



Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the Fifty-Fifth Annual General Meeting of Boustead Holdings Berhad will be held at Mutiara Ballroom, Ground Floor, The Royale Chulan Damansara, 2 Jalan PJU 7/3, Mutiara Damansara, 47810 Petaling Jaya, Selangor on Thursday, 6 April 2017 at 2.00 p.m. for the purpose of transacting the following business:

AS ORDINARY BUSINESS

To receive the Audited Financial Statements for the financial year ended 31 December 2016 together with the Reports of the Directors and Auditors. **(Please refer to Note 1)**

To re-elect Dato' Sri Ghazali Mohd Ali who retires by rotation in accordance with Article 105 of the Company's Articles of Association, and being eligible, offers himself for re-election. **Resolution 1**

To re-appoint Gen. Tan Sri Dato' Mohd Ghazali Hj. Che Mat (R) as Director of the Company. **Resolution 2**

To re-appoint Dato' Wira (Dr.) Megat Abdul Rahman Megat Ahmad as Director of the Company. **Resolution 3**

To re-appoint Datuk Azzat Kamaludin as Director of the Company. **Resolution 4**

To approve Directors' fees of RM542,000 in respect of the financial year ended 31 December 2016. **Resolution 5**

To re-appoint Messrs. Ernst & Young as auditors of the Company and to hold office until the conclusion of the next Annual General Meeting, at a remuneration to be determined by the Directors. **Resolution 6**

AS SPECIAL BUSINESS

To consider and, if thought fit, pass the following resolutions:

ORDINARY RESOLUTION

AUTHORITY TO ALLOT AND ISSUE SHARES IN GENERAL PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT, 2016 **Resolution 7**

"THAT pursuant to Sections 75 and 76 of the Companies Act, 2016 and subject to the approvals of the relevant governmental/regulatory authorities, the Directors be and are hereby empowered to issue shares in the capital of the Company from time to time and upon such terms and conditions and for such purposes as the Directors, may in their absolute discretion deem fit, provided that the aggregate number of shares issued pursuant to this resolution does not exceed 10% of the issued share capital of the Company for the time being and that the Directors be and are hereby also empowered to obtain approval from the Bursa Malaysia Securities Berhad for the listing and quotation of the additional shares so issued and that such authority shall continue to be in force until the conclusion of the next Annual General Meeting of the Company."

ORDINARY RESOLUTION

PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS **Resolution 8**

"THAT, subject always to the Companies Act, 2016 (Act), the Memorandum and Articles of Association of the Company and the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the Company and/or its Subsidiaries shall be mandated to enter into recurrent transactions of a revenue or trading nature with the Related Parties specified in Section 2.3.1 of the Circular to Shareholders dated 15 March 2017, subject to the transactions are in the ordinary course of business necessary for the day-to-day operations and on normal commercial terms not more favourable than those generally available to the public and which are not to the detriment of the minority shareholders.

AND THAT such approval shall continue to be in force until:

- the conclusion of the next Annual General Meeting (AGM), at which time it will lapse, unless by a resolution passed at the said AGM, such authority is renewed;
- the expiration of the period within the next AGM of the Company 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
- revoked or varied by a resolution passed by the Shareholders in a General Meeting;

whichever is the earlier.

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 this Shareholders' Mandate."

ORDINARY RESOLUTION

PROPOSED ADDITIONAL SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS **Resolution 9**

"THAT, subject always to the Companies Act, 2016 (Act), the Memorandum and Articles of Association of the Company and the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, approval be and is hereby given to the Company and/or its Subsidiaries to enter into all transactions involving the Related Parties specified in Section 2.3.2 of the Circular to Shareholders dated 15 March 2017, subject further to the following:

- the transactions are in the ordinary course of business necessary for the day-to-day operations and on normal commercial terms not more favourable than those generally available to the public and which are not to the detriment of the minority shareholders;
- disclosure will be made of a breakdown of the aggregate value of transactions conducted pursuant to the Mandate during the financial year based on the following information in the Company's annual report and in the annual reports for subsequent financial years that the Mandate continues in force:
 - the type of the recurrent related party transactions made; and
 - the names of the related parties involved in each type of the recurrent related party transactions made and their relationship with the Company; and
- that such approval shall continue to be in force until:
 - the conclusion of the next Annual General Meeting (AGM) of the Company following the General Meeting at which the Proposed Shareholders' Mandate was passed, at which time it will lapse, unless by a resolution passed at the meeting, the authority is renewed;
 - the expiration of the period within which the next AGM after this date 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
 - revoked or varied by resolution passed by the Shareholders in a General Meeting;

whichever is the earlier.

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 this Shareholders' Mandate."

ORDINARY RESOLUTIONS

RETENTION OF INDEPENDENT DIRECTORS

- "THAT subject to the passing of Ordinary Resolution 2, approval be and is hereby given to Gen. Tan Sri Dato' Mohd Ghazali Hj. Che Mat (R), who has served as an Independent Non-Executive Director for a cumulative term of more than nine (9) years to continue to act as an Independent Non-Executive Director of the Company, in accordance with the Malaysian Code on Corporate Governance 2012." **Resolution 10**
- "THAT subject to the passing of Ordinary Resolution 3, approval be and is hereby given to Dato' Wira (Dr.) Megat Abdul Rahman Megat Ahmad who has served as an Independent Non-Executive Director for a cumulative term of more than nine (9) years to continue to act as an Independent Non-Executive Director of the Company, in accordance with the Malaysian Code on Corporate Governance 2012." **Resolution 11**

To transact any other business of the Company.

By Order of the Board

TASNEEM MOHD DAHALAN
Secretary

Kuala Lumpur
15 March 2017

Notes:

1. Audited Financial Statements

The Audited Financial Statements laid at this meeting pursuant to Section 340(1)(a) of the Companies Act, 2016 are meant for discussion only. It does not require shareholders' approval, and therefore, shall not be put forward for voting.

2. Ordinary Resolutions 2, 3 and 4

With the coming into force of the Companies Act, 2016 on 31 January 2017, there is no age limit for directors.

At the Fifty-Fourth Annual General Meeting of the Company held on 4 April 2016, Gen. Tan Sri Dato' Mohd Ghazali Hj. Che Mat (R), Dato' Wira (Dr.) Megat Abdul Rahman Megat Ahmad and Datuk Azzat Kamaludin who are above the age of 70, were re-appointed pursuant to Section 129 of the Companies Act, 1965 to hold office until the conclusion of the Fifty-Fifth Annual General Meeting. Their term of office will end at the conclusion of the Fifty-Fifth Annual General Meeting and they have offered themselves for re-appointment.

The proposed Ordinary Resolutions 2, 3 and 4 if passed, will enable Gen. Tan Sri Dato' Mohd Ghazali Hj. Che Mat (R), Dato' Wira (Dr.) Megat Abdul Rahman Megat Ahmad and Datuk Azzat Kamaludin to continue to act as Directors of the Company and they shall subject to retirement by rotation at a later date.

The Nominating Committee ("NC") of the Company has assessed the criteria and contribution of Gen. Tan Sri Dato' Mohd Ghazali Hj. Che Mat (R), Dato' Wira (Dr.) Megat Abdul Rahman Megat Ahmad and Datuk Azzat Kamaludin and recommended for their re-appointment. The Board endorsed the NC's recommendation that Gen. Tan Sri Dato' Mohd Ghazali Hj. Che Mat (R), Dato' Wira (Dr.) Megat Abdul Rahman Megat Ahmad and Datuk Azzat Kamaludin be re-appointed as Directors of the Company.

3. Explanatory Notes to Special Business

a) Ordinary Resolution 7

Ordinary Resolution 7, if passed, will give powers to the Directors to issue up to a maximum of 10% of the issued share capital of the Company for the time being for such purposes as the Directors consider would be in the interest of the Company.

This authority will, unless revoked or varied by the Company at a general meeting, expire at the conclusion of the next Annual General Meeting.

The authority will provide flexibility to the Company for any possible fund raising activities, including but not limited to further placing of shares, for purpose of funding future investment project(s), working capital and/or acquisitions.

As at the date of this Notice, no new shares were issued pursuant to the authority granted to the Directors at the Fifty-Fourth Annual General Meeting held on 4 April 2016, the mandate of which will lapse at the conclusion of the Fifty-Fifth Annual General Meeting to be held on 6 April 2017.

However, the Company has issued 413,671,221 new ordinary shares of RM0.50 each (Rights Shares) on the basis of 2 Rights Shares for every 5 existing shares held at an issue price of RM2.55 per Rights Shares and 579,138,723 new ordinary shares of RM0.50 each (Bonus Shares) on the basis of 2 Bonus Shares for every 5 existing shares held after the completion of the Rights Issue, pursuant to the approval at the Extraordinary General Meeting held on 4 April 2016.

b) Ordinary Resolutions 8 and 9

Ordinary Resolutions 8 and 9, if passed, will enable the Company and/or its Subsidiaries to enter into recurrent transactions involving the interests of Related Parties, which are of a revenue or trading nature and necessary for the Group's day-to-day operations, subject to the transactions being carried out in the ordinary course of business and on terms not to the detriment of the minority shareholders of the Company.

c) Ordinary Resolutions 10 and 11

The Board through the NC, has determined that Gen. Tan Sri Dato' Mohd Ghazali Hj. Che Mat (R) and Dato' Wira (Dr.) Megat Abdul Rahman Megat Ahmad are fair and impartial in carrying out their duties to the Company. As Directors, they continue to bring independent and objective judgements to Board deliberations and the decision making process as a whole. They also possess vast professional experience and bring the right mix of skills to the Board. The Board therefore, endorsed the NC's recommendation for both Directors to be retained as Independent Directors.

4. Appointment of Proxy

- A member of the Company entitled to attend and vote at the meeting is entitled to appoint any person to be his proxy to attend and vote in his stead. A proxy may but need not be a member of the Company.
- In the case of a Corporation, the proxy should be executed under the hand of a duly authorised officer.
- A member of the Company is entitled to appoint more than one proxy to attend and vote at the same meeting in his stead, provided that the member specifies the proportion of his shareholdings to be represented by each proxy.
- Where a member of the Company is an exempt authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, 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.
- The instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed, shall be deposited at the office of the Company's Share Registrar, Tricor Investor & Issuing House Services Sdn Bhd, located at Unit 32-01, Level 32, Tower A, Vertical Business Suite Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur not less than 48 hours before the time for holding the Meeting or adjourned Meeting at which the person or persons named in such instrument proposes to vote, and in default the instrument of proxy shall not be treated as valid.
- Only members registered in the Record of Depositors as at 28 March 2017 shall be eligible to attend the meeting or appoint a proxy to attend and vote on his/her behalf.
- Pursuant to Paragraph 8.29A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all the resolutions set out in this Notice will be put to vote by poll.