

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in any doubt about the course of action to be taken, you should consult your Stockbroker, Bank Manager, Solicitor, Accountant or other professional advisers immediately.

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THREE-A RESOURCES BERHAD

(Company No. 481559-M)

(Incorporated in Malaysia under the Companies Act, 1965)

CIRCULAR TO SHAREHOLDERS IN RELATION TO THE

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

Notice of the Tenth AGM to be held at Ballroom, Level 1, Tropicana Golf and Country Resort, 47410 Petaling Jaya, Selangor Darul Ehsan on Wednesday 18 day of April 2012 at 11.00 am and the Form of Proxy are set out in the 2011 Annual Report despatched together with this Circular.

Please complete and return your Form of Proxy in accordance with the instructions thereon as soon as possible to the Registered Office of the Company at AL 308, Lot 590 & Lot 4196, Jalan Industri, U 19 Kampung Baru Seri Sungai Buloh, 47400 Selangor Darul Ehsan, Malaysia, not less than forty-eight (48) hours before the time set for holding the AGM or any adjournment thereof. The lodging of the Proxy Form will not preclude you from attending and voting in person at the AGM should you subsequently wish to do so.

Last date and time for lodging the Form of Proxy : Monday 16 April 2012 at 11.00 a.m.

Date and time of the Annual General Meeting : Wednesday 18 April 2012 at 11.00 a.m.

This Circular is dated 26 March 2012

DEFINITIONS

Except where the context otherwise requires, the following definitions (in alphabetical order) shall apply throughout this Circular:-

- “Act” : The Companies Act, 1965, as amended from time to time
- “AGM” : Annual General Meeting
- “Board” : The Board of Directors of 3A
- “Bursa Securities” : Bursa Malaysia Securities Berhad (635998-W)
- “CCM” : Companies Commission of Malaysia
- “Director” : Shall have the meaning given in Section 2(1) of the Capital Markets and Services Act 2007 and includes any person who is or was within the preceding 6 months of the date on which the terms of the transaction were agreed upon:-
- (i) a director of the 3A, its subsidiary or holding company;
 - (ii) a chief executive of the 3A, its subsidiary or holding company; or
 - (iii) in relation to a SPAC, a member of the SPAC’s management team
- “Listing Requirements” : The Main Market Listing Requirements of Bursa Securities
- “Major Shareholder” : A person who has an interest or interests in one or more voting shares in a company and the nominal amount of that share, or the aggregate of the nominal amounts of those shares, is:-
- (a) equal to or more than 10% of the aggregate of the nominal amounts of all voting shares in the Company; or
 - (b) equal to or more than 5% of the aggregate of the nominal amounts of all the voting shares in the Company where such person is the largest shareholder of the Company.

This includes any person who is or was within the preceding 6 months of the date on which the terms of the transaction were agreed upon, a major shareholder of 3A or any other company which is its subsidiary or holding company. For the purpose of this definition, “interest in shares” shall have the meaning given in Section 6A of the Act.

DEFINITIONS (CONT'D)

- “Person connected” : Such person, in relation to a director or major shareholder, who falls under any one of the following categories:
- (a) A family member of the director’s or major shareholder who falls within any one of the following categories:-
 - (i) spouse;
 - (ii) parent;
 - (iii) child including an adopted child and step child;
 - (iv) brother or sister; and
 - (v) spouse of the person referred to in (iii) and (iv) above;
 - (b) A trustee of a trust (other than a trustee for an employee share scheme or pension scheme) under which the director, major shareholder or a member of the director’s or major shareholder’s family is the sole beneficiary;
 - (c) A partner of the director, major shareholder or a partner of a person connected with that director or major shareholder;
 - (d) A person who is accustomed or under an obligation, whether formal or informal, to act in accordance with the directions, instructions or wishes of the director or major shareholder;
 - (e) A person in accordance with whose directions, instructions or wishes the director or major shareholder is accustomed or under an obligation, whether formal or informal, to act;
 - (f) A body corporate or its directors which/who is/are accustomed or under an obligation, whether formal or informal, to act in accordance with the directions, instructions or wishes of the director or major shareholder;
 - (g) A body corporate or its directors whose directions, instructions or wishes the director or major shareholder is accustomed or under an obligation, whether formal or informal, to act;
 - (h) A body corporate in which the director or major shareholder and/or persons connected with him are entitled to exercise, or control the exercise of, not less than 15% of the votes attached to voting shares in the body corporate; or
 - (i) A body corporate which is a related corporation

DEFINITIONS (CONT'D)

“Proposed Renewal of Existing Shareholders’ Mandate”	:	Proposed renewal of existing shareholders’ mandate for recurrent related party transactions of a revenue or trading nature
“Related Party” or “Related Parties”	:	A director, major shareholder or person connected with such director and/or major shareholder
“RRPT”	:	Recurrent related party transactions involving recurrent transactions of a revenue or trading nature which are necessary for daily operations and are in the ordinary course of business of the 3A Group.
“RM” and “sen”	:	Ringgit Malaysia and sen respectively
“Seong Chan”	:	Seong Chan Sauce & Foodstuff Sdn Bhd (169817-V)
“SSFI”	:	San Soon Seng Food Industries Sdn Bhd (179092-H)
TA(Q)	:	Three-A (Qinhuangdao) Food Industries Co. Ltd., a 50% equity jointly controlled entity via TPPSB
“3A” or “Company”	:	Three-A Resources Berhad (481559-M)
“3A Group” or “Group”	:	3A and its subsidiary companies collectively
“3A Share(s)” or “Shares”	:	Ordinary share(s) of RM0.20 each fully paid-up in 3A
“TPPSB”	:	Three-A Food Industries (M) Sdn. Bhd.(804938-V)

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THREE-A RESOURCES BERHAD

(Company No. 481559-M)
(Incorporated in Malaysia under the Companies Act, 1965)

Registered Office:

AL 308, Lot 590 & Lot 4196
Jalan Industri, U 19
Kampung Baru Seri Sungai Buloh
47000 Selangor Darul Ehsan Malaysia

26 March 2012

Directors:-

Dato' Mohd Nor Bin Abdul Wahid (*Independent Non- Executive Chairman*)
Fang Chew Ham (*Deputy Executive Chairman & Managing Director*)
Fong Chu King @ Tong Chu King (*Executive Director*)
Liew Kuo Shin (*Alternate Director to Fong Chu King @ Tong Chu King*)
Fang Siew Yee (*Executive Director*)
Fang Siew Ping (*Alternate Director to Fang Siew Yee*)
Chew Eng Chai (*Independent Non-Executive Director*)
Khoo Wee Boon (*Independent Non-Executive Director*)
Tan Chon Sing @ Tan Kim Tieng (*Independent Non-Executive Director*)
Mohd Zaki Bin Hamzah (*Independent Non-Executive Director*)
Sun Yi-Ling (*Non-Independent Non-Executive Director*)

To: The Shareholders of Three-A Resources Berhad

Dear Sir/Madam,

PROPOSED RENEWAL OF EXISTING SHAREHOLDERS MANDATE

1. INTRODUCTION

The Company had, during the Ninth AGM of the Company held on 18 May 2011, obtained its shareholders' approval for the existing shareholders' mandate for recurrent related party transactions of a revenue or trading nature pursuant to Paragraph 10.09 of Chapter 10 of the Bursa Securities Listing Requirements. The said authority conferred by the shareholders will lapse at the conclusion of the forthcoming Tenth AGM of the Company to be held on Wednesday 18 April 2012, unless the renewal of the authority is obtained from the shareholders of the Company at the forthcoming Tenth AGM.

On 13 February 2012, the Board of Directors of the Company announced the Company's intention to seek approval of its shareholders for the Proposed Renewal of Existing Shareholders' Mandate.

The purpose of this Circular is to provide you with detailed information in respect of the Proposed Shareholders' Mandate and to seek your approval for the ordinary resolution thereto to be tabled at the forthcoming Tenth AGM.

WE ADVISE YOU TO READ AND CAREFULLY CONSIDER THE CONTENTS OF THIS CIRCULAR TOGETHER WITH THE ATTACHED APPENDIX BEFORE VOTING ON THE

RESOLUTION PERTAINING TO THE PROPOSED RENEWAL OF EXISTING SHAREHOLDERS' MANDATE AT OUR FORTHCOMING AGM.**2. DETAILS OF THE PROPOSED SHAREHOLDERS' MANDATE****2.1 Proposed Shareholders' Mandate**

Under Part E, Paragraph 10.09(1), Chapter 10 of the Listing Requirements, listed issuers with an issued and paid-up capital of RM60.0 million and above must immediately announce a Recurrent Related Party Transaction as follows:-

- (i) the consideration, value of the assets, capital outlay or costs of the Recurrent Related Party Transaction is RM1 million or more; or
- (ii) the percentage ratio of such Recurrent Related Party Transactions is 1% or more whichever is higher.

Paragraph 2.4 of Practice Note 12 states that where a listed issuer has obtained a Mandate in respect of any Recurrent Related Party Transaction, the requirements of paragraph 10.08 will not apply to the Recurrent Related Party Transaction which are comprised in the Mandate. This means, during the period of validity of the Mandate, the disclosure obligation as set out in paragraph 10.09(1) of the Listing Requirements, as well as the obligation to procure shareholder approval as set out under paragraph 10.08 will not apply to the Recurrent Related Party Transactions which are comprised in the Mandate.

Pursuant to the said Paragraph 10.09 (2), Chapter 10 of the Listing Requirements, a listed issuer may seek a shareholders' mandate in respect of related party transactions involving recurrent transactions of a revenue or trading nature which are necessary for its day-to day operations subject to the following:-

- (i) transactions are in the ordinary course of business and are on terms not more favourable to the related party than those generally available to the public;
- (ii) the shareholders' mandate is subject to annual renewal and disclosure is made in the annual report of the aggregate value of transactions conducted pursuant to the shareholders' mandate during the financial year;
- (iii) the listed issuer is to issue a circular to shareholders for the shareholders' mandate; and
- (iv) in a meeting to obtain shareholders' interested directors, interested major shareholders or interested persons connected with a director or major shareholder and where it involves the interest of an interested person connected with a director or major shareholder, such director or major shareholder, must not vote on the resolution approving the transactions. An interested director or interested major shareholder must ensure that persons connected with them abstain from voting on the resolution approving the transactions.
- (v) Immediate announcement to Bursa Securities when the actual value of the Recurrent Related Party Transactions entered into by the Group exceeds the estimated value of the Recurrent Related Party Transactions disclosed in the Circular by 10% or more and must include the information as may be prescribed by Bursa Securities in its announcement.

Accordingly, the Company proposes to seek its shareholders' approval for the Proposed Shareholders' Mandate to allow the Company to enter into transactions in the normal course of business with the classes of Related Parties, provided such transactions are entered into at arms' length and on normal commercial terms which are not more favourable to the Related Parties than those generally available to the public and which will not be to the detriment of the minority shareholders.

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The Proposed Shareholders' Mandate, if approved by the shareholders at the forthcoming AGM, will continue to be in force until:

- (i) the conclusion of the next AGM of the Company following the forthcoming Ninth AGM, at which the Proposed Shareholders' Mandate is passed, at which time such mandate will lapsed, unless by a resolution passed at the next AGM, the authority is renewed;
- (ii) the expiration of the period, within which the next AGM of the Company is required to be held pursuant to Section 143(1) of the Act (but shall not extend to such extension as may be allowed pursuant to Section 143(2) of the Act); or
- (iii) revoked or varied by resolution passed by the shareholders in general meeting.

Whichever is earlier.

Thereafter, approvals from the shareholders for subsequent renewals will be sought at each subsequent AGM of the Company.

2.2 Principal Activities of the 3A Group

The principal activity of 3A is investment holding. The principal activities of its subsidiaries are as follows:

Name	Effective Equity Interest %	Principal activities
SSSFI	100	Manufacturing and selling of food and beverage ingredients
TPPSB	100	Investment Holding
TA(Q)	50	Manufacturing, processing and trading of Hydrolyzed Vegetable Protein (HVP)

2.3 Classes of Related Parties of Recurrent Transactions

The recurrent transactions for which the Proposed Renewal of Shareholders' Mandate is sought are in respect of transactions to be entered into by the following classes of Related Parties, in their normal course of business:

	Related Parties	Principal Activities	Interested Directors and/or Major Shareholders and Persons Connected	Nature of Relationship
(i)	Seong Chan	Sauce manufacturer	Fang Chew Ham Foong Chiew Fatt Fong Chiew Hean Fong Chu King @ Tong Chu King Fang Siew Yee Fang Siew Ping Liew Kuo Shin	Note (i)

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Notes:

- i. *Fang Chew Ham and Fong Chu King @ Tong Chu King, who are Directors and Shareholders of the Company, are substantial shareholders of Seong Chan and are deemed to be interested in the above transaction.*

Foong Chiew Fatt who is a shareholder of the Company, is a substantial shareholder of Seong Chan and is deemed interested.

Fong Chiew Hean, who is a shareholder of the Company, is a substantial shareholder of Seong Chan and is deemed interested.

Fang Siew Yee who is a director of the Company and her alternate, Fang Siew Ping, are deemed interested as they are the daughters of Fang Chew Ham. Liew Kuo Shin who is an Alternate Director to Fong Chu King @ Tong Chu King is deemed interested as he is the son-in-law of Fang Chew Ham.

2.4 Nature of the RRPT and estimated value

- (i) The Proposed Renewal of Existing Shareholders' Mandate will apply to the following Related Parties:

	Company in the 3-A Group	Transacting parties	Nature of transaction	*Estimated aggregate value from date of the forthcoming Tenth AGM to the next AGM# (RM'000)	Estimated aggregate value disclosed in 2011 Mandate (RM'000)	Actual Value transacted from 18 May 2011 up to 29 February 2012 (RM'000)
(a)	SSSFI	Seong Chan	Sale of finished products by SSSFI to Seong Chan	800	800	637

The actual value transacted of each RRPT from the date on which the renewal of the existing Shareholders' Mandate which was obtained on 18 May 2011 up to 29 February 2012 being the latest practicable date before printing of this Circular together with the estimated value of each RRPT as disclosed in the Circular to Shareholders dated 26 March 2012 was disclosed as above.

Notes:-

- * *The above estimated values are based on management estimates of the value of transactions. These estimates have been arrived at by the 3A Group after taking into consideration historical data, prevailing prices which are market-competitive prices based on the normal level of transactions entered into by the 3A Group and/or comparable rates on an arms' length basis based on market forces of demand and supply. These estimates are subject to changes according to commercial terms, business practices and policies, and industry norms or practices.*

- # *The Proposed Shareholders' Mandate will take effect from the Tenth AGM to the date of the next AGM in 2013.*

It is anticipated that the Group would, in the normal course of business, enter into transactions with the Related Party set out in Section 2.3 above. It is likely that such transactions will occur with some degree of frequency and could arise at any time.

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2.5 Outstanding RRPT Receivables

The breakdown of the principal sum and interest for the total outstanding amount due and owing under the RRPT which exceeded the credit term as at 31 December 2011 are as follows:-

No.	Nature of RRPT	Amount of Outstanding RRPT Receivables (RM)			
		< 1 year	> 1 year to 3 years	> 3 years to 5 years	> 5 years
1.	Sale of finished products by SSSF1 to Seong Chan	104,211.00	-	-	-

There is no late payment charges imposed to the above outstanding receivables as the Directors of the Company are of the opinion that the above outstanding receivables are not substantial and optimistic that the amount is recoverable.

As at 29 February 2012, the above outstanding amount has been fully recovered.

2.6 Rationale and Benefits of the RRPT

The RRPT to be entered into by 3A Group are in the ordinary course of business. The RRPT are undertaken on 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. All the transactions will be conducted on an arm's length basis. It is envisaged that in the normal course of the Group's business, the RRPT between 3A Group and the Related Parties are likely to occur with some degree of frequency. These transactions may be time sensitive by nature, making it impractical to seek shareholders' approval on a case-by-case basis before entering into such RRPT.

The Proposed Shareholders' Mandate and the renewal thereof on an annual basis would avoid the necessity to convene separate general meetings from time to time to seek shareholders' approval as and when the RRPT occur or arise. This would substantially reduce administrative time, inconvenience and expenses associated with the convening of such meetings on an ad-hoc basis, and allow manpower resources and time to be channelled towards attaining corporate objectives. The RRPT will also give additional business volume to the Group, thereby improving the turnover and profit of the Group.

2.7 Disclosure

Disclosure on the breakdown of the aggregate value of transactions conducted pursuant to the Proposed Shareholders' Mandate during the financial year based on the following information will be made in the Company's Annual Report and the Annual Reports for subsequent financial years that the mandate continues in force :

- (i) the type of RRPT made; and
- (ii) the names of the Related Parties involved in each type of the RRPT made and their relationship with the Company.

2.8 Condition for the Proposed Renewal of Existing Shareholders' Mandate

The Proposed Renewal of Existing Shareholders' Mandate is subject to approval being obtained from the shareholders of the Company at the forthcoming AGM of the Company.

3. REVIEW PROCEDURES IN RELATION TO THE RRPT**3.1 Review Procedures**

The terms and conditions of the RRPT are determined based on normal commercial terms, business practices and policies or otherwise in accordance with other applicable industry norms/considerations and negotiated on a *willing buyer willing seller* basis.

To monitor the Recurrent Transactions, the following internal review procedures have been implemented:

- (i) Any quotation or contract received from or proposed to be entered with a Related Party will be reviewed by senior management who will ascertain if it is an approved RRPT. Such quotation or contract will not be approved unless the terms offered to the Group are comparable with those offered by other unrelated parties for the same or substantially similar type of transactions. The transactions with a Related Party will only be entered into after taking into account the pricing, quality, deliverables, level of service and other related facts including competitors prices of similar products and services in the open market;
- (ii) All transactions entered into pursuant to the RRPT will be reviewed on a quarterly basis by the Audit Committee to ensure that they are transacted on terms and conditions 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 in the light of the circumstances concerned. Furthermore, the Audit Committee of the Company shall also have the discretion to request for additional procedures to be followed if it considers such a request to be appropriate;
- (iii) At least 2 other contemporaneous transactions with unrelated third parties for similar product / services and/or quantities will be used as comparison, wherever possible, to determine whether the price and terms offered to / by the related parties are fair and reasonable and comparable to those offered to / by other unrelated third parties for the same or substantially similar types of products / services and/or quantities. In the event the quotation or comparative pricing from unrelated third parties cannot be obtained (for instance, if there are no unrelated third party vendors / customers of similar products or services, or if the product / service is a proprietary item), the transaction price will be determined by those offered by / to other unrelated parties for substantially similar type of transactions and approved by the Board to ensure that the RRPT are not detrimental to the Group.
- (iv) Records will be maintained by the Company to capture all RRPT entered into pursuant to the Proposed Shareholders' Mandate to ensure that relevant approvals have been obtained and review procedures in respect of such transactions are adhered to;
- (v) The Audit Committee has and shall continuously review the adequacy and appropriateness of the procedures, as and when required, with the authority to sub-delegate to individuals or committee within the Company as they deem appropriate;
- (vi) If a member of the Board or of the Audit Committee has an interest, as the case may be, he/she shall abstain from Board or Audit Committee deliberation and voting on the resolution in respect of the RRPT; and
- (vii) If an interested Major Shareholder has an interest, as the case may be, the said interested Major Shareholder shall also ensure that the persons connected with him abstain from voting on the resolutions approving the transactions.

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- (viii) Where shareholders' mandate has been obtained, disclosure shall be made in the annual report of the aggregate value of RRPT conducted pursuant to the mandate during the financial year.

There are no specific thresholds for approvals of RRPT within the Group and its subsidiaries.

3.2 Statement by the Audit Committee

The Audit Committee of the Company has seen and reviewed the procedures established in Section 3.1 above in the treatment of RRPT and are satisfied that the procedures are sufficient to ensure that:

- (i) The RRPT will be conducted at arm's length and on normal commercial terms; and
- (ii) Such transactions 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.
- (iii) The Company has in place adequate procedures and processes to monitor, track and identify RRPT in a timely and orderly manner, and that these procedures are reviewed on a quarterly basis or whenever the need arises.

If, during its periodic reviews, the Audit Committee should be of the view that such procedures are no longer appropriate or adequate to ensure that recurrent related party transactions will be carried out on normal commercial terms or will be prejudicial to the interests of minority shareholders, the Company will seek a fresh mandate from shareholders based on new procedures.

4. EFFECTS OF THE PROPOSED SHAREHOLDERS' MANDATE

The Proposed Shareholders' Mandate will not have any effect on the issued and paid-up share capital, substantial shareholdings, consolidated earnings per share and net assets of the Company.

5. INTERESTS OF DIRECTORS, MAJOR SHAREHOLDERS AND PERSONS CONNECTED TO THEM

Save as disclosed in Section 2.3 above, none of the other Directors and/or Major Shareholders of 3A Group and/or persons connected to them have any interest, direct or indirect in the Proposed Renewal of Existing Shareholder's Mandate.

Fang Chew Ham, Fong Chu King @ Tong Chu King and Fang Siew Yee, being the interested Directors of 3-A, have and will abstain from Board deliberation and voting on the Proposed Renewal of Existing Shareholders' Mandate at all Board meetings.

Liew Kuo Shin who is an Alternate Director to Fong Chu King @ Tong Chu King, is deemed interested and will abstain from Board deliberation and voting on the Proposed Renewal of Existing Shareholders' Mandate at all Board meetings.

Fang Siew Ping who is an Alternate Director to Fang Siew Yee, is deemed interested and will abstain from Board deliberation and voting on the Proposed Renewal of Existing Shareholders' Mandate at all Board meetings.

The abovenamed Interested Directors and shareholders namely Foong Chiew Fatt and Fong Chiew Hean shall abstain and undertake to ensure that the persons connected to them will abstain from voting, in respect of their direct and indirect shareholdings on the resolution deliberating or approving the Proposed Renewal of Existing Shareholders' Mandate at the forthcoming AGM.

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The direct and indirect interests of the interested Directors and Major Shareholders of 3A and persons connected to them as at 29 February 2012 (being the last practicable date prior to the printing of this Circular) are as follows:-

Interested Directors/Major Shareholders and Persons Connected to Them	Direct Interest		Indirect Interest	
	No. of 3A Shares	%	No. of 3A Shares	%
Fang Chew Ham	-	-	124,121,920 ¹	31.54
Fong Chu King @ Tong Chu King	10,950,000	2.78	32,869,420 ²	8.89
Foong Chiew Fatt	16,180,960	4.11	29,540,960 ³	7.50
Fong Chiew Hean	16,570,960	4.21	29,779,460 ⁴	7.56
Fang Siew Yee	-	-	-	-
Fang Siew Ping, Alternate Director to Fang Siew Yee	-	-	-	-
Liew Kuo Shin, Alternate Director to Fong Chu King @ Tong Chu King)	-	-	-	-

Notes:-

1. Indirect Interest via shareholdings of his siblings namely Foong Chiew Fatt, Fong Chiew Hean, Fong Chu King @ Tong Chu King and Fang Chew Ham Holdings Sdn Bhd
2. Indirect interest via shareholdings of his siblings Fong Chiew Hean, Foong Chiew Fatt and his son, Fong Peng Fai.
3. Indirect interest via shareholdings of his siblings Fong Chiew Hean, Fong Chu King @ Tong Chu King and his daughters Foong Kin and Fong Sau Chun
4. Indirect interest via shareholdings of his siblings Foong Chiew Fatt and Fong Chu King @ Tong Chu King, his spouse Yeoh Ha Wah, his son Fong Peng Man and his daughter Fong Sau Man.

6. DIRECTORS' RECOMMENDATION

The Directors of the Company (save for the interested Directors named in section 5 who have abstained and will continue to abstain from Board deliberation and voting in respect of the Proposed Renewal of Existing Shareholders' Mandate), having considered all aspects of the Proposed Renewal of Existing Shareholders Mandate, are of the opinion that the RRPT are in the best interest of the 3A Group and accordingly recommend that you vote in favour of the resolution pertaining to the Proposed Renewal of Existing Shareholders' Mandate to be tabled at the forthcoming AGM.

7. AGM

The Tenth AGM, the notice of which is enclosed in the 2011 Annual Report of 3A, will be held at Ballroom, Level 1, Tropicana Golf and Country Resort, 47410 Petaling Jaya, Selangor Darul Ehsan on Wednesday 18 April 2012 at 11.00 am for the purpose of Considering and, if thought fit, passing, inter alia, the Ordinary Resolution on the Proposed Renewal of Existing Shareholders' Mandate under the agenda of Special Business as set out in the 2011 Annual Report of the Company.

You will also find in the 2011 Annual Report of 3A, a copy of the Form of Proxy. If you are unable to attend and vote in person at the Tenth AGM, you are requested to complete, sign and

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return the Form of Proxy in accordance with the instructions printed therein as soon as possible and in any event, so as to arrive at the Company's Registered Office at AL 308, Lot 590 & Lot 4196, Jalan Industri, U 19 Kampung Baru Seri Sungai Buloh, 47400 Selangor Darul Ehsan, Malaysia at least forty-eight (48) hours before the time set for the Tenth AGM. The lodgement of the Form of Proxy will not preclude you from attending and voting in person at the Tenth AGM should you subsequently wish to do so.

8. FURTHER INFORMATION

Shareholders are advised to refer to the attached Appendix 1 for further information

Yours faithfully,
For and on behalf of the Board of Directors of
THREE-A RESOURCES BERHAD

CHEW ENG CHAI
Independent Non-Executive Director

FURTHER INFORMATION**1. Directors' Responsibility statement**

This Circular has been seen and approved by the Directors of 3A and they collectively and individually accept full responsibility for the accuracy of the information given and confirm that after making all reasonable enquiries and to the best of their knowledge and belief, there are no other facts, the omission of which, would make any statement herein misleading.

2. Material litigation

3A Group is not engaged in any material litigation, claim or arbitration either as a plaintiff or defendant, which has a material effect on the business or financial position of 3A Group and the Board has not knowledge of any proceeding pending or threatened against 3A and/or its subsidiaries or of any fact likely to give rise to any proceeding which might materially and adversely affect the financial position or the business of 3A Group.

3. Material contracts

There are no material contracts (not being contracts entered into the ordinary course of business of 3A and/or of its subsidiary companies) which have been entered by 3A and its subsidiary companies within the past two (2) years immediately preceding the date of this Circular.

4. Documents available for inspection

Copies of the following documents are available for inspection at the registered office of the Company, during normal business hours from Mondays to Fridays (excluding public holidays) for the period commencing from the date of this Circular to the date of the forthcoming AGM:-

- (a) the Memorandum and Articles of Association of 3A; and
- (b) the audited financial statements of 3A for the two (2) financial years ended 31 December 2009 and 2010 and
- (c) unaudited Quarterly Financial Results for the period from 1 October 2011 to 31 December 2011.

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