



## NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that the 57th Annual General Meeting of Fraser & Neave Holdings Bhd ("Company") will be held at the Ballroom 1, First Floor, Sime Darby Convention Centre, 1A, Jalan Bukit Kiara 1, 60000 Kuala Lumpur, Malaysia on Wednesday, 23 January 2019 at 10:00 a.m. for the following purposes:

### ORDINARY BUSINESS

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|--|-------------------------------|
| 1. To receive the Audited Financial Statements for the financial year ended 30 September 2018 together with the Reports of the Directors and Auditors thereon.   | Refer to Explanatory Note (1) |
| 2. To approve the payment of a final single tier dividend of 30.5 sen per share for the financial year ended 30 September 2018.  | Resolution 1                  |
| 3. To re-elect Y.Bhg. Dato' Johan Tazrin bin Hamid Ngo who retires in accordance with Article 97 of the Company's Articles of Association, as a Director.  | Resolution 2                  |
| 4. To re-elect Mr. Lee Meng Tat who retires in accordance with Article 97 of the Company's Articles of Association, as a Director.   | Resolution 3                  |
| 5. To re-elect Mr. David Siew Kah Toong who retires in accordance with Article 97 of the Company's Articles of Association, as a Director.   | Resolution 4                  |
| 6. To re-elect Y.Bhg. Datuk Kamaruddin bin Taib who retires in accordance with Article 103 of the Company's Articles of Association, as a Director.  | Resolution 5                  |
| 7. To approve the payment of Directors' fees and benefits of up to RM1,500,000 for a period of 12 months from 24 January 2019 to the next Annual General Meeting of the Company to be held in January 2020, payable monthly in arrears after each month of completed service of the Directors. | Resolution 6                  |
| 8. To re-appoint Messrs KPMG PLT, the retiring auditors, as the auditors of the Company for the financial year ending 30 September 2019 and to authorise the Directors to fix their remuneration.  | Resolution 7                  |

### SPECIAL BUSINESS

#### ORDINARY RESOLUTION

##### - PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY

9. **THAT** subject always to the Companies Act, 2016 ("Act"), the provisions of the Memorandum and Articles of Association of the Company (and the Constitution of the Company being adopted upon the passing of the Special Resolution in Resolution 10 below), 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 ("F&N Shares") in the Company's issued shares 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 shares 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 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 cancel 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 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 (and the Constitution of the Company being adopted upon the passing of the Special Resolution in Resolution 10 below), the MMLR and all other relevant governmental and/or regulatory authorities.

Resolution 8

#### 10. 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 24 December 2018 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 ("AGM") of the Company, 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 340(2) of the Companies Act, 2016 (but shall not extend to such extensions as may be allowed pursuant to Section 340(4) of the Companies Act, 2016); 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 9

#### 11. SPECIAL RESOLUTION

##### - PROPOSED ADOPTION OF NEW CONSTITUTION OF THE COMPANY

**THAT** the proposed new Constitution as set out in Appendix A be and is hereby adopted as the Constitution of the Company in place of the existing Memorandum and Articles **AND THAT** the Directors of the Company be and is hereby authorised to assent to any conditions, modifications and/or amendments as may be required by any relevant authorities, and to do all acts and things and take such steps as may be considered necessary to give full effect to the foregoing.

Resolution 10

## NOTICE OF DIVIDEND PAYMENT

**NOTICE IS HEREBY GIVEN THAT** subject to the approval of shareholders at the 57th 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 2018 will be paid to shareholders on 15 February 2019. The entitlement date for the proposed dividend shall be on 29 January 2019.

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 29 January 2019 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

**TIMOTHY OOI AIK TUAN**

Company Secretary  
Kuala Lumpur, Malaysia  
24 December 2018

#### Notes:

- 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 Share Registrar of the Company, Tricor Investor & Issuing House Services Sdn Bhd at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or its Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia at not less than 48 hours before the meeting.

#### EXPLANATORY NOTES:

##### A. FOR ORDINARY BUSINESS

###### i) Audited Financial Statements

Item 1 of the agenda is intended for discussion only as under Section 340(1) of the Companies Act, 2016, the Audited Financial Statements do not require formal approval of shareholders. As such, this item will not be put forward for voting.

###### ii) Directors' Fees and Benefits (Resolution 6)

Section 230(1) of the Companies Act, 2016 provides that fees of directors and any benefits payable to the directors including any compensation for loss of employment of a director or former director of a public company or of a listed company and its subsidiaries shall be approved at a general meeting.

At the annual general meeting ("AGM") on 24 January 2018, shareholders approved the payment of Directors' fees and benefits of up to RM1,700,000 for a period of 16 months from 1 October 2017 to 23 January 2019. Total Directors' fees and benefits paid for the financial year ended 30 September 2018 amounted to RM1,219,389 as detailed in the Corporate Governance Overview Statement.

The table below sets out the proposed increase in Directors' fees for the period 24 January 2019 to the next AGM to be held in January 2020 in respect of the Group Executive Committee ("EXCO"), Sustainability & Risk Management Committee ("SRMCom"), Nominating Committee ("NomCom") and Remuneration Committee ("RemCom") ("Proposed Increase in Directors' Fees") for shareholders' approval at the coming 57th AGM.

		Directors' Fees Per Annum (RM)		
		Fees for the period 1 October 2017 to 23 January 2019 as approved at the AGM in 2018 (1)	The Proposed Increase in Directors' Fees for shareholders' approval at the coming 57th AGM (2)	Revised fees upon shareholders' approval for the Proposed Increase in Directors' Fees (3)
Board	Chairman Member	150,000 75,000	Nil Nil	150,000 75,000
Audit Committee	Chairman Member	20,000 10,000	Nil Nil	20,000 10,000
EXCO	Chairman Member	10,000 5,000	5,000 2,500	15,000 7,500
SRMCom	Chairman Member	10,000 5,000	5,000 2,500	15,000 7,500
NomCom	Chairman Member	4,000 2,000	3,500 2,500	7,500 4,500
RemCom	Chairman Member	4,000 2,000	3,500 2,500	7,500 4,500
Share Buy-Back Committee	Chairman Member	Nil Nil	Nil Nil	Nil Nil

Save and except the Proposed Increase in Directors' Fees as tabulated in column (2) above, there is no increase in fees for the Board, Audit Committee and Share Buy-Back Committee.

The Company is therefore seeking shareholders' approval for payment of Directors' fees and benefits of up to RM1,500,000 for a period of 12 months from 24 January 2019 to the next AGM of the Company to be held in January 2020, which have been estimated by taking into account:

- the Proposed Increase in Directors' Fees and adjustments made to Directors' meeting allowances to reflect the prevalent market rates and the duties, responsibilities and commitment of the respective Board Committees and Chairmen of Board Committees;
- the number of scheduled and ad-hoc meetings of the Board and Board Committees and the annual general meeting; and
- benefits of personal accident insurance premium for all Directors and additional benefits of a company car, petrol and the services of a driver for the Chairman of the Board.

Resolution 6, if passed, will facilitate the payment of Directors' fees and remuneration on a monthly basis and/or as and when required. The Board is of the view that Directors should be paid such fees and meeting allowances upon them discharging their responsibilities and rendering their services to the Company.

##### B. FOR SPECIAL BUSINESS

###### i) Proposed Renewal of Share Buy-Back (Resolution 8)

Resolution 8, 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 24 December 2018 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 9)

Resolution 9, 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 24 December 2018 for more details.

###### iii) Proposed Adoption of New Constitution of the Company (Resolution 10)

Resolution 10, if passed, will bring the Company's Constitution to be in line with the Companies Act, 2016 and the amendments to the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. The proposed new Constitution shall take effect once the Resolution 10 has been passed by a majority of not less than 75% of such members who are entitled to vote and do vote in person or by proxy at the 57th Annual General Meeting.

##### Members Entitled to Attend 57th AGM

For the purpose of determining a member who shall be entitled to attend the 57th AGM, 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 14 January 2019. Only a depositor whose name appears on the Record of Depositors as at 14 January 2019 shall be entitled to attend the said meeting or appoint proxies to attend and/or vote on his/her behalf.