



PERMAJU INDUSTRIES BERHAD

(Company No. 379057-V) (Incorporated in Malaysia)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Twenty-Second (22nd) Annual General Meeting of PERMAJU INDUSTRIES BERHAD ("Permaju" or "the Company") will be held at Room IQ150, Qliq Damansara Empire Damansara, No. 2, Jalan PJU 8/8A, Damansara Perdana, 47820 Petaling Jaya, Selangor Darul Ehsan on 29 June 2018 at 10.00 a.m. for the purpose of transacting the following businesses:

AGENDA

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| 1. To receive the Audited Consolidated Financial Statements for the financial year ended 31 December 2017 together with the Reports of the Directors and Auditors thereon. | (Please refer to Explanatory Note 1) |
| 2. To approve the payment of additional Directors' fees totalling RM4,167 for the financial year ended 31 December 2017. | Ordinary Resolution 1 |
| 3. To approve the payment of Directors' fees of up to RM400,000 for the financial year ending 31 December 2018 to be divided amongst the Directors in such manner as the Directors may determine and other benefits payable of up to RM150,000 for the period commencing from 1 January 2018 up to the next Annual General Meeting of the Company. | Ordinary Resolution 2 |
| 4. To re-elect the following Director who retire pursuant to Article 88 of the Company's Articles of Association:
(a) Brig. General (Ret.) Datuk Muhamad Yasin Bin Yahya | Ordinary Resolution 3 |
| 5. To re-elect the following Directors who retire pursuant to Article 93 of the Company's Articles of Association:
(a) Jean-Michel Fink
(b) Mazlan Bin Mohamad
(c) Datuk Wira Hj Hamza Bin Taib
(d) Datuk Michael Lor Chee Leng
(e) Mark Chew Shin Yong
(f) Tan Lay Chee | Ordinary Resolution 4
Ordinary Resolution 5
Ordinary Resolution 6
Ordinary Resolution 7
Ordinary Resolution 8
Ordinary Resolution 9 |
| 6. To re-appoint Messrs Ernst & Young as Auditors of the Company for the ensuing year and to authorise the Directors to fix their remuneration. | Ordinary Resolution 10 |

As Special Business:

To consider and, if thought fit, to pass the following resolutions:

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| 7. Continuation of Terms of Office as Independent Director
THAT approval be and is hereby given to the following Director to continue to act as an Independent Non-Executive Director of the Company until the conclusion of the next Annual General Meeting of the Company :
(a) Brig. General (Ret.) Datuk Muhamad Yasin Bin Yahya | Ordinary Resolution 11 |
| 8. Authority to Allot Shares Pursuant to Sections 75 and 76 of the Companies Act, 2016
THAT pursuant to Sections 75 and 76 of the Companies Act, 2016 and subject to the approvals of the relevant governmental/ regulatory authorities, the Directors be and are hereby empowered to issue shares in the capital of the Company from time to 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 hereby also empowered to obtain approval from the Bursa Malaysia Securities Berhad for the listing and quotation of the additional shares so issued and that such authority shall continue to be in force until the conclusion of the next Annual General Meeting of the Company. | Ordinary Resolution 12 |
| 9. To transact any other business of the Company for which due notice shall have been given. | |

By order of the Board,

Thayaparan A/L M. Rasiyah (LS004642)
Tan Tong Lang (MAICSA 7045482)
Chong Voon Wah (MAICSA 7055003)
Company Secretaries

Kuala Lumpur
30 April 2018

Notes

- A member entitled to attend and vote at the general meeting is entitled to appoint up to two (2) proxies to attend and vote in his/her stead. A proxy may but need not be a member of the Company, an advocate, an approved Company auditor or a person approved by the Registrar of Companies.
- Where a member appoints two (2) proxies, the appointment of such proxies shall not be valid unless the member specifies the proportion of his shareholding to be represented by each such proxy.
- Where a member of the Company is an exempt authorised nominee defined under the Central Depositories Act which is exempted from compliance with the provision of subsection 25A (1) of the Central Depositories Act 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 shall be in writing under the hand of the appointer or his attorney duly authorised in writing or, if the appointer is a corporation, either under its Common Seal or signed by attorney so authorised.
- The Form of Proxy must be deposited at the Registrar Office of the Company at No. 2-1, Jalan Sri Hartamas 8, Sri Hartamas, 50480 Kuala Lumpur, Wilayah Persekutuan not less than 48 hours before the time set for holding the meeting or any adjournment thereof.
- For the purpose of determining a member who shall be entitled to attend the meeting, only a member whose name appear in the Record of Depositors as at 22 June 2018 will be entitled to attend, speak and vote at the said meeting or appoint proxies to attend, speak and vote on his stead.

EXPLANATORY NOTES

- Audited Financial Statements for the Financial Year Ended 31 December 2017**
The Agenda No. 1 is meant for discussion only as Section 340(1) (a) of the Companies Act, 2016 provide that the audited financial statements are to be laid in the general meeting and do not require a formal approval of the shareholders. Hence, this Agenda item is not put forward for voting.
- Ordinary Resolution 1 : To Approve the Payment of Additional Directors' Fees for Financial Year Ended 31 December 2017**
The shareholders of the Company had at the Twenty-First (21st) Annual General Meeting held on 9 June 2017 approved the payment of Directors' Fees of up to RM300,000 for the financial year ended 31 December 2017.
During the financial year ended 31 December 2017, the Company has appointed six (6) new Directors to the Board and the additional payment of RM4,167 represented the additional Directors' fees paid to the existing and new Directors of the Company.
- Ordinary Resolution 2: To Approve the Payment of Directors' Fees and Other Benefits Payable**
The Directors' benefits payable comprises of meeting attendance allowances and other claimable benefits.
In determining the estimated total amount of Directors' benefits, the Board has considered various factors, among others, the estimated claimable benefits and estimated number of meetings for the Board and Board Committees held for the period commencing from 1 January 2018 until the next Annual General Meeting of the Company.
- Ordinary Resolutions 11: Continuation of Terms of Office as Independent Director**
As recommended by the Malaysian Code of Corporate Governance ("MCCG"), the Board has recommended Brig. General (Ret.) Datuk Muhamad Yasin Bin Yahya who has served as Independent Non-Executive Director of the Company for a cumulative term of more than twelve (12) years, to continue to act as Independent Non-Executive Directors of the Company subject to the shareholders' approval through a two-tier voting process at the Twenty-Second (22nd) Annual General Meeting of the Company.
The Nomination Committee and the Board have assessed the independence of the abovementioned Director, and have recommended that he continue to act as an Independent Non-Executive Director of the Company based on the following justifications:
a) he fulfils the criteria under the definition of Independent Director as stated in the Listing Requirements of Bursa Securities and, therefore, is able to bring independent and objective judgment to the Board as a whole;
b) his experience in the relevant industries has enabled them to provide the Board and Board Committees, as the case may be, with pertinent expertise, skills and competence;
c) he has been with the Company long and therefore understands the Company's business operations which enables him to contribute actively and effectively during deliberations or discussions at Board and Committee meetings; and
d) he continue to be scrupulously independent in his thinking and in his effectiveness as constructive challengers of the Executive Directors.
- Ordinary Resolution 12: Authority to Allot Shares Pursuant to Sections 75 and 76 of the Companies Act, 2016**
The Proposed Ordinary Resolution 12, if passed, is a renewal of General Mandate to empower the Directors to issue and allot shares up to an amount not exceeding 10% of the issued share capital of the Company for the time being for such purposes as the Directors consider would be in the best interest of the Company. This authority, unless revoked or varied by the Company at a General Meeting, will expire at the next Annual General Meeting.
The General Mandate will provide flexibility to the Company for any possible fund raising activities, including but not limited to further placing of shares, for the purpose of funding future investment project(s) workings capital and/or acquisitions.
As at the date of this Notice, no new shares in the Company were issued pursuant to the General Mandate granted to the Directors at the Twenty-First (21st) Annual General Meeting held on 9 June 2017 and which will lapse at the conclusion of the Twenty-Second (22nd) Annual General Meeting.