

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Nineteenth Annual General Meeting ("AGM") of **SKP RESOURCES BHD** ("the Company") will be held at Cempaka Room, Level 3, Hotel Bangi-Putrajaya, Off Persiaran Bandar, 43650 Bandar Baru Bangi, Selangor Darul Ehsan on Friday, 27 September 2019 at 11:00 a.m or at any adjournment thereof to transact the following business:-

AGENDA

ORDINARY BUSINESS

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| <p>1. To receive the Audited Financial Statements of the Company for the financial year ended 31 March 2019 together with the Reports of the Directors and Auditors thereon.</p> <p>2. To approve the payment of a final single-tier dividend of 3.84 sen per share for the financial year ended 31 March 2019.</p> <p>3. To re-elect the following Directors who retire by rotation in accordance with Article 84 of the Company's Articles of Association and being eligible, offer themselves for re-election:-</p> <p>(a) Dato' Gan Kim Huat; and</p> <p>(b) Chew Teck Cheng</p> <p>4. To re-appoint Messrs. Ernst & Young as Auditors of the Company until the conclusion of the next Annual General Meeting and to authorise the Board of Directors of the Company to fix their remuneration.</p> <p>5. PAYMENT OF DIRECTORS' FEES
"THAT the Directors' fees of RM174,000 in respect of the financial year ended 31 March 2019 be and is hereby approved for payment."</p> <p>6. PAYMENT OF BENEFITS PAYABLE TO THE DIRECTORS UNDER SECTION 230 OF THE COMPANIES ACT 2016
"THAT the benefits payable to the Directors up to an amount of RM25,000 with effect from 28 September 2019 until 30 September 2020, i.e the next Annual General Meeting of the Company be and is hereby approved for payment."</p> | <p>Please refer to Explanatory Notes</p> <p>Ordinary Resolution 1</p> <p>Ordinary Resolution 2</p> <p>Ordinary Resolution 3</p> <p>Ordinary Resolution 4</p> <p>Ordinary Resolution 5</p> <p>Ordinary Resolution 6</p> |
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SPECIAL BUSINESS

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

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| <p>7. RETENTION OF MR. KOH CHIN KOON AS AN INDEPENDENT DIRECTOR OF THE COMPANY
"THAT Mr. Koh Chin Koon, 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 his office as an Independent Non-Executive Director of the Company in accordance with the Malaysian Code on Corporate Governance."</p> <p>8. RETENTION OF MR. CHEW TECK CHENG AS AN INDEPENDENT DIRECTOR OF THE COMPANY
"THAT subject to the passing of Ordinary Resolution 3, Mr. Chew Teck Cheng, 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 his office as an Independent Non-Executive Director of the Company in accordance with the Malaysian Code on Corporate Governance."</p> <p>9. AUTHORITY TO ISSUE SHARES PURSUANT TO THE COMPANIES ACT 2016
"THAT subject always to the Companies Act 2016 ("the Act"), the Constitution of the Company and the approvals from Bursa Malaysia Securities Ltd. ("Bursa Securities") and any other relevant governmental and/or regulatory authorities, the Directors of the Company be and are hereby empowered pursuant to the Act, to issue and allot shares in the capital of the Company from time to time at such price and upon such terms and conditions, for such purposes and to such person or persons whomsoever the Directors may in their absolute discretion deem fit provided always that the aggregate number of shares issued pursuant to this resolution does not exceed ten percent (10%) of the total number of issued shares of the Company for the time being;
AND THAT 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 Securities;
AND FURTHER 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;"</p> <p>10. PROPOSED AUTHORITY FOR THE COMPANY TO PURCHASE ITS OWN SHARES OF UP TO 10% OF THE TOTAL NUMBER OF ISSUED SHARES OF THE COMPANY ("PROPOSED SHARE BUY-BACK AUTHORITY")
"THAT, subject to compliance with the Act, the Constitution of the Company, the Main Market Listing Requirements of Bursa Securities and all other applicable laws, regulations and guidelines and the approvals of all relevant governmental and/or regulatory authorities, the Company be and is hereby given full authority, to seek shareholders' approval for the authority for the Company to purchase and/or such ordinary shares in the Company ("Shares") through Bursa Securities upon such terms and conditions as the Directors of the Company ("the Directors") may deem fit in the interest of the Company provided that:-
(i) the aggregate number of Shares so purchased and/or held pursuant to this ordinary resolution ("Purchased Shares") does not exceed ten per centum (10%) of the total number of issued shares of the Company; and
(ii) the maximum amount of funds to be allocated for the Purchased Shares shall not exceed the aggregate of the retained profits of the Company;
THAT the Directors be and are hereby authorised to decide at their discretion either to retain the Purchased Shares as treasury shares (as defined in Section 127 of the Act) and/or to cancel the Purchased Shares and/or to retain the Purchased Shares as treasury shares for distribution as share dividends to the shareholders of the Company and/or be sold through Bursa Securities in accordance with the relevant rules of Bursa Securities and/or cancelled subsequently and/or to retain part of the Purchased Shares as treasury shares and/or cancel the remainder and to deal with the Purchased Shares in such other manner as may be permitted by the Act, rules, regulations, guidelines, requirements and/or orders of Bursa Securities and any other relevant authorities for the time being in force;
AND THAT such approval and authorisation shall continue to be in force until:-
(i) the conclusion of the next Annual General Meeting ("AGM") of the Company following the general meeting at which such resolution was passed at which time it shall lapse unless by ordinary resolution passed at that meeting, the authority is renewed, either unconditionally or subject to conditions; or
(ii) the expiration of the period within which the next AGM after that date is required by law to be held; or
(iii) revoked or varied by an ordinary resolution passed by the shareholders of the Company in general meeting, whichever occurs first;
AND FURTHER THAT the Directors of the Company be authorised to do all such acts and things (including, without limitation executing all such documents as may be required) as they may consider expedient or necessary to give full effect to the Proposed Share Buy-Back Authority;"</p> <p>11. PROPOSED ADOPTION OF A NEW CONSTITUTION OF THE COMPANY ("PROPOSED ADOPTION")
"THAT approval be and is hereby given to revoke the existing Memorandum and Articles of Association of the Company in its entirety and in place thereof, a new constitution as set out in Part B of the Statement to Shareholders dated 31 July 2019 accompanying the Company's Annual Report for the financial year ended 31 March 2019 be and is hereby adopted as the Constitution of the Company with immediate effect;
AND THAT the Directors of the Company be and are hereby authorised to assent to any modifications, variations and/or amendments as may be required by the relevant authorities and to do all acts and things and take all such steps as may be considered necessary to give full effect to the foregoing."</p> <p>12. To transact any other business of which due notice shall have been given in accordance with the Companies Act 2016.</p> | <p>Ordinary Resolution 7</p> <p>Ordinary Resolution 8</p> <p>Ordinary Resolution 9</p> <p>Ordinary Resolution 10</p> <p>Special Resolution</p> |
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NOTICE OF DIVIDEND ENTITLEMENT AND PAYMENT

NOTICE IS HEREBY GIVEN THAT a final single-tier dividend of 3.84 sen per ordinary share for the financial year ended 31 March 2019, if approved by the shareholders at the forthcoming Nineteenth Annual General Meeting, will be paid on 25 October 2019. The entitlement date for the payment is 4 October 2019.

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

- (a) Shares transferred into the Depositor's Securities Accounts before 4.00 p.m. on 4 October 2019 in respect of transfer; and
- (b) Shares bought on the Bursa Securities on a cum entitlement basis according to the Rules of the Bursa Securities.

By Order of the Board

CHUA SIEW CHUAN (MAICSA 0777689)

Company Secretary

Kuala Lumpur

31 July 2019

Notes:

- (a) In respect of deposited securities, only Members whose names appear in the Record of Depositors on 19 September 2019 (General Meeting Record of Depositors) shall be eligible to attend, speak and vote at this meeting.
- (b) A Member entitled to attend and vote at the meeting is entitled to appoint up to two (2) proxies to attend and vote instead of him. A proxy may but need not be a Member of the Company. 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.
- (c) Where a Member appoints more than one (1) proxy, the appointment shall be invalid unless he specifies the proportion of his shareholdings to be represented by each proxy.
- (d) Where a Member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, it may appoint at least one (1) proxy in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.
- (e) 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.
- (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 Seal or under the hand of an officer or attorney duly authorised.
- (g) The original instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority must be deposited at the Registered Office of the Company at Level 7, Menara Milenium, Jalan Damansara, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur not less than forty-eight (48) hours before the time set for holding the meeting or at any adjournment thereof.
- (h) Any alteration in the instrument appointing a proxy must be initiated.

Explanatory Notes on Ordinary and Special Businesses: -

Audited Financial Statements

This agenda item is meant for discussion only as the provision of Section 340(1)(a) of the Act, does not require a formal approval of the shareholders for the audited financial statements. As such, this agenda item will not be put forward for voting.

Ordinary Resolution 5 – Directors' Fees

This proposed resolution is in accordance with Article 93 of the Company's Articles of Association. This resolution, if passed, will authorise the payment of Directors' fees to Directors of the Company for their services as Directors for the financial year ended 31 March 2019.

Ordinary Resolution 6 – Directors' Benefits Payable

The proposed benefits payable to the Directors pursuant to Section 230(1)(b) of the Act has earlier been reviewed by the Remuneration Committee and the Board of Directors of the Company.

The proposed Directors' benefits payable comprises meeting allowances. The total estimated amount of Directors' benefits payable is calculated based on the number of scheduled Board and Board Committees' meetings from 28 September 2019 until the Twentieth Annual General Meeting of the Company. This authority, unless revoked or varied by the Company in a general meeting will expire at the conclusion of the Twentieth Annual General Meeting of the Company.

Ordinary Resolution 7 – Retention as an Independent Director

Mr. Koh Chin Koon was appointed as Independent Non-Executive Director of the Company on 4 March 2005 and has served the Board for a cumulative term of more than twelve (12) years. The Board through the Nomination Committee of the Company, after having assessed the collective skills, experience and independence of Mr. Koh Chin Koon, regarded him to be independent based amongst others, the following justifications and recommends that Mr. Koh Chin Koon be retained as an Independent Non-Executive Director of the Company, subject to the approval from the shareholders of the Company through a two-tier voting process as described in the Guidance to Practice 4.2 of the Malaysian Code on Corporate Governance: -

- (i) He has fulfilled the criteria under the independence guidelines as set out in Chapter 1 of the Main Market Listing Requirements of Bursa Securities and had expressed his willingness to continue in office as an Independent Non-Executive Director of the Company;
- (ii) He does not have any conflict of interest with the Company and has not been entering/is not expected to enter into contract(s) especially material contract(s) with the Company and/or its subsidiary companies;

- (iii) His vast experience and incumbent knowledge of the Company's business would enable him to provide the Board with a diverse set of experience, expertise and independent judgement as well as to provide constructive opinion in Board's deliberations; and
- (iv) The Board of Directors is of the opinion that Mr. Koh Chin Koon has proven to be a reliable Independent Non-Executive Director with his professionalism aptitude and outlook of business perspective, devoted sufficient time, provides independent views to the deliberations and attention to his professional obligations for informed and balance decision making and had also exercised due care during his tenure in the best interest of the Company and the shareholders.

Ordinary Resolution 8 – Retention as an Independent Director

Mr. Chew Teck Cheng was appointed as Independent Non-Executive Director of the Company on 30 November 2007 and would on 30 November 2019, has served the Board for a cumulative term of more than nine (9) years. The Board through the Nomination Committee of the Company, after having assessed the collective skills, experience and independence of Mr. Chew Teck Cheng, regarded him to be independent based amongst others, the following justifications and recommends that Mr. Chew Teck Cheng be retained as an Independent Non-Executive Director of the Company, subject to the approval from the shareholders of the Company: -

- (i) He has fulfilled the criteria under the independence guidelines as set out in Chapter 1 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and had expressed his willingness to continue in office as an Independent Non-Executive Director of the Company;
- (ii) He does not have any conflict of interest with the Company and has not been entering/is not expected to enter into contract(s) especially material contract(s) with the Company and/or its subsidiary companies;
- (iii) His vast experience and incumbent knowledge of the Company's business would enable him to provide the Board with a diverse set of experience, expertise and independent judgement without the influence of the Management; and
- (iv) The Board of Directors is of the opinion that Mr. Chew Teck Cheng has proven to be a reliable Independent Non-Executive Director with his professionalism aptitude and outlook of business perspective, devoted sufficient time, provides independent views to the deliberations and attention to his professional obligations for informed and balance decision making and had also exercised due care during his tenure in the best interest of the Company and the shareholders.

Ordinary Resolution 9 – Authority to Issue Shares

This proposed resolution, if passed, will give a renewal mandate to the Directors of the Company the authority to issue and allot new ordinary shares in the Company at any time, to such person or persons, upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion, deem fit ("**General Mandate**"), provided that the aggregate number of shares to be issued pursuant to this General Mandate, during the preceding twelve (12) months, does not exceed 10% of the total number of issued shares of the Company at the time of issue. This renewed General Mandate, unless revoked or varied at a general meeting, will expire at the conclusion of the next Annual General Meeting of the Company.

With this renewed General Mandate, the Company will be able to raise funds expeditiously for the purpose of funding future investment, working capital and/or acquisition(s) without having to convene a general meeting to seek shareholders' approval when such opportunities or needs arise.

The Company had been granted a mandate by its shareholders at the Eighteenth Annual General Meeting held on 27 September 2018 ("**Previous Mandate**"). As at the date of this Notice, no new shares were issued pursuant to the Previous Mandate and hence, no proceeds were raised therefrom.

Ordinary Resolution 10 – Proposed Share Buy-Back Authority

The proposed Resolution, if passed, would empower the Directors of the Company to purchase the Company's ordinary shares of up to ten per centum (10%) of the total number of issued shares of the Company by utilising the funds allocated which shall not exceed the Company's retained profits based on the latest audited financial statements and/or the latest management accounts of the Company (where applicable) available at the time of the purchase(s).

Further details are set out in the Part A of the Statement to Shareholders dated 31 July 2019 circulated together with this Annual Report.

Special Resolution – Proposed Adoption of the New Constitution of the Company

The proposed Special Resolution, if passed, will bring the Company's Constitution in line with the Act and the amended Listing Requirements of Bursa Securities as well as to enhance administrative efficiency.

The Proposed new Constitution is set out in Part B of the Statement to Shareholders dated 31 July 2019 circulated together with this Annual Report.