



## Power Root Berhad

(Company No. 733268-U)  
(Incorporated in Malaysia)

### NOTICE OF THE TWELFTH ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that the Twelfth Annual General Meeting ("AGM") of Power Root Berhad ("Power Root" or "the Company") will be held at No 1, Jalan Sri Pletong, Taman Perindustrian Sri Pletong, 81750 Masai, Johor on Monday, 27 August 2018 at 2.30 p.m. for the purpose of considering the following businesses:-

#### AGENDA

##### ORDINARY BUSINESSES:-

- To receive the Audited Financial Report for the financial year ended 31 March 2018 together with the Reports of the Directors and the Auditors thereon. **(Resolution 1)**
- To sanction payment of Directors' fees for the financial year ending 31 March 2019, to be payable on quarterly basis in arrears (please refer to Note (c) – EXPLANATORY NOTES RELATING TO RESOLUTION NO. 2). **(Resolution 2)**
- To approve the benefit payable to the Directors an aggregate amount of not more than RM500,000 for the financial year ending 31 March 2019. **(Resolution 3)**
- To re-elect Dato' How Say Swee, who retires pursuant to Article 121 of the Company's Articles of Association and being eligible, offers himself for re-election. **(Resolution 4)**
- To re-elect Encik Azahar bin Baharudin, who retires pursuant to Article 121 of the Company's Articles of Association and being eligible, offers himself for re-election. **(Resolution 5)**
- To re-elect Mr. Wong Tak Keong, who retires pursuant to Article 126 of the Company's Articles of Association and being eligible, offers himself for re-election. **(Resolution 6)**
- To re-appoint Messrs KPMG PLT as Auditors of the Company for the ensuing year and to authorise the Directors to fix their remuneration. **(Resolution 7)**

##### SPECIAL BUSINESS

To consider and, if thought fit, pass the following resolution:-

- To retain Mr. Ong Kheng Swee, who has served for more than nine (9) years as Independent Non-Executive Director of the Company, pursuant to Recommendation 4.2 of the Malaysian Code on Corporate Governance 2017 ("the Code"). **(Resolution 8)**
- Authority for Directors to Issue Shares Pursuant to Section 75 of the Companies Act 2016** **(Resolution 9)**

"THAT pursuant to Section 75 of the Companies Act 2016 and subject always to the approval of the relevant authorities, the Directors be and are hereby empowered to issue shares in the capital of the Company from time to time and upon such terms and conditions and for such purposes as the Directors may deem fit provided that the aggregate number of shares issued pursuant to this resolution does not exceed 10% of the 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 the Bursa Malaysia Securities Berhad and that such authority shall continue in force until the conclusion of the next Annual General Meeting of the Company."
- Proposed Renewal of the Authority to allot and issue new ordinary shares in Power Root ("Power Root Shares"), for the purpose of the Company's Dividend Reinvestment Plan ("DRP") that provides the shareholders of Power Root ("Shareholders") the option to elect to reinvest their cash dividend in new Power Root Shares** **(Resolution 10)**

"THAT pursuant to the DRP as approved by the Shareholders at the Extraordinary General Meeting held on 29 July 2013 and subject to the approval of the relevant regulatory authority (if any), approval be and is hereby given to the Company to allot and issue such number of new Power Root Shares from time to time as may be required to be allotted and issued pursuant to the DRP until the conclusion of the next Annual General Meeting upon such terms and conditions and to such persons as the Directors of the Company at their sole and absolute discretion, deem fit and in the interest of the Company PROVIDED THAT the issue price of the said new Power Root Shares shall be fixed by the Directors based on the adjusted five (5) market days volume weighted average market price ("VWAMP") of Power Root Shares immediately prior to the price-fixing date after applying a discount of not more than 10%, of which the VWAMP shall be adjusted ex-dividend before applying the aforementioned discount in fixing the issue price;

AND THAT the Directors of the Company be and are hereby authorised to do all such acts and enter into all such transactions, arrangements, deeds, undertakings and documents as may be necessary or expedient in order to give full effect to the DRP with full power to assent to any conditions, modifications, variations and/or amendments as may be imposed or agreed to by any relevant authorities (if any) or consequent upon the implementation of the said conditions, modifications, variations and/or amendments, by the Directors as they, in their absolute discretion, deem fit and in the best interest of the Company."
- Proposed Renewal of the Authority To Buy-Back Its Own Shares by the Company** **(Resolution 11)**

"THAT subject to the provisions of the Companies Act 2016, the Constitution of the Company, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") and any applicable laws, rules, orders, requirements, regulations and guidelines for the time being in force or as may be amended, modified or re-enacted from time to time and the approvals of all relevant governmental and/or regulatory authorities (if any), the Company be and is hereby authorised 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 upon such terms and conditions as the Directors of the Company may deem fit, necessary and expedient in the interest of the Company provided that the aggregate number of shares purchased pursuant to this resolution shall not exceed 10% of the total issued and paid-up share capital of the Company at any point in time; and the Directors of the Company shall allocate an amount of funds which will not be more than the aggregate sum of the retained profits of the Company based on the latest audited financial statements and/or the latest management accounts (where applicable) available at the time of purchase of the Proposed Share Buy-Back.

AND THAT upon completion of the purchase(s) by the Company of its own shares, the Directors of the Company are authorised to decide at their discretion to cancel all the shares so purchased and/or to retain the shares so purchased as treasury shares of which may be distributed as dividends to shareholders and/or to resell on the open market of Bursa Securities and/or retain part thereof as treasury shares and cancel the remainder.

AND THAT the Board be and is hereby authorised to take all such necessary steps to give effect to the Proposed Renewal of Share Buy-Back with full powers to assent to any conditions, variations, modifications and/or amendments in any manner as may be required by the relevant authorities or deemed by the Board to be in the best interest of the Company, and to take all steps and to do all such acts and matters as they may consider necessary or expedient to implement, finalise and give full effect to the Proposed Renewal of Share Buy-Back.

AND THAT the authority conferred by this resolution 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 at which time the authority shall lapse unless by ordinary resolution passed at a general meeting, the authority is renewed either unconditionally or subject to conditions;
  - the expiration of the period within which the next annual general meeting of the Company is required by law to be held; or
  - the earlier revocation or variation of the authority through a general meeting, whichever is the earlier."
  - To transact any other business of which due notices has been given.

By Order of the Board

**ROKIAH BINTI ABDUL LATIFF (LS 0000194)**

**NORIAH BINTI MD YUSOF (LS 0009298)**

Company Secretaries

Johor Bahru

31 July 2018

#### Notes:

##### (a) GENERAL MEETING RECORD OF DEPOSITORS

Only depositors whose name appears in the Record of Depositors as at 20 August 2018 shall be regarded as Member of the Company entitled to attend, speak and vote at this Meeting or appoint proxy (ies) to attend, speak and vote in his stead.

##### (b) PROXY

- A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote in his stead. A proxy may but need not be a member of the Company and a proxy appointed to attend, speak and vote at a meeting shall have the same rights as the member to speak at the meeting.
- A member may appoint not more than two (2) proxies to attend and vote at the same meeting.
- Where a member appoints two (2) proxies, he shall specify the proportion of his holdings to be represented by each proxy. Otherwise, the appointment shall be invalid.
- Where a member is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, it may appoint at least one (1) proxy but not more than two (2) proxies 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 is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("ombibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each ombibus accounts it holds.
- Where a member or the authorised nominee or an exempt authorised nominee appoints two (2) or more proxies, the proportion of the shareholdings to be presented by each proxy must be specified in the instrument appointing the proxies.
- Where the Proxy Form is executed by a corporation, it must be either under its Common Seal or under the hand of an officer or attorney duly authorised.
- The Proxy Form must be deposited at the Registered Office of the Company, located at 31-04, Level 31, Menara Landmark, No 12 Jalan Ngee Heng, 80000 Johor Bahru, not less than forty-eight (48) hours before the time set for the meeting or any adjournment thereof.

##### (c) EXPLANATORY NOTES RELATING TO RESOLUTION NO. 2

Resolution 2, if passed, will allow the Company to pay Directors' fees in a timely manner on quarterly basis in arrears, for services rendered during the course of the financial year ending 31 March 2019. (The quantum of fees payable will be based on the existing remuneration structure for directors).

##### (d) EXPLANATORY NOTES TO SPECIAL BUSINESS:

- The Board of Directors via the Nominating Committee assessed the independence of Mr. Ong Kheng Swee, who has served on the Board as an Independent Non-Executive Director of the Company for a cumulative of more than nine (9) years and the Board has recommended that the approval of the shareholders be sought to retain Mr. Ong Kheng Swee, based on the following justifications:
  - He has met the criteria the independence guidelines set out in Chapter 1 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and therefore able to give independent opinion to the Board;
  - Being director for more than nine (9) years has enabled him to contribute positively during deliberations/discussions at meetings as he is familiar with the operations of the Company and possess knowledge of the Company's operations;
  - He has the caliber, qualifications, experiences and personal qualities to challenge management in an effective and constructive manner; and
  - He has contributed sufficient time and exercised due care during his tenure as Independent Non-Executive Director and carried out his fiduciary duties in the interest of the Company and minority shareholders.
- The Proposed Ordinary Resolution 9 is for the purpose of granting a general mandate ("General Mandate") empowering the Directors of the Company, pursuant to Section 75 of the Companies Act 2016 to issue and allot new shares in the Company from time to time provided that the aggregate number of shares issued does not exceed 10% of the issued and paid-up share capital of the Company for the time being, without having to convene a general meeting. The General Mandate, unless revoked or varied by the Company in the general meeting, will expire at the next Annual General Meeting ("AGM") of the Company. The General Mandate will provide flexibility to the Company for any possible fund raising activities, including but not limited to further placing of shares, for purpose of funding future investment project(s), working capital and/or acquisitions.
- The Proposed Ordinary Resolution 10 is for the purpose of granting a general mandate ("General Mandate for DRP") to provide the shareholders of Power Root the option to elect to reinvest their cash dividend in new ordinary shares in the Company. The General Mandate for DRP has been granted by the shareholders at the AGM of the Company held on 28 August 2017. This authority will, unless revoked or varied by the Company in general meeting, expires at the next AGM of the Company.
- The Proposed Ordinary Resolution 11 is for the purpose of granting a general mandate ("General Mandate for Share Buy-Back") to allow the Company to purchase its own shares. The total number of shares purchased shall not exceed 10% of the issued and paid-up share capital of the Company. The General Mandate for Share Buy-Back has been granted by the shareholders at the AGM of the Company held on 28 August 2017. This authority will, unless revoked or varied by the Company in general meeting, expires at the next AGM of the Company.

#### PERSONAL DATA PRIVACY

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the Annual General Meeting 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 Annual General Meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the Annual General Meeting (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 representatives 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.