

**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 SHAREHOLDERS MANDATE AND PROPOSED NEW SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE**

The above proposals will be tabled as Special Business under Three-A Resources Berhad's Notice of the Thirteenth Annual General Meeting (AGM). The Notice of the Thirteenth AGM to be held at Ballroom, Level 1, Tropicana Golf and Country Resort, 47410 Petaling Jaya, Selangor Darul Ehsan on Tuesday, 5 May 2015 at 11.00 am and the Form of Proxy are set out in the 2014 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 Sungai Buloh, 40160 Shah Alam, 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 ..... : Sunday 3 May 2015 at 11.00 a.m.

Date and time of the Annual General Meeting ..... : Tuesday 5 May 2015 at 11.00 a.m.

This Circular is dated 8 April 2015

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## DEFINITIONS

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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)
- “Circular” : Circular to shareholders dated 8 April 2015 in relation to Proposed Shareholders’ Mandate
- “Director” : Has 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
- “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) 10% or more of the aggregate of the nominal amounts of all voting shares in the Company; or
  - (b) 5% or more 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” has the meaning given in Section 6A of the Act.

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**DEFINITIONS (CONT'D)**

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- “Person connected” : Such person, in relation to a director or major shareholder of a corporation, 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 a share scheme for employees or pension scheme) under which the director, major shareholder or a family member of the director or major shareholder 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

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**DEFINITIONS (CONT'D)**

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“Proposed Shareholders’ Mandate”	:	Proposed Renewal of Shareholders’ Mandate and Proposed New Shareholders’ Mandate
“Proposed Renewal of Shareholders’ Mandate”	:	Proposed renewal of existing shareholders’ mandate to enter into existing recurrent related party transactions of a revenue or trading nature
“Proposed New Shareholders’ Mandate”	:	Proposed new shareholders’ mandate to enter into additional 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”	:	A related party transaction involving recurrent transaction of a revenue or trading nature which is necessary for daily operations and 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)
“SSSFI”	:	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 with Yin Hai Kerry Investments Co. Ltd., a wholly-owned subsidiary of Wilmar International Ltd.
“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
“TAFISB”	:	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 Sungai Buloh  
40160 Shah Alam  
Selangor Darul Ehsan Malaysia

8 April 2015

### 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 (*Non-Independent Executive Director*)  
Fang Siew Yee (*Non-Independent Executive Director*)  
Fang Siew Ping (*Alternate Director to Fang Siew Yee*)  
Liew Kuo Shin (*Alternate Director to Fong Chu King @ Tong Chu King*)  
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*)  
Kwek Ju-Yang, Mark (*Non-Independent Non-Executive Director*)  
Sun Yi-Ling (*Alternate Director to Kwek Ju-Yang, Mark*)  
Sun You Ning (*Non-Independent Non-Executive Director*)

### To: The Shareholders of Three-A Resources Berhad

Dear Sir/Madam,

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

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#### 1. INTRODUCTION

The Company had, during the Twelfth AGM of the Company held on 28 May 2014, 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 the Listing Requirements. The said authority conferred by the shareholders will lapse at the conclusion of the forthcoming Thirteenth AGM of the Company to be held on 5 May 2015, unless the renewal of the authority is obtained from the shareholders of the Company at the forthcoming Thirteenth AGM.

On 16 March 2015, 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 and Proposed New 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 Thirteenth 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 SHAREHOLDERS' MANDATE TO BE TABLED AT OUR FORTHCOMING AGM.**

## **2. DETAILS OF THE PROPOSED SHAREHOLDERS' MANDATE**

### **2.1 Proposed Shareholders' Mandate**

Pursuant to Paragraph 10.09(2) of the Listing Requirements, the Company is required to seek its shareholders' mandate, with regards to RRPT(s), subject to the following:-

- (a) the 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;
- (b) 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 where the aggregate value is equal or more than the following thresholds in relation to a listed issuer with an issued and paid-up share capital of RM60 million and above:-
  - (i) the consideration, value of the assets, capital outlay or costs of the RRPTs is RM1 million or more; or
  - (ii) the percentage ratio of each RRPT is 1% or more,whichever is the higher;
- (c) the Company's circular to shareholders for the shareholders' mandate includes the information set out in Annexure PN12-A of Practice Note 12 of the Listing Requirements. The draft circular must be submitted to Bursa Securities together with a checklist showing compliance with such information;
- (d) in a general meeting to obtain shareholders' mandate, the interested Director, interested Major Shareholder or interested Person Connected with a Director or Major Shareholder must not vote on the resolution in respect of the related party transaction; and where it involves the interest of an interested Person Connected with a Director or Major Shareholders, such Director or Major Shareholder must not vote on the resolution to approve the transactions. An interested Director or interested Major Shareholder must ensure that persons connected with him abstain from voting on the resolution approving the transactions.
- (e) the Company immediately announces to Bursa Securities when the actual value of a RRPT entered into by the Company, exceeds the estimated value of the RRPT disclosed in the circular by 10% or more and must include the information as may be prescribed by Bursa Securities in its announcement.

Transactions entered into between the Company (or any of its wholly-owned subsidiaries) and its wholly-owned subsidiaries are excluded from the requirements of related party transactions stipulated under Chapter 10 of the Listing Requirements.

In the ordinary course of business, the Group will enter into RRPT(s), the particulars of which are set out in Section 2.4 of the Circular.

Accordingly, the Board proposes to seek the renewal of shareholders' mandate as well as a new shareholders' mandate for the RRPT(s) to be entered into by the Group from the date of the forthcoming AGM until the next AGM.

Such transactions will be made 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 of 3A.

Where a shareholders' mandate pursuant to Paragraph 10.09 of the Listing Requirements has been procured, the requirements of Paragraph 10.08 of the Listing Requirements shall not apply to the RRPTs which are comprised in the shareholders' mandate. The Proposed Shareholders' mandate, if approved by the shareholders at the forthcoming Thirteenth AGM shall continue to be in force until:-

- a) the conclusion of the next AGM of the Company following forthcoming Thirteenth AGM at which such mandate was passed, at which time it will lapse, unless authority is renewed by a resolution passed at the next AGM;
- b) the expiration of the period within which the next AGM after that date is required to be held pursuant to Section 143(1) of the Act (but must not extend to such extension as may be allowed pursuant to Section 143(2) of the Act); or
- c) revoked or varied by a resolution passed by the shareholders in a general meeting,

whichever is the 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 investment holding, and manufacturing and selling of food and beverage ingredients.

## 2.3 Classes of Related Parties of Recurrent Transactions

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

	<b>Transacting Related Party</b>	<b>Principal Activities</b>	<b>Interested Directors and/or Major Shareholders and Persons Connected</b>	<b>Nature of Relationship</b>
(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)
(ii)	TA(Q)	Selling of food and beverage ingredients	Yihai Kerry Investments Co. Ltd. Wilmar International Limited	Note (ii)



Notes:

- (i) Fang Chew Ham and Fong Chu King @ Tong Chu King, are the Directors and Shareholders of the Company as well as the substantial shareholders of Seong Chan.

Fong Chiew Hean and Foong Chiew Fatt, are the brothers of Fang Chew Ham and shareholders of the Company as well as the substantial shareholders of Seong Chan.

Fang Siew Yee, 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 to Fong Chu King @ Tong Chu King is deemed interested as he is the son-in-law of Fang Chew Ham.

- (ii) Yihai Kerry Investments Co. Ltd. is a wholly-owned subsidiary of Wilmar International Limited, which is a Major Shareholder of the Company.

#### 2.4 Nature of the RRPTs and estimated value

- (i) Information on existing RRPT and its estimated value for which approval is being sought at the forthcoming AGM pursuant to the Proposed Shareholders' Mandate are set out in the table below:

Company in the 3-A Group	Transacting parties	Nature of transaction	*Estimated aggregate value from date of the forthcoming Thirteenth AGM to the next AGM# (RM'000)	Estimated aggregate value disclosed in 2014 Mandate (RM'000)	Actual Value transacted from 28 May 2014 up to 16 March 2015 (RM'000)
SSSFI	Seong Chan	Sale of finished products by SSSFI to Seong Chan	1,000,000	1,150,000	710,420.00

There was no deviation of the Actual Value exceeded the Estimated Aggregated Value by 10% or more in the existing Mandate.

Notes:-

\* The above estimated value is based on management estimates of the value of transaction. This estimate has been arrived at by the 3A Group after taking into consideration historical data and 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. This estimate is subject to change according to commercial terms, business practices and policies, and industry norms or practices.

# The Proposed Shareholders' Mandate, will, upon approval being obtained from the shareholders at the Thirteenth AGM, take effect from the Thirteenth AGM to the date of the next AGM in 2016, unless it is revoked or varied by a resolution passed by the shareholders in a general meeting before the next AGM.

- (ii) Information on additional RRPT and its estimated value for which approval is being sought at the forthcoming AGM pursuant to the Proposed Shareholders' Mandate are set out in the table below:

Company in the 3-A Group	Transacting parties	Nature of transaction	*Estimated aggregate value from date of the forthcoming Thirteenth AGM to the next AGM# (RM'000)
SSSFI	TA(Q)	Sale of caramel sauce by SSSFI to TA(Q)	RM1,800,000

Notes:-

\* The above estimated value is based on management estimates of the value of transaction. This estimate has been arrived at by the 3A Group after taking into consideration historical data and 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. This estimate is subject to change according to commercial terms, business practices and policies, and industry norms or practices.

# The Proposed Shareholders' Mandate will, upon approval being obtained from the shareholders at the Thirteenth AGM, take effect from the Thirteenth AGM to the date of the next AGM in 2016, unless it is revoked or varied by a resolution passed by the shareholders in a general meeting before the next AGM.

It is anticipated that the Group would, in the normal course of business, enter into transactions with the Related Parties 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.

## 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 2014 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	Sales of finished products by SSFI to Seong Chan	226,081.50	-	-	-

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 16 March 2015, the above outstanding amount has been fully recovered.

## 2.6 Rationale and Benefits of the RRPTs

The RRPTs to be entered into by 3A Group are in the ordinary course of business. The RRPTs 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 RRPTs to be entered into 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 RRPTs.

The Proposed Shareholders' Mandate will eliminate the necessity to convene separate general meetings from time to time to seek shareholders' approval as and when the RRPTs 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 the corporate objectives and opportunities available to 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 Shareholders' Mandate are 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 RRPTs**

## **3.1 Review Procedures**

The terms and conditions of the RRPTs are determined based on normal commercial terms consistent with the Company's usual business practices and policies, which are not more favourable to Related Parties than those generally available to the public and are not be detrimental to our minority shareholders.

To monitor and identify the RRPTs in a timely and orderly manner, the following procedures have been established and 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 RRPTs 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:

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 that 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 pricing of any RRPT entered into will be determined based on usual business practices and policies of the Group to ensure that the RRPTs are not detrimental to the Group.

- (iii) Records will be maintained by the Company to capture all RRPTs entered into pursuant to the Proposed Shareholders' Mandate to ensure that relevant approvals have been obtained and the established procedures in respect of such transactions are adhered to:
- (iv) 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;
- (v) 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 RRPTs; and
- (vi) If an interested Major Shareholder has an interest, as the case may be, the said interested Major Shareholder shall abstain from voting on the resolutions approving the transactions, and also must ensure that the persons connected with him abstain from voting on the resolutions approving the transactions.
- (vii) Where shareholders' mandate has been obtained, the annual report shall provide a breakdown of the aggregate value of RRPTs conducted pursuant to the mandate during the financial year, based on the following information:
  - (a) the type of the RRPT; and
  - (b) the names of the Related Parties involved in each type of RRPTs made and their relationship with the Company,
- (viii) There are no specific thresholds for approvals of RRPTs within the Group and its subsidiaries as all RRPTs are subject to the approval at appropriate levels of authority as determined by the Board.

### **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 RRPTs and are satisfied that the procedures are sufficient to ensure that:

- (i) the RRPTs will be conducted at arm's length and on normal commercial terms;
- (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; and
- (iii) the Company has in place adequate procedures and processes to monitor, track and identify RRPTs in a timely and orderly manner, and that these procedures are reviewed on a yearly 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 shareholders' 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 Shareholders' Mandate.

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

Liew Kuo Shin and Fang Siew Ping, who are the Alternate Directors to Fong Chu King @ Tong Chu King and Fang Siew Yee respectively in 3A, is deemed interested and will abstain from Board deliberation and voting on the Proposed Shareholders' Mandate.

The abovenamed interested Directors and Interested Major Shareholders will abstain from voting in respect of their direct and indirect shareholdings in the Company on the resolution pertaining to the Proposed Shareholders' Mandate at the forthcoming AGM.

The abovenamed interested Directors and Major Shareholders will 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 Shareholders' Mandate at the forthcoming AGM.

The direct and indirect interests of the interested Directors and Major Shareholders of 3A and persons connected to them as at 27 March 2015 (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	100,000	0.03	120,200,960 <sup>1</sup>	30.54
Fong Chu King @ Tong Chu King	10,950,000	2.78	29,040,860 <sup>2</sup>	7.38
Foong Chiew Fatt	16,180,960	4.11	23,700,000 <sup>3</sup>	6.02
Fong Chiew Hean	12,650,000	-	27,230,960 <sup>4</sup>	6.92
Fang Siew Yee	-	-	80,520,000 <sup>5</sup>	20.45
Fang Siew Ping, Alternate Director to Fang Siew Yee	-	-	80,520,000 <sup>6</sup>	20.45
Liew Kuo Shin, Alternate Director to Fong Chu King @ Tong Chu King	-	-	100,000 <sup>7</sup>	0.02
Fam Chew Ham Holdings Sdn Bhd	80,420,000	20.43	-	-
Wilmar International Limited	61,600,000	15.65	-	-

Notes:-

1. *Indirect Interest via his siblings namely Foong Chiew Fatt, Fong Chiew Hean, Fong Chu King @ Tong Chu King, son-in-law Liew Kuo Shin and Fang Chew Ham Holdings Sdn Bhd*
2. *Indirect interest via shareholdings of his siblings namely Foong Chiew Fatt and Fong Chiew Hean, 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 Foong Sau Chun*
4. *Indirect interest via shareholdings of his siblings namely Foong Chiew Fatt and Fong Chu King @ Tong Chu King and his spouse, Yeoh Ha Wah, his son, Fong Peng Man and his daughter Fong Sau Mui*
5. *Indirect interest via shareholdings of her father, Fang Chew Ham, her spouse Liew Kuo Shin and Fang Chew Ham Holdings Sdn. Bhd.*
6. *Indirect interest via shareholdings of her father, Fang Chew Ham, her sister Fang Siew Yee and Fang Chew Ham Holdings Sdn. Bhd.*
7. *Indirect interest via shareholdings of his father-in-law, Fang Chew Ham*

## **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 Shareholders' Mandate), having considered the Proposed Shareholders' Mandate, are of the opinion that the RRPTs are in the best interest of the 3A Group and accordingly recommend that you vote in favour of the resolution pertaining to the Proposed Shareholders' Mandate to be tabled at the forthcoming AGM.

## **7. AGM**

The Thirteenth AGM, the notice of which is enclosed in the 2014 Annual Report of 3A, will be held at Ballroom, Level 1, Tropicana Golf and Country Resort, 47410 Petaling Jaya, Selangor Darul Ehsan on Tuesday, 5 May 2015 at 11.00 am for the purpose of considering and, if thought fit, passing, inter alia, the Ordinary Resolution on the Proposed Shareholders' Mandate under Special Business of the agenda of the notice of the Thirteenth AGM as set out in the 2014 Annual Report of the Company.

You will also find in the 2014 Annual Report of 3A, a copy of the Form of Proxy. If you are unable to attend and vote in person at the Thirteenth AGM, you are requested to complete, sign and 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 Sungai Buloh, 40160 Shah Alam, Selangor Darul Ehsan, Malaysia at least forty-eight (48) hours before the time set for the Twelfth AGM. The lodgement of the Form of Proxy will not preclude you from attending and voting in person at the Thirteenth 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 no 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 2013 and 31 December 2014.

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