

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS GIVEN that the Extraordinary General Meeting of Pharmaniaga Berhad ("Company") will be held at The Royale Chulan Damansara Hotel, The Royale Ballroom, Level 2, No. 2, Jalan PJU 7/3, Mutiara Damansara, 47810 Petaling Jaya, Selangor Darul Ehsan, on Tuesday, 29 March 2016, at 10.30 a.m., or immediately after the conclusion or adjournment (as the case may be) of the 18th Annual General Meeting of the Company which will be held at the same venue and on the same day at 9.30 a.m., whichever is later, for the purpose of considering and, if thought fit, passing the following resolutions, with or without modifications:

ORDINARY RESOLUTION 1

PROPOSED ESTABLISHMENT OF A SHARE ISSUANCE SCHEME ("PROPOSED SCHEME") COMPRISING A PROPOSED LONG TERM INCENTIVE PLAN ("PROPOSED LTIP") AND A PROPOSED SHARE OPTION PLAN ("PROPOSED OPTION PLAN")

"THAT, subject to the approvals of all relevant regulatory authorities being obtained for the Proposed Scheme comprising the Proposed LTIP and the Proposed Option Plan, and to the extent permitted by law and the memorandum and articles of association of the Company, the board of directors ("Board") of the Company be and is authorised:

- to establish, implement and administer the Proposed Scheme pursuant to which, ordinary shares of the nominal value of RM0.50 each in the Company ("Pharmaniaga Shares") may be granted under the Proposed LTIP ("Share Grants"), and/or rights to subscribe for the Pharmaniaga Shares may be granted under the Proposed Option Plan ("Options"), to the directors of the Company and/or selected employees of the Company and/or its subsidiaries, as the case may be who fulfil the criteria of eligibility for participation in the Proposed Scheme and who are selected by a committee established to administer the Proposed Scheme in accordance with the by-laws of the Proposed Scheme, as amended from time to time ("By-Laws");
- to allot and issue from time to time and at any time such number of new Pharmaniaga Shares as may be required to be issued pursuant to Share Grants and Options under the Proposed Scheme, subject to and in accordance with the By-Laws:
 - provided that such number of new Pharmaniaga Shares to be allotted and issued under the Proposed Scheme shall not, when aggregated with the total number of new Pharmaniaga Shares issued and/or to be issued under any other scheme involving new issuance of Pharmaniaga Shares which may be implemented from time to time by the Company, exceed 15% of the then issued and paid-up ordinary share capital (excluding treasury shares) of the Company at any such point of time, from time to time, during the duration of the Proposed Scheme; and
 - that such new Pharmaniaga Shares to be allotted and issued under the Proposed Scheme shall, upon allotment and issuance, rank equally in all respects with the then existing issued Pharmaniaga Shares, save and except that they shall not be entitled to any dividend, right, allotment and/or any other distribution for which the entitlement date is prior to the date on which the new Pharmaniaga Shares are credited into the Central Depository System accounts of the relevant allottees;
- to add to, modify, amend and/or delete all or any part of the terms and conditions governing the Proposed Scheme, the By-Laws and all rules, regulations and administration processes relating to the Proposed Scheme from time to time as may be permitted by the relevant regulatory authorities or deemed necessary by the Board or any committee established to administer the Proposed Scheme, provided that such additions, modifications, amendments and/or deletions are effected and permitted in accordance with the provisions of the By-Laws; and
- to do all such acts and things and to execute all such documents and enter into all such transactions, arrangements, agreements and/or instruments, to make all such rules or regulations, or to impose all such terms and conditions, and/or to delegate any part of its power, and to generally exercise such powers and perform such acts, as may be necessary or expedient in order to give full effect to the Proposed Scheme and the terms of the By-Laws.

THAT the Board be and is authorised to give effect to the Proposed Scheme with full power to consent to and adopt such conditions, modifications, variations, amendments and/or deletions (including adopting such modifications, variations, amendments and/or deletions to the By-Laws) as it may deem fit and/or as may be required by the relevant regulatory authorities;

AND THAT, the By-Laws, as set forth in Appendix I of the circular to the shareholders dated 9 March 2016 in relation to the Proposed Scheme, which is in compliance with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Main Market Listing Requirements"), be and is approved."

ORDINARY RESOLUTION 2

PROPOSED GRANT OF OPTIONS AND SHARE GRANTS TO DATO' FARSHILA EMRAN

THAT, subject to the passing of Ordinary Resolution 1 and the approval of all the relevant regulatory authorities, the Board be and is authorised at any time and from time to time to offer and grant Dato' Farshila Emran, Managing Director of the Company:

- Options to subscribe for up to 2,000,000 new Pharmaniaga Shares under the Proposed Option Plan; and
- Share Grants for up to 600,000 new Pharmaniaga Shares per year, for the duration of the Proposed Scheme, under the Proposed LTIP;

subject always to the following:

- she must not participate in the deliberation or discussion of her own allocation of the number of Pharmaniaga Shares to be comprised in the Options and Share Grants to be offered to her as well as that of the persons connected to her within the meaning of the Main Market Listing Requirements ("Persons Connected") under the Proposed Option Plan and Proposed LTIP; and
- that not more than 10% of the new Pharmaniaga Shares available under the Proposed Scheme shall be allocated to her, if she, either singly or collectively through Persons Connected to her, holds 20% or more of the issued and paid-up share capital (excluding treasury shares) of the Company;

and subject always to such terms and conditions and/or any adjustment which may be made in accordance with the provisions of the By-Laws, the Main Market Listing Requirements and/or any other then prevailing guidelines issued by Bursa Malaysia Securities Berhad or any other relevant regulatory authority, as amended from time to time.

AND THAT, approval and authority be and are given to the Board to allot and issue such number of new Pharmaniaga Shares to her, from time to time, pursuant to the exercise of the Options granted to her under the Proposed Option Plan, and pursuant to the Share Grants under the Proposed LTIP."

ORDINARY RESOLUTION 3

PROPOSED GRANT OF OPTIONS TO TAN SRI DATO' SERI LODIN WOK KAMARUDDIN

THAT, subject to the passing of Ordinary Resolution 1 and the approval of all the relevant regulatory authorities, the Board be and is authorised at any time and from time to time to offer and grant Tan Sri Dato' Seri Lodin Wok Kamaruddin, Non-Independent Non-Executive Chairman of the Company, Options to subscribe for up to 3,800,000 new Pharmaniaga Shares under the Proposed Option Plan subject always to the following:

- he must not participate in the deliberation or discussion of his own allocation of the number of Pharmaniaga Shares to be comprised in the Options to be offered to him as well as that of the Persons Connected to him under the Proposed Option Plan; and
- that not more than 10% of the new Pharmaniaga Shares available under the Proposed Scheme shall be allocated to him, if he, either singly or collectively through Persons Connected to him, holds 20% or more of the issued and paid-up share capital (excluding treasury shares) of the Company;

and subject always to such terms and conditions and/or any adjustment which may be made in accordance with the provisions of the By-Laws, the Main Market Listing Requirements and/or any other then prevailing guidelines issued by Bursa Malaysia Securities Berhad or any other relevant regulatory authority, as amended from time to time.

AND THAT, approval and authority be and are given to the Board to allot and issue such number of new Pharmaniaga Shares to him, from time to time, pursuant to the exercise of the Options granted to her under the Proposed Option Plan."

ORDINARY RESOLUTION 4

PROPOSED GRANT OF OPTIONS TO DANIEL EBINESAN

THAT, subject to the passing of Ordinary Resolution 1 and the approval of all the relevant regulatory authorities, the Board be and is authorised at any time and from time to time to offer and grant Daniel Ebinesan, Non-Independent Non-Executive Director of the Company, Options to subscribe for up to 2,000,000 new Pharmaniaga Shares under the Proposed Option Plan subject always to the following:

- he must not participate in the deliberation or discussion of his own allocation of the number of Pharmaniaga Shares to be comprised in the Options to be offered to him as well as that of the Persons Connected to him under the Proposed Option Plan; and
- that not more than 10% of the new Pharmaniaga Shares available under the Proposed Scheme shall be allocated to him, if he, either singly or collectively through Persons Connected to him, holds 20% or more of the issued and paid-up share capital (excluding treasury shares) of the Company;

and subject always to such terms and conditions and/or any adjustment which may be made in accordance with the provisions of the By-Laws, the Main Market Listing Requirements and/or any other then prevailing guidelines issued by Bursa Malaysia Securities Berhad or any other relevant regulatory authority, as amended from time to time.

AND THAT, approval and authority be and are given to the Board to allot and issue such number of new Pharmaniaga Shares to him, from time to time, pursuant to the exercise of the Options granted to her under the Proposed Option Plan."

ORDINARY RESOLUTION 5

PROPOSED GRANT OF OPTIONS TO MOHD SUFFIAN HAJI HARON

THAT, subject to the passing of Ordinary Resolution 1 and the approval of all the relevant regulatory authorities, the Board be and is authorised at any time and from time to time to offer and grant Mohd Suffian Haji Haron, Senior Independent Non-Executive Director of the Company, Options to subscribe for up to 2,000,000 new Pharmaniaga Shares under the Proposed Option Plan subject always to the following:

- he must not participate in the deliberation or discussion of his own allocation of the number of Pharmaniaga Shares to be comprised in the Options to be offered to him as well as that of the Persons Connected to him under the Proposed Option Plan; and
- that not more than 10% of the new Pharmaniaga Shares available under the Proposed Scheme shall be allocated to him, if he, either singly or collectively through Persons Connected to him, holds 20% or more of the issued and paid-up share capital (excluding treasury shares) of the Company;

and subject always to such terms and conditions and/or any adjustment which may be made in accordance with the provisions of the By-Laws, the Main Market Listing Requirements and/or any other then prevailing guidelines issued by Bursa Malaysia Securities Berhad or any other relevant regulatory authority, as amended from time to time.

AND THAT, approval and authority be and are given to the Board to allot and issue such number of new Pharmaniaga Shares to him, from time to time, pursuant to the exercise of the Options granted to her under the Proposed Option Plan."

ORDINARY RESOLUTION 6

PROPOSED GRANT OF OPTIONS TO IZZAT OTHMAN

THAT, subject to the passing of Ordinary Resolution 1 and the approval of all the relevant regulatory authorities, the Board be and is authorised at any time and from time to time to offer and grant Izzat Othman, Independent Non-Executive Director of the Company, Options to subscribe for up to 2,000,000 new Pharmaniaga Shares under the Proposed Option Plan subject always to the following:

- he must not participate in the deliberation or discussion of his own allocation of the number of Pharmaniaga Shares to be comprised in the Options to be offered to him as well as that of the Persons Connected to him under the Proposed Option Plan; and
- that not more than 10% of the new Pharmaniaga Shares available under the Proposed Scheme shall be allocated to him, if he, either singly or collectively through Persons Connected to him, holds 20% or more of the issued and paid-up share capital (excluding treasury shares) of the Company;

and subject always to such terms and conditions and/or any adjustment which may be made in accordance with the provisions of the By-Laws, the Main Market Listing Requirements and/or any other then prevailing guidelines issued by Bursa Malaysia Securities Berhad or any other relevant regulatory authority, as amended from time to time.

AND THAT, approval and authority be and are given to the Board to allot and issue such number of new Pharmaniaga Shares to him, from time to time, pursuant to the exercise of the Options granted to her under the Proposed Option Plan."

ORDINARY RESOLUTION 7

PROPOSED GRANT OF OPTIONS TO LIEUTENANT GENERAL DATO' SERI PANGLIMA DR. SULAIMAN ABDULLAH (RETIRED)

THAT, subject to the passing of Ordinary Resolution 1 and the approval of all the relevant regulatory authorities, the Board be and is authorised at any time and from time to time to offer and grant Lieutenant General Dato' Seri Panglima Dr. Sulaiman Abdullah (Retired), Independent Non-Executive Director of the Company, Options to subscribe for up to 2,000,000 new Pharmaniaga Shares under the Proposed Option Plan subject always to the following:

- he must not participate in the deliberation or discussion of his own allocation of the number of Pharmaniaga Shares to be comprised in the Options to be offered to him as well as that of the Persons Connected to him under the Proposed Option Plan; and
- that not more than 10% of the new Pharmaniaga Shares available under the Proposed Scheme shall be allocated to him, if he, either singly or collectively through Persons Connected to him, holds 20% or more of the issued and paid-up share capital (excluding treasury shares) of the Company;

and subject always to such terms and conditions and/or any adjustment which may be made in accordance with the provisions of the By-Laws, the Main Market Listing Requirements and/or any other then prevailing guidelines issued by Bursa Malaysia Securities Berhad or any other relevant regulatory authority, as amended from time to time.

AND THAT, approval and authority be and are given to the Board to allot and issue such number of new Pharmaniaga Shares to him, from time to time, pursuant to the exercise of the Options granted to her under the Proposed Option Plan."

BY ORDER OF THE BOARD

Tasneem Binti Mohd Dahalan (LS0006966)
Company Secretary

9 March 2016

Notes:

- A member of the Company entitled to be present and vote at the meeting may appoint a proxy to vote instead of him/her. A proxy need not be a member of the Company but must attend the meeting in person to vote.
- The instrument appointing a proxy shall be in writing under the hand of the appointor or his/her attorney duly authorised in writing or if the appointor is a corporation, under its common seal or signed by its attorney or by an officer on behalf of the corporation.
- Where a member of the Company is an exempt authorised nominee as defined under the Securities Industry (Central Depositories) Act, 1991, 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 appointing a proxy and the power of attorney or any other authority (if any) under which it is signed, shall be deposited at the Company's share registrar, 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 at least 48 hours before the time for holding the meeting or adjourned meeting at which the person or persons named in such instrument proposes to vote, and in default the instrument of proxy shall not be treated as valid.
- Only members registered in the record of depositors of the Company as at 21 March 2016 shall be eligible to attend the meeting or appoint a proxy to attend and vote on his/her behalf.