

## NOTICE OF MEETING

**NOTICE IS HEREBY GIVEN THAT** the 47th 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, Wilayah Persekutuan on 22 November 2017 at 2.00 pm for the following purposes:

### AGENDA

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| 1.  | To receive the Audited Financial Statements for the financial year ended 30 June 2017 together with the Reports of the Directors and the Auditors thereon.   | <b>Note 1</b>                              |
| 2.  | To approve the payment of Directors' fees amounting to RM260,000 for the financial year ended 30 June 2017 (2016: RM220,600).  | <b>Resolution 1</b>                        |
| 3.  | To approve the payment of Directors' benefits up to RM174,500 for the period commencing 1 February 2017 until the next annual general meeting of the Company.  | <b>Resolution 2</b>                        |
| 4.  | To re-elect the following Directors who retire by rotation in accordance with Article 98 of the Company's Constitution:<br><br>Y. Bhg. Tan Sri Cheng Yong Kim<br>Mr Ooi Kim Lai  | <b>Resolution 3</b><br><b>Resolution 4</b> |
| 5.  | To re-appoint Y. Bhg. Tan Sri William H.J. Cheng as a Director of the Company.   | <b>Resolution 5</b>                        |
| 6.  | To re-appoint Messrs Ernst & Young as Auditors of the Company and to authorise the Directors to fix their remuneration.  | <b>Resolution 6</b>                        |
| 7.  | Special Business<br><br>To consider and, if thought fit, pass the following resolutions as Ordinary Resolutions:   |  |
| 7.1 | Retention of Independent Non-Executive Director<br><br>"THAT Y. Bhg. Tan Sri Dato' Seri Dr Aseh bin Haji Che Mat who has served as an independent non-executive Director of the Company for a cumulative term of more than nine (9) years, be and is hereby retained as an independent non-executive Director of the Company."   | <b>Resolution 7</b>                        |
| 7.2 | Authority to Directors to Issue Shares<br><br>"THAT pursuant to Sections 75 and 76 of the Companies Act 2016 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 total number of issued shares 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."  | <b>Resolution 8</b>                        |
| 7.3 | Proposed Shareholders' Mandate for Recurrent Related Party Transactions<br><br>"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 24 October 2017 ("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 | <b>Resolution 9</b>                        |

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 340(2) of the Companies Act 2016 (but must not extend to such extension as may be allowed pursuant to Section 340(4) of the Companies Act 2016); 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."

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

By Order of the Board

**LIM KWEE PENG (MAICSA 7015250)**  
**CHOO YOON MAY (MAICSA 7044632)**  
Secretaries

Kuala Lumpur  
24 October 2017

**Notes:**

1. *Agenda Item 1*

*The Audited Financial Statements are laid in accordance with Section 340(1)(a) of the Companies Act 2016 for discussion only. 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 2017 shall be eligible to attend the Meeting.*
- *A member entitled to attend and vote at the Annual General Meeting is entitled to appoint not more than two (2) proxies to attend and vote instead of him. A proxy need not be a member of the Company.*
- *If a member appoints two (2) proxies, the proportion of his shareholdings represented by each proxy must be specified.*
- *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 at Level 13, Lion Office Tower, No. 1 Jalan Nagasari, 50200 Kuala Lumpur, Wilayah Persekutuan 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 24 October 2017 (“Circular”)*

*Details on the Proposed Shareholders’ Mandate for Recurrent Related Party Transactions are set out in the Circular enclosed together with the 2017 Annual Report.*

4. *Resolution 2*

*Payment of the benefits of the Directors up to RM174,500 for the period commencing 1 February 2017 until the next annual general meeting in year 2018 comprise estimated meeting allowances in respect of Directors’ attendance at Board and Board Committee meetings which have been scheduled and those unscheduled, where necessary. The Board is of the view that it is just and equitable for the Directors to be paid the meeting allowance as and when incurred, when they discharge their responsibilities and render their services to the Company throughout the relevant period.*

5. *Resolution 5*

*At the 46th Annual General Meeting of the Company held on 22 November 2016, Y. Bhg. Tan Sri William H.J. Cheng who was above the age of 70 years was re-appointed pursuant to Section 129 of the repealed Companies Act 1965 to hold office until the conclusion of this Annual General Meeting. With the coming into force of the Companies Act 2016 on 31 January 2017, there is no longer an age limit for directors. Y. Bhg. Tan Sri William H.J. Cheng being eligible, has offered himself for re-appointment.*

*The proposed Resolution 5, if passed, will enable Y. Bhg. Tan Sri William H.J. Cheng to continue to act as a Director of the Company and he shall thereafter be subject to retirement by rotation pursuant to the Constitution of the Company.*

6. *Resolution 7*

*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 has served on the Board as an independent non-executive Director of the Company for a cumulative term of more than nine (9) years, 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 role 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 nine (9) 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 deliberations.*
- (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 and objective judgement 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.*

7. *Resolution 8*

*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 10% of the total number of issued shares 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 22 November 2016 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.*

8. *Resolution 9*

*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.*

**STATEMENT ACCOMPANYING NOTICE OF ANNUAL GENERAL MEETING**

Details of the Directors standing for re-appointment at the 47th Annual General Meeting of the Company are set out in the Directors' Profile on pages 6 to 10 of the 2017 Annual Report.