

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Twentieth (20th) Annual General Meeting of PASDEC HOLDINGS BERHAD will be held at Silk Ballroom, Level 3, The Zenith Hotel, Jalan Putra Square 6, Putra Square, 25200 Kuantan, Pahang Darul Makmur on Thursday, 16 June 2016 at 11:00 a.m. for the following purposes:-

AGENDA

As Ordinary Business

1. To receive the audited financial statements for the year ended 31 December 2015 together with the reports of the Directors and Auditors thereon. *[Please refer Explanatory Note A]*
2. To re-elect the following Directors who are retiring by rotation in accordance with Article 83 of the Company's Articles of Association:-
 - a. Dato' Sri DiRaja Haji Adnan bin Haji Yaakob **(Resolution 1)**
 - b. Dato' Abdullah bin A. Rasol **(Resolution 2)**
3. To re-elect Dato' Ir. Noor Azmi bin Jaafar who is retiring in accordance with Article 82 of the Company's Articles of Association. **(Resolution 3)**
4. To consider and if thought fit, to pass the following as Ordinary Resolutions:-
 - i. "That Dato' Abdul Ghani bin L. Sulaiman, who is over the age of seventy (70) years and retiring pursuant to Section 129(6) of the Companies Act, 1965 be and is hereby re-appointed as Director of the Company to hold office until the next Annual General Meeting of the Company". **(Resolution 4)**
 - ii. "That Dato' Hj. Mohamad Nor bin Ali, who has attained the age of seventy (70) years and retiring pursuant to Section 129(6) of the Companies Act, 1965 be and is hereby re-appointed as Director of the Company to hold office until the next Annual General Meeting of the Company". **(Resolution 5)**
5. To approve the payment of Directors' fees for the financial year ended 31 December 2015. **(Resolution 6)**
6. To re-appoint Messrs. Hanafiah Raslan & Mohamad as Auditors and to authorise the Directors to fix their remuneration. **(Resolution 7)**

As Special Business

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

7. **Ordinary Resolution - Retention of Independent Directors** *[Please refer Explanatory Note C]*
 - a. "THAT approval be and is hereby given to Dato' Sri Khalid bin Mohamad Jiwa, who has served as Independent Director of the Company for a cumulative term of more than nine (9) years, to continue to act as an Independent Non-Executive Director of the Company pursuant to Recommendation 3.3 of the Malaysian Code on Corporate Governance 2012." **(Resolution 8)**
 - b. "THAT subject to the passing of Ordinary Resolution 2, approval be and is hereby given to Dato' Abdullah bin A. Rasol, who has served as Independent Director of the Company for a cumulative term of more than nine (9) years, to continue to act as an Independent Non-Executive Director of the Company pursuant to Recommendation 3.3 of the Malaysian Code on Corporate Governance 2012." **(Resolution 9)**
8. To consider any other business of which due notice shall have been given.

By Order of the Board,

SHAKERAH ENAYETALI
 Company Secretary

Kuantan

6 May 2016

EXPLANATORY NOTES:-

A. Item 1 of the Agenda – Receipt of Audited Financial Statements

This item is meant for discussion only as the provision of Section 169(1) of the Companies Act, 1965 does not require a formal approval of the shareholders for the audited financial statements. Hence, this item is not put forward for voting.

B. Item 4 of the Agenda – Reappointment of Directors Pursuant To Section 129 of the Companies Act, 1965

Section 129(6) of the Companies Act, 1965 stipulates that a Director who is of or over the age of 70 years may be appointed or re-appointed as a Director of the Company by a resolution duly passed by a majority of not less than three-fourth (3/4) of such members of the Company entitled to vote in person or by proxy at the Annual General Meeting ("AGM"). Such Director will hold office until the conclusion of the next AGM.

C. Item 7 of the Agenda – Retention Of Independent Directors

The proposed Ordinary Resolution 8 and 9 are to seek shareholders' approval to retain Dato' Sri Khalid bin Mohamad Jiwa and Dato' Abdullah bin A. Rasol as Independent Non-Executive Directors pursuant to Recommendation 3.3 of the Malaysian Code on Corporate Governance 2012.

Dato' Sri Khalid bin Mohamad Jiwa and Dato' Abdullah bin A. Rasol have served the Board as Independent Directors for a cumulative term of more than nine (9) years. The Board, through annual assessment of Independent Directors carried out by the Nomination Committee, was satisfied that both Dato' Sri Khalid bin Mohamad Jiwa and Dato' Abdullah bin A. Rasol have complied with the independence criteria set-out in the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and that they continue to remain objective and continue to bring independent and objective judgement to Board deliberations and decision making despite serving for more than nine (9) years.

The Board recognises that as long serving Independent Directors, Dato' Sri Khalid bin Mohamad Jiwa and Dato' Abdullah bin A. Rasol have developed deeper understanding of the Group's diversified businesses and are able to perform their duties diligently and in the best interest of the Company enabling them to provide effective check and balance in the proceedings of the Board and Board Committees. The Company benefits from their mix of skills, experience and competencies for informed and balanced decision making by the Board.

NOTES:-

1. In respect of deposited securities, only members whose names appear on the Record of Depositors as at 10 June 2016 shall be entitled to attend, speak and vote at the 20th AGM.
2. A member entitled to attend and vote at the 20th AGM may appoint not more than two (2) proxies to attend and vote in his stead. A proxy may, but need not be a member of the Company and the provisions of Section 149(1)(b) of the Companies Act, 1965 shall not apply to the Company. There shall be no restriction as to the qualification of the proxy. Where a member appoints two (2) proxies, the appointment shall be invalid unless he/she specified the proportion of his/her shareholdings to be represented by each proxy. A proxy appointed to attend and vote at the 20th AGM shall have the same rights as the member to speak at the 20th AGM.
3. That instrument appointing a proxy shall be signed by the appointor or his attorney duly authorised in writing or in the case of a corporate member, the instrument appointing a proxy must be either under its common seal or under the hand of its officer or attorney duly authorised.
4. Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories) Act, 1991 (SICDA) it may appoint at least one (1) proxy but not more than two (2) proxies in respect of each securities account with ordinary shares of the Company standing to the credit of the said securities account. Where an authorised nominee appoints two (2) proxies to attend and vote at the 20th AGM, the proportion of shareholdings represented by each proxy must be specified in the instrument appointing the proxies.
5. 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. Where an exempt authorised nominee appoints more than one (1) proxy to attend and vote at the 20th AGM, the proportion of shareholdings to be represented by each proxy must be specified in the instrument appointing the proxies.
6. That instrument appointing a proxy must be deposited at the Registered Office of the Company at Tingkat 14, Menara Teruntum, Jalan Mahkota, 25000 Kuantan, Pahang Darul Makmur, at least 48 hours before the time for holding the 20th AGM or any adjournment thereof.