

NOTICE OF MEETING

NOTICE IS HEREBY GIVEN THAT the Forty-Sixth Annual General Meeting of Lion Diversified Holdings Berhad will be held at the Meeting Hall, Level 16, Lion Office Tower, No. 1 Jalan Nagasari, 50200 Kuala Lumpur on 22 November 2016 at 2.30 pm for the following purposes:

AGENDA

1. To receive the Directors' Report and Audited Financial Statements for the financial year ended 30 June 2016. **Note 1**
2. To approve the payment of Directors' fees amounting to RM220,600 (2015: RM203,800). **Resolution 1**
3. To re-elect Directors:

In accordance with Article 98 of the Company's Articles of Association, Y. Bhg. Tan Sri Dato' Seri Dr Aseh bin Haji Che Mat retires by rotation and, being eligible, offers himself for re-election. **Resolution 2**

In accordance with Article 99 of the Company's Articles of Association, Mr Tan Chee Chai who was appointed during the financial year retires and, being eligible, offer himself for re-election. **Resolution 3**
4. To consider and, if thought fit, pass the following resolution pursuant to Section 129(6) of the Companies Act, 1965 as an Ordinary Resolution:

"THAT pursuant to Section 129(6) of the Companies Act, 1965, Y. Bhg. Tan Sri William H.J. Cheng be and is hereby re-appointed Director of the Company to hold office until the next annual general meeting of the Company." **Resolution 4**
5. To re-appoint Auditors to hold office until the conclusion of the next annual general meeting and to authorise the Directors to fix their remuneration. **Resolution 5**
6. Special Business

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

 - 6.1 Retention of Independent Non-Executive Director

"THAT subject to the passing of Resolution 2, Y. Bhg. Tan Sri Dato' Seri Dr Aseh bin Haji Che Mat who would have served as an independent non-executive Director of the Company for nine (9) years by December 2016, be and is hereby retained as an independent non-executive Director of the Company to hold office until the next annual general meeting of the Company." **Resolution 6**
 - 6.2 Authority to Directors to Issue Shares

"THAT pursuant to Section 132D of the Companies Act, 1965 and subject to the approval of all relevant authorities being obtained, the Directors be and are hereby empowered to issue shares in the Company at any 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 and paid-up capital of the Company for the time being and that such authority shall continue to be in force until the conclusion of the next annual general meeting of the Company." **Resolution 7**

6.3 Proposed Shareholders' Mandate for Recurrent Related Party Transactions

Resolution 8

"THAT approval be and is hereby given for the Company and its subsidiaries to enter into recurrent related party transactions of a revenue or trading nature which are necessary for its day-to-day operations as detailed in paragraph 3.3 and with those related parties as set out in paragraph 3.2 of the Circular to Shareholders of the Company dated 31 October 2016 ("Related Parties") which has been despatched to the shareholders of the Company, provided that such transactions are undertaken in the ordinary course of business and are on normal commercial terms which are consistent with the Group's usual business practices and policies, and 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; and

THAT authority conferred by this ordinary resolution will only continue to be in force until:

- (i) the conclusion of the next annual general meeting of the Company at which time it will lapse, unless by a resolution passed at the meeting, the authority is renewed;
- (ii) the expiration of the period within which the next annual general meeting of the Company after that date is required to be held pursuant to Section 143(1) of the Companies Act, 1965 (but must not extend to such extension as may be allowed pursuant to Section 143(2) of the Companies Act, 1965); or
- (iii) revoked or varied by resolution passed by the shareholders of the Company in general meeting,

whichever is the earlier; and

THAT the Directors of the Company be and are hereby authorised to complete and do all such acts and things to give effect to the transactions contemplated and/or authorised by this ordinary resolution which shall include, without limitation, taking any action which the Directors may, in their absolute discretion deem fit, to recover any sums due to the Company under the said transactions or to settle the same."

7. To transact any other business for which due notice shall have been given.

By Order of the Board

LIM KWEE PENG
CHOO YOON MAY
Secretaries

Kuala Lumpur
31 October 2016

Notes:

1. *Agenda Item 1*

This item of the Agenda is meant for discussion only. The provisions of Section 169 of the Companies Act, 1965 require that the Directors' Report and the Audited Financial Statements be laid before the Company at its Annual General Meeting. As such, this Agenda item is not a business which requires a resolution to be put to vote by shareholders.

2. *Proxy*

- *In respect of deposited securities, only Members whose names appear in the Record of Depositors on 15 November 2016 shall be eligible to attend the Meeting.*
- *A member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote instead of him. A proxy need not be a member of the Company. The instrument appointing a proxy must be in writing under the hand of the appointor or his attorney duly authorised in writing or, if the appointor is a corporation, either under seal or the hand of an officer or attorney duly authorised.*

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 of proxy shall be deposited at the Office of the Registrar of the Company, Level 13, Lion Office Tower, No. 1 Jalan Nagasari, 50200 Kuala Lumpur not less than forty-eight (48) hours before the time for holding the Meeting.*
- *Completed Form of Proxy sent through facsimile transmission shall not be accepted.*

3. *Circular to Shareholders dated 31 October 2016 ("Circular")*

Details on the Proposed Shareholders' Mandate for Recurrent Related Party Transactions are set out in the Circular enclosed together with the 2016 Annual Report.

4. *Resolution 6*

The Board assisted by the Nomination Committee, has assessed the independence of Y. Bhg. Tan Sri Dato' Seri Dr Aseh bin Haji Che Mat who would have served on the Board as an independent non-executive Director of the Company for nine (9) years by December 2016 and has recommended that the approval of the shareholders be sought to retain Tan Sri Dato' Seri Dr Aseh as an independent non-executive Director as he possesses the following attributes necessary in discharging his roles and functions as an independent non-executive Director of the Company:

- (i) *Fulfils the criteria of an independent Director as defined in the Bursa Malaysia Securities Berhad Main Market Listing Requirements.*
- (ii) *Has served the Board for more than eight (8) years and therefore possesses greater insights and knowledge of the businesses, operations and growth strategies of the Group.*
- (iii) *Challenges Management in an effective and constructive manner, providing a check and balance, and bringing independent and objective judgement to the Board deliberation.*
- (iv) *Performs his duties as a Director without being subject to influence of Management.*
- (v) *Participates in Board and Board Committees deliberations and provides an independent voice to the Board.*
- (vi) *Exercises due care in all undertakings of the Group and carries out his professional duties in the interest of the Company and stakeholders.*

5. *Resolution 7*

This approval will allow the Company to procure the renewal of the general mandate (“General Mandate”) which will empower the Directors of the Company to issue shares in the Company up to an amount not exceeding in total 10% of the issued and paid-up capital of the Company. This authority, unless revoked or varied at a general meeting, will expire at the conclusion of the next annual general meeting of the Company.

As at the date of this Notice, no new shares in the Company were issued pursuant to the mandate granted to the Directors at the last Annual General Meeting of the Company held on 24 November 2015 which will lapse at the conclusion of this Annual General Meeting.

The General Mandate will provide flexibility to the Company for any possible fund raising activities, including but not limited to placing of shares for purposes of funding future investment projects, working capital and/or acquisitions.

6. *Resolution 8*

This approval will allow the Company and its subsidiaries to enter into recurrent related party transactions of a revenue or trading nature with those related parties as set out in paragraph 3.2 of the Circular, which are necessary for the Group’s day-to-day operations undertaken in the ordinary course of business and are on normal commercial terms which are consistent with the Group’s usual business practices and policies, and 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.