



CHUAN HUAT RESOURCES BERHAD

Registration No. 199401005050 (290729-W)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 30th Annual General Meeting of Chuan Huat Resources Berhad will be held at LKC Conference Room, Ground Floor, Lot 19, Jalan 1/89B, 3½ Mile Off Jalan Sungai Besi, 57100 Kuala Lumpur on Tuesday, 10 December 2024 at 11.30 a.m. for the following purposes:

AGENDA

AS ORDINARY BUSINESS

- To receive the Audited Financial Statements for the financial year ended 30 June 2024 together with the Reports of the Directors and Auditors thereon.
- To approve the payment of Directors' fees and benefits payable to the Directors of the Company and its' subsidiaries (CHRB Group) of up to RM460,000 from the date of the 30th Annual General Meeting ("AGM") until the next AGM of the Company (2023 : RM380,000).
- To re-elect the Director, Tan Sri Dato' Sri Dr. Abdul Aziz bin Abdul Rahman, who retires in accordance with Clause 94 of the Constitution of the Company and being eligible, has offered himself for re-election.
- To re-elect the Director, Dato' Lim Khoon Heng, who retires in accordance with Clause 94 of the Constitution of the Company and being eligible, has offered himself for re-election.
- To re-elect the Director, Dato' Lim Loong Heng, who retires in accordance with Clause 94 of the Constitution of the Company and being eligible, has offered himself for re-election.
- To re-elect the Director, Mr. Lim Keng Seng, who retires in accordance with Clause 101 of the Constitution of the Company and being eligible, has offered himself for re-election.
- To re-appoint Messrs Folks DFK & Co. as Auditors of the Company for the ensuing year and to authorise the Directors to fix their remuneration.

Please refer to Explanatory Note 1
Ordinary Resolution 1

Ordinary Resolution 2

Ordinary Resolution 3

Ordinary Resolution 4

Ordinary Resolution 5

Ordinary Resolution 6

AS SPECIAL BUSINESS

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

- AUTHORITY FOR DIRECTORS TO ISSUE AND ALLOT SHARES PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT 2016 ("THE ACT"); AND WAIVER OF PRE-EMPTIVE RIGHTS OVER NEW ORDINARY SHARES IN THE COMPANY UNDER SECTION 85 OF THE ACT READ TOGETHER WITH CLAUSE 58 OF THE CONSTITUTION OF THE COMPANY**

Ordinary Resolution 7

"THAT subject always to the Act, the Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad ("Bursa Securities"), the Constitution of the Company and approvals of the relevant governmental/regulatory authorities, if required, the Directors of the Company be and are hereby authorised and empowered pursuant to the Act, to issue and allot shares in the Company, from time to time, at such price, upon such terms and conditions and for such purposes and to such person or persons whomsoever as the Directors 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 (the "New Shares") of the Company for the time being AND THAT the Directors be also empowered to obtain approval for the listing of and quotation for the additional shares so issued from Bursa Securities AND THAT such authority shall continue in force until the conclusion of the next of the Company;

AND THAT in connection with the above, pursuant to Section 85 of the Act read together with Clause 58 of the Constitution of the Company, approval be and is hereby given to the Company to waive and disapply the statutory pre-emptive rights conferred upon the shareholders of the Company AND THAT the Board is exempted from the obligation to offer such New Shares first to the existing shareholders of the Company arising from any issuance of the New Shares pursuant to the Mandate."

- APPROVAL FOR TAN SRI DATO' SRI DR. ABDUL AZIZ BIN ABDUL RAHMAN TO CONTINUE IN OFFICE AS INDEPENDENT DIRECTOR**

Ordinary Resolution 8

"THAT subject to the passing of Ordinary Resolution 2, approval be and is hereby given for Tan Sri Dato' Sri Dr. Abdul Aziz bin Abdul Rahman, who has served the Board as an Independent Non-Executive Director of the Company for a cumulative term of more than nine (9) years be retained as an Independent Non-Executive Director of the Company until the conclusion of the next AGM of the Company."

- APPROVAL FOR MR. LIM KAH POON TO CONTINUE IN OFFICE AS INDEPENDENT DIRECTOR**

Ordinary Resolution 9

"THAT approval be and is hereby given for Mr. Lim Kah Poon, who has served the Board as an Independent Non-Executive Director of the Company for a cumulative term of more than nine (9) years be retained as an Independent Non-Executive Director of the Company until the conclusion of the next AGM of the Company."

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

Ordinary Resolution 10

"THAT subject always to the provisions of the Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad ("Bursa Securities"), approval be and is hereby given to the Company's subsidiaries to enter into recurrent related party transactions of a revenue or trading nature with the Related Parties ("Recurrent Related Party Transactions") as set out in Paragraph 3.3 of the Circular to Shareholders dated 30 October 2024, which are entered into in the ordinary course of business which are necessary for the day-to-day operations and are on normal commercial terms which are not more favourable to the Related Parties than those generally available to the public, and not to the detriment of minority shareholders of the Company for:

- Recurrent Related Party Transactions entered into by either of Bars & Mesh Industries Sdn Bhd, Chuan Huat Industrial Marketing Sdn Bhd, Chuan Huat Metal Sdn Bhd, CH Rebar Sdn Bhd, CHRB Building Materials Sdn Bhd, CHRS Samawira Mesh Sdn Bhd, Chuan Huat Steel Sdn Bhd and Keyline Consulting Sdn Bhd with one another.

THAT such approval shall continue to be in force until:

- the conclusion of the next AGM of the Company at which time it will lapse, unless by a resolution passed at the meeting, the authority is renewed; or
- the expiration of the period within which the next AGM after that date is required to be held pursuant to Section 340(2) of the Act (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or
- revoke or varied by resolution passed by the shareholders in general meeting, whichever is the earlier;

AND THAT the Directors of the Company be and are hereby authorised to complete and do all such acts, deeds and things (including executing all such documents as may be required) as they may consider expedient or necessary to give effect to the transactions contemplated and/or authorised by this resolution."

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

BY ORDER OF THE BOARD

Foo Siew Loon (MAICSA 7006874)
(SSM PC No. 202008002104)
Company Secretary
Kuala Lumpur
30 October 2024

- adequacy of resources;
- independence;
- level of non-audit services rendered to the Group.

The ARMC is satisfied with the quality of services rendered by Messrs Folks DFK & Co. in term of quality of audit, performance, competency and sufficiency of resources and recommended to the Board to seek the approval of shareholders at the 30th AGM for the re-appointment of Messrs Folks DFK & Co. as auditors of the Company. The Board has approved the ARMC's recommendation.

- Ordinary Resolution 7 – Authority for Directors to Issue and Allot Shares pursuant to Sections 75 and 76 of the Act and Waiver of Pre-emptive Rights**

This ordinary resolution is a renewal mandate of the previous general mandate obtained from the shareholders at the 29th AGM held on 13 December 2023, which is expiring at the conclusion of the 30th AGM.

As at the date of this Notice of AGM, the Directors have not utilised the mandate granted to the Directors at the last AGM held on 13 December 2023 and the said mandate will lapse at the conclusion of the 30th AGM.

The renewal of this mandate will provide flexibility to the Company to undertake any possible fund raising activities, including but not limited to further placing of shares, for purpose of funding current and/or future investment project(s), working capital and/or acquisitions at any time to such persons in their absolute discretion without convening a general meeting and will avoid any delay and cost involved in convening a general meeting and will empower the Directors to issue up to 10% of the total number of issued shares of the Company. This authority, unless revoked or varied by the Company at a general meeting, will expire at the conclusion of the next AGM of the Company.

This is also to approve the disapplication of statutory pre-emption rights under Section 85 of the Act, to allot New Shares (or to grant rights over shares) without first offering them to existing shareholders in proportion to their holdings pursuant to the general mandate. The proposed Ordinary Resolution 7, if passed, will exclude our pre-emptive rights over all new Shares to be issued under the Authority for Directors to issue and allot shares.

- Ordinary Resolutions 8 and 9 – Approval to Continue in Office as Independent Directors**

The proposed Ordinary Resolutions 8 and 9, if passed, will enable Tan Sri Dato' Sri Dr. Abdul Aziz bin Abdul Rahman and Mr. Lim Kah Poon to continue office as Independent Directors of the Company since their appointment as INED on 2 August 2013 and 27 February 2015 respectively.

Practise 5.3 of the Malaysian Code of Corporate Governance 2021 ("MCCG") provides that approval of shareholders be sought in the event that the Company would like an Independent director who has served in that capacity for more than nine (9) years to continue in office as an independent director.

The Board recognised that independence should not be determined solely based on tenure of service. There are significant advantages to be gained from the long-serving directors who possess tremendous insight and knowledge of the Group's business operations and affairs. The ability of a director to serve effectively as an independent non-executive director is very much dependent on his calibre, qualification, experience, personal qualities, integrity and objectivity in discharging his responsibilities in the best interest of the Company and the minority shareholders.

The Board has through the NRC, assessed the performance and independence of Tan Sri Dato' Sri Dr. Abdul Aziz bin Abdul Rahman and Mr. Lim Kah Poon, who have served the Board as an Independent Non-Executive Director for more than nine (9) years and determined that they shall remain objective and continue to bring independence and objective judgement, based on the following justifications:

- They met the independence guidelines as set out in Chapter 1 of the MMLR of Bursa Securities and are able to bring independent and objective judgement to the Board.
- They have been with the Company for more than nine (9) years and understands the Group's business operations which enable him to participate actively in deliberations/discussions at the ARMC and Board Meetings.
- They have contributed sufficient time and efforts in their capacity as an Independent Non-Executive Director. They have attended meetings of the ARMC, NRC and Board for informed and balanced decision making and providing an independent voice to the Board.
- They challenged the management in an effective and constructive manner, providing a check and balance, and bringing independent and objective judgement to the Board's deliberation. They have performed their duties as an Independent Non-Executive Director without being subject to the influence of management.
- They have exercised due care during their tenure as the Independent Non-Executive Director and carried out their professional duty in the best interest of the Group and its shareholders.
- They are free from any conflict of interest with the Company and do not hold any shares in the Company.
- They have not established or maintained any significant personal or social relationship, whether direct or indirect with the Executive Directors or substantial shareholders and/or persons connected with them other than the normal engagements and interactions on professional level consistent with their duties and expected of them to carry out their duties as Independent Non-Executive Directors.

Thus, the Board has recommended that they continue to act as Independent Directors of the Company.

Pursuant to the MCCG, the Company would apply the two-tier voting process in seeking shareholders' approval to retain independent director beyond nine (9) years of tenure.

- Ordinary Resolution 10 – Proposed Renewal of Existing Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature**

The proposal under Ordinary Resolution 10, if passed, will allow the Company and/or its subsidiaries to enter into Recurrent Related Party Transactions of a revenue or trading nature which are necessary for the day-to-day operations which shall expire at the next AGM.

The class of Related Parties, the nature of the transactions, the rationale and the methods of determining the transaction prices with the Related Parties, are detailed in the Circular to Shareholders dated 30 October 2024.

Personal data privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the AGM and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively the "Purposes"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

- A member of the Company entitled to attend, participate, speak and vote at this meeting is entitled to appoint more than one (1) proxy to attend, participate, speak and vote in his/her stead. A proxy may but need not be a member of the Company. The instrument appointing a proxy shall be in writing under the hand of the appointor or his attorney duly authorised in writing or, if such appointor is a corporation, either under its common seal or under the hand of its attorney or an officer duly authorised.

- Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991 ("SICDA"), it may appoint 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.

- Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he specifies the proportions of his shareholdings to be represented by each proxy.

- Where a member of the Company is an exempt authorised nominee as defined under the SICDA which holds ordinary shares in the Company for the 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 the omnibus account it holds.

- To be valid, the instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a duly notarised certified copy of that power or authority, shall be deposited at the registered office of the Company at Wisma Lim Kim Chuan, Lot 50A, Jalan 1/89B, 3½ Mile Off Jalan Sungai Besi, 57100 Kuala Lumpur not less than forty-eight (48) hours before the time appointed for holding the meeting or any adjourned meeting as the case may be, at which the person named in the instrument proposes to vote, and in the case of a poll, not less than twenty-four (24) hours before the time appointed for the taking of the poll, and in default, the instrument of proxy shall not be treated as valid. Alternatively, you may choose to submit the proxy appointment electronically via email to dvoticeservice@gmail.com before the Form of Proxy submission cut-off time as mentioned above.

- For the purpose of determining a member who shall be entitled to attend the 30th AGM, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd in accordance with Clause 67 of the Constitution of the Company to issue a General Meeting Record of Depositors as at 2 December 2024. Only members whose name appear in the General Meeting Record of Depositors as at 2 December 2024 shall be regarded as members and entitled to attend, participate, speak and vote at the AGM.

- Pursuant to Paragraph 8.29A(1) of the MMLR of Bursa Securities, all the resolutions set out in the Notice of the 30th AGM will be put to vote by way of poll.

Explanatory Notes:

- Audited Financial Statements for the Financial Year Ended 30 June 2024 together with the Reports of the Directors and Auditors**

This item on Agenda 1 is meant for discussion only. The provision of Section 340(1)(a) of the Act, requires that the Audited Financial Statements and the Directors' Report and Auditors' Report thereon be laid before the Company at its AGM. As such, this item on the agenda is not a business which requires a resolution to be put to vote by shareholders.

- Ordinary Resolution 1 – Directors' Fees and Benefits Payable to Directors**

Section 230(1) of the Act provides amongst others, that Directors' fees and any benefits payable to the Directors of listed company and its subsidiaries shall be approved by the shareholders at a general meeting. In this respect, the Board of Directors ("Board") wishes to seek shareholders' approval at this AGM for the payment of Directors' fees and benefits payable to the Directors of the Company and its subsidiaries of up to RM460,000 from the date of the 30th AGM until the next AGM.

The estimated Directors' fees and benefits proposed are calculated based on the current Board size and number of scheduled Board and Board Committee meetings to be held. This resolution is to facilitate the payment of Directors' fees and benefits on current financial year basis. In the event the proposed amount is insufficient due to more meetings or enlarged Board size, approval will be sought at the next AGM for the shortfall.

- Ordinary Resolutions 2, 3 and 4 – Re-election of Directors in accordance with Clause 94 of the Constitution of the Company**

The profile of the Directors who are standing for re-election are set out in the Directors' Profile of the Annual Report 2024.

Tan Sri Dato' Sri Dr. Abdul Aziz bin Abdul Rahman, Dato' Lim Khoon Heng and Dato' Lim Loong Heng are standing for re-election as Directors of the Company and being eligible, have offered themselves for re-election as Directors of the Company at the 30th AGM.

The Board has through the Nomination and Remuneration Committee ("NRC") of the Company assessed the performance and contributions of Tan Sri Dato' Sri Dr. Abdul Aziz bin Abdul Rahman, Dato' Lim Khoon Heng and Dato' Lim Loong Heng respectively and supports the re-election of the abovementioned retiring directors. Tan Sri Dato' Sri Dr. Abdul Aziz bin Abdul Rahman does not have any conflict of interest with the Group. Dato' Lim Khoon Heng and Dato' Lim Loong Heng do not have any conflict of interest with the Group. The retiring directors had abstained from deliberation and decision-making on their own eligibility and suitability to stand for re-election at the relevant NRC and/or Board meetings. The Board has endorsed the NRC's recommendation that they be re-appointed as Directors of the Company.

- Ordinary Resolution 5 – Re-election of Director in accordance with Clause 101 of the Constitution of the Company**

The profile of the Director who is standing for re-election is set out in the Directors' Profile of the Annual Report 2024.

In accordance with Clause 101 of the Constitution of the Company, a Director appointed by the Board shall hold office only until the conclusion of the next AGM and shall then be eligible for re-election. Mr. Lim Kean Seng who was appointed as Director of the Company on 1 March 2024, retire pursuant to Clause 101 of the Constitution of the Company and being eligible, has offered himself for re-election as Director of the Company at the 30th AGM.

Mr. Lim Kean Seng does not have any conflict of interest with the Group and had abstained from deliberations and decision-making on his own eligibility and suitability to stand for re-election at the relevant NRC and/or Board Meetings.

- Ordinary Resolution 6 – Re-appointment of Auditors**

The Audit and Risk Management Committee ("ARMC") undertook an annual assessment of the suitability and independence of Messrs Folks DFK & Co., the independent Auditors. In the assessment, the ARMC considered several factors, amongst others, the following:

- their performance and quality of work;
- experience and competency of professional staff assigned to the audit;