



NOTICE IS HEREBY GIVEN that the 55<sup>th</sup> Annual General Meeting of Fraser & Neave Holdings Bhd ("Company") will be held at Banyan, Casuarina, Dillenia & Eugenia, Sime Darby Convention Centre, 1A, Jalan Bukit Kiara 1, 60000 Kuala Lumpur, Malaysia on Thursday, 19 January 2017 at 10:00 a.m. for the following purposes:

#### Ordinary Business

- To receive the Audited Financial Statements for the financial year ended 30 September 2016 together with the Reports of the Directors and Auditors thereon. - **Refer to Note (I)**
- To approve the payment of a final single tier dividend of 30.5 sen per share for the financial year ended 30 September 2016. - **Resolution 1**
- To re-elect Y.Bhg. Dato' Dr. Mohd Shahar bin Sidek who retires in accordance with Article 97 of the Company's Articles of Association, as a Director. - **Resolution 2**
- To re-elect Mr. Anthony Cheong Fook Seng who retires in accordance with Article 97 of the Company's Articles of Association, as a Director. - **Resolution 3**
- To re-elect Mr. David Siew Kah Toong who retires in accordance with Article 103 of the Company's Articles of Association, as a Director. - **Resolution 4**
- To pass the following resolutions pursuant to Section 129(6) of the Companies Act, 1965:  
"THAT Y.A.M. Tengku Syed Badarudin Jamalullail who is retiring at the conclusion of the 55<sup>th</sup> Annual General Meeting of the Company pursuant to Section 129(2) of the Companies Act, 1965, be and is hereby re-appointed as a Director of the Company to hold office until the conclusion of the next annual general meeting." - **Resolution 5**  
"THAT Y.Bhg. Dato' Anwarudin bin Ahamad Osman who is retiring at the conclusion of the 55<sup>th</sup> Annual General Meeting of the Company pursuant to Section 129(2) of the Companies Act, 1965, be and is hereby re-appointed as a Director of the Company to hold office until the conclusion of the next annual general meeting." - **Resolution 6**  
"THAT Y.Bhg. Dato' Jorgen Bornhof who is retiring at the conclusion of the 55<sup>th</sup> Annual General Meeting of the Company pursuant to Section 129(2) of the Companies Act, 1965, be and is hereby re-appointed as a Director of the Company to hold office until the conclusion of the next annual general meeting." - **Resolution 7**  
"THAT Mr. Lee Kong Yip who is retiring at the conclusion of the 55<sup>th</sup> Annual General Meeting of the Company pursuant to Section 129(2) of the Companies Act, 1965, be and is hereby re-appointed as a Director of the Company to hold office until the conclusion of the next annual general meeting." - **Resolution 8**
- To approve Directors' fees of RM1,400,000 for the financial year ending 30 September 2017 payable monthly in arrears after each month of completed service of the Directors during the financial year. - **Resolution 9**
- To re-appoint Messrs KPMG, the retiring auditors, as the auditors of the Company for the financial year ending 30 September 2017 and to authorise the Directors to fix their remuneration. - **Resolution 10**

#### Special Business

##### ORDINARY RESOLUTION - PROPOSED RENEWAL OF SHARE BUY-BACK

"THAT subject always to the Companies Act, 1965 ("Act"), the provisions of the Memorandum and Articles of Association of the Company, the Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad ("Bursa Securities") and the approvals of the relevant authorities, the Board of Directors of the Company be and is hereby unconditionally and generally authorised, to the extent permitted by the law, to make purchases of ordinary shares of RM1.00 each ("F&N Shares") in the Company's issued and paid-up ordinary share capital from time to time through Bursa Securities, subject further to the following:

- the maximum number of ordinary shares which may be purchased and held by the Company does not exceed ten per centum (10%) of the total issued and paid-up share capital of the Company at any point in time ("Proposed Share Buy-Back");
- the maximum funds to be allocated by the Company for the Proposed Share Buy-Back shall not exceed the Company's total retained profits and/or share premium account at the time of purchase of the Proposed Share Buy-Back;
- the approval conferred by this resolution will commence immediately upon the passing of this resolution and will expire at the conclusion of the next annual general meeting ("AGM") of the Company, following the passing of this resolution or the expiration of the period within which the next AGM is required by law to be held unless earlier revoked or varied by ordinary resolution passed by shareholders of the Company at a general meeting but not as to prejudice the completion of purchase by the Company before the aforesaid expiry date and, in any event, in accordance with the provisions of the Act, the rules and regulations made pursuant thereto and the guidelines issued by Bursa Securities and/or any other relevant authority; and
- upon completion of the purchase(s) of the F&N Shares or any part thereof by the Company, the Directors be and are hereby authorised to cancel all the F&N Shares so purchased, retain all the F&N Shares as treasury shares for future re-sale or retain part thereof as treasury shares and cancelling the balance or distribute all or part of the F&N Shares as dividends to shareholders, and in any other manner as prescribed by the Act, rules, regulations and orders made pursuant to the Act and the requirements of MMLR and any other relevant authority for the time being in force

AND THAT authority be and is hereby unconditionally and generally given to the Directors to take all such steps as are necessary or expedient (including without limitation, the opening and maintaining of central depository account(s) under the Securities Industry (Central Depositories) Act, 1991, and the entering into of all agreements, arrangements and guarantees with any party or parties) to implement, finalise and give full effect to the Proposed Share Buy-Back with full powers to assent to any conditions, modifications, revaluations, variations and/or amendments (if any) as may be imposed by the relevant authorities and with full power to do all such acts and things thereafter (including without limitation, the cancellation or retention as treasury shares of all or any part of the shares bought back) in accordance with the Act, the provisions of the Memorandum and Articles of Association of the Company, the MMLR and all other relevant governmental and/or regulatory authorities." - **Resolution 11**

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

"THAT approval be and is hereby given for the Company and/or its subsidiaries ("F&N Group") to enter into any of the category of recurrent transactions of a revenue or trading nature falling within the types of transactions set out in Sections 2.4.1 and 2.4.2, Part B of the Statement/Circular to Shareholders dated 27 December 2016 with the related parties mentioned therein, provided that such transactions are necessary for the day-to-day operations and they are carried out in the ordinary course of business on normal commercial terms which are consistent with the F&N Group's normal business practices and policies, and on terms not more favourable to the related parties than those extended to the other customers of the F&N Group, and not to the detriment of the minority shareholders AND THAT such approval shall be in force until:

- the conclusion of the next annual general meeting of the Company ("AGM"), 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 is required to be held pursuant to Section 143(1) of the Companies Act, 1965 (but shall not extend to such extensions as may be allowed pursuant to Section 143(2) of the Companies Act, 1965); or
- revoked or varied by the Company in a general meeting,

whichever is the earlier AND THAT the Directors of the Company and each of them be authorised to do all such acts and things (including, without limitation, to execute all such documents) as they may consider necessary, expedient or in the interests of the Company to give effect to this resolution." - **Resolution 12**

##### ORDINARY RESOLUTION - RETENTION OF INDEPENDENT NON-EXECUTIVE CHAIRMAN

"THAT pursuant to Recommendation 3.1 of the Malaysian Code on Corporate Governance 2012, Y.A.M. Tengku Syed Badarudin Jamalullail be and is hereby retained as the Independent Non-Executive Chairman of the Company until the conclusion of the next annual general meeting." - **Resolution 13**

##### ORDINARY RESOLUTION - RETENTION OF SENIOR INDEPENDENT NON-EXECUTIVE DIRECTOR

"THAT pursuant to Recommendation 3.3 of the Malaysian Code on Corporate Governance 2012, Y.Bhg. Dato' Anwarudin bin Ahamad Osman be and is hereby retained as the Senior Independent Non-Executive Director of the Company until the conclusion of the next annual general meeting." - **Resolution 14**

##### SPECIAL RESOLUTION - PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION OF THE COMPANY

"THAT the proposed amendments to the Articles of Association of the Company ("Proposed Amendments") as set out in Appendix I attached to the Annual Report be and are hereby approved and adopted AND THAT any one of the Directors or the Secretaries of the Company be and is hereby authorised to do all acts and things which are necessary to give effect to the Proposed Amendments." - **Resolution 15**

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

#### NOTICE OF DIVIDEND PAYMENT

NOTICE IS HEREBY GIVEN THAT subject to the approval of the shareholders at the 55<sup>th</sup> Annual General Meeting of the Company, the proposed payment of a final single tier dividend of 30.5 sen per share for the financial year ended 30 September 2016 will be paid to shareholders on 6 February 2017. The entitlement date for the proposed dividend shall be on 24 January 2017.

A depositor shall qualify for the entitlement to the dividend only in respect of:

- Shares transferred to the depositor's securities account before 4:00 p.m. on 24 January 2017 in respect of ordinary transfer; and
- Shares bought on Bursa Malaysia Securities Berhad on a cum entitlement basis according to the Rules of Bursa Malaysia Securities Berhad.

By Order of the Board  
**SOON WING CHONG**  
**MAYEEN WONG MAY FUN**  
Company Secretaries

Kuala Lumpur, Malaysia  
27 December 2016

#### Notes:

- Item 1 of the agenda is intended for discussion only as under Section 169(1) of the Companies Act, 1965, the Audited Financial Statements do not require formal approval of shareholders. As such, this item will not be put forward for voting.
- A member entitled to attend and vote at the above meeting may appoint a proxy or proxies (but not more than two) to attend and vote on his behalf and such proxy or proxies need not be a member or members of the Company.
- Where there are two proxies appointed, the number of shares to be represented by each proxy must be stated.
- In the case of a corporation, the form of proxy must be executed under seal or under the hand of its attorney duly authorised.
- Where a member of the Company is an exempt authorised nominee which holds 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. Each appointment of proxy by an exempt authorised nominee shall be by a separate instrument of proxy which shall specify the proportion of shareholding to be represented by each proxy.
- The instrument appointing a proxy or proxies must be deposited with the Company Secretaries at the registered office of the Company at Level 3A, F&N Point, No. 3, Jalan Metro Pudu 1, Fraser Business Park, Off Jalan Yew, 55100 Kuala Lumpur, Malaysia not less than 48 hours before the meeting.

#### EXPLANATORY NOTES:

##### A. FOR ORDINARY BUSINESS

###### Re-Appointment of Directors pursuant to Section 129 of the Companies Act, 1965

In line with Recommendation 3.1 of the Malaysian Code on Corporate Governance 2012, the Board (save for the interested directors) had undertaken an assessment of the independence of all Independent Directors including the Independent Directors who are due for re-appointment. Based on the assessment, the Board is of the opinion that the Independent Directors constantly provide independent and objective judgement in all Board and Board Committee deliberation.

##### B. FOR SPECIAL BUSINESS

###### i) Proposed Renewal of Share Buy-Back

Resolution 11, if passed, will provide the Company with the authority to buy-back its shares and will allow the Company a further option to utilise its financial resources more efficiently. Additionally, it is intended to stabilise the supply and demand as well as the price of the Company's shares. Please refer to Part A of the Statement/Circular to Shareholders dated 27 December 2016 for more details.

###### ii) Proposed Renewal of Existing Shareholders' Mandate and Proposed New Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature

Resolution 12, if passed, will enable the Company and/or its subsidiaries ("F&N Group") to enter into recurrent transactions with the related parties provided that such transactions are carried out in the ordinary course of business on normal commercial terms which are consistent with the F&N Group's normal business practices and policies and on terms not more favourable to the related parties than those extended to the other customers of the F&N Group, and not to the detriment of the minority shareholders. Please refer to Part B of the Statement/Circular to Shareholders dated 27 December 2016 for more details.

###### iii) Retention of Independent Non-Executive Chairman

At the last annual general meeting on 21 January 2016, the shareholders of the Company had approved the retention of Y.A.M. Tengku Syed Badarudin Jamalullail as the Independent Non-Executive Chairman of the Company until the conclusion of this annual general meeting.

The Board of Directors had through the Nominating Committee, undertaken an assessment of the independence of Tengku Syed as part of the annual board evaluation. Based on the assessment, the Board recommends that Tengku Syed continues to act as the Independent Non-Executive Chairman of the Company on the following basis:

- he continues to be able to exercise independent and objective judgement and to act in the best interest of the Company;
- he has detailed knowledge of the business of the Company and has proven commitment, experience and competency to effectively advise and oversee the management of the Company;
- he is independent of the substantial shareholders and management of the Company and free from any business or other relationship which could interfere with the exercise of independent and objective judgement or the ability to act in the best interests of the Company;
- he has attended 16 out of the 17 meetings of the Board and Board Committees which he sits on, and has actively participated in the deliberations of the Board and Board Committees;
- he possesses good standing in business community; and
- he has met the independence guidelines set out in Chapter 1 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The Board has considered that Tengku Syed is also the Lead Independent Non-Executive Director of Fraser and Neave, Limited, the holding company of the Company, but opines that Tengku Syed's directorships in both companies will not influence his independent judgement.

###### iv) Retention of Senior Independent Non-Executive Director

At the last annual general meeting on 21 January 2016, the shareholders of the Company had approved the retention of Y.Bhg. Dato' Anwarudin bin Ahamad Osman as the Senior Independent Non-Executive Director of the Company until the conclusion of this annual general meeting.

The Board of Directors had through the Nominating Committee, undertaken an assessment of the independence of Dato' Anwarudin as part of the annual board evaluation. Based on the assessment, the Board recommends that Dato' Anwarudin continues to act as an Independent Non-Executive Director of the Company on the following basis:

- he continues to be able to exercise independent and objective judgement and to act in the best interests of the Company;
- he has contributed sufficient time and efforts in his capacity as an Independent Non-Executive Director, and has attended all meetings of the Board and Board Committees which he sits on for informed and balanced decision making;
- he is independent of the substantial shareholders and management of the Company and free from any business or other relationship which could interfere with the exercise of independent and objective judgement or the ability to act in the best interests of the Company; and
- he has met the independence guidelines set out in Chapter 1 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

###### v) Proposed Amendments to Articles of Association of the Company

Resolution 15, if passed will bring the Articles of Association of the Company to be in line with the amendments to the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, allow deposit of proxy forms at such place within Malaysia other than the Company's registered office, and allow the use of consistent term in the Articles of Association of the Company. Details of the Proposed Amendments are set out in Appendix I attached to the Annual Report.

#### Members Entitled to Attend 55<sup>th</sup> Annual General Meeting

For the purpose of determining a member who shall be entitled to attend the 55<sup>th</sup> Annual General Meeting, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd, in accordance with Article 60(3) of the Company's Articles of Association and Section 34(1) of the Securities Industry (Central Depositories) Act 1991, to issue a General Meeting Record of Depositors as at 10 January 2017. Only a depositor whose name appears on the Record of Depositors as at 10 January 2017 shall be entitled to attend the said meeting or appoint proxies to attend and/or vote on his/her behalf.