

# TIMBERWELL BERHAD

(Company No. 387185-W) (Incorporated in Malaysia)

## NOTICE OF 20TH ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN** THAT the 20th Annual General Meeting of Timberwell Berhad ("Company") will be held at Nipah Room, 2nd Floor, Sabah Oriental Hotel, Jalan Kemajuan, Karamuning, 88000 Kota Kinabalu, Sabah on Tuesday, 17th day of May 2016 at 2.00 p.m., for the following purposes:

### AGENDA

#### AS ORDINARY BUSINESS

- To receive the Audited Financial Statements of the Company for the financial year ended 31 December 2015 together with the Reports of the Directors and Auditors thereon. **Please refer to explanatory Note 1**
- To approve the payment of Directors' fees amounting to RM120,000.00 for the financial year ended 31 December 2015. **RESOLUTION 1**
- To re-elect Dato' Seri Abdul Azim Bin Mohd Zabidi who retires in accordance with Article 94 of the Company's Articles of Association. **RESOLUTION 2**
- To re-elect Mr Melton Martin who retires in accordance with Article 101(1) of the Company's Articles of Association. **RESOLUTION 3**
- To consider and if thought fit, to pass the following Ordinary Resolutions:
  - "THAT pursuant to Section 129(6) of the Companies Act, 1965, Datuk Yap Pak Leong be and is hereby re-appointed as a Director of the Company to hold office until the next Annual General Meeting of the Company." **RESOLUTION 4**
  - "THAT pursuant to Section 129(6) of the Companies Act, 1965, Datuk Alladin Bin Mohd Hashim be and is hereby re-appointed as a Director of the Company to hold office until the next Annual General Meeting of the Company." **RESOLUTION 5**
- To re-appoint Messrs. Crowe Horwath (AF 1018) as Auditors of the Company for the financial year ending 31 December 2016 and to authorise the Directors to fix their remuneration. **RESOLUTION 6**

#### AS SPECIAL BUSINESS

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

- Ordinary Resolution** **RESOLUTION 7**  
**- Authority to issue shares pursuant to Section 132D of the Companies Act, 1965**  
"THAT subject always to the Companies Act, 1965, Articles of Association of the Company and approvals from Bursa Malaysia Securities Berhad and any other governmental/regulatory bodies, where such approval is necessary, authority be and is hereby given to the Directors pursuant to Section 132D of the Companies Act, 1965 to issue not more than ten percent (10%) of the issued capital of the Company at any time upon any such terms and conditions and for such purposes as the Directors may in their absolute discretion deem fit or in pursuance of offers, agreements or options to be made or granted by the Directors while this approval is in force until the conclusion of the next Annual General Meeting of the Company and that the Directors be and are hereby further authorised to make or grant offers, agreements or options which would or might require shares to be issued after the expiration of the approval hereof."
- Ordinary Resolution**  
**- Continuing in Office as Independent Non-Executive Director**
  - "THAT subject to the passing of Resolution 2, authority be and is hereby given to Dato' Seri Abdul Azim Bin Mohd Zabidi, who has served as Independent Non-Executive Director of the Company for a cumulative term of more than nine (9) years, to continue to act as Independent Non-Executive Director of the Company." **RESOLUTION 8**
  - "THAT subject to the passing of Resolution 4, authority be and is hereby given to Datuk Yap Pak Leong, who has served as Independent Non-Executive Director of the Company for a cumulative term of more than nine (9) years, to continue to act as Independent Non-Executive Director of the Company." **RESOLUTION 9**
  - "THAT subject to the passing of Resolution 5, authority be and is hereby given to Datuk Alladin Bin Mohd Hashim, who has served as Independent Non-Executive Director of the Company for a cumulative term of more than nine (9) years, to continue to act as Independent Non-Executive Director of the Company." **RESOLUTION 10**
  - "THAT authority be and is hereby given to Mr Sui Diong Hoe, who has served as Independent Non-Executive Director of the Company for a cumulative term of more than nine (9) years, to continue to act as Independent Non-Executive Director of the Company." **RESOLUTION 11**
- To transact any other ordinary business of the Company for which due notice shall have been given.

#### BY ORDER OF THE BOARD

LIM LEE KUAN (MAICSA 7017753)

SOO SHIOW FANG (MAICSA 7044946)

Company Secretaries

Kota Kinabalu  
25th day of April 2016

#### NOTES:

- Every member entitled to attend and vote at the meeting is entitled to appoint a proxy/proxies to attend and vote for him/her but his attendance shall automatically revoke the proxy's authority. A proxy may but need not be a member of the Company, if the proxy is not a member, the proxy need not be an advocate, an approved company auditor or a person approved by the Registrar of Companies.
- To be valid, this form duly completed must be deposited at the registered office of the Company at Lot 8 & 9, Block A, 2nd Floor, Damai Point Commercial Centre, Off Jalan Damai, Luyang, 88300 Kota Kinabalu, Sabah not less than forty-eight (48) hours before the time appointed for holding the meeting or adjournment thereof.
- A member shall be entitled to appoint more than one (1) proxy to attend, vote and speak at the same meeting. Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he/she specifies the proportion of his/her holdings to be represented by each proxy.
- Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
- The instrument appointing a proxy shall be in writing executed by or on behalf of the appointor or his attorney duly authorised in writing or, if the appointor is a corporation, either under the corporation's seal or under the hand of an officer or attorney duly authorised.
- Date of Record of Depositors for the purpose of determining Members' entitlement to attend, vote and speak at the Annual General Meeting is 9 May 2016.
- Explanatory Notes on Ordinary and Special Business:
  - Audited Financial Statements for the financial ended 31 December 2015**  
This Agenda item is meant for discussion only, as the provision of Section 169(1) of the Companies Act, 1965 does not require a formal approval of the shareholders for the Audited Financial Statements. Hence this Agenda item is not put forward for voting.
  - Authority to issue shares pursuant to Section 132D of the Companies Act, 1965 (Resolution 7)**  
The proposed Ordinary Resolution 7, if passed, will give flexibility to the Directors of the Company to issue shares up to a maximum of ten per centum (10%) of the issued share capital of the Company at the time of such issuance of shares and for such purposes as they consider would be in the best interest of the Company without having to convene separate general meetings. This authority, unless revoked or varied at a general meeting, will expire at the conclusion of the next Annual General Meeting of the Company.  
This is the renewal of the mandate obtained from the shareholders at the last Annual General Meeting ("the Previous Mandate"). The Previous Mandate was not utilised and no proceeds were raised.  
The purpose of this general mandate sought will provide flexibility to the Company for any possible fund raising activities but not limited for further placement of shares for purpose of funding current and/or future investment projects, working capital, repayment of borrowings and/or acquisitions.
  - Continuing in Office as Independent Non-Executive Director (Resolutions 8, 9, 10 and 11)**  
The Nomination Committee has assessed the independence of Dato' Seri Abdul Azim Bin Mohd Zabidi, Datuk Yap Pak Leong, Datuk Alladin Bin Mohd Hashim and Mr Sui Diong Hoe, who have served as the Independent Non-Executive Directors of the Company for a cumulative term of more than nine (9) years, and has recommended them to continue to act as the Independent Non-Executive Directors of the Company based on the following justifications:-
    - fulfilled the criteria under the definition of Independent Director as stated in the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, and thus, would be able to function as a check and balance, bring an element of objectivity to the Board;
    - have vast experience in the industry that could be shared with the Board but independent judgement to better manage and run the Company;
    - familiar with the Company's business operations and the timber industry as they have served the Company for more than nine (9) years;
    - have devoted sufficient time and attention to discharge the professional obligations for informed and balanced decision making; and
    - have exercised due care during their tenure as an Independent Non-Executive Directors of the Company and carried out their professional duties in the interest of the Company and shareholders.