



## NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN THAT** the Thirty-Third Annual General Meeting of Prestar Resources Berhad will be held at Dewan Berjaya, Bukit Kiara Equestrian & Country Resort, Jalan Bukit Kiara, Off Jalan Damansara, 60000 Kuala Lumpur, Wilayah Persekutuan on Thursday, 31 May 2018 at 10:00 a.m. for the following purposes:-

### AGENDA

- To receive the Audited Financial Statements for the financial year ended 31 December 2017 together with the Reports of the Directors and the Auditors thereon.
- To approve the payment of the single-tier final dividend of 3.0 sen per ordinary share for the financial year ended 31 December 2017. (Resolution 1)
- To approve the payment of Directors' fees amounting to RM220,000/- for the financial year ended 31 December 2017. (Resolution 2)
- To approve an amount of up to RM30,000/- as benefits payable to the Non-Executive Directors from 31 May 2018 to the next Annual General Meeting of the Company held in 2019. (Resolution 3)
- To re-elect Mr. Lou Swee You who retires pursuant to Article 112 of the Company's Articles of Association, and being eligible, has offered himself for re-election. (Resolution 4)
- To re-elect the following Directors who retire pursuant to Article 105 of the Company's Articles of Association, and being eligible, have offered themselves for re-election:-
  - Dato' Toh Yew Peng (Resolution 5)
  - Encik Md Nahar Bin Noordin (Resolution 6)
  - Tuan Haji Fadzullah Shuhaimi Bin Salleh (Resolution 7)
- To re-appoint Messrs. BDO as Auditors of the Company until the conclusion of the next Annual General Meeting of the Company and to authorise the Directors to fix their remuneration. (Resolution 8)
- As Special Business:

To consider and, if thought fit, with or without any modification, to pass the following resolutions which will be proposed as ordinary resolutions:-

#### (a) ORDINARY RESOLUTION NO. 1

##### - AUTHORITY TO ISSUE SHARES PURSUANT TO THE COMPANIES ACT, 2016

"THAT subject to the Companies Act, 2016, the Articles of Association of the Company and approvals of Bursa Malaysia Securities Berhad ("Bursa Securities") and any other governmental/regulatory authorities, the Directors of the Company be and are hereby empowered, pursuant to the Companies Act, 2016, to issue and allot shares in the Company at any time to such persons and upon such terms and conditions and for such purposes as the Directors of the Company may, in their absolute discretion, deem fit, provided that the aggregate number of shares to be issued pursuant to this resolution does not exceed ten per centum (10%) of the total number of issued shares of the Company for the time being and the Directors of the Company be and are also empowered to obtain the approval for the listing of and quotation for the additional shares so issued on Bursa Securities;

AND THAT such authority shall commence immediately upon the passing of this resolution and continue to be in force until the conclusion of the next Annual General Meeting of the Company." (Resolution 9)

#### (b) ORDINARY RESOLUTION NO. 2

##### - PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY

"THAT, subject to the compliance with Section 127 of the Companies Act, 2016 ("the Act") and all other applicable laws, rules and regulations, provisions of the Company's Memorandum and Articles of Association and the requirements of Bursa Malaysia Securities Berhad ("Bursa Securities"), approval be and is hereby given to the Company, to purchase such amount of ordinary shares in the Company ("Shares") as may be determined by the Directors of the Company from time to time through Bursa Securities as the Directors may deem fit and expedient in the interest of the Company provided that the aggregate number of Shares to be purchased and held pursuant to this resolution does not exceed ten per centum (10%) of the existing total number of issued shares of the Company including the Shares previously purchased and retained as treasury shares (if any), upon such terms and conditions as set out in the Statement to Shareholders dated 27 April 2018;

AND THAT such authority shall commence immediately upon the passing of this resolution and until the conclusion of the next Annual General Meeting of the Company or the expiry of the period within which the next Annual General Meeting is required by law to be held unless revoked or varied by ordinary resolution in the general meeting of the Company but so as not to prejudice the completion of a purchase made before such expiry date, in any event in accordance with the provisions of Bursa Securities Main Market Listing Requirements and any other relevant authorities;

AND THAT the maximum amount of funds to be utilised for the purpose of the Proposed Renewal of Share Buy-Back Authority shall not exceed the Company's retained profits based on the latest audited financial statements of the Company for the financial year ended 31 December 2017 of RM19,957,725/-;

AND THAT authority be and is hereby given to the Directors of the Company to decide in their absolute discretion to retain the Shares in the Company so purchased by the Company as treasury shares and/or to cancel them and/or to resell them and/or to distribute them as share dividends and/or to transfer them for the purposes of or under an employees share scheme and/or to transfer them as purchase consideration in such manner as may be permitted and prescribed by the provisions of Bursa Securities Main Market Listing Requirements, the Act 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 to implement, finalise and give full effect to the aforesaid with full powers to assent to any condition, modification, variation and/or amendment (if any) as may be imposed by the relevant authorities and to do all such acts and things as the Directors may deem fit and expedient in the interests of the Company." (Resolution 10)

#### (c) ORDINARY RESOLUTION NO. 3

##### - PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE

"THAT, subject to the Companies Act, 2016 ("the Act"), the Memorandum and Articles of Association of the Company and Bursa Malaysia Securities Berhad Main Market Listing Requirements, approval be and is hereby given to the Company's subsidiaries to enter into the Recurrent Related Party Transactions with the related parties, as described in Part B, Section 2.3 of the Circular to Shareholders dated 28 April 2017 subject further to the following:-

- the Recurrent Related Party Transactions are in the ordinary course of business which are necessary for day-to-day operations and are on terms not more favourable than those generally available to the public; and
- disclosure is made in the annual report breakdown of the aggregate value of transactions conducted pursuant to the shareholders' mandate during the financial year and that such approval shall, commence immediately upon the passing of this ordinary resolution and continue to be in force until:-
  - the conclusion of the next Annual General Meeting ("AGM") of the Company following the general meeting at which such mandate was passed, at which time it will lapse, unless by a resolution passed at the Meeting, the authority is renewed;
  - the expiration of the period within which the next AGM of the Company after that date it is required to be held pursuant to Section 340(1) of the Act (but must not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or
  - revoked or varied by resolution passed by the shareholders of the Company in general meeting, whichever is the earlier,

AND THAT the Directors and/or any of them be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) to give effect to the transactions contemplated and/or authorised by this ordinary resolution." (Resolution 11)

#### (d) ORDINARY RESOLUTION NO. 4

##### - RETENTION OF INDEPENDENT NON-EXECUTIVE DIRECTOR

"THAT subject to the passing of Resolution No. 4, Mr. Lou Swee You who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine (9) years be and is hereby retained as an Independent Non-Executive Director in accordance with the Malaysian Code on Corporate Governance." (Resolution 12)

#### (e) ORDINARY RESOLUTION NO. 5

##### - RETENTION OF INDEPENDENT NON-EXECUTIVE DIRECTOR

"THAT subject to the passing of Resolution No. 6, Encik Md Nahar Bin Noordin who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine (9) years be and is hereby retained as an Independent Non-Executive Director in accordance with the Malaysian Code on Corporate Governance." (Resolution 13)

#### (f) ORDINARY RESOLUTION NO. 6

##### - RETENTION OF INDEPENDENT NON-EXECUTIVE DIRECTOR

"THAT subject to the passing of Resolution No. 7, Tuan Haji Fadzullah Shuhaimi Bin Salleh who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than twelve (12) years be and is hereby retained as an Independent Non-Executive Director in accordance with the Malaysian Code on Corporate Governance." (Resolution 14)

#### (g) ORDINARY RESOLUTION NO. 7

##### - RETENTION OF INDEPENDENT NON-EXECUTIVE DIRECTOR

"THAT Dato' Lim Cheang Nyok who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than twelve (12) years be and is hereby retained as an Independent Non-Executive Director in accordance with the Malaysian Code on Corporate Governance." (Resolution 15)

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

### NOTICE OF DIVIDEND ENTITLEMENT

**NOTICE IS ALSO HEREBY GIVEN THAT** the single-tier final dividend of 3.0 sen per ordinary share in respect of the financial year ended 31 December 2017 will be payable on 28 June 2018 to depositors who are registered in the Record of Depositors at the close of business on 12 June 2018, if approved by members at the forthcoming Thirty-Third Annual General Meeting on 31 May 2018.

A Depositor shall qualify for entitlement only in respect of:-

- Securities transferred into the Depositor's Securities Account before 4:00 p.m. on 12 June 2018 in respect of ordinary transfers; and
- Shares bought on Bursa Malaysia Securities Berhad ("Bursa Securities") on a cum entitlement basis according to the Rules of Bursa Securities.

### BY ORDER OF THE BOARD

CHUA SIEW CHUAN (MAICSA 0777689)

CHIN MUN YEE (MAICSA 7019243)

Secretaries

Kuala Lumpur

Dated: 27 April 2018

Exploratory Notes:-

#### 1. Authority to have shares pursuant to the Companies Act, 2016

The proposed adoption of the Ordinary Resolution No. 1 is for the purpose of granting a renewed general mandate ("General Mandate") and empowering the Directors of the Company, pursuant to the Companies Act, 2016, to issue and allot new shares in the Company from time to time provided that the aggregate number of shares issued pursuant to the General Mandate does not exceed 10% of the total number of issued shares of the Company for the time being. The General Mandate, unless revoked or varied by the Company in general meeting, will expire at the conclusion of the next Annual General Meeting of the Company.

The General Mandate will provide flexibility to the Company for allotment of shares for any possible fund raising activities for the purpose of funding future investment project(s), working capital and/or acquisition(s).

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 Thirty-Second Annual General Meeting held on 31 May 2017 and which will lapse at the conclusion of the Thirty-Third Annual General Meeting.

#### 2. Proposed Renewal of Authority for Share Buy-Back

The proposed adoption of the Ordinary Resolution No. 2 is to renew the authority granted by the shareholders of the Company at the Thirty-Second Annual General Meeting held on 31 May 2017. The proposed renewal will allow the Board of Directors to exercise the power of the Company to purchase not more than 10% of the total number of issued shares of the Company at any time within the time period stipulated in Bursa Malaysia Securities Berhad Main Market Listing Requirements.

#### 3. Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature

The proposed adoption of the Ordinary Resolution No. 3 is to renew the Shareholders' Mandate granted by the shareholders of the Company at the Thirty-Second Annual General Meeting held on 31 May 2017. The proposed renewal of Shareholders' Mandate will enable the Group to enter into the Recurrent Related Party Transactions of a Revenue or Trading Nature which are necessary for the Group day-to-day operations, subject to the transactions being in the ordinary course of business and on normal commercial terms which are not more favourable to the related parties than those generally available to the public and are not to the detriment of the minority shareholders of the Company.

#### 4. Retention as Independent Non-Executive Directors of the Company pursuant to the Malaysian Code on Corporate Governance

##### (a) Mr. Lou Swee You

Mr. Lou Swee You was appointed as an Independent Non-Executive Director of the Company on 9 May 2008, and has, therefore served for more than nine (9) years as an Independent Non-Executive Director. As at the date of the Notice of the Annual General Meeting, he has served the Company for almost ten (10) years as an Independent Non-Executive Director. However, he has met the independence guidelines as set out in Chapter 1 of Bursa Malaysia Securities Berhad Main Market Listing Requirements. The Board, therefore, considers him to be independent and recommends that he should be retained as an Independent Non-Executive Director.

##### (b) Encik Md Nahar Bin Noordin

Encik Md Nahar Bin Noordin has served the Company for almost twenty-four (24) years since his appointment as a Non-Independent Non-Executive Director of the Company on 18 June 1994. Subsequently, he was re-designated as an Independent Non-Executive Director of the Company on 3 October 2007, and has, therefore served for more than nine (9) years as an Independent Non-Executive Director. As at the date of the Notice of the Annual General Meeting, he has served the Company for almost eleven (11) years as an Independent Non-Executive Director. However, he has met the independence guidelines as set out in Chapter 1 of Bursa Malaysia Securities Berhad Main Market Listing Requirements. The Board, therefore, considers him to be independent and recommends that he should be retained as an Independent Non-Executive Director.

##### (c) Tuan Haji Fadzullah Shuhaimi Bin Salleh

Tuan Haji Fadzullah Shuhaimi Bin Salleh was appointed as an Independent Non-Executive Director of the Company on 18 March 1995, and has, therefore served for more than twelve (12) years. As at the date of the Notice of the Annual General Meeting, he has served the Company for twenty-three (23) years. However, he has met the independence guidelines as set out in Chapter 1 of Bursa Malaysia Securities Berhad Main Market Listing Requirements. The Board, therefore, considers him to be independent and recommends that he should be retained as an Independent Non-Executive Director.

##### (d) Dato' Lim Cheang Nyok

Dato' Lim Cheang Nyok was appointed as an Independent Non-Executive Director of the Company on 28 March 2002, and has, therefore served for more than twelve (12) years. As at the date of the Notice of the Annual General Meeting, he has served the Company for sixteen (16) years. However, he has met the independence guidelines as set out in Chapter 1 of Bursa Malaysia Securities Berhad Main Market Listing Requirements. The Board, therefore, considers him to be independent and recommends that he should be retained as an Independent Non-Executive Director.

Further information on the Proposed Renewal of Share Buy-Back Authority and Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions are set out in the Statement and Circular to Shareholders of the Company respectively which are despatched together with the Company's 2017 Annual Report.

### Notes:

- In respect of deposited securities, only members whose names appear in the Record of Depositors on 24 May 2018 (General Meeting Record of Depositors) shall be eligible to attend the Meeting.
- A member entitled to attend and vote at the Meeting is entitled to appoint more than one (1) proxy to attend and vote in his stead (subject always to a maximum of two (2) proxies of each Meeting). Where a member appoints more than one (1) proxy, the appointments shall be invalid unless he specifies the proportions of his shareholdings to be represented by each proxy.
- A proxy may but does not need to be a member of the Company. Notwithstanding this, a member entitled to attend and vote at the Meeting is entitled to appoint any person as his proxy to attend and vote instead of the member at the Meeting. There shall be no restriction as to the qualification of the proxy. A proxy appointed to attend and vote at the Meeting shall have the same rights 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 an officer or attorney duly authorised.
- 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.
- The instrument appointing a proxy must be deposited at the Company's Registered Office at Level 7, Menara Milenium, Jalan Damansara, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur, Wilayah Persekutuan not less than 48 hours before the time for holding the Meeting or any adjournment thereof.