



PDZ HOLDINGS BHD
(Company No: 360419-T)
(Incorporated in Malaysia)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT an Extraordinary General Meeting of PDZ Holdings Bhd (“PDZ” or the “Company”) (“EGM”) will be held at Pendeta 1, Le Grandeur Palm Resort Johor, Jalan Persiaran Golf, Off Jalan Jumbo, 81250 Senai, Johor on Tuesday, 7 November 2017 at 10.30 a.m. or at any adjournment thereof for the purpose of considering and, if thought fit, passing the following resolutions with or without any modifications:-

SPECIAL RESOLUTION

PROPOSED REDUCTION OF THE COMPANY’S SHARE CAPITAL PURSUANT TO SECTION 116 OF THE COMPANIES ACT 2016 (“ACT”) (“PROPOSED SHARE CAPITAL REDUCTION”)

“THAT subject to the confirmation by the High Court of Malaya pursuant to Section 116 of the Act, the Board be and is hereby given the authority and approval to reduce the ordinary share capital of the Company via the cancellation of the issued share capital of RM80,000,000 and that the credit arising from such share capital reduction to be credited to the Company’s retained earnings accounts and to be utilised to set off the accumulated losses of the Company and the remaining balance (if any) will be credited to the retained earnings of the Company which shall then be utilised in a manner to be determined by the Board at a later date and in the best interest of the Company as permitted by the relevant and applicable laws (“Proposed Share Capital Reduction”);

AND THAT the Board be and is hereby authorised to take such steps, execute such documents and enter into any arrangements, agreements and/or undertakings with any party or parties as it may deem fit, necessary, expedient and/or appropriate in order to implement, finalise and/or give effect to the Proposed Share Capital Reduction with full powers to assent to any terms, conditions, modifications, variations and/or amendments as may be imposed or permitted by the High Court of Malaya and/or as a consequence of any such requirement or as may be deemed fit, necessary, expedient and/or appropriate and in the best interest of the Company.”

ORDINARY RESOLUTION 1

PROPOSED SHARE CONSOLIDATION OF EVERY 4 ORDINARY SHARES INTO 1 NEW ORDINARY SHARE IN PDZ (“PDZ SHARE” OR “SHARE”) (“PROPOSED SHARE CONSOLIDATION”)

“THAT subject to the approval of all relevant authorities and parties being obtained (if required), approval be and is hereby given for the Company to give effect to the consolidation of every 4 PDZ Shares into 1 new PDZ Share (“Consolidated Share”);

THAT the Consolidated Shares shall, upon allotment and issuance, rank *pari passu* in all respects with one another. Fractional entitlements arising from the Proposed Share Consolidation shall be disregarded and dealt with by the Board in such manner as its absolute discretion as it may deem fit or expedient and in the best interest of the Company;

AND THAT the Board be and is hereby authorised with full power to make any modifications, variations and/or amendments in any manner as may be in the best interest of the Company and/or as may be required by the relevant authorities to give effect to the Proposed Share Consolidation and to take all steps and do all acts and things in any manner as they may deem necessary to complete, finalise, implement and give full effect to the Proposed Share Consolidation.”

ORDINARY RESOLUTION 2

PROPOSED RENEUNCEABLE RIGHTS ISSUE OF UP TO 434,660,640 SHARES (“RIGHTS SHARES”) TOGETHER WITH UP TO 325,995,480 FREE DETACHABLE WARRANTS IN PDZ (“WARRANTS”) ON THE BASIS OF 4 RIGHTS SHARES TOGETHER WITH 3 FREE WARRANTS FOR EVERY 2 EXISTING SHARES HELD BY THE ENTITLED SHAREHOLDERS OF PDZ ON AN ENTITLEMENT DATE TO BE DETERMINED BY THE BOARD AT A LATER DATE (AFTER THE PROPOSED SHARE CONSOLIDATION) (“PROPOSED RIGHTS ISSUE WITH WARRANTS”)

“THAT subject to the passing of the Ordinary Resolution 1 above, the completion of the Proposed Share Consolidation and the approval of all relevant authorities and parties being obtained (if required), approval be and is hereby given for the Company to undertake the Proposed Rights Issue with Warrants as follows:-

- (i) to provisionally issue and allot by way of a renounceable rights issue of up to 434,660,640 Rights Shares together with up to 325,995,480 Warrants to the shareholders of the Company (“Shareholders”) whose names appear in the Record of Depositors of the Company as at the close of business on an entitlement date to be determined by the Board (“Rights Entitlement Date”) (“Entitled Shareholders”), and/or their renounee(s), on the basis of 4 Rights Shares together with 3 free Warrants for every 2 existing Shares held on the Rights Entitlement Date at an issue price to be determined by the Board and on such terms and conditions and in such manner as the Board may determine;
- (ii) to enter into and execute the deed poll constituting the Warrants (“Deed Poll”) and to do all acts, deeds and things as the Board may deem fit or expedient in order to implement, finalise and give effect to the Deed Poll wherein each of the Warrants will carry the rights to subscribe, subject to any adjustment in accordance with the Deed Poll to be executed, at any time during the “Exercise Period” as defined in the Deed Poll, for 1 new Share at an exercise price to be determined by the Board at a later date and that the Common Seal of the Company be affixed to the Deed Poll in accordance with the provisions of the Constitution of the Company;
- (iii) to allot and issue in registered form to the Entitled Shareholders (and/or their renounee(s), as the case may be) who subscribe for and are allotted the Rights Shares, each Warrant conferring the right to subscribe for 1 new Share at an exercise price to be determined by the Board on the Entitlement Date, subject to the provisions for adjustment to the subscription rights attached to the Warrants in accordance with the provisions of the Deed Poll;
- (iv) to allot and issue such number of additional Warrants as may be required or permitted to be issued as a result of any adjustments under the provisions of the Deed Poll (“Additional Warrants”) and to adjust from time to time the exercise price of the Warrants as a consequence of the adjustments under the provisions of the Deed Poll and/or to effect such modifications, variations and/or amendments as may be imposed, required or permitted by Bursa Malaysia Securities Berhad (“Bursa Securities”) and any other relevant authorities or parties (if required); and
- (v) to allot and issue such number of new Shares credited as fully paid-up to the holders of the Warrants upon their exercise of the relevant Warrants to subscribe for new Shares during the tenure of the Warrants, and such further new Shares as may be required or permitted to be issued pursuant to the exercise of the Additional Warrants and such adjustments in accordance with the provisions of the Deed Poll;

THAT the Board be and is hereby authorised to determine and vary if deemed fit, necessary and/or expedient, the issue price of the Rights Shares and the exercise price of the Warrants to be issued in connection with the Proposed Rights Issue with Warrants;

THAT any Rights Shares which are not validly taken up or which are not allotted for any reason whatsoever to the Entitled Shareholders and/or their renounee(s) shall be made available for excess applications in such manner and to such persons (“Excess Applicants”) as the Board shall determine at its absolute discretion;

THAT the Rights Shares, Warrants and new Shares to be issued pursuant to the exercise of the Warrants and Additional Warrants (if any) shall be listed on the Main Market of Bursa Securities;

THAT the proceeds of the Proposed Rights Issue with Warrants be utilised for the purposes as set out in Section 3 of the Circular to Shareholders dated 16 October 2017 and the Board be and is hereby authorised with full powers to vary the manner and/or purpose of utilisation of such proceeds in such manner as the Board may deem fit, necessary and/or expedient or in the best interests of the Company, subject (where required) to the approval of the relevant authorities;

THAT the Board be and is hereby empowered and authorised to do all acts, deeds and things, and to execute, enter into, sign, deliver and cause to be delivered for and on behalf of the Company all such transactions, arrangements, agreements and/or documents as it may consider necessary or expedient in order to implement, give full effect to and complete the Proposed Rights Issue with Warrants, with full powers to assent to and accept any conditions, modifications, variations, arrangements and/or amendments to the terms of the Proposed Rights Issue with Warrants as the Board may deem fit, necessary and/or expedient in the best interests of the Company or as may be imposed by any relevant authority or consequent upon the implementation of the aforesaid conditions, modifications, variations, arrangements and/or amendments and to take all steps as it considers necessary in connection with the Proposed Rights Issue with Warrants in order to implement and give full effect to the Proposed Rights Issue with Warrants;

THAT the Rights Shares shall, upon allotment, issuance and full payment of the issue price of the Rights Shares, rank *pari passu* in all respects with the then existing issued Shares, save and except that the holders of such Rights Shares shall not be entitled to any dividends, rights, allotments and/or other distributions which may be declared, made or paid to Shareholders, the entitlement date of which is prior to the date of allotment of the Rights Shares;

THAT the new Shares to be issued pursuant to the exercise of the Warrants (or the Additional Warrants, as the case may be) shall, upon allotment, issuance and full payment of the exercise price of the Warrants (or the Additional Warrants, as the case may be), rank *pari passu* in all respects with the then existing issued Shares, save and except that the holders of such new Shares shall not be entitled to any dividends, rights, allotments and/or other distributions which may be declared, made or paid to Shareholders, the entitlement date of which is prior to the date of allotment of such new Shares to be issued pursuant to the exercise of the Warrants (or the Additional Warrants, as the case may be);

AND THAT this resolution constitutes a specific approval for the issuance of securities in the Company contemplated herein which is made pursuant to an offer, agreement or option and shall continue in full force and effect until all Rights Shares, Warrants, Additional Warrants (if any) and new Shares to be issued pursuant to or in connection with the Proposed Rights Issue with Warrants have been duly allotted and issued in accordance with the terms of the Proposed Rights Issue with Warrants.”

ORDINARY RESOLUTION 3

PROPOSED ESTABLISHMENT OF AN EMPLOYEES’ SHARE OPTION SCHEME (“ESOS” OR “SCHEME”) INVOLVING UP TO 15% OF THE TOTAL NUMBER OF ISSUED SHARES OF PDZ (EXCLUDING TREASURY SHARES, IF ANY) FOR ELIGIBLE DIRECTORS AND EMPLOYEES OF PDZ AND ITS SUBSIDIARIES (“PROPOSED ESOS”)

“THAT subject to the approval of all relevant authorities and parties being obtained (if required), including but not limited to the approval of Bursa Securities for the listing and quotation of the new Shares to be issued pursuant to the exercise of the ESOS options granted under the Scheme having been obtained, approval be and is hereby given for the Company to establish the Scheme involving up to 15% of the total number of issued shares of the Company from time to time (excluding treasury shares, if any) for the benefit of eligible directors and eligible employees of the Company and its subsidiaries, excluding the subsidiaries which are dormant (“PDZ Group” or the “Group”) and the Board be and is hereby authorised to:-

- (i) implement and administer the Scheme in accordance with the form set out in the by-laws governing the Scheme (“By-laws”), a draft of which is set out in Appendix II of the Circular to Shareholders dated 16 October 2017 (“Circular”), and to give full effect to the Scheme with full powers to assent to any conditions, variations, modifications and/or amendments as may be deemed fit or expedient and/or imposed or required by the relevant authorities;
- (ii) make the necessary applications to Bursa Securities and do all the things necessary at the appropriate time or times for the listing and quotation of the new Shares which may from time to time be allotted and issued pursuant to the exercise of the ESOS options granted under the Scheme;
- (iii) allot and issue from time to time such number of new Shares as may be required to be issued pursuant to the exercise of the ESOS options granted under the Scheme provided that the aggregate number of new Shares to be allotted and issued under the Scheme shall not exceed in aggregate of 15% of the total number of issued shares of the Company (excluding treasury shares, if any) at any time during the existence of the Scheme. The new Shares issued pursuant to the exercise of the ESOS options granted under the Scheme shall, upon allotment, issuance and full payment of the exercise price of the ESOS options, rank *pari passu* in all respects with the then existing issued Shares, save and except that the holders of such new Shares shall not be entitled to any dividends, rights, allotments and/or other distributions which may be declared, made or paid to Shareholders, the entitlement date of which is prior to the date of allotment of the new Shares pursuant to the exercise of the ESOS options granted under the Scheme and will be subject to all the provisions of the Constitution of the Company relating to the transfer, transmission and otherwise of the Shares;
- (iv) modify and/or amend the By-laws from time to time as may be required or permitted by the authorities or deemed necessary by the authorities or the Board provided that such modifications and/or amendments are effected in accordance with the provisions of the By-laws relating to modifications and/or amendments and to do all such acts and to enter into all such transactions, arrangements and agreements as may be necessary or expedient in order to give full effect to the Scheme; and
- (v) extend the Scheme for a further period of up to 5 years without having to obtain the approval of the shareholders of the Company in a general meeting (unless otherwise required by law or the relevant authorities) and to consent to and to adopt, if the Board so deems fit and expedient, such conditions, modifications and/or variations as may be required or imposed by the relevant authorities in respect of the Scheme;

THAT the By-laws of the Scheme, a draft of which is set out in Appendix II of the Circular, be and is hereby approved and adopted;

AND THAT the Board be and is hereby authorised to give effect to the Scheme with full powers to consent to and to adopt and implement such conditions, modifications, variations and/or amendments as may be required by the relevant regulatory authorities or as the Board may deem fit or necessary at its absolute discretion.”

BY ORDER OF THE BOARD

PDZ HOLDINGS BHD

TEA SOR HUA (MACS 01324)

Company Secretary

Petaling Jaya, Selangor Darul Ehsan

16 October 2017

Notes:-

1. A member entitled to attend and vote at the EGM is entitled to appoint one or more proxies (but not more than two) to attend and vote instead of him. A proxy may but need not be a member of the Company, an advocate, an approved company auditor or a person approved by the Registrar of Companies. Where a member appoints two (2) proxies to attend the same meeting, the member shall specify the proportion of shareholding to be represented by each proxy, failing which the appointment(s) shall be invalid.
2. Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories) Act, 1991, it shall be entitled to appoint not more than two (2) proxies in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.
3. 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.
4. When an authorised nominee or an exempt authorised nominee appoints more than one proxy, the proportion of shareholdings to be represented by each proxy must be specified in the instrument appointing the proxies.
5. For the purpose of determining a member who shall be entitled to attend the EGM, the Company will be requesting Bursa Malaysia Depository Sdn. Bhd. in accordance with Clause 59 of the Company’s Constitution to issue a General Meeting Record of Depositors as at 31 October 2017. Only members whose names appear in the General Meeting Record of Depositors as at 31 October 2017 shall be regarded as members and entitled to attend, speak and vote at the EGM.
6. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, either under the corporation’s seal or under the hand of an officer or attorney duly authorised. The instrument appointing a proxy shall be deemed to confer authority to demand or join in demanding a poll.
7. To be valid, the Proxy Form shall be deposited at the office of the share registrar of the Company at Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, 50490 Kuala Lumpur not less than forty-eight (48) hours before the time for holding the EGM or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than twenty-four (24) hours before the time appointed for the taking of the poll.
8. All resolutions as set out in the notice of EGM are to be voted by poll.