He has fulfilled the criteria under the definition of Independent Non-Executive Director pursuant to the Main Market Listing Requirements of Bursa Malaysia Securities Berhad;
(iii) He has actively participated in Board deliberations, provided objectivity in decision-making and an independent voice to the Board and contributed in preventing Board domination by any single party;
(iv) His vast experience in the finance and securities market would enable him to provide the Board with a diverse set of experience, expertise and independent judgement to better manage and run the Group;
(v) He has devoted sufficient time and attention to his responsibilities as Independent Non-Executive Director of the Company; and
(vi) He has exercised his due care in the interest of the Company and shareholders during his tenure as Independent Non-Executive Director of the Company.

The proposed Resolution 12, if passed, will enable Mr. Khoo Wee Boon to continue to act as Independent Non-Executive Director of the Company.

- 12. CONTINUATION IN OFFICE FOR MR. MOHD ZAKI BIN HAMZAH AS AN INDEPENDENT NON-EXECUTIVE DIRECTOR
Pursuant to the Malaysian Code on Corporate Governance 2012, it is recommended that approval of shareholders be sought in the event the Company intends to retain an Independent Director who has served in that capacity for more than nine years.

The Nomination Committee and the Board of Directors had assessed the independence of Mr. Mohd Zaki bin Hamzah, and recommended him to continue to act as Independent Non-Executive Director of the Company based on the following justifications:-

- (i) He has fulfilled the criteria under the definition of Independent Director pursuant to the Main Market Listing Requirements of Bursa Malaysia Securities Berhad;
(ii) He has ensured effective check and balance in the proceedings of the Board and the Board Committees;
(iii) He has actively participated in Board deliberations, provided objectivity in decision-making and an independent voice to the Board and contributed in preventing Board domination by any single party;
(iv) His vast experience in the finance would enable him to provide the Board with a diverse set of experience, expertise and independent judgement to better manage and run the Group;
(v) He has devoted sufficient time and attention to his responsibilities as Independent Non-Executive Director of the Company; and
(vi) He has exercised his due care in the interest of the Company and shareholders during his tenure as Independent Non-Executive Director of the Company.

The proposed Resolution 13, if passed, will enable Mr. Mohd Zaki bin Hamzah to continue to act as Independent Non-Executive Director of the Company.