

NOTICE IS HEREBY GIVEN that the Thirty-seventh (37th) Annual General Meeting ("AGM") of Hovid Berhad ("Hovid" or "the Company") will be held at Conference 1, Level 2, Weil Hotel, 292, Jalan Sultan Idris Shah, 30000 Ipoh, Perak Darul Ridzuan on Tuesday, 19 December 2017 at 10.30 a.m. for the following purposes:-

AGENDA

As Ordinary Business:-

- To receive the Audited Financial Statements of the Company for the financial year ended 30 June 2017 together with the Reports of the Directors and Independent Auditors thereon. Please refer to Explanatory Note 1
- To approve the payment of Directors' fees of RM402,000 for the financial year ended 30 June 2017. Ordinary Resolution 1
- To approve the payment of Directors' fees of up to an amount of RM700,000 for the period from 1 July 2017 until the date of the next AGM of the Company. Ordinary Resolution 2
- To approve Directors' benefits of up to an amount of RM500,000 for the period from 31 January 2017 until the date of the next AGM of the Company. Ordinary Resolution 3
- To re-elect Ms Ho, Sarah, Lee-Mun who retires pursuant to Article 90 of the Company's Constitution. Ordinary Resolution 4
- To re-elect the following Directors who retire pursuant to Article 83 of the Company's Constitution:-
 - Dr Chuah Chaw Teo Ordinary Resolution 5
 - Dato' Che Mohd Zin Bin Che Awang Ordinary Resolution 6
 - Professor Yuen Kah Hay Ordinary Resolution 7
- To re-appoint Messrs SJ Grant Thornton as Auditors of the Company and to authorise the Directors to fix their remuneration. Ordinary Resolution 8

As Special Business:-

- To consider and if thought fit, to pass the following resolutions:-
- PROPOSED RETENTION OF INDEPENDENT NON-EXECUTIVE DIRECTORS**
 - THAT** approval be and is hereby given to Dr Chuah Chaw Teo who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine (9) years, to continue to act as an Independent Non-Executive Director of the Company. Ordinary Resolution 9
 - THAT** approval be and is hereby given to YM Raja Shamsul Kamal Bin Raja Shahrizzaman who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine (9) years, to continue to act as an Independent Non-Executive Director of the Company. Ordinary Resolution 10

9. AUTHORITY TO ISSUE AND ALLOT SHARES PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT 2016

THAT subject always to the Companies Act 2016 ("the Act"), the Constitution of the Company and approvals from Bursa Malaysia Securities Berhad ("Bursa Securities") and any other governmental/regulatory authorities, where such approval is necessary, the Directors be and are hereby authorised, pursuant to Sections 75 and 76 of the Act to allot and issue shares in the capital of the Company from time to time at such price, upon such terms and conditions, for such purposes and to such person or persons whomsoever 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 ten per cent (10%) of the total issued share capital of the Company for the time being. **AND THAT** the Directors be and are hereby also empowered to obtain the approval for the listing of and quotation for the additional shares so issued on Bursa Securities and other relevant authorities where such approval is necessary **AND THAT** such authority shall continue in force until the conclusion of the next AGM of the Company after the approval was given or at the expiry of the period within which the next AGM is required to be held after the approval was given, whichever is earlier, unless revoked or varied by an ordinary resolution of the Company at a general meeting. **Ordinary Resolution 11**

10. PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE WITH AGLO1 SDN. BHD. ("AGLO1") ("PROPOSED RENEWAL OF RRPT MANDATE WITH AGLO1")

THAT subject to Paragraph 10.09 Part E of the Main Market Listing Requirements of Bursa Securities, approval be and is hereby given to the Company and/or its subsidiaries to enter into recurrent related party transactions ("RRPT") of a revenue or trading nature with Aglo1 as set out in Section 2.1 of the Circular to Shareholders dated 30 October 2017, subject to the following:-

- the RRPT are:-
 - necessary for the day-to-day operations;
 - undertaken in the ordinary course of business and at arm's length basis and are on terms not more favourable to the related parties than those generally available to the public; and
 - are not detrimental to the shareholders of the Company; and
- the disclosure is made in the Annual Report of the Company of the aggregate value of the RRPT based on the type of transactions, the names of the Related Parties and their relationships with the Company pursuant to the Proposed Renewal of RRPT Mandate with Aglo1 during the financial year and in the Annual Report of the Company in the subsequent years during which the Proposed Renewal of RRPT Mandate with Aglo1 is in force; and
- the Proposed Renewal of RRPT Mandate with Aglo1 is subject to annual renewal and will continue to be in full force until:-
 - the conclusion of the next AGM of the Company following this AGM, at which such Proposed Renewal of RRPT Mandate with Aglo1 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 that date is required to be held pursuant to Section 340(2) of the Act (but must not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or
 - revoked or varied by ordinary resolution passed by the shareholders in general meeting,

whichever is earlier.

AND THAT the Directors of the Company be and are hereby authorised to complete and do all such acts and things as they may consider expedient or necessary (including executing such documents as may be required) to give effect to the RRPT contemplated and/or authorised by this Resolution. **Ordinary Resolution 12**

11. PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE WITH EXCELVITE SDN. BHD. ("EXCELVITE") ("PROPOSED RENEWAL OF RRPT MANDATE WITH EXCELVITE")

THAT subject to Paragraph 10.09 Part E of the Main Market Listing Requirements of Bursa Securities, approval be and is hereby given to the Company and/or its subsidiaries to enter into recurrent related party transactions ("RRPT") of a revenue or trading nature with Excelvite as set out in Section 2.1 of the Circular to Shareholders dated 30 October 2017, subject to the following:-

- the RRPT are:-
 - necessary for the day-to-day operations;
 - undertaken in the ordinary course of business and at arm's length basis and are on terms not more favourable to the related parties than those generally available to the public; and
 - are not detrimental to the shareholders of the Company; and
- the disclosure is made in the Annual Report of the Company of the aggregate value of the RRPT based on the type of transactions, the names of the Related Parties and their relationships with the Company pursuant to the Proposed Renewal of RRPT Mandate with Excelvite during the financial year and in the Annual Report of the Company in the subsequent years during which the Proposed Renewal of RRPT Mandate with Excelvite is in force; and
- the Proposed Renewal of RRPT Mandate with Excelvite is subject to annual renewal and will continue to be in full force until:-
 - the conclusion of the next AGM of the Company following this AGM, at which such Proposed Renewal of RRPT Mandate with Excelvite 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 that date is required to be held pursuant to Section 340(2) of the Act (but must not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or
 - revoked or varied by ordinary resolution passed by the shareholders in general meeting,

whichever is earlier.

AND THAT the Directors of the Company be and are hereby authorised to complete and do all such acts and things as they may consider expedient or necessary (including executing such documents as may be required) to give effect to the RRPT contemplated and/or authorised by this Resolution. **Ordinary Resolution 13**

12. PROPOSED RENEWAL OF AUTHORITY FOR THE COMPANY TO PURCHASE ITS OWN SHARES OF UP TO TEN PER CENT (10%) OF THE ISSUED SHARE CAPITAL ("PROPOSED RENEWAL OF SBB MANDATE")

THAT subject always to the Act, the Constitution of the Company, the Main Market Listing Requirements of Bursa Securities and all other applicable laws, regulations and guidelines, the Company be and is hereby authorised to purchase such number of issued shares in Hovid ("Hovid Shares") as may be determined by the Directors of the Company from time to time through Bursa Securities upon such terms and conditions as the Directors may deem fit and expedient in the interest of the Company, provided that:-

- the aggregate number of ordinary shares purchased and/or held by the Company as treasury shares shall not exceed ten per cent (10%) of the issued share capital of the Company at any point in time;
- the funds allocated by the Company for the purpose of purchasing its shares shall not exceed the total retained profits of the Company;

THAT upon completion of the purchase by the Company of its own shares, the Directors of the Company be authorised to deal with the shares purchased in their absolute discretion in the following manner:-

- cancel all the shares so purchased; and/or
- retain the Hovid Shares so purchased as treasury shares:-
 - to distribute the treasury shares as dividends to shareholders, such dividends to be known as "share dividends";
 - to resell the treasury shares or any of the said shares on the market of Bursa Securities in accordance with the relevant rules of Bursa Securities;
 - to transfer the treasury shares, or any of the said shares for the purposes of or under an employee share scheme;
 - to transfer the treasury shares, or any of the said shares as purchase consideration;
 - to cancel the treasury shares or any of the said shares;
 - to sell, transfer or otherwise use the treasury shares for such other purposes as the Minister may by order prescribe; or
 - any other manner as prescribed by the Act, rules, regulations and orders made pursuant to the Act and the Listing Requirements as well as any other relevant authority for the time being in force; and/or
- retain part thereof as treasury shares and cancel the remainder.

THAT such authority conferred by this resolution shall commence upon the passing of this resolution and shall continue to be in force until:

- the conclusion of the next AGM of the Company following this AGM at which such resolution was passed, at which time it will lapse, unless by an ordinary resolution passed at that meeting, the authority is renewed, either unconditionally or subject to conditions;
- the expiration of the period within which the next AGM is required by law to be held; or
- revoked or varied by an ordinary resolution passed by the shareholders of the Company in general meeting,

whichever occurs first.

AND THAT the Directors of the Company be authorised to give effect to the Proposed Renewal of SBB Mandate with full power to assent to any modifications and/or amendments as may be required by the relevant authorities. **Ordinary Resolution 14**

13. To consider any other business of which due notice shall have been given in accordance with the Act.

By Order of the Board

**Goh Tian Hock (MIA 8222)
Ng Yuet Seam (MAICSA 7005639)
Company Secretaries**

Ipoh, Perak Darul Ridzuan
30 October 2017

NOTES:-

- A member entitled to attend and vote is entitled to appoint one or more proxies, to attend and vote instead of him. A proxy may but need not be a member.
- Where a member appoints two (2) or more proxies to attend and vote at the same meeting, such appointment shall be invalid unless the member specifies the proportion of his shareholdings to be represented by each proxy. Each proxy appointed, shall represent a minimum of 100 shares.
- Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991 ("SICDA"), it may appoint at least one (1) proxy in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.
- 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. An exempt authorised nominee refers to an authorised nominee defined under the SICDA which is exempted from compliance with the provisions of sub-section 25A(1) of SICDA.
- The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or if the appointor is a corporation, either under seal or under the hand of an officer or attorney duly authorised.
- The instrument appointing a proxy shall be deposited at the Registered Office of the Company at No. 121, Jalan Tunku Abdul Rahman, 30010 Ipoh, Perak Darul Ridzuan or alternatively, the Share Registrar of the Company 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 forty-eight (48) hours before the time appointed for holding the meeting.
- For the purpose of determining member's eligibility to attend this meeting, only members whose name appear on the General Meeting Record of Depositors as at 11 December 2017 shall be entitled to attend this meeting or appoint proxy(ies) to attend and/or vote on their behalf.

EXPLANATORY NOTES:-

- Item 1 of the Agenda - The Audited Financial Statements for the financial year ended 30 June 2017 and the Reports of the Directors and Independent Auditors thereon**
This agenda item is meant for discussion only, as the provision of Section 340(1) of the Act does not require a formal approval of the shareholders for the Audited Financial Statements. Hence, this Agenda item is not put forward for voting.
- Ordinary Resolutions 2 and 3 - Directors' Fees and Benefits**
Pursuant to Section 230(1) of the Act, fees and benefits payable to the Directors of the Company shall be approved at a general meeting. The Company is seeking shareholders' approval for the payment of Directors' fees for the period from 1 July 2017 until the next AGM of the Company and benefits to the Directors for the period from 31 January 2017 until the next AGM of the Company in accordance with the fees structure set out below:

Directors' Fees	Directors' Fees (per month) per pax
Chairman of the Board of Directors	RM5,000
Chairman of the Audit Committee	RM5,500
Executive Directors	RM4,000
Independent Non-Executive Directors	RM4,000
- Ordinary Resolutions 9 and 10 - Proposed Retention of Independent Non-Executive Directors**
Pursuant to the Malaysian Code on Corporate Governance 2012 ("MCCG 2012"), it is recommended that approval of shareholders be sought in the event the Company intends to retain an Independent Director who has served that capacity for more than nine (9) years.
The Board of Directors has assessed the independence of Dr Chuah Chaw Teo and YM Raja Shamsul Kamal Bin Raja Shahrizzaman, who served as 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 Independent Non-Executive Directors of the Company until the conclusion of the next AGM in accordance with the MCCG 2012, based on the following justifications:-
 - They fulfilled the criteria under the definition of an Independent Director as set out in the Main Market Listing Requirements of Bursa Securities, and therefore, are able to function as a check and balance, provide a broader view and bring independent and objective judgment to the Board;
 - Their vast experience in their respective fields enable them to provide the Board with a diverse set of experiences, expertise and independent judgments;
 - They have performed their duties diligently and in the best interest of the Company and provided independent views in participating in deliberations and decision making process of the Board and Board Committees;
 - Their length of service on the Board does not in any way interfere their exercise of independent judgment and ability to act in the best interests of the Group.
- Ordinary Resolution 11 - Authority to Issue and Allot Shares pursuant to Sections 75 and 76 of the Companies Act 2016**
The proposed Ordinary Resolution, if passed, will empower the Directors of the Company, from the date of the above AGM, to allot and issue new shares of the Company up to an amount not exceeding in total ten per cent (10%) of the issued share capital of the Company for the time being for such purposes as the Directors consider would be in the best interest of the Company. This authority, unless earlier revoked or varied by the Company at a general meeting, will expire at the next AGM of the Company. The general mandate for issue of shares is a renewal. As at the date of this Notice, the Directors did not allow or issue any shares under the same mandate granted last year. Nevertheless, a renewal for the said mandate is sought to avoid incurring any costs or delay in convening a general meeting. The Directors would utilise the proceeds raised from this mandate for working capital or such other applications they may in their absolute discretion deem fit.
- Ordinary Resolutions 12 and 13 - Proposed Renewal of RRPT Mandates with Aglo1 and Excelvite**
The proposed Ordinary Resolutions 11 and 12, if passed, will provide the Company and its Group a mandate to enter into RRPT of a revenue or trading nature in compliance with the Main Market Listing Requirements of Bursa Securities. The mandate, unless revoked or varied by the Company at a general meeting, will expire at the next AGM of the Company.
Details of the proposed Ordinary Resolutions are contained in the Circular to Shareholders dated 30 October 2017 accompanying the Company's Annual Report 2017.
- Ordinary Resolution 14 - Proposed Renewal of SBB Mandate**
The proposed Ordinary Resolution, if passed, will give the Directors of the Company the authority to purchase the Company's own shares up to an amount not exceeding in total ten per cent (10%) of its issued share capital at any point in time upon such terms and conditions as the Directors may deem fit in the interest of the Company. This authority, unless revoked or varied by the Company at a general meeting, will expire at the next AGM of the Company.
Details of the proposed Ordinary Resolution are contained in the Share Buy-Back Statement in this Annual Report.