



Notice to Annual General Meeting

NOTICE IS HEREBY GIVEN THAT the Tenth Annual General Meeting of Bio Osmo Berhad will be held at Pinetree Hotel, 36 Jalan Mengkudu, Off Jalan Bukit Pasir, 83000 Batu Pahat, Johor Darul Ta'zim, Malaysia on Wednesday, 22 November 2017 at 11.30 a.m. for the following purposes :-

A G E N D A

ORDINARY BUSINESS

1. To receive the Audited Financial Statements for the financial year ended 30 June 2017 together with the Directors' and Auditors' Report thereon. (Please refer to Explanatory Note A)
2. To approve the payment of Directors' Fees and Benefits of RM133,500 (2016: RM162,000) for the financial year ended 30 June 2017 and Benefits Payable to the Directors up to RM70,000 from 1 July 2017 until the following Annual General Meeting of the Company. (Resolution 1)
3. To re-elect the following Directors, who retire in accordance with Article 127 of the Company's Constitution and being eligible, have offered themselves for re-election:
 - (i) Mr Wong Kok Seong (Resolution 2)
 - (ii) En Shahrizal Hisham bin Abdul Halim (Resolution 3)
4. To re-elect the following Directors, who retire in accordance with Article 132 of the Company's Constitution and being eligible, have offered themselves for re-election:
 - (i) En Azrin Mirzhan bin Kamaluddin (Resolution 4)
 - (ii) Dato' Latt Shariman bin Abdullah, JP (Resolution 5)
 - (iii) Dato' Yahya bin A. Jalil (Resolution 6)
 - (iv) Datuk Haji Mohammad Kamal bin Yan Yahaya (Resolution 7)
5. To re-appoint Messrs Baker Tilly Monteiro Heng (AF 0117) as Auditors of the Company and to authorise the Directors to fix their remuneration. (Resolution 8)

SPECIAL BUSINESS

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

6. **ORDINARY RESOLUTION - AUTHORITY TO ISSUE SHARES PURSUANT TO SECTION 76 OF THE COMPANIES ACT 2016**
"THAT pursuant to Section 76 of the Companies Act 2016 ("Act"), the provisions of the Company's Constitution and other relevant regulatory authorities, the Directors of the Company ("Board") be and are hereby empowered to allot and issue shares in the Company, from time to time, at such price, upon such terms and conditions and for such purpose and to such person(s) whomsoever as the Directors may in their absolute discretion deem fit provided that the aggregate number of shares to be issued does not exceed 10% of the total number issued shares of the Company for the time being AND THAT the Board be and is also empowered to obtain the approval for the listing and quotation of the additional shares so issued on Bursa Malaysia Securities Berhad ("Bursa Securities") AND FURTHER THAT such authority shall continue to be in force until the conclusion of the following Annual General Meeting ("AGM") of the Company." (Resolution 9)
7. **ORDINARY RESOLUTION - CONTINUATION IN OFFICE AS INDEPENDENT NON-EXECUTIVE DIRECTORS**
"THAT subject to the passing of Resolution 2 above, approval be and is hereby given to Mr Wong Kok Seong who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine years, to continue to act as an Independent Non-Executive Director of the Company." (Resolution 10)
8. **ORDINARY RESOLUTION - PROPOSED SHAREHOLDERS' RATIFICATION AND PROPOSED SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE**
"THAT approval be and is hereby given to the Company and its subsidiaries ("Group") to enter into and give effect to the recurrent related party transactions of a revenue or trading nature particulars which are set out in Section 3.7 and with the specified classes of related parties as specified in Section 3.6 of the Circular to Shareholders dated 31 October 2017, provided that:
 - (a) such arrangements and/or transactions are necessary for the Group's day-to-day operations;
 - (b) such arrangements and/or transactions undertaken are in the ordinary course of business, at arm's length basis and on normal commercial terms which are not more favourable to the related parties than those generally available to third party;
 - (c) such arrangements and/or transactions are not detrimental to the minority shareholders of the Company; and
 - (d) the disclosure is made in the annual report on the aggregate value of transactions conducted pursuant to the shareholders' mandate during the financial year in relation to:
 - (i) the related transacting parties and their respective relationship with the Company; and
 - (ii) the nature of the recurrent transactions.

THAT such authority shall continue to be in force until:

 - (a) the conclusion of the next AGM, unless the authority is renewed by a resolution passed at the next AGM; or
 - (b) the expiration of the period within which the next AGM is required to be held pursuant to Section 340(2) of the Act (but will not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or
 - (c) revoked or varied by resolution passed by the shareholders in general meeting, whichever is the earlier.

AND THAT all Recurrent Related Party Transactions entered into by Intra Magnum Sdn Bhd, a subsidiary of the Company, from 4 April 2017 up to the date of this Ordinary Resolution, particulars which are set out in Section 3.7 be and are hereby approved, confirmed and ratified;

AND THAT the Directors be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) to give effect to the transactions contemplated and/or authorised by this Ordinary Resolution." (Resolution 11)
9. **SPECIAL RESOLUTION - PROPOSED AMENDMENTS TO THE CONSTITUTION OF THE COMPANY**
"THAT the Constitution of the Company be and are hereby amended in the manner as set out in Appendix I on pages 106 to 111 of the Company's Annual Report 2017 to be in line with the Act.
AND THAT the Directors be and are hereby authorised to assent to any modifications, variations and/or amendments as may be required by the relevant authorities and to do all acts and things and take all such steps as may be considered necessary to give full effect to the Proposed Amendments to the Constitution of the Company." (Resolution 12)
10. To transact any other business of the Company of which due notice shall have been given in accordance with the Company's Constitution and the Act.

BY ORDER OF THE BOARD

SIEW SUET WEI (MAICSA NO. 7011254)

TEE SIEW LEE (LS0009570)

LIM YEN TENG (LS0010182)

Company Secretaries

Kuala Lumpur

Date: 31 October 2017

NOTES:-

1. In respect of deposited securities, only members whose names appear in the Record of Depositors on 15 November 2017 shall be eligible to attend the 10th AGM.
2. A member shall not be entitled to appoint more than two (2) proxies to attend and vote at the same meeting and where two (2) proxies are appointed, a member shall specify the proportion of his holdings to be represented by each proxy, failing which the appointment shall be invalid provided that where a member of the Company is an authorised nominee as defined in accordance with the provisions of the Securities Industry (Central Depositories) Act 1991, it may appoint at least one proxy in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.
3. There shall be no restriction as to the qualification of the proxy. A proxy appointed to attend and vote at the 10th AGM shall have the same rights as the member to participate, speak and vote at the meeting.
4. Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all the resolutions set out in the Notice of 10th AGM will be put to vote by poll.
5. The instrument appointing a proxy shall be in writing under the hand of the appointer or of his attorney duly appointed under a power of attorney or if such appointer is a corporation, either under its common seal or under the hand of an officer or attorney duly appointed under a Power of Attorney.
6. 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.
7. The instrument appointing a proxy must be deposited at the Company's Registered Office at 5-9A, The Boulevard Offices, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur not less than 48 hours before the time appointed for holding the Meeting or any adjournment thereof.

EXPLANATORY NOTE A

This Agenda item is meant for discussion only as under the provisions of Section 340(1) of the Companies Act 2016, the audited financial statements do not require the approval of the shareholders. As such, this matter will not be put forward for voting.

EXPLANATORY NOTES TO SPECIAL BUSINESS

1. Resolution 9
The proposed Ordinary Resolution, if passed, is primarily to give flexibility to the Board of Directors to issue and allot shares at any time in their absolute discretion without convening a general meeting. This is a renewal of a general mandate.
The renewal of the mandate for the issue of shares was approved by its shareholders at the AGM held on 6 December 2016. Pursuant to the mandate granted by the shareholders at the AGM held on 6 December 2016, the Company issued a total of 72,305,700 new ordinary shares at an issue price of RM0.085 each in the share capital of the Company ("Private Placement"). The Private Placement had raised gross proceeds of approximately RM6.146 million.
The details of the utilisation of proceeds raised from the Private Placement are as follows:-

Purpose	Proposed utilisation as per announcement dated 29 March 2017		Actual utilisation as at 30 June 2017	Intended timeframe for utilisation	Balance unutilised	
	RM'000	RM'000			RM'000	%
Working capital	4,286	3,833		Within 24 months	453	7.37
Business expansion	1,594	468		Within 24 months	1,126	18.32
Expenses in relation to Private Placement ⁽¹⁾	266	266		Within 1 month	-	-
TOTAL	6,146	4,567			1,579	25.69

Note:

(1) This includes payment of fees to the relevant regulatory authorities, advisory and placement fees as well as any other incidental expenses in connection with the Private Placement

This authority will, unless revoked or varied by the Company in general meeting, will expire at the next Annual General Meeting. The purpose of this general mandate is for possible fund raising exercises including but not limited to further placement of shares for purpose of funding current and/or future investment projects, working capital and/or acquisitions.

2. Resolution 10
Pursuant to the Malaysian Code on Corporate Governance, it is recommended that approval of shareholders be sought in the event the Company intends to retain an Independent Director who has served in that capacity for more than 9 years.
The Nomination Committee and the Board of Directors had assessed the independence of Mr Wong Kok Seong and concluded that the Director continues to provide proper check and balance to the Board and therefore, also brings an element of objectivity to the Board of Directors. Therefore, the Nomination Committee is satisfied and proposed that Mr Wong Kok Seong be retained to continue as an Independent Director.
The proposed Resolution 10, if passed, will enable Mr Wong Kok Seong to continue to act as an Independent Non-Executive Director of the Company.
3. Resolution 11
For further information on the proposed Ordinary Resolution, please refer to the Circular to Shareholders dated 31 October 2017 accompanying the Annual Report of the Company for the financial year ended 30 June 2017.
4. Resolution 12
The Proposed Amendments to the Constitution of the Company is to align the Constitution with the Companies Act 2016, which is effective from 31 January 2017.

STATEMENT ACCOMPANYING NOTICE OF 10TH ANNUAL GENERAL MEETING (pursuant to Paragraph 8.27(2) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad)

There are no individuals who are standing for election as directors (excluding directors standing for a re-election).