



NOTICE OF FIFTEENTH ANNUAL GENERAL MEETING ("15th AGM")

NOTICE IS HEREBY GIVEN THAT the 15th AGM of P.A. Resources Berhad ("PARB" or "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, 17 December 2020 at 10.00 a.m. to transact the following businesses, with or without modifications:-

AGENDA

ORDINARY BUSINESS

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| <p>1. To receive the Audited Financial Statements for the financial year ended 30 June 2020 together with the Directors and Auditors' Reports thereon.</p> <p>2. To approve the payment of Directors' fees up to an aggregate amount of RM200,000.00 payable to the Non-Executive Directors of the Company from 18 December 2020 until the next Annual General Meeting of the Company to be held in 2021.</p> <p>3. To approve the Benefits Payable to the Non-Executive Directors of the Company up to an aggregate amount of RM50,000.00 from 18 December 2020 until the next Annual General Meeting of the Company to be held in 2021.</p> <p>4. To re-elect the following Directors who retire by rotation in accordance with Clause 95 of the Constitution of the Company and who being eligible, have offered themselves for re-election:-</p> <p>(i) Dato' Ng Tong Hai; and</p> <p>(ii) Yap Fatt Lam.</p> <p>5. To re-appoint Moore Stephens Associates PLT, the retiring auditors, as the auditors of the Company for the ensuing year and to authorise the Board of Directors to fix their remuneration.</p> | <p>Please refer to (Explanatory Note 1)</p> <p>Resolution 1 (Explanatory Note 2)</p> <p>Resolution 2 (Explanatory Note 2)</p> <p>Resolution 3</p> <p>Resolution 4</p> <p>Resolution 5</p> |
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SPECIAL BUSINESS

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

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| <p>6. Authority for Mr Yap Fatt Lam to continue in office as Independent Non-Executive Director</p> <p>"THAT Mr Yap Fatt Lam who has served for a cumulative term of more than twelve (12) 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."</p> <p>To consider and if thought fit, to pass the following Special Resolution:-</p> | <p>Resolution 6</p> <p>Please refer to (Explanatory Note 1 on special business)</p> |
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| <p>7. Authority for Directors to issue and allot shares in the Company pursuant to Section 75 of the Companies Act 2016</p> <p>"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."</p> <p>8. To transact any other business of which due notice shall have been given.</p> | <p>Special Resolution</p> <p>(Explanatory Note 2 on special business)</p> |
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BY ORDER OF THE BOARD
TIA HWEI PING (MAICSA 7057636)
(SSM PC No. 202008001687)
Company Secretary

Selangor Darul Ehsan
30 October 2020

FURTHER NOTICE IS HEREBY GIVEN THAT for the purpose of determining a member who shall be entitled to attend this 15th AGM, the Company shall be requesting Bursa Malaysia Depository Sdn. Bhd. in accordance with Clause 68 of the Constitution of the Company and Paragraph 7.16(2) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, to issue a General Meeting Record of Depositors as at 10 December 2020. Only a depositor whose name appears on the Record of Depositors as at 10 December 2020 shall be entitled to attend the said meeting or appoint proxies to attend and/or vote on his/her behalf.

Notes:-

Proxy

- A member (other than an exempt authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991) entitled to attend and vote at the meeting is entitled to appoint a maximum of two (2) proxies to attend, participate, speak and vote on his (her) behalf. 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, participate, speak and vote at the meeting of the Company shall have the same rights as the members to speak at the meeting.
- Where a member appoints two (2) proxies, the appointment shall be invalid unless he (she) specifies the proportions of his (her) holdings to be represented by each proxy.
- Where a member of the Company is an exempt authorised nominee which holds shares in the Company for multiple beneficial owners in one securities account ("omnibus account") as defined under the Securities Industry (Central Depositories) Act 1991, 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 Proxy Form shall be signed by the appointer or his (her) attorney duly authorised in writing or, if the member is a corporation, must be executed under its common seal or by its duly authorised attorney or officer.
- The instrument appointing a proxy must be deposited at Ground Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia not less than forty-eight (48) hours before the time for holding the meeting.
- The 15th AGM of the Company will be conducted in compliance with the General Standard Operating Procedures to Government and Private Section ("General SOP") issued by Malaysian National Security Council as may be updated from time to time. The attendance of members/proxies and invited guest may be denied if failure to fulfil the requirements of participants in accordance with the General SOP.

EXPLANATORY NOTES ON ORDINARY BUSINESS

- Audited Financial Statements for financial year ended 30 June 2020**
The audited financial statements are laid in accordance with Section 340(1)(a) of the Companies Act 2016 ("CA 2016") for discussion only under Agenda 1. They do not require shareholders' approval and hence, is not put forward for voting.
- Ordinary Resolutions 1 and 2: 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 15th AGM under Ordinary Resolutions 1 and 2 respectively.
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 caliber 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 6: Authority for Mr Yap Fatt Lam to continue in office as Independent Non-Executive 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 twelve (12) 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 2020, as and when required, for informed and balanced decision making.
- Special Resolution: Authority for Directors to issue and allot shares in the company pursuant to Section 75 of the CA 2016**
The proposed Special Resolution 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 did not exercise the mandate obtained at the last Annual General Meeting and thus no proceeds were raised from the previous mandate.