



MALAYSIAN RESOURCES CORPORATION BERHAD 196801000388 (7994-D)

NOTICE OF THE 49th ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the 49th Annual General Meeting (“AGM”) of Malaysian Resources Corporation Berhad (“MRCB” or “the Company”) will be held **fully virtual** at the **Broadcast Venue at KL Sentral Room, Level 30, Menara Allianz Sentral, No. 203, Jalan Tun Sambanthan, Kuala Lumpur Sentral, 50470 Kuala Lumpur** on **Tuesday, 14 July 2020 at 10.00 a.m.** for the following purposes:

AGENDA

Ordinary Business

1. To receive the Statutory Financial Statements of the Company for the financial year ended 31 December 2019 and the Reports of the Directors and Auditors thereon.
2. To re-elect Rohaya Mohammad Yusof who is retiring by rotation pursuant to Articles 101 and 102 of the Constitution of the Company and being eligible, has offered herself for re-election. **Resolution 1**

Jamaludin Zakaria who is also retiring by rotation pursuant to Articles 101 and 102 of the Constitution of the Company, has expressed his intention not to seek re-election. Hence, he will retain office until the conclusion of the 49th AGM.
3. To approve the Directors’ Fees for the financial year ending 31 December 2020. **Resolution 2**
4. To approve the benefits extended to the Non-Executive Directors of the Company as detailed out in Note 4 of the explanatory notes, from 15 July 2020 until the next AGM of the Company. **Resolution 3**
5. To re-appoint Messrs. PricewaterhouseCoopers PLT as Auditors of the Company and to authorise the Directors to fix their remuneration. **Resolution 4**

Special Business

To consider and if thought fit, to pass with or without any modification, the following Ordinary Resolutions:

6. Proposed establishment of a dividend reinvestment plan that provides the shareholders of MRCB with an option to elect to reinvest their cash dividend in new ordinary shares of MRCB (“Shares”) **Resolution 5**

“THAT, subject to compliance with all applicable laws (as may be amended, modified or re-enacted from time to time), the Constitution of the Company, and the regulations and guidelines applied from time to time by Bursa Malaysia Securities Berhad and/or any other relevant regulatory authority:

- (i) approval be and is hereby given to the Company to establish a dividend reinvestment plan that provides the shareholders of the Company (“Shareholders”) with an option to elect to reinvest in whole or in part, their cash dividend, which includes any interim, final, special or other types of cash dividend (“Dividend”) declared by the Company in new MRCB Shares (“New Shares”) (“Proposed DRP”);
- (ii) the Board of Directors of the Company (“Board”) be and is hereby authorised to-
 - a. establish and implement the Proposed DRP;
 - b. determine, at its absolute discretion, whether to pay any Dividend in cash or to offer Shareholders the option to elect to reinvest all or part of their Dividend in New Shares (“Reinvestment Option”) and if the Reinvestment Option is applied, the portion of such Dividend to which the Reinvestment Option applies;

- c. allot and issue such number of New Shares from time to time as may be required to be allotted and issued pursuant to the Proposed DRP until the conclusion of the Company's next AGM, upon the terms and conditions and to such persons as the Board may, at its absolute discretion, deem fit and in the best interest of the Company ("Proposed Issuance of New Shares");
- d. fix the issue price of the New Shares, which will be determined by the Board on a price-fixing date to be determined and announced relating to the relevant Dividend, at a discount of not more than 10% to the five (5)-day volume weighted average market price ("VWAMP") of MRCB Shares immediately prior to the price-fixing date. The VWAMP shall be adjusted ex-dividend before applying the aforementioned discount in fixing the issue price; and
- e. do all such acts and enter into all such transactions, arrangements, agreements, deeds and undertakings and to execute, sign and deliver, for and on behalf of the Company, all such documents and impose such terms and conditions or delegate any part of their powers as may be necessary or expedient in order to implement, finalise and give full effect to the Proposed DRP and the Proposed Issuance of New Shares, with full power to assent to any condition, modification, variation, and/or amendment, including suspension and termination of the Proposed DRP, as the Board may, in its absolute discretion and without assigning any reason thereof, deem fit and in the best interest of the Company and/or as may be imposed or agreed to by any relevant authorities;

AND THAT the New Shares to be allotted and issued pursuant to the Proposed DRP shall rank equally in all respects with the existing MRCB Shares, save and except that such New Shares shall not be entitled to any dividend, right, allotment and/or other distribution in respect of which the entitlement date is before the allotment date of such New Shares."

7. Proposed Renewal of Share Buy-Back Authority

Resolution 6

"THAT, subject to the Companies Act 2016 ("the Act"), provision of the Constitution of the Company, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and all other applicable laws, rules, regulations and guidelines, and the approvals of the relevant regulatory authorities and parties, 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 as the Directors may deem fit and expedient in the interest of the Company provided that:

- (a) the aggregate number of ordinary shares to be purchased by the Company shall not exceed ten per cent (10%) of the total number of issued shares of the Company at any point in time; and
- (b) the maximum fund to be allocated by the Company for the purpose of Proposed Renewal of Share Buy-Back Authority shall not exceed the total retained profits of the Company at the time of the purchase;

THAT upon completion of the purchase by the Company of its own shares, the Director of the Company shall have the absolute discretion to decide whether such share so purchased are to be cancelled and/or retained as treasury shares, or to be dealt with in such manner as provided under Section 127(7) of the Act;

THAT the authority conferred by this resolution shall be effective immediately after the passing of this resolution and shall continue to be in force until:

- (a) the conclusion of next AGM of the Company at which time the authority will lapse unless the authority is renewed by a resolution passed at that meeting, either conditionally 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) the authority is revoked or varied by ordinary resolution passed by the shareholders in general meeting

whichever occurs first;

AND THAT the Directors of the Company be and are hereby authorised to take all such steps as are necessary or expedient to implement, finalise and 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 in any manner as may be required or imposed by the relevant authorities and to do such acts and things as the Directors may deem fit and expedient in the interest of the Company.”

- 8. To transact any other ordinary business for which due notice has been received.

BY ORDER OF THE BOARD

MOHD NOOR RAHIM YAHAYA
(MAICSA 0866820)
Company Secretary

Kuala Lumpur
12 June 2020

Notes:

- 1. Only members whose names appear in the Record of Depositors on 6 July 2020 (“General Meeting Record of Depositors”) shall be eligible to attend in person or appoint proxies to attend and/or vote on their behalf at the AGM.
- 2. A member of the Company who is entitled to attend and vote at this meeting is entitled to appoint not more than two (2) proxies to attend and vote in his stead. A proxy may but need not be a member of the Company. There shall be no restriction as to the qualification of a proxy.
- 3. Where a member appoints two (2) proxies, the appointment shall be invalid unless the proportion of the shareholdings to be represented by each proxy is specified.
- 4. 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.
- 5. The instrument appointing a proxy shall be in writing under the hand of the appointer or of his attorney duly appointed under a power of attorney. In the case of a corporation, it shall be executed under its Common Seal or signed by its attorney duly authorised in writing or by an officer on behalf of the corporation.
- 6. The Form of Proxy or other instruments of appointment **must be deposited** at the office of the Share Registrar of the Company, **Boardroom Share Registrars Sdn Bhd, 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor, Malaysia** or **lodged electronically via “Boardroom Smart Investor Portal” at www.boardroomlimited.my** not less than 48 hours before the time set for holding the meeting or any adjournment thereof.

EXPLANATORY NOTES:

A. FOR ORDINARY RESOLUTION

1. Audited Financial Statements for the financial year ended 31 December 2019

The Audited Financial Statements under Agenda 1 is meant for discussion only as it does not require shareholders’ approval pursuant to Section 340(1)(a) of the Act and therefore, it will not be put to vote.

2. Re-election of Directors pursuant to Articles 101 and 102 of the Company's Constitution

Articles 101 and 102 of the Constitution provides that one-third (1/3) of the Directors for the time being shall retire by rotation at the AGM of the Company. With the current Board size of seven (7), two (2) Directors are to retire in accordance with Articles 101 and 102 of the Constitution.

For the purpose of determining the eligibility of the Directors to stand for re-election at the 49th AGM, the Nomination and Remuneration Committee ("NRC") has considered the following:

- (i) The performance and contribution of each of the Directors
- (ii) The assessment of the individual Director's level of contribution to the Board through each of their skills, experience and strength in qualities.

Based on the above, the Board approved the NRC's recommendation that Rohaya Mohammad Yusof who retires in accordance with Articles 101 and 102 of the Company's Constitution is eligible to stand for re-election.

Jamaludin Zakaria who also retires by rotation pursuant to Articles 101 and 102 of the Company's Constitution, has expressed his intention not to seek re-election, after having served on the Board of MRCB for almost nine (9) years since his appointment as a Director on 24 August 2011. Hence, he will retain office until the conclusion of the 49th AGM of the Company.

The profile of Rohaya Mohammad Yusof is set out in the Profile of Director's section of the Company's Annual Report 2019.

3. Payment of Non-Executive Directors' Fee For The Financial Year Ending 31 December 2020

At the 48th AGM of the Company held on 30 May 2019, the shareholders had approved the payment of the Directors' fees to its Non-Executive Directors ("NEDs") for the period from 1 January 2019 until the next AGM of the Company in 2020 to be capped at RM950,000.

Based on the rate of RM200,000 per year for the Chairman and RM150,000 per year for other Directors, a total of RM950,000 had been paid to NEDs for the period from 1 January 2019 to 31 December 2019.

Due to the impact of Covid-19 pandemic on the global economy and as part of austerity measures, the NEDs have agreed to reduce their Directors' fees by 30% for the financial year ending 31 December 2020. The change in the Directors' fees is reflected as follows:

Board	Annual Fee (RM)	After 30% Reduction (RM)
Chairman	200,000	140,000
Non-Executive Directors	150,000	105,000

4. Benefits Payable to NEDs

The benefits comprise allowances, benefits in kind and other emoluments payable to the NEDs, details of which are as follows:

Benefit	Description	Amount
Monthly Fixed Allowance*	Chairman of the Board	RM10,000 per month
	Chairman of the Executive Committee ("EXCO")	RM10,000 per month
	Chairman of the Audit Committee	RM2,000 per month
	Chairman of the Nomination & Remuneration Committee	RM2,000 per month
	Chairman of the LTIP Committee	RM2,000 per month
	Members of the Board/Committees of the Board	RM1,500 per month
<i>* Each Director will be entitled to the highest monthly fixed allowance only</i>		
Meeting Allowance	Chairman of the Board / Committee	RM4,000 per meeting
	Member of the Board / Committee	RM3,000 per meeting
Other Benefits	Monthly subscription of club membership	
	Insurance coverage for Medical, Group Personal Accident and Group Term Life	
	Staff discount of 7% for purchase of properties developed by MRCB Group	
	Other claimable benefits	

B. FOR SPECIAL BUSINESS

1. Proposed Dividend Reinvestment Plan

The proposed ordinary resolution 5, if passed, will provide the shareholders of the Company with an option to elect to reinvest in whole or in part, their cash dividend, which includes any interim, final, special or other types of cash dividend declared by the Company in new ordinary of the Company ("Proposed DRP"). The details of the Proposed DRP are set out in the Circular to Shareholders dated 12 June 2020 which is available on MRCB's website at www.mrcb.com.my/investor-relations/other-information/

2. Proposed Renewal of Share Buy-Back Authority

The proposed ordinary resolution 6, if passed, will empower the Directors of the Company to buy back and/or hold from time to time shares of the Company not exceeding ten percent (10%) of the total number of issued shares of the Company upon such terms and conditions as the Directors may deem fit and expedient in the interests of the Company.

For further information, please refer to the Share Buy-Back Statement dated 12 June 2020 which is available on MRCB's website at www.mrcb.com.my/investor-relations/other-information/