



NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Thirteenth Annual General Meeting (AGM) of P.A. Resources Berhad (“the Company”) will be held at Kelab Rahman Putra Malaysia, Jalan BRP 2/1, Bukit Rahman Putra, 47000 Sungai Buloh, Selangor Darul Ehsan on Thursday, 13 December 2018 at 10.00 a.m. to transact the following businesses, with or without modifications:-

AGENDA

ORDINARY BUSINESS

- To receive the Audited Financial Statements for the financial year ended 30 June 2018 together with the Directors and Auditors’ Reports thereon. Please refer to (Explanatory Note 1)
- To approve the payment of Directors’ fees and benefits payable to the Non-Executive Directors up to an amount of RM300,000.00 from 13 December 2018 until the next AGM of the Company. **Resolution 1**
(Explanatory Note 2)
- To re-elect the following Directors who retire by rotation in accordance with Article 128 of the Company’s Constitution and who being eligible offer themselves for re-election:-
 - Ho Puay Koa **Resolution 2**
 - Wang Sze Yao @ Wang Ming Way **Resolution 3**
- To appoint Messrs. Moore Stephens Associates PLT as Auditors of the Company in place of the retiring Auditor, Messrs. WHLK and to authorise the Directors to determine their remuneration. **Resolution 4**

SPECIAL BUSINESS

To consider and if thought fit, to pass the following Ordinary Resolutions:-

- Retention of Independent Director**
“THAT Mr. Yap Fatt Lam who has served for a cumulative term of more than nine (9) years be and is hereby retained as an Independent Non-Executive Director of the Company until the conclusion of the next Annual General Meeting of the Company.” Please refer to (Explanatory Note 1 on special business) **Resolution 5**
- Authority for Directors to issue and allot shares in the Company pursuant to Section 75 of the Companies Act 2016**
“THAT subject to Section 75 of the Companies Act, 2016 and approvals of the relevant government/regulatory authorities, the Directors be and are hereby empowered 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 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 total number of issued shares capital of the Company for the time being and the Directors be and are also empowered to obtain the approval for the listing of and quotation for the additional shares so issued on Bursa Malaysia Securities Berhad AND THAT that such authority shall commence immediately upon the passing of this resolution and continue in force until the conclusion of the next Annual General Meeting of the Company in accordance with Section 76 of the Companies Act 2016.” **Resolution 6**
(Explanatory Note 2)
- To transact any other business of which due notice shall have been given.

FURTHER NOTICE IS HEREBY GIVEN THAT for the purpose of determining a member who shall be entitled to attend this 13th AGM, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd in accordance with Article 77 of the Company’s Constitution and Paragraph 7.16(2) of the Main Market Listing Requirements of Bursa Securities, to issue a General Meeting Record of Depositors as at 7 December 2018. Only a depositor whose name appears on the Record of Depositors as at 7 December 2018 shall be entitled to attend the said meeting or appoint proxies to attend and/or vote on his/her behalf.

BY ORDER OF THE BOARD

TIA HWEI PING (MAICSA 7057636)
Company Secretary

Selangor Darul Ehsan
15 November 2018

Notes:-

Proxy

- A member entitled to attend, participate, speak and vote at the AGM is entitled to appoint not more than two (2) proxies to attend, participate, speak and vote in his stead. Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he specifies the proportion of his shareholding to be represented by each proxy.
- (a) Where a member is an authorised nominee (AN) as defined under the Securities Industry (Central Depositories) Act 1991 (SICDA), the AN may 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.
(b) Where a member is an exempt authorised nominee (EAN) as defined under SICDA which holds ordinary shares in the Company for multiple 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.
- The instrument appointing a proxy shall be in writing under the hand of the appointor or his attorney duly authorised in writing, or if the appointor is a corporation, under its common seal or in such other manner approved by its Directors.
- The instrument appointing a proxy must be deposited at the registered office, Level 8, Symphony House, Pusat Dagangan Dana 1, Jalan PJU 1A/46, 47301 Petaling Jaya, Selangor, no later than Tuesday, 11 December 2018 at 10.00 a.m.

EXPLANATORY NOTES ON ORDINARY BUSINESS

- Audited Financial Statements for financial year ended 30 June 2018**
The audited financial statements are laid in accordance with Section 340(1)(a) of the Companies Act (“CA 2016”) for discussion only under Agenda 1. They do not require shareholders’ approval and hence, is not put forward for voting.
- Ordinary Resolution 1: Directors’ fees and benefits payable to the Non-Executive Directors**
Section 230(1) of the CA 2016 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. In this respect, the Board agreed that the shareholders’ approval shall be sought at the 13th AGM under Ordinary Resolution 1.
The Remuneration Committee (RC) has conducted a review on the remuneration policy for the members of the Board with the view to determine its competitiveness and sufficiency to attract and retain individuals with strong credentials and high calibre to serve on the Board of the Company. The Board has approved the RC recommendation for the Directors’ fees and benefits payable to the Non-Executive Directors. The Directors’ benefits comprise meeting allowances, travelling allowances and other claimable benefits.

EXPLANATORY NOTES ON SPECIAL BUSINESS

- Ordinary Resolution 5 : Retention of Independent Director**
The independence of Mr. Yap Fatt Lam who has served as Independent Non-Executive Director of the Company has been assessed by the Nominating Committee and affirmed by the Board with the following justifications:-
 - He was appointed on 9 February 2006 as an Independent Non-Executive Director of the Company for a cumulative term of more than nine (9) years. As such he understands the Company’s business operations and is able to participate and contribute actively during deliberations and discussions at the meetings of the Board and Board Committees;
 - He fulfils the criteria under the definition of independent Director as set out in the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, and therefore, is able to bring independent and objective judgement to the Board;
 - He has exercised due care during his tenure as Independent Non-Executive Director of the Company and carried out his professionally duties in good faith and in the interest of the Company and shareholders; and
 - He has contributed sufficient time and efforts and attended the meetings of the Board and Board Committees held during the financial year ended 30 June 2018, as and when required, for informed and balanced decision making.
- Ordinary Resolution 6 : Authority for Directors to issue and allot shares in the company pursuant to Section 75 of the Companies Act 2016**
The proposed Ordinary Resolution 6 is a general mandate to be obtained from the shareholders of the Company for the purpose of renewing the general mandate for issuance of Shares. If passed, it will give the Directors of the Company authority to issue ordinary shares in the Company at any time in their absolute discretion without the need to convene a general meeting. The authorisation, unless revoked or varied by the Company at a general meeting, will expire at the conclusion of the next Annual General Meeting of the Company.

The general mandate, if granted, 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), working capital and/or acquisition(s).

The Company undertook a Private Placement of up to 10% of the total number of issued shares of the Company under the general mandate sought at the 12th AGM held on 24 November 2017 (“Previous Mandate”). The proceeds raised from the Previous Mandate amounted to RM7,499,992.50 and will be utilized for Capital Expenditure and defray estimated expenses.

As at the date of this Notice, the Company has not utilized the proceeds raised from the Previous Mandate.