

# NOTICE OF SIXTEENTH ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN that the Sixteenth Annual General Meeting (“AGM”) of PETRA Energy Bhd. will be held on a fully virtual basis at the Broadcast Venue at Meeting Room, Level 3, Menara OBYU, 4 Jalan PJU 8/8A, Bandar Damansara Perdana, 47820 Petaling Jaya, Selangor Darul Ehsan on Wednesday, 25 May 2022 at 11:00 a.m. for the following purposes:-**

## **AS ORDINARY BUSINESS**

1. To receive the Audited Financial Statements for the financial year ended 31 December 2021 together with the Reports of the Directors and Auditors thereon. **(Please refer to Notes No. 1)**
2. To approve the payment of Directors’ fees payable to the Non-Executive Directors amounting to RM522,000.00 from 26 May 2022 until the next AGM of the Company. **(Resolution 1)**
3. To approve the payment of Directors’ benefits up to an amount of RM63,800.00 from 26 May 2022 until the next AGM of the Company. **(Resolution 2)**
4. To re-elect the following Directors, who are due to retire in accordance with Clause 117 of the Company’s Constitution and being eligible, have offered themselves for re-election:-  
(a) Mr. Simon Ong; and  
(b) Encik Abdul Rahim bin Abdul Hamid **(Resolution 3)**  
**(Resolution 4)**
5. To approve and ratify the additional payment of Directors’ fees amounting to RM130,500.00, which was in excess of the earlier approved amount of RM391,500.00, for the period commencing 21 May 2021 until the conclusion of the Sixteenth AGM of the Company scheduled to be convened on 25 May 2022. **(Resolution 5)**
6. To re-appoint Messrs. PricewaterhouseCoopers PLT as Auditors of the Company until the conclusion of the next AGM and to authorise the Directors to fix their remuneration. **(Resolution 6)**

## **AS SPECIAL BUSINESS**

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

7. **ORDINARY RESOLUTION NO. 1** **(Resolution 7)**  
**- RETENTION OF ENCIK ABDUL RAHIM BIN ABDUL HAMID AS AN INDEPENDENT DIRECTOR**

**“THAT** Encik Abdul Rahim bin Abdul Hamid, who has served as an Independent Director of the Company for a cumulative term of more than nine (9) years since 13 July 2019, be and is hereby retained as an Independent Director of the Company.”

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## 8. ORDINARY RESOLUTION NO. 2

(Resolution 8)

### - 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 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 per centum (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.”

## 9. ORDINARY RESOLUTION NO. 3

(Resolution 9)

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

**“THAT** subject always to the Companies Act 2016 (**“the Act”**), the Constitution of the Company and Bursa Malaysia Securities Berhad Main Market Listing Requirements, approval be and is hereby given for the Proposed Renewal of Existing Shareholders Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature for the Company and its subsidiaries (**“the Group”**) to enter into and to give effect to the category of the recurrent related party transactions of a revenue or trading nature from time to time with the Related Parties as specified in Section 2.5 of the Circular/Statement to Shareholders dated 26 April 2022, provided that such transactions are:-

- a) recurrent transactions of a revenue or trading nature;
- b) necessary for the Group’s day-to-day operations;
- c) carried out in the ordinary course of business on normal commercial terms which are not more favourable to the Related Parties than those generally available to the public; and
- d) not to the detriment of minority shareholders,

(the **“Mandate”**);

**AND THAT** such authority shall commence upon the passing of this resolution and shall continue to be in force until:-

- i) the conclusion of the next Annual General Meeting (**“AGM”**) of the Company following this AGM at which the Mandate was passed, at which time it will lapse, unless by a resolution passed at the next AGM, the authority is renewed;
- ii) the expiration of the period within which the next AGM after that date it 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
- iii) revoked or varied by resolution passed by the shareholders in a general meeting before the next AGM;

whichever is the earlier;

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**AND FURTHER THAT** the Directors of the Company be authorised to complete and do all such acts and things (including executing all such documents as may be required), as they may consider expedient or necessary to give effect to the Mandate.”

## 10. ORDINARY RESOLUTION NO. 4

**(Resolution 10)**

### - PROPOSED RENEWAL OF AUTHORITY FOR THE COMPANY TO PURCHASE ITS OWN SHARES (“Proposed Renewal of Share Buy-Back Authority”)

**“THAT** subject to the Companies Act 2016 (“**the Act**”), Bursa Malaysia Securities Berhad (“**Bursa Securities**”) Main Market Listing Requirements, the Constitution of the Company, and all other applicable laws, rules and regulations, approval be and is hereby given to the Company to purchase such number of ordinary shares 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 may deem fit and expedient in the interest of the Company, provided that:-

- a) the aggregate number of ordinary shares to be purchased and/or held by the Company shall not exceed ten per centum (10%) of the total number of issued shares of the Company including the shares previously purchased and retained as Treasury Shares (if any); and
- b) the maximum funds to be allocated by the Company for the purpose of purchasing its own shares shall not exceed the total retained profits of the Company based on the latest audited financial statements and/or the latest unaudited financial statements (where applicable) available at the time of the purchase.

**THAT** such authority shall commence upon the passing of this resolution and shall continue to be in force until:-

- i) the conclusion of the next Annual General Meeting (“**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;
- ii) the expiration of the period within which the next AGM of the Company after that date is required by law to be held; or
- iii) revoked or varied by an ordinary resolution passed by the shareholders of the Company at a general meeting;

whichever occurs first.

**AND 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 to cancel all the shares so purchased; and/or 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 retain part thereof as treasury shares and cancel the remainder; or in 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.

**AND FURTHER 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.”

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11. To consider any other business for which due notice shall have been given.

By Order of the Board

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

**LIM LIH CHAU (SSM PC NO. 201908001454) (LS0010105)**

Company Secretaries

Kuala Lumpur

26 April 2022

## **Explanatory Notes to Special Business:**

### **1. Retention of Encik Abdul Rahim bin Abdul Hamid (“Encik Rahim”) as an Independent Director**

Encik Rahim was appointed as an Independent Director of the Company on 13 July 2010 and has served the Board for a cumulative term of more than nine (9) years since 13 July 2019. The Board of Directors of the Company through its Nominating Committee, after having assessed the independence of Encik Rahim, regards him to be independent based amongst others, the following justifications, and recommends that Encik Rahim be retained as an Independent Director of the Company subject to the approval from the shareholders of the Company pursuant to Practice 5.3 of the Malaysian Code on Corporate Governance:-

(a) Encik Rahim has fulfilled the definition of an Independent Director as set out under Paragraph 1.01 of the Bursa Malaysia Securities Berhad Main Market Listing Requirements:-

- is not an executive director of the Company or any related corporation (each corporation is referred to as “**said Corporation**”);
- has not been within the last three (3) years and is not an officer (except as a non-executive director) of the said Corporation. [“**officer**” has the meaning given in Section 2 of the Companies Act 2016];
- is not a major shareholder of the said Corporation;
- is not a family member of any executive director, officer or major shareholder of the said Corporation;
- is not acting as a nominee or representative of any executive director or major shareholder of the said Corporation;
- has not been engaged as an adviser by the said Corporation under such circumstances as prescribed by Bursa Malaysia Securities Berhad (“**the Exchange**”) or is not presently a partner, director (except as an independent director) or major shareholder, as the case may be, of a firm or corporation which provides professional advisory services to the said Corporation under such circumstances as prescribed by the Exchange; or has not engaged in any transaction with the said Corporation under such circumstances as prescribed by the Exchange or is not presently a partner, director or major shareholder, as the case may be, of a firm or corporation (other than subsidiaries of the applicant or listed issuer) which has engaged in any transaction with the said Corporation under such circumstances as prescribed by the Exchange;
- is not a director who is accepting compensation from the said Corporation, other than compensation for board service for the current or immediate financial year; or
- is not having a relationship which would interfere with the exercise of independent judgement in carrying out the functions as a director or a chairman/member of the Audit Committee, Remuneration Committee and Board Risk Management Committee and Nominating Committee.

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- (b) Encik Rahim has not been involved in any business or other relationship which could hinder the exercise of independent judgement, objectivity or his ability to act in the best interests of the Company;
- (c) Encik Rahim has no potential conflict of interest, whether business or non-business related with the Company;
- (d) Encik Rahim has not established or maintained any significant personal or social relationship, whether direct or indirect, with the Group Chief Executive Officer and major shareholders or management of the Company (including their family members) other than normal engagements and interactions on a professional level consistent with his duties and expected of him to carry out his duties as an independent director; and
- (e) Encik Rahim does not derive any remuneration and other benefits apart from Directors' fees that are approved by shareholders.

## 2. Authority to Issue Shares pursuant to the Companies Act 2016

The Proposed Resolution 8 allows the Company to purchase its own shares 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 Bursa Malaysia Securities Berhad Main Market Listing Requirements.

Please refer to the Circular/Statement to Shareholders dated 26 April 2022, for more information.

## 3. Proposed Renewal of Existing Shareholders Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature

The Proposed Resolution 9 is intended to enable the Company and its subsidiaries (“**the Group**”) to enter into any of the recurrent related party transactions of a revenue or trading nature which are necessary for the Group's day-to-day operations, subject to the transactions being in the ordinary course of business and on normal commercial terms and are not prejudicial to the shareholders on terms 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.

Please refer to the Circular/Statement to Shareholders dated 26 April 2022, for more information.

## 4. Proposed Renewal of Authority for the Company to Purchase its Own Shares

The Proposed Resolution 10 is intended to allow the Company to purchase its own shares 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 Bursa Malaysia Securities Berhad Main Market Listing Requirements.

Please refer to the Circular/Statement to Shareholders dated 26 April 2022, for more information.

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## Notes:-

1. This Agenda item is meant for discussion only as Section 340(1)(a) of the Companies Act 2016 does not require a formal approval of the shareholders for the Audited Financial Statements and only requires the Audited Financial Statements to be laid at the Meeting. Therefore, this Agenda item is not put forward for voting.
2. In respect of deposited securities, only members whose names appear in the Record of Depositors on 17 May 2022 shall be eligible to attend and vote at the Meeting.
3. A member entitled to attend and vote at the Meeting of the Company, shall be entitled to appoint not more than two (2) proxies to attend, participate, speak and vote instead of him. There shall be no restriction as to the qualification of the proxy. The proxy(ies) appointed to attend and vote at the Meeting shall have the same rights as the member to speak at the Meeting.
4. Where a member appoints two (2) proxies, the appointment shall be invalid unless he specifies the proportions of his shareholdings to be represented by each proxy.
5. The instrument appointing a proxy shall be in writing under the hand of the appointer or of his attorney duly authorised in writing or, if the appointer is a corporation, either under Seal or under the hand of an officer or attorney duly authorised.
6. Where a member of the Company is an Exempt Authorised Nominee which hold ordinary shares in the Company for multiple beneficial owners in one (1) 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.
7. The completed instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority shall be deposited at Securities Services (Holdings) Sdn. Bhd. of Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur, Wilayah Persekutuan or submitted via fax at 03-2094 9940 and/or 03-2095 0292 or emailed to [info@sshsb.com.my](mailto:info@sshsb.com.my), not less than forty-eight (48) hours before the time for holding the Meeting or any adjourned thereof. The proxy appointment may also be lodged electronically via Securities Services e-Portal at <https://sshsb.net.my/> before the submission cut-off time as mentioned above. Please refer to the Administrative Guide on the Conduct of a Fully Virtual General Meeting for further details.