

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Twentieth (20th) Annual General Meeting (“AGM”) of **SKP RESOURCES BHD** (“the Company”) will be held at Melati Room, Level 2, Bangi Resort Hotel, Off Persiaran Bandar, 43650 Bandar Baru Bangi, Selangor Darul Ehsan on Friday, 25 September 2020 at 11:00 a.m or at any adjournment thereof to transact the following business:-

AGENDA

ORDINARY BUSINESS

1. To receive the Audited Financial Statements of the Company for the financial year ended 31 March 2020 together with the Reports of the Directors and Auditors thereon.
2. To re-elect the following Directors who retire by rotation in accordance with Clause 119 of the Company's Constitution and being eligible, offer themselves for re-election:-
 - (a) Gan Poh San; and
 - (b) Koh Song Heng
3. To approve the payment of Directors' fees of RM174,000/- for the financial year ended 31 March 2020.
4. To approve the payment of benefits payable to the Directors up to an amount of RM25,000/- from 1 October 2020 until 30 September 2021.
5. To re-appoint Ernst & Young PLT 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.

SPECIAL BUSINESS

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

6. **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.”
7. **RETENTION OF MR. CHEW TECK CHENG AS AN INDEPENDENT DIRECTOR OF THE COMPANY**
“THAT Mr. Chew Teck Cheng, 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.”
8. **RETENTION OF MR. KOH SONG HENG AS AN INDEPENDENT DIRECTOR OF THE COMPANY**
“THAT subject to the passing of Ordinary Resolution 2, Mr. Koh Song Heng, an Independent Non-Executive Director of the Company who will reach the nine (9) year term limit on 25 July 2021 be and is hereby retained as an Independent Non-Executive Director in accordance with the Malaysian Code on Corporate Governance.”
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 Berhad (“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.”
10. **PROPOSED RENEWAL OF AUTHORITY FOR THE COMPANY TO PURCHASE ITS OWN SHARES (“PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY”)**
“THAT subject to Section 127 of the Act, the Constitution of the Company, the Main Market Listing Requirements of Bursa Securities and all other applicable laws, rules and regulations and guidelines for the time being in force and the approvals of all relevant governmental and/or regulatory authority, approval be and is hereby given to the Company, to purchase such number of ordinary shares in the Company as may be determined by the Directors of the Company from time to time through Bursa Securities as the Directors may deem fit and expedient in the interest of the Company, provided that:-
 - (i) the aggregate number of ordinary shares to be purchased and/or held by the Company does not exceed ten percent (10%) of the total number of issued shares of the Company as quoted on Bursa Securities as at the point of purchase; and
 - (ii) the maximum funds to be allocated by the Company for the purpose of purchasing its own shares shall not exceed the aggregate of the retained profits of the Company 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).THAT upon completion of the purchase by the Company of its own shares, the Directors of the Company be authorised to deal with the shares purchased in their absolute discretion in the following manner:-
 - (i) cancel all the shares so purchased; and/or
 - (ii) retain the shares so purchased in treasury for distribution as dividend to the shareholders and/or resell on the market of Bursa Securities; and/or
 - (iii) retain part thereof as treasury shares and cancel the remainder; and/orin any other manner as prescribed by the Act, rules, regulations and orders made pursuant to the Act and the requirements of Bursa Securities and any other relevant authority for the time being in force.
THAT such authority conferred by this resolution shall commence upon the passing of this resolution and shall continue to be in force until:-
 - (a) the conclusion of the next AGM of the Company following this AGM at which such resolution was passed, at which time it will lapse, unless by an ordinary resolution passed at that meeting, the authority is renewed, either unconditionally or subject to conditions; or
 - (b) the expiration of the period within which the next AGM of the Company after that date is required by law to be held; or
 - (c) revoked or varied by an ordinary resolution passed by the shareholders of the Company at a general meeting; whichever occurs first.AND THAT the Directors of the Company be authorised to do all acts, deeds and things as they may consider expedient or necessary in the best interest of the Company to give full effect to the Proposed Renewal of Share Buy-Back Authority with full powers to assent to any conditions, modifications, variations and/or amendments as may be imposed by the relevant authorities and to take all such steps, and do all such acts and things as they may deem fit and expedient in the best interest of the Company.”
11. To transact any other business of which due notice shall have been given in accordance with the Companies Act 2016.

Please refer to Explanatory Notes

*Ordinary Resolution 1
Ordinary Resolution 2
Ordinary Resolution 3
Ordinary Resolution 4
Ordinary Resolution 5*

Ordinary Resolution 6

Ordinary Resolution 7

Ordinary Resolution 8

Ordinary Resolution 9

Ordinary Resolution 10

By Order of the Board

CHUA SIEW CHUAN (MAICSA 0777689) (SSM PC NO. 201908002648)

Company Secretary

Kuala Lumpur
28 August 2020

Notes:

- (a) In respect of deposited securities, only Members whose names appear in the Record of Depositors on 17 September 2020 (General Meeting Record of Depositors) shall be eligible to attend, participant, speak and vote at this meeting.
- (b) A member entitled to attend and vote at the Meeting is entitled to appoint more than one (1) proxy to attend participant, speak and vote in his stead. 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.
- (c) A proxy may but does not need to be a member of the Company and a member may appoint any person to be his proxy without limitation. There shall be no restriction as to the qualification of the proxy. A proxy appointed to attend, participant, speak and vote at the Meeting shall have the same rights as the member to speak at the Meeting.
- (d) In the case of a corporate member, the instrument appointing a proxy must be either under its common seal or under the hand of its officer or attorney duly authorised.
- (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 original instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notorially certified copy of that power or authority must be deposited at the Registered Office of the Company at Level 7, Menara Milenium, Jalan Damanlela, 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.
- (g) 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 3 – Directors’ Fees

This proposed resolution is in accordance with Clause 132 of the Company's Constitution. 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 2020.

Ordinary Resolution 4 – 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 1 October 2020 until the Twenty-First AGM of the Company. This authority, unless revoked or varied by the Company in a general meeting will expire at the conclusion of the Twenty-First AGM of the Company.

Ordinary Resolutions 6 and 7 – Retention as an Independent Directors

Mr. Koh Chin Koon (“Mr. Koh”) and Mr. Chew Teck Cheng (“Mr. Chew”) were appointed as Independent Non-Executive Directors of the Company on 4 March 2005 and 30 November 2007 respectively and have 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 and Mr. Chew, regarded them to be independent based amongst others, the following justifications and recommends that Mr. Koh and Mr. Chew 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) Mr. Koh and Mr. Chew have 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 their willingness to continue in office as Independent Non-Executive Directors of the Company;
- (ii) Mr. Koh and Mr. Chew do not have any conflict of interest with the Company and have not been entering/are not expected to enter into contract(s) especially material contract(s) with the Company and/or its subsidiary companies;
- (iii) Their vast experience and incumbent knowledge of the Company's business would enable them 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 and Mr. Chew have proven to be reliable Independent Non-Executive Directors with their professionalism aptitude and outlook of business perspective, devoted sufficient time, provides independent views to the deliberations and attention to their professional obligations for informed and balance decision making and had also exercised due care during their tenure in the best interest of the Company and the shareholders.

Ordinary Resolution 8 – Retention as an Independent Director

Mr. Koh Song Heng was re-designated as Independent Non-Executive Director of the Company on 25 July 2012 and will reach the nine (9) years term limit on 25 July 2021. The Board through the Nomination Committee of the Company, after having assessed the collective skills, experience and independence of Mr. Koh Song Heng, regarded him to be independent based amongst others, the following justifications and recommends that Mr. Koh Song Heng 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 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 without the influence of the Management; and
- (iv) The Board of Directors is of the opinion that Mr. Koh Song Heng 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 Nineteenth Annual General Meeting held on 27 September 2019 (“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 Renewal of Share Buy-Back Authority

This 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 at any time within the time period stipulated in the Main Market Listing Requirements of Bursa Securities 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).

Please refer to the Statement to Shareholders dated 28 August 2020 for further information.