

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Seventeenth (17th) Annual General Meeting of PBA Holdings Bhd. ("PBAHB" or the "Company") will be held at the Matahari Ballroom, Hotel Equatorial Penang, 1 Jalan Bukit Jambul, 11900 Bayan Lepas, Pulau Pinang on Tuesday, 23 May 2017 at 2.00 p.m. for the following purposes: -

AGENDA

AS ORDINARY BUSINESS

- 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 refer to Note 2)
- To approve the payment of a final single tier dividend of 2.25 sen per share in respect of the financial year ended 31 December 2016. **Resolution 1**
- To re-elect the following Directors who are retiring in accordance with the Company's Constitution: -

Article 114

- YAB Tuan Lim Guan Eng **Resolution 2**
- YB Dato' Haji Mohd Rashid bin Hashon **Resolution 3**
- YB Prof. Dr. P. Ramasamy a/l Palanisamy **Resolution 4**
- YBhg. Dato' Seri Nazir Ariff bin Mushir Ariff **Resolution 5**

Article 112

- YB Puan Sarul Bahiyah binti Abu **Resolution 6**
- YBhg. Dato' Syed Mohamad bin Syed Murtaga **Resolution 7**
- YBhg. Dato' Sr. Kuvenaraju a/l Pachappen **Resolution 8**

- To re-appoint Messrs Grant Thornton as Auditors of the Company until the conclusion of the next Annual General Meeting and to authorise the Directors to fix their remuneration. **Resolution 9**

AS SPECIAL BUSINESS

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

5.1 Ordinary Resolution :-

Payment of benefits payable to the Directors under Section 230(1)(b) of the Companies Act, 2016

"THAT the benefits payable to the Directors up to an amount of RM550,000.00 for the period from 31 January 2017 until the next Annual General Meeting of the Company pursuant to Section 230(1)(b) of the Companies Act, 2016, be and is hereby approved for payment."

Resolution 10

5.2 Ordinary Resolution :-

Proposed renewal of authority for the Company to undertake a share buy-back of up to 10% of its issued and paid-up ordinary share capital ("Proposed Renewal of Share Buy-Back Authority")

"THAT, subject always to the Companies Act 2016 ("the Act"), the provisions of the Company's Constitution, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") and all other applicable laws, guidelines, rules and regulations, the Company be and is hereby authorized, to the fullest extent permitted by law to purchase such amount of ordinary shares in the Company ("PBAHB Shares") 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:-

- the aggregate number PBAHB Shares which may be purchased or held by the Company shall not exceed ten per centum (10%) of the total number of shares as quoted on Bursa Securities for the time being of the Company;
- the maximum fund to be allocated by the Company for the purpose of purchasing the PBAHB Shares under the Proposed Renewal of Share Buy-Back Authority shall not exceed the Company's audited retained profits of the Company for the time being;
- the authority conferred by this resolution shall commence immediately upon passing of this ordinary resolution and shall continue to be in force until:-
 - the conclusion of the next Annual General Meeting ("AGM") of the Company following the forthcoming AGM, at which time the authority will lapse unless renewed by ordinary resolution, either unconditionally or conditionally; or
 - the expiration of the period within which the next AGM after the date is required by law to be held; or
 - revoked or varied by ordinary resolution passed by the shareholders in a general meeting,

Resolution 11

whichever occurs first, but shall not prejudice the completion of purchase(s) by the Company of the PBAHB Shares before the aforesaid expiry date and, made in any event, in accordance with the provisions of the guidelines issued by Bursa Securities and any prevailing laws, rules, regulations, orders, guidelines and requirements issued by any relevant authorities;

- upon completion of the purchase(s) of the PBAHB Shares by the Company, the Directors of the Company may decide either to cancel the PBAHB Shares so purchased or to retain the PBAHB Shares so purchased as treasury shares of which may be distributed as dividends to shareholders and/or resold on the Bursa Securities and/or subsequently cancelled, or to retain part of the PBAHB Shares so purchased as treasury shares and cancel the remainder and in any other manner as prescribed by the Act, the requirements of the Bursa Securities and all other applicable laws, guidelines, rules and regulations issued by other relevant authority for the time being in force;

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, complete or to give full effect to the above purchase(s) with full powers to assent to any conditions, modifications, resolutions, 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 things thereafter in accordance with the Act, the provisions of the Constitution of the Company and the requirements and/or guidelines of Bursa Malaysia Main Market Listing Requirements and other relevant governmental and/or regulatory authorities.

- To transact any other ordinary business of which due notice shall have been given.

NOTICE OF DIVIDEND ENTITLEMENT

NOTICE IS ALSO HEREBY GIVEN that subject to the approval of the shareholders of the Company at the 17th Annual General Meeting to be held on 23 May 2017, a final single tier dividend of 2.25 sen per share in respect of the financial year ended 31 December 2016 will be paid on 21 July 2017 to the shareholders whose names appear in the Record of Depositors on 6 July 2017.

A depositor shall qualify for entitlement to the dividend only in respect of:-

- Shares transferred into the depositor's securities account before 4.00 p.m. on 6 July 2017 in respect of ordinary transfers; and
- Shares bought on the Bursa Malaysia Securities Berhad on a cum entitlement basis according to the Rules of the Bursa Malaysia Securities Berhad.

By Order of the Board,

THUM SOOK FUN
(MIA 24701)
Company Secretary

Dated: 28 April 2017
Penang

Notes: -

1. Appointment of Proxy

- For the purpose of determining a member who shall be entitled to attend, speak and vote at this 17th Annual General Meeting, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd in accordance with Article 64 of the Constitution of the Company and Section 34(1) of the Securities Industry (Central Depositories) Act 1991, to issue a General Meeting Record of Depositors as at 16 May 2017. Only a depositor whose name appears on the Record of Depositors as at 16 May 2017 shall be entitled to attend, speak and vote at the said meeting or appoint proxy to attend, speak and vote on his/her behalf.
- A member entitled to attend and vote at the Meeting is entitled to appoint his or her proxy to attend and vote in his or her stead. Where a member appoints two (2) or more proxies, the appointments shall be invalid unless he or she specifies the proportions of his or her shareholdings to be represented by each proxy.
- A proxy may but need not to be a member of the Company. There shall be no restriction as to the qualification of the proxy. Any proxy or duly authorised representative appointed to vote and attend instead of a member, shall have the same right as the member to speak at the meeting.
- In the case of a corporate member, the instrument appointing a proxy must be either under its common seal or under the hand of its officer or attorney duly authorised.
- Where a member is an authorised nominee, as defined under the Securities Industry (Central Depositories) Act 1991, it may appoint at least one (1) proxy but not more than two (2) proxies in respect of each securities account it holds which is credited with ordinary shares of the Company. The appointment of two (2) proxies in respect of any particular securities account shall be invalid unless the authorised nominee specifies the proportion of its shareholding to be represented by each proxy.
- Where a member is an exempt authorised nominee ("EAN") as defined under the Securities Industry (Central Depositories) Act 1991 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 EAN may appoint in respect of each omnibus account it holds.
- Any alteration to the instrument appointing a proxy must be initiated. The instrument appointing a proxy must be deposited at the registered office of the Company at Level 32, KOMTAR, Jalan Penang, 10000 Georgetown, Pulau Pinang, not less than 48 hours before the time fixed for holding the Meeting or any adjournment thereof.
- Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all resolutions set out in this notice will be put to vote by way of a poll.

2. Audited Financial Statements for the financial year ended 31 December 2016

This Agenda item is meant for discussion only, as Section 304(1) of the Act does not require a formal approval for the Audited Financial Statements from the shareholders. Therefore, this Agenda is not put forward for voting.

3. Final dividend

With reference to Section 131 of the Act, a company may only make a distribution to the shareholders out of profits of the Company available if the Company is solvent. On 27 February 2017, the Board had considered the amount of dividend and decided to recommend the same for the shareholders' approval.

The Directors of the Company are satisfied that the Company will be solvent as it will be able to pay its debts as and when the debts become due within twelve (12) months immediately after the distribution is made on 21 July 2017 in accordance with the requirements under Section 132(2) and (3) of the Act.

4. Re-election of Directors

Article 114 of the Company's Constitution states that one-third (1/3) of the Directors shall retire from office and shall be eligible for re-election at each AGM. All Directors shall retire from office at least once in each three (3) years but shall be eligible for re-election.

Article 112 of the Company's Constitution states that any Director who is appointed either to fill a casual vacancy or as an addition to the existing Directors, shall hold office until the next AGM and shall be eligible for re-election but shall not be taken into account in determining the Directors who are to retire by rotations at that meeting.

In determining the eligibility of the Directors to stand for re-election at the 17th AGM, the Nomination and Remuneration Committee ("NRC") has considered the following:-

- Evaluation on the effectiveness of the Individual Directors, the Board as a whole and all Board Committees; and

4. Re-election of Directors (Cont'd)

(ii) For Independence Non-Executive Directors ("INEDs") only, the level of independence demonstrated by the INEDs and their ability to act in the best interest of the Company.

In line with Recommendation 3.1 of the Malaysian Code on Corporate Governance 2012 ("MCCG 2012"), the Board has conducted a separate assessment of independence of the INEDs, the evaluation criteria adopted as well as the process of assessment by the Board have been duly elaborated in the Corporate Governance Statement of the Annual Report 2016 of the Company.

The Board approved the NRC's recommendation for the retiring Directors pursuant to Article 112 and 114 of the Company's Constitution, respectively. All the retiring Directors have consented to their re-election, and abstained from deliberation as well as decision on their own eligibility to stand for re-election at the relevant NRC and Board meetings, where applicable.

5. Re-appointment of Auditors

The Board had at its meeting held on 9 April 2017 approved the recommendation by the Audit and Risk Management Committee ("ARMC") on the re-appointment of Messrs. Grant Thornton as Auditors of the Company. The Board and ARMC collectively agreed that Messrs. Grant Thornton has met the relevant criteria prescribed by Paragraph 15.21 of Main Market Listing Requirements of Bursa Securities.

The ARMC have assessed the suitability and independence of the External Auditors and recommended the re-appointment of Messrs. Grant Thornton as External Auditors of the Company for the financial year ending 31 December 2017. The Board has in turn reviewed the recommendation of the ARMC and recommended the same be tabled to the shareholders for approval at the forthcoming AGM 2017 of the Company under Resolution 9. The evaluation criteria adopted as well as the process of assessment by the ARMC and Board, respectively, have been duly elaborated in the Corporate Governance Statement of the Annual Report 2016 of the Company.

6. Payment of Benefits Payable to the Non-Executive Directors

Section 230(1) of the Act provides amongst others, that the fees of the Directors and any benefits payable to the Directors of a listed company and its subsidiaries shall be approved at a general meeting.

Under Ordinary Resolution 10, the benefits payable to the Non-Executive Directors pursuant to Section 230(1)(b) of the Act have been reviewed by the Board of Directors of the Company, which recognises that the benefits payable are in the best interest of the Company for the applicable period of between 31 January 2017 to the next AGM. The benefits comprise of allowances, benefits in kind and the meeting allowance, which will only be accorded based on actual attendance of meetings by the Directors.

In this respect, the Board wishes to seek shareholders' approval for the benefits payable to the Non-Executive Directors, with effect from 31 January 2017 (which the Act in force) until the next AGM, details of which are as follows: -

Description	Chairman	Non-Executive Directors
Monthly fixed allowances	RM3,500	RM500 - RM1,500
Meeting allowance (per meeting)		
a) Board Member	RM300	RM300
b) Board Committee Members	RM300	RM300
Other Claimable Benefits	Business travel and accommodation, communication, medical coverage and other claimable benefits	Business travel and accommodation, communication, medical coverage and other claimable benefits

7. Proposed Renewal of Share Buy-Back Authority

The proposed adoption of Resolution No. 11 is to renew the authority granted by the shareholders of the Company at the 16th AGM held on 24 May 2016.

The proposed renewal of the Shares Buy Back Authority, if passed, will allow the Directors to buy-back and/or hold up to a maximum of 10% of the issued shares capital of the Company. This authority will, unless revoked or varied by the Company in a general meeting, expire at the conclusion of the next AGM of the Company, or the expiration of period within which the next AGM is required by law to be held, whichever is earlier.

For further information, please refer to the Statement to Shareholders dated 28 April 2017, which is dispatched together with the Company's Annual Report 2016.