

# NOTICE OF ANNUAL GENERAL MEETING

**Day/Date/Time** : Tuesday, 9 June 2020 at 2.00 p.m.  
**Broadcast Venue** : Kuala Lumpur room, Level 21, Menara Perak, 24 Jalan Perak, 50450 Kuala Lumpur, Malaysia.

**NOTICE IS HEREBY GIVEN that the Twenty-Fourth Annual General Meeting (“24<sup>th</sup> AGM”) of Bumi Armada Berhad (“Bumi Armada” or the “Company”) will be held on Tuesday, 9 June 2020 at 2.00 p.m., to be conducted entirely via remote participation and electronic voting. The live streaming will be broadcast from Kuala Lumpur Room, Level 21, Menara Perak, 24 Jalan Perak, 50450 Kuala Lumpur, Malaysia for the following purposes:**

## **AS ORDINARY BUSINESS**

1. To consider the audited Financial Statements of the Company for the financial year ended 31 December 2019 and the Reports of the Directors and Auditors therein.  
**(Please see Explanatory Note 1)**
2. To re-elect Mr Uthaya Kumar Vivekananda who retires by rotation in accordance with Rule 131.1 of the Company’s Constitution, and who being eligible, offers himself for re-election as a Director of the Company.  
**(Please see Explanatory Note 2)** **Resolution 1**
3. To re-elect Mr Chan Chee Beng who retires by rotation in accordance with Rule 131.1 of the Company’s Constitution, and who being eligible, offers himself for re-election as a Director of the Company.  
**(Please see Explanatory Note 2)** **Resolution 2**
4. To retain Ms Alexandra Elisabeth Johanna Maria Schaapveld, who would, on 7 June 2020, have served as an Independent Non-Executive Director (“INED”) of the Company for a cumulative term of 9 years, to continue to serve as an INED of the Company until the conclusion of the next annual general meeting of the Company.  
**(Please see Explanatory Note 3)** **Resolution 3**
5. To approve the payment of fees and benefits to the Non-Executive Directors up to an amount of RM3.0 million from 9 June 2020 until the conclusion of the next Annual General Meeting (“AGM”) of the Company to be held in 2021.  
**(Please see Explanatory Note 4)** **Resolution 4**
6. To re-appoint Messrs PricewaterhouseCoopers PLT as Auditors of the Company for the financial year ending 31 December 2020 and to authorise the Directors to fix their remuneration for that year.  
**(Please see Explanatory Note 5)** **Resolution 5**

## **AS SPECIAL BUSINESS**

To consider and if thought fit, to pass the following Ordinary Resolutions, with or without modifications:

7. Authority to issue new ordinary shares pursuant to Section 75 and Section 76 of the Companies Act, 2016 (“CA 2016”) and the Main Market Listing Requirements (“MMLR”) of Bursa Malaysia Securities Berhad (“Bursa Securities”). **Resolution 6**

# NOTICE OF ANNUAL GENERAL MEETING

"THAT, the Directors be and are hereby empowered, pursuant to Sections 75 and 76 of the CA 2016, to issue and allot shares in the Company, at any time, to such persons and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion, deem fit including in pursuance of offers, agreements or options to be made or granted by the Directors while this approval is in force and that the Directors be and are hereby further authorised to make or grant offers, agreements or options in respect of shares in the Company including those which would or might require shares in the Company to be issued after the expiration of the approval hereof provided that the aggregate number of shares to be issued pursuant to this approval does not exceed 10% of the total number of issued shares of the Company for the time being and that the Directors be and are also empowered to obtain the approval for the listing of and quotation for the additional shares so issued on Bursa Securities and that such authority shall continue in force until the conclusion of the next AGM of the Company, subject always to the CA 2016, the Constitution of the Company, the MMLR and the approvals of all relevant regulatory bodies being obtained (if required)."

**(Please see Explanatory Note 6)**

8. Proposed offer, grant and/or allotment in respect of ordinary shares in the Company to Mr Gary Neal Christenson, Executive Director/Chief Executive Officer pursuant to the Company's Management Incentive Plan ("MIP").

**Resolution 7**

"THAT authority be and is hereby given to the Directors of the Company to:

- (i) make and/or award, offer and grant to Mr Gary Neal Christenson, Executive Director/Chief Executive Officer of the Company, at any time and from time to time, commencing from the date of the shareholders' approval ("**Approval Date**") and expiring at the conclusion of the AGM of the Company commencing next after the Approval Date or at the expiry of the period within which the next AGM of the Company is required to be held after the Approval Date, whichever is the earlier ("**Mandate Period**") pursuant to the MIP, comprising such number of ordinary shares of the Company ("**Bumi Armada Shares**") equivalent to an amount of up to USD750,000 or its equivalent amount in Ringgit Malaysia (converted using the middle rate of Bank Negara Malaysia foreign exchange) divided by the 5-day volume weighted average market price of the Bumi Armada Shares preceding the date of the offer as traded on Bursa Securities (rounded up to the nearest 100 Bumi Armada Shares), subject always to the terms and conditions of, and/or any adjustments which may be made pursuant to the provisions of the By-Laws of the MIP;
- (ii) issue and allot to him, such number of new Bumi Armada Shares (whether during or after the Mandate Period) in respect of such Bumi Armada Shares comprised in the offers and grants made and/or awarded to him during the Mandate Period; and
- (iii) take all such actions that may be necessary and/or desirable to give effect to this resolution and to execute, sign and deliver on behalf of the Company, all such documents as they may deem necessary, expedient and/or appropriate, with full powers to assent to any condition, modification, variation and/or amendment thereto as the Directors of the Company may deem fit and in the best interest of the Company."

**(Please see Explanatory Note 7)**

# NOTICE OF ANNUAL GENERAL MEETING

By Order of the Board

**Noreen Melini binti Muzamli**

(LS0008290)

**Noor Hamiza binti Abd Hamid**

(MAICSA 7051227)

Joint Company Secretaries

Kuala Lumpur

18 May 2020

## Instructions for Appointment of Proxy

1. A member is encouraged to go online, participate and vote at the 24<sup>th</sup> AGM using remote participation and electronic voting facilities. If a member is not able to participate via the online meeting, a member can appoint the Chairman of the meeting as proxy and indicate the voting instructions in the proxy form. The appointment of the Chairman of the meeting as proxy may be done in the manner as detailed in item 5 below.
  - (i) save as provided for in Note 2, the CA 2016 and any applicable law, each member shall not be permitted to appoint more than two (2) proxies; and
  - (ii) where a member appoints more than one proxy, the appointment shall be invalid unless it/he/she specifies the proportion of the member's shareholdings to be represented by each proxy.
2. For the avoidance of doubt and subject always to Note 1, the CA 2016 and any applicable law:
  - (i) Where a member of the Company is an authorised nominee, it may appoint at least one proxy in respect of each securities account it holds to which ordinary shares in the Company are credited. Each appointment of proxy by an authorised nominee shall be made separately or in one instrument of proxy which shall specify the securities account number and the name of the beneficial owner for whom the authorised nominee is acting; and
  - (ii) Where a member is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one (1) 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.
3. A proxy may but need not be a member of the Company. There shall be no restriction as to the qualification of the proxy.
4. The instrument appointing a proxy shall:
  - (i) in the case of an individual, be signed by the appointor or by his/her attorney; and
  - (ii) in the case of a corporation, be either under its common seal or signed by its attorney or by an officer on behalf of the corporation.
5. The instrument appointing a proxy must be deposited at the office of the Company's Share Registrars, Boardroom Share Registrars Sdn. Bhd. and may either be in the following manner:
  - (i) either by hand or post, to the extent that is permissible to do so pursuant to the movement control order issued under the Prevention and Control of Infectious Diseases Act 1988 at 11<sup>th</sup> Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor, or

# NOTICE OF ANNUAL GENERAL MEETING

- (ii) electronically via email at BSR.Helpdesk@boardroomlimited.com; or
  - (iii) by facsimile at +603 7890 4670; or
  - (iv) electronic means via the Share Registrars website, Boardroom Smart Investor Online Portal. Kindly follow the link at <https://www.boardroomlimited.my/> to log in and deposit your proxy form electronically, not less than 24 hours before the time appointed for the taking of the poll at the 24<sup>th</sup> AGM or adjourned meeting (i.e the proxy form needs to be deposited no later than 8 June 2020 at 2.00 p.m. or adjourned meeting). Otherwise, the instrument of proxy shall not be treated as valid and the person so named shall not be entitled to vote in respect thereof.
6. The resolutions put to the votes at the 24<sup>th</sup> AGM shall be determined by poll. A proxy may vote on a poll. If the form of proxy is returned without an indication as to how the proxy shall vote on any particular matter, the proxy may exercise his discretion as to whether to vote on such matter and if so, how. A proxy appointed to attend and vote at a meeting of the Company shall have the same rights as the member to speak at the meeting and the instrument appointing a proxy shall be deemed to confer authority to demand or join in demanding a poll.
7. The lodging of a form of proxy does not preclude a member from attending and voting at the meeting should the member subsequently decide to do so.

## **Members Entitled to Attend**

8. For the purpose of determining members who shall be entitled to attend the 24<sup>th</sup> AGM, only the Company's members whose names appear in the Record of Depositors of the Company maintained by Bursa Malaysia Depository Sdn Bhd on 29 May 2020 shall be entitled to attend the said meeting or appoint proxies to attend on their behalf.

## **EXPLANATORY NOTES**

### **1) Audited Financial Statements and the Reports of the Directors and Auditors thereon**

The audited Financial Statements and the Reports of the Directors and Auditors therein for the financial year ended 31 December 2019, will be laid before the Company at the 24<sup>th</sup> AGM for consideration of the members pursuant to the CA 2016. There is no requirement for the members to approve them and hence, the matter will not be put forward for voting.

### **2) Re-election/Election of Directors**

Pursuant to Rule 131.1 of the Company's Constitution, at least 1/3 of Directors should retire by rotation or if that number is not a multiple of three, then the number nearest to 1/3 should retire. Further, any Director of the Company appointed by the Board of Directors ("**Board**") pursuant to Rule 116 shall not be taken into account in determining the Directors who are to retire by rotation. Presently, we have six Directors on the Board. Accordingly, Mr Uthaya Kumar Vivekananda and Mr Chan Chee Beng, who are Independent Non-Executive Director and Non-Independent Non-Executive Director respectively, are due for retirement at the 24<sup>th</sup> AGM, and being eligible, they have offered themselves for re-election as Directors of the Company.

The performance of both the Directors was assessed based on the Board Annual Evaluation exercise for 2019. Additionally, both of the Directors were also assessed following a one-on-one session with the Board Chairman. Further to such assessment exercise, the Board is satisfied that the Directors standing for re-election have performed their duties as per the Board Charter and they will continue to bring to bear their knowledge, experience and skills and contribute effectively to the Board's discussions, deliberations and decisions.

# NOTICE OF ANNUAL GENERAL MEETING

In respect of the independence of Mr Uthaya Kumar Vivekananda, an Independent Director, he has provided his annual declaration and confirmation on his independence in February 2020.

Both the Directors offering themselves for re-election have consented to the same.

For details of the Directors who are standing for re-election, Mr Uthaya Kumar Vivekananda and Mr Chan Chee Beng, please refer to the Directors' Profiles on page 38 of the Annual Report 2019.

### **3) Retention of Independent Director**

Pursuant to Practice 4.2 of the Malaysian Code on Corporate Governance 2017, the tenure of an Independent Director does not exceed a cumulative term limit of 9 years. Upon completion of the 9 years, an Independent Director may continue to serve on the board as a Non-Independent Director. If the Board intends to retain an Independent Director beyond 9 years, it should justify and seek annual shareholders' approval. Proposed Resolution 3, if passed, will allow Ms Alexandra Elisabeth Johanna Maria Schaapveld to continue to serve as Independent Director of the Company until the conclusion of the next AGM of the Company.

The performance of Ms Alexandra Elisabeth Johanna Maria Schaapveld was assessed based on the Board Annual Evaluation exercise for 2019. Additionally, she was also assessed following a one-on-one session with the Board Chairman. Further to such assessment exercise, the Board is satisfied that she will continue to play her independent role effectively based on the following justifications, based on assessment done:

- (i) satisfied the criteria under the definition of Independent Director as per MMLR;
- (ii) extensive knowledge on the Group's business and operations whilst demonstrating her objectivity in discussions which ensures effective checks and balances at the meetings' proceedings;
- (iii) as chairperson of the Remuneration Committee ("RC"), she effectively leads the RC meetings in deliberating on matters under the RC's terms of reference including making the relevant recommendations to the Board;
- (iv) as the Senior Independent Director, her role includes acting as a sounding Board to the Chairman and serves as principal conduit between Independent Directors and the Chairman on sensitive issues;
- (v) devoted sufficient time and attention to her responsibility as an Independent Director of the Company with exemplary attendance record at Board and Board Committee meetings and actively participates in the respective meetings; and
- (vi) she has signed the annual declaration and confirmation on her independence in February 2020.

For details of Ms Alexandra Elisabeth Johanna Maria Schaapveld, please refer to the Directors' Profiles on page 37 of the Annual Report 2019.

### **4) Directors' Remuneration**

Section 230(1) of the CA 2016 provides amongst others, that "the fees" of the Directors and "any benefits" payable to the Directors of a listed company and its subsidiaries shall be approved at a general meeting. In this respect, the Board agreed that the shareholders' approval shall be sought at the 24<sup>th</sup> AGM for the fees and benefits payable to the Directors.

At the Company's AGM in May 2019, the shareholders had approved the payment of fees and benefits to the Non-Executive Directors ("NEDs") up to an amount of RM3.2 million from 28 May 2019 until the conclusion of the next AGM. The payment of remuneration to the NEDs for the said period did not exceed RM2.4 million. The details of the remuneration of Directors for FYE 31 December 2019 are disclosed on pages 146 to 148 of the Annual Report 2019.

# NOTICE OF ANNUAL GENERAL MEETING

The Directors' fees and benefits comprises fees, meeting allowances and other emoluments payable to the Chairman and members of the Board and Board Committees. The NEDs' current remuneration framework is as set out below which came into effect on 1 July 2014. In the third quarter of 2018, the Board has reviewed the Board Committees structure in ensuring continuing efficiencies and decided to discontinue the Executive Committee ("EXCO") effective 1 September 2018. The duties of the EXCO were assumed by the Risk Management Committee ("RMC") and following its enhanced duties, the fees for the RMC Chairman and members were increased to be similar to the Audit Committee's Chairman and members with effect from 1 September 2018. The revised fees for the RMC Chairman and members was within the shareholders' mandate obtained at the 2018 AGM:

| Description   | Chairman                  | NEDs                                      |  |
|---|---------------------------|---|--|
| <b>(i) Director Fee</b>   |                           |   |  |
| • Monthly fixed allowance   | RM40,667                  | RM15,000                                  |  |
| • Board Committees (Audit and Risk Management Committees)                       | RM10,000                  | RM6,000                                   |  |
| • Board Committees (Remuneration, Nomination & Corporate Governance Committees) | RM4,000                   | RM2,500                                   |  |
|   | <b>Board<br/>Chairman</b> | <b>Member<br/>(based in<br/>Malaysia)</b> | <b>Member<br/>(based outside<br/>Malaysia)</b> |
| <b>(ii) Meeting allowance (per meeting day)*</b>                                |                           |   |  |
| • For meetings in Malaysia  | RM3,500                   | RM2,000                                   | USD1,000                                       |
| • For meetings outside Malaysia   | USD1,500                  | USD1,000                                  | USD1,000                                       |
| <b>(iii) Other Benefits</b>   |                           |   |  |
| • Monthly car allowance   | RM12,000                  | -   | -  |

\* The meeting allowance includes the allowance for travel days to attend meeting.

The proposed amount of RM3.0 million for the payment of Directors' fees and benefits for the period from 9 June 2020 to the next AGM comprise the estimated total fees of RM2.3 million and estimated total benefits of RM700,000. The proposed amount of RM3.0 million has taken into account the potential appointment of a new Director in 2020.

## 5) Re-appointment of Auditors

Messrs. PricewaterhouseCoopers PLT ("PwC"), the auditors of the Company have expressed their willingness to continue in office as auditors of the Company for the financial year ending 31 December 2020. The Board has approved the Audit Committee's recommendation that they be retained after taking into account relevant feedback on their experience, performance and independence following a formal assessment.

## 6) Authority to issue ordinary shares pursuant to Section 75 and Section 76 of the CA 2016 and the MMLR

Proposed Resolution 6 is to seek a renewal of the general authority pursuant to Section 75 and Section 76 of the CA 2016 and the MMLR for the issue and allotment of new ordinary shares in the Company.

# NOTICE OF ANNUAL GENERAL MEETING

As at 6 April 2020, the Company has not issued any new shares pursuant to the previous mandate.

Proposed Resolution 6, if passed, would enable Directors to issue and allot new ordinary shares up to an amount not exceeding ten per centum (10%) of the Company's issued share capital from time to time. This will, among others, provide them the flexibility to raise funds, including but not limited to further placement of shares for purposes of funding future investment project(s), working capital and/or acquisitions without convening a general meeting which will be both time and cost consuming. This authority, unless revoked or varied at a general meeting, will expire at the conclusion of the next annual general meeting of the Company.

Should there be a decision to issue and allot ordinary shares after the said authority has been given, the Company will make the appropriate announcement on the purpose and/or utilisation of proceeds arising from such issuance and allotment.

## **7) Proposed offer, grant and/or allotment in respect of ordinary shares in the Company to Mr Gary Neal Christenson, Executive Director/Chief Executive Officer pursuant to the Company's Management Incentive Plan ("MIP")**

Proposed Resolution 7 are to seek authority in respect of the proposed offer, grant and/or allotment in respect of ordinary shares in the Company under the MIP to Mr Gary Neal Christenson ("**Mr Christenson**"), Executive Director/Chief Executive Officer.

On 23 May 2016, we had obtained your approval for the establishment of the MIP including the authority to offer, grant and/or allot shares to employees and Executive Directors who fulfil the criteria of eligibility for participation in the MIP.

The proposal is intended to, amongst others, serve as a long term incentive plan that aligns the Executive Director's interests with the long term objectives and business strategies of our Group.

Proposed Resolution 7, if passed, would enable the Company to award to Mr Christenson, during the Mandate Period, the annual grants of Bumi Armada Shares, where such shares to be vested on or before the end of 1-year period from the date of grant comprising such number of ordinary shares with a value up to the amounts set out below:

|                          | <b>Amount of<br/>annual<br/>Grant<br/>USD</b> | <b>Total amount<br/>USD</b> |
|--------------------------|---|-----------------------------|
| Mr Gary Neal Christenson | 750,000                                       | 750,000                     |

The details on the MIP are set out in the Directors' Report and Note 34 to the financial statements.

Mr Christenson will abstain from voting on the proposed Resolution 7 and will ensure that persons connected to him abstain from doing so.

### **Additional Notes:**

Please refer to the Administrative Guide for the remote participation access and electronic voting at the 24<sup>th</sup> AGM of the Company.