



**REVISED NOTICE OF ANNUAL GENERAL MEETING**

**CHANGE OF DATE OF 43<sup>RD</sup> ANNUAL GENERAL MEETING**

Texchem Resources Bhd had on 31 March 2017 issued the notice of 43<sup>rd</sup> Annual General Meeting (“AGM”) for its AGM to be held at Pinang Ballroom, Level 3, Jen Hotel, Magazine Road, 10300 Penang on Monday, 24 April 2017 at 11.00 a.m.

On 3 April 2017, the Chief Secretary to the Government of Malaysia announced the declaration of 24 April 2017 as a national public holiday in conjunction with the coronation of the Sultan Muhammad V as the 15<sup>th</sup> Yang di-Pertuan Agong.

Given that 24 April 2017 is now a public holiday, NOTICE IS HEREBY GIVEN THAT the 43<sup>rd</sup> AGM of Texchem Resources Bhd scheduled for 24 April 2017 at 11.00 a.m. is now changed to **Tuesday, 25 April 2017** at the same time and same venue, details as follows:

Date/Day : **25 April 2017/Tuesday**  
Time : 11.00 a.m.  
Venue : Pinang Ballroom, Level 3, Jen Hotel  
Magazine Road, 10300 Penang

All the agendas of the 43<sup>rd</sup> AGM shall remain unchanged.

All Proxy Forms must be lodged at the Registered Office of Texchem Resources Bhd at Level 18, Menara Boustead Penang, 39 Jalan Sultan Ahmad Shah, 10050 Penang.

Last day and time for lodging the Proxy Form : Sunday, 23 April 2017 at 11.00 a.m.

BY ORDER OF THE BOARD

TAN PENG LAM (MIA 37392)  
LEE PUAY IMG @ ENG PUAY IMG (LS 0009427)  
Company Secretaries

Penang  
Date: 4 April 2017

# NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN THAT** the Forty-Third Annual General Meeting ("43<sup>rd</sup> AGM") of the Company will be held at Pinang Ballroom, Level 3, Jen Hotel, Magazine Road, 10300 Penang on Monday, 24 April 2017 at 11.00 a.m. for transacting the following businesses:

- To receive the Audited Financial Statements for the financial year ended 31 December 2016 together with the Reports of the Directors and Auditors thereon.\*
- To re-appoint Tan Sri Dato' Seri (Dr.) Fumihiro Konishi who being eligible offers himself for re-appointment as a Director of the Company.
- To re-elect the following Directors who retire by rotation in accordance with Article 123 of the Company's Articles of Association and who being eligible offer themselves for re-election:
  - Mr Yap Kee Keong
  - Dato' Danny Goon Siew Cheang
- To approve the Directors' fees of RM1,040,000 for the financial year ended 31 December 2016 (2015: RM1,040,000).
- To re-appoint Messrs KPMG PLT as Auditors for the ensuing year and to authorise the Directors to fix their remuneration.
- SPECIAL BUSINESS

To consider and if deemed fit to pass the following Ordinary Resolutions:

#### (A) Continuing in office as Independent Non-Executive Directors

- THAT** authority be and is hereby given to Dato' Seri Nazir Ariff Bin Mushir Ariff who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine (9) years to continue to act as an Independent Non-Executive Director of the Company.\*
- THAT** authority be and is hereby given to Dato' Danny Goon Siew Cheang who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine (9) years to continue to act as an Independent Non-Executive Director of the Company.\*

#### (B) Power to Issue Shares pursuant to Section 75 of the Companies Act, 2016

**THAT** subject always to the Companies Act, 2016 ("Act"), Articles of Association of the Company and approvals of the relevant regulatory authorities, where such approval is necessary, the Directors be and are hereby empowered, pursuant to Section 75 of the Act, to allot and issue shares in the Company from time to time at such price, 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 to be issued pursuant to this Resolution does not exceed 10% of the total issued share capital 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 Malaysia Securities Berhad AND THAT such authority as abovementioned shall continue in force until the conclusion of the next Annual General Meeting of the Company.\*

#### (C) Proposed Renewal of Shareholders' Mandate for Existing Recurrent Related Party Transactions of a Revenue or Trading Nature ("Proposed Mandate")

**THAT** subject always to the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("MMLR"), approval be and is hereby given to the Company and/or its subsidiaries, pursuant to paragraph 10.09 read with Practice Note 12 of the MMLR, to enter into recurrent related party transactions of a revenue or trading nature with the related parties as set out in Part A [section 2.4 (A)] of the Circular to the Shareholders of the Company dated 31 March 2017 in relation to the Proposed Mandate, which are necessary for the Company and/or its subsidiaries' day-to-day operations provided that the transactions are in the ordinary course of business and are on normal commercial terms which are not more favourable to the related parties than those generally available to the public and are not to the detriment of the minority shareholders of the Company; and provided further that the disclosure for all such transactions is made in the annual report of the Company of the aggregate value of all such transactions conducted pursuant to the shareholders' mandate during the financial year where:

- the consideration, value of the assets, capital outlay or costs of the aggregated transactions is equal to or exceeds RM1 million; or
- any one of the percentage ratios of such aggregated transactions is equal to or exceeds 1%,

whichever is the higher.

**AND THAT** such approval shall continue to be in force until:

- the conclusion of the next Annual General Meeting ("AGM") of the Company following the Forty-Third AGM, at which time it will lapse unless such authority is renewed by a resolution passed at the next AGM of the Company;
- the expiration of the period within which the next AGM of the Company is required to be held pursuant to Section 340(2) of the Companies Act, 2016 ("Act"), (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or
- revoked or varied by resolution passed by the shareholders of the Company in a general meeting,

whichever is the earlier.

**AND FURTHER THAT** the Directors of the Company and/or its subsidiaries, whether solely or jointly, be and are hereby authorised to complete and do all such acts and things including executing such relevant documents as they may consider expedient or necessary to give effect to the Proposed Mandate.\*

#### (D) Proposed Renewal of Existing Share Buy-Back Authority

**THAT** subject to the Companies Act, 2016 ("Act"), the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities"), the Company's Articles of Association and other applicable laws, rules, regulations and guidelines of the relevant authorities, the Directors of the Company be and are hereby authorised to purchase such number of ordinary shares in the Company's issued and paid-up capital through the Bursa Securities at any time and upon such terms and conditions and for such purposes as the Directors may in their discretion deem fit subject to the following:

- the aggregate number of shares which may be purchased and/or held by the Company shall not exceed ten per centum (10%) of the issued and paid-up ordinary share capital of the Company for the time being ("Texchem Shares");
- the maximum funds to be allocated by the Company for the purpose of purchasing the Texchem Shares shall not exceed the total retained profits of RM274,452,015 of the Company as at 31 December 2016;
- the authority conferred by this Resolution will be effective immediately upon the passing of this Resolution and will continue in force until:
  - the conclusion of the next Annual General Meeting ("AGM") of the Company following the Forty-Third AGM in which the resolution for the Proposed Renewal of Existing Share Buy-Back Authority is passed, at which time the authority will lapse unless renewed by ordinary resolution, either unconditionally or subject to conditions; or
  - the expiration of the period within which the next AGM is required by law to be held; or
  - revoked or varied by ordinary resolution of the shareholders of the Company in general meeting,

whichever is the earlier, but so as not to prejudice the completion of purchase(s) by the Company made before the aforesaid expiry date and in any event, in accordance with the Main Market Listing Requirements of the Bursa Securities or any other relevant authorities;

upon completion of the purchase(s) of the Texchem Shares by the Company, the Directors of the Company be and are hereby authorised to deal with the Texchem Shares in the following manner:

- to cancel the Texchem Shares so purchased; or
- to retain the Texchem Shares so purchased as treasury shares for distribution as dividend to the shareholders and/or resell on the market of the Bursa Securities and/or for cancellation subsequently; or
- to retain part of the Texchem Shares so purchased as treasury shares and cancel the remainder; or
- in such other manner as the Bursa Securities and such other relevant authorities may allow from time to time.

**AND THAT** authority be and is hereby given to the Directors of the Company to take all such steps as are necessary including to enter into any agreements, arrangements and guarantees with any party or parties to implement, finalise and give full effect to the aforesaid with full powers to assent to any conditions, modifications, revaluations, variations and/or amendments (if any) as may be imposed by the relevant authorities or as may be deemed necessary by the Directors and to do all such acts and things as the Directors may deem fit and expedient in the interests of the Company.\*

**FURTHER NOTICE IS HEREBY GIVEN THAT** for the purpose of determining a member who shall be entitled to attend this 43<sup>rd</sup> AGM, the Company shall be requesting Bursa Malaysia Depository Sdn. Bhd., in accordance with Article 73 of the Company's Articles of Association and Section 34(1) of the Securities Industry (Central Depositories) Act 1991, to issue a General Meeting Record of Depositors as at 17 April 2017. Only a depositor whose name appears on the Record of Depositors as at 17 April 2017 shall be entitled to attend the said meeting or appoint proxies to attend, speak and/or vote on his/her behalf.

BY ORDER OF THE BOARD

TAN PENG LAM (MIA 37392)  
LEE PUAY IMG @ ENG PUAY IMG (LS 0009427)  
Company Secretaries

Penang  
Date: 31 March 2017

#### NOTES:

\* This Agenda item is meant for discussion only as the provision of Section 340(1)(a) of the Act does not require approval of the shareholders and hence, is not put forward for voting.

- A Member of the Company entitled to attend and vote at the meeting may appoint up to two (2) proxies to attend and vote instead of him/her. If a Member appoints two (2) proxies, the appointments 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 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.
- To be effective:-
  - the instrument appointing a proxy; and
  - the authority (if any) under which it is executed or a copy of such authority certified notarially or in some other way approved by the Directors of the Company,

#### Resolution 10

must be deposited at the Registered Office of the Company at Level 18, Menara Boustead Penang, 39 Jalan Sultan Ahmad Shah, 10050 Penang, Malaysia at least forty-eight (48) hours before the time for holding the meeting.

- If the Proxy Form is returned without any indication as to how the proxy shall vote, the proxy will vote or abstain as he/she thinks fit.
- If the Proxy Form is returned without the name of the proxy indicated, the Proxy Form shall be invalid.
- Where the person appointing the proxy is a corporation, the form must be either under seal or under the hand of a duly authorised officer or attorney of the corporation.
- Explanatory note on re-appointment of Director who is over 70 years of age:

#### (i) Ordinary Resolution 1

Tan Sri Dato' Seri (Dr.) Fumihiro Konishi, who is above the age of 70, was re-appointed pursuant to Section 129 of the Companies Act, 1965 at the 42<sup>nd</sup> AGM of the Company held on 25 April 2016 to hold office until the conclusion of the 43<sup>rd</sup> AGM. His term of office will end at the conclusion of the 43<sup>rd</sup> AGM and who being eligible offers himself for re-appointment as a Director of the Company.

With the coming into force of the Companies Act, 2016 on 31 January 2017, which repealed Section 129 of the Companies Act, 1965, there is no age limit for directors. This Ordinary Resolution 1, if passed, will approve and authorise the continuation of the Director in office from the date of this AGM onwards without limitation in tenure save for the Company's Memorandum and Articles of Association, the Companies Act, 2016 and the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

- Explanatory notes on Special Business:

#### (i) Ordinary Resolutions 6 and 7

Pursuant to the Malaysian Code on Corporate Governance 2012, the Board is making a recommendation to shareholders that both Dato' Seri Nazir Ariff Bin Mushir Ariff and Dato' Danny Goon Siew Cheang remain as Independent Non-Executive Directors based on the following justifications:

The Board is of the view that Dato' Seri Nazir Ariff's expertise, broad international experience and vast experience in various industries provide the Board with a diverse set of experience and expertise which enhances the skills and experience profile of the Board. The Board is confident that his length of service on the Board does not in any way interfere with his duties as an Independent Non-Executive Director of the Company.

The Board believes that with Dato' Danny Goon's qualifications, expertise and extensive experience as a Chartered Accountant and his accumulative knowledge of the Group's business and operations, he has made and continues to make valuable contributions through his role as Chairman of the Audit Committee and his roles on the Remuneration and Nomination Committees. The Board is confident that Dato' Danny Goon is able to carry out his duties and responsibilities independently and objectively notwithstanding his tenure on the Board.

#### (ii) Ordinary Resolution 8

As at the date of this Notice, no new shares in the Company were issued pursuant to the mandate granted to the Directors at the last AGM of the Company held on 25 April 2016 and the said mandate will lapse at the conclusion of this 43<sup>rd</sup> AGM.

This Ordinary Resolution, if passed, will give the Directors of the Company from the date of this 43<sup>rd</sup> AGM, the authority to allot and issue ordinary shares from the unissued share capital of the Company up to an aggregate of not exceeding 10% of the total issued share capital of the Company for the time being pursuant to Section 75 of the Act ("Renewed Mandate"). This Renewed Mandate, unless revoked or varied at a general meeting, will expire at the conclusion of the next AGM of the Company.

The Renewed Mandate will provide flexibility to the Company for any possible fund raising activities, including but not limited to further placement of shares, for the purpose of funding future investment project(s), working capital and/or acquisitions without any delay and without incurring additional expenses in convening a general meeting to approve the issuance of such shares.

#### (iii) Ordinary Resolution 9

This Ordinary Resolution, if passed, will empower the Company and/or each of its subsidiaries to enter into the recurrent related party transactions of a revenue or trading nature which are necessary for the Company and/or its subsidiaries' day-to-day operations provided that such transactions are being carried out in the ordinary course of business and are on normal commercial terms which are not more favourable to the related parties than those available to the public and are not to the detriment of the minority shareholders of the Company.

This authority, unless revoked or varied at a general meeting of the Company, will expire at the conclusion of the next AGM of the Company.

The details of this proposed Ordinary Resolution are set out in Part A [section 2.4 (A)] of the Circular to the Shareholders of the Company dated 31 March 2017 which is dispatched together with the Company's 2016 Annual Report.

#### (iv) Ordinary Resolution 10

This Ordinary Resolution, if passed, will enable the Company to purchase its own shares up to 10% of the issued and paid-up share capital of the Company (inclusive of shares that have been purchased and/or retained as treasury shares). This authority will, unless revoked or varied by the Company in general meeting, expire at the conclusion of the next AGM of the Company.

The details of this proposed Ordinary Resolution are set out in Part B of the Circular to the Shareholders of the Company dated 31 March 2017 which is dispatched together with the Company's 2016 Annual Report.