



PDZ HOLDINGS BERHAD

(Company No. 360419-T)
(Incorporated in Malaysia under the Companies Act, 1965)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting ("EGM") of PDZ Holdings Bhd ("PDZ" or the "Company") will be held at the Dillenia & Eugenia Rooms, Sime Darby Convention Centre, 1A, Jalan Bukit Kiara 1, 60000 Kuala Lumpur on Monday, 8 June 2015 at 10.30 a.m., for the purpose of considering and if thought fit, passing the following resolutions with or without modification:-

ORDINARY RESOLUTION 1

PROPOSED INCREASE IN THE AUTHORISED SHARE CAPITAL OF PDZ FROM RM100,000,000 COMPRISING 1,000,000,000 NEW ORDINARY SHARES OF RM0.10 EACH IN PDZ ("PDZ SHARES" OR "SHARES") TO RM5,000,000,000 COMPRISING 49,800,000,000 PDZ SHARES AND 2,000,000,000 REDEEMABLE CONVERTIBLE PREFERENCE SHARES OF RM0.01 PAR VALUE EACH IN PDZ ("RCPS") ("PROPOSED IASC")

THAT, subject to the passing of Special Resolutions 1 and 2 and Ordinary Resolutions 2, 3, 4, 5 and 6, the authorised share capital of PDZ be increased from RM100,000,000 comprising 1,000,000,000 ordinary shares of RM0.10 each in PDZ ("PDZ Shares") each to RM5,000,000,000 comprising 49,800,000,000 PDZ Shares and 2,000,000,000 RCPS;

THAT the Board of Directors of PDZ ("Board") be and is hereby authorised to do all such acts and things that are necessary to give full effect to the Proposed IASC;

THAT, in consequence thereof, the Memorandum and Articles of Association of the Company and all other relevant documents be and are hereby amended accordingly;

AND THAT Clause 5 of the Company's Memorandum of Association in relation to the authorised share capital of the Company be altered accordingly.

ORDINARY RESOLUTION 2

PROPOSED PRODUCTION OF LIQUIFIED PETROLEUM GAS ("LPG") AND CONDENSATE FROM THE NATURAL GAS SUPPLIED BY KENMAKUR HOLDINGS SDN BHD ("KENMAKUR") FROM THE RAKUSHECHNOYE OIL AND GAS FIELD ("PROPOSED LPG PRODUCTION")

THAT, subject to the passing of Special Resolutions 1 and 2 and Ordinary Resolutions 1, 3, 4, 5 and 6, and subject to the approval of all relevant authorities, (whether in its original form or with or subject to any condition, modification, variation and/or amendment imposed by such relevant authorities) approval be and is hereby given to the Company to:-

- enter into the Gas Supply Agreement dated 4 March 2015 (including the supplemental agreement dated 14 May 2015) between the Company, CaspiOilGas LLP and KENMAKUR;
- enter into the Profit Guarantee Agreement dated 4 March 2015 between the Company and KENMAKUR; and
- undertake the Proposed LPG Production.

THAT the Board be and are hereby authorised and empowered to carry out, do all such acts, deeds and things and take all such steps they may consider necessary, and to execute, sign, deliver and caused to be delivered on behalf of the Company all such documents and/or agreements in relation to or in connection with the Proposed LPG Production (including, without limitation, the affixing of the Company's common seal, where necessary) as the Board may consider necessary or required to give effect to the Proposed LPG Production;

AND THAT the Board be and are further authorised to give effect to the Proposed LPG Production with full power to assent to or make any conditions, modifications, variations and/or amendments in any manner as may be imposed by the relevant authorities or as the Board may deem necessary or expedient in the best interest of the Company and to take all steps as they may deem necessary or expedient in order to implement, finalise and give full effect to the Proposed LPG Production.

ORDINARY RESOLUTION 3

PROPOSED DIVERSIFICATION OF THE OPERATIONS OF PDZ AND ITS SUBSIDIARIES INTO THE DOWNSTREAM OIL AND GAS INDUSTRY ("PROPOSED DIVERSIFICATION")

THAT, subject to the passing of Special Resolutions 1 and 2 and Ordinary Resolutions 1, 2, 4, 5 and 6, and subject further to the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") and the approval of all relevant authorities, (whether in its original form or with or subject to any condition, modification, variation and/or amendment imposed by such relevant authorities), the Board be and are hereby authorised and empowered to carry out, do all such acts, deeds and things and take all such steps they may consider necessary, and to execute, sign, deliver and cause to be delivered on behalf of the Company all such documents and/or agreements (including, without limitation, the affixing of the Company's common seal, where necessary) as the Board may consider necessary or required to give effect to the Proposed Diversification;

AND THAT the Board be and are further authorised to give effect to the Proposed Diversification with full power to assent to or make any conditions, modifications, variations and/or amendments in any manner as may be imposed by the relevant authorities or as the Board may deem necessary or expedient in the best interest of the Company and to take all steps as they may deem necessary or expedient in order to implement, finalise and give full effect to the Proposed Diversification.

ORDINARY RESOLUTION 4

PROPOSED SPECIAL ISSUE OF UP TO 200,000,000 NEW PDZ SHARES ("SPECIAL ISSUE SHARES") TO INDEPENDENT THIRD PARTY INVESTOR(S) TO BE IDENTIFIED ("PROPOSED SPECIAL ISSUE")

THAT, subject to the passing of Special Resolutions 1 and 2 and Ordinary Resolutions 1, 2, 3, 4, 5 and 6, and subject further to the approval of all relevant authorities, including but not limited to the approval-in-principle being obtained from Bursa Securities for the listing of and quotation for all the new PDZ Shares to be issued hereunder (whether in its original form or with or subject to any condition, modification, variation and/or amendment imposed by such relevant authorities and Bursa Securities), the approval be and is hereby given for the issuance of up to 200,000,000 Special Issue Shares to investors to be identified at an issue price to be determined by the Board;

THAT the proceeds of the Proposed Special Issue be utilised for the purposes as set out in this Circular to Shareholders of the Company dated 15 May 2015, and the Board be 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, subject (where required) to the approval of the relevant authorities;

THAT all the new PDZ Shares to be issued herein shall rank *pari passu* in all respects with the existing PDZ Shares and the investors to identified for the Proposed Special Issue shall be entitled to participate in the Proposed Rights Issue with Warrants (as defined below) except that they shall not be entitled to any rights, dividends, allotment and/or other distributions which may be declared prior to the date of allotment of the said new PDZ Shares pursuant to the Proposed Special Issue;

THAT the Board be and is hereby authorised to fix the issue price of the Special Issue Shares in the manner stipulated in the Circular to Shareholders of the Company dated 15 May 2015;

AND THAT the Board be and are authorised to give effect to the Proposed Special Issue with full power to assent to or make any conditions, modifications, variations and/or amendments in any manner as may be imposed by the relevant authorities or as the Board may deem necessary or expedient in the best interest of the Company and to take all steps as they may deem necessary or expedient in order to implement, finalise and give full effect to the Proposed Special Issue.

ORDINARY RESOLUTION 5

PROPOSED RENOUNCEABLE RIGHTS ISSUE OF UP TO 5,881,267,040 NEW PDZ SHARES ("RIGHTS SHARES") TOGETHER WITH UP TO 2,940,633,520 FREE DETACHABLE WARRANTS ("WARRANTS") AT AN INDICATIVE ISSUE PRICE OF RM0.15 PER RIGHTS SHARE ON THE BASIS OF ELEVEN (11) RIGHTS SHARES FOR EVERY TWO (2) PDZ SHARES HELD TOGETHER WITH ONE (1) FREE WARRANT FOR EVERY TWO (2) RIGHTS SHARES SUBSCRIBED ("PROPOSED RIGHTS ISSUE WITH WARRANTS")

THAT, subject to the passing of the Special Resolutions 1 and 2 and Ordinary Resolutions 1, 2, 3, 4 and 6, and subject further to the approval of all relevant authorities, including but not limited to the approval-in-principle being obtained from Bursa Securities for the listing of and quotation for all the Rights Shares and Warrants to be issued hereunder and all the new PDZ Shares to be issued arising from the exercise of the Warrants (whether in its original form or with or subject to any condition, modification, variation and/or amendment imposed by Bursa Securities and such relevant authorities), the approval be and is hereby given to the Board to:-

- allot and issue by way of a renounceable rights issue of up to 5,881,267,040 Rights Shares to the shareholders of PDZ whose names appear on the Record of Depositors at the close of business on a date to be determined by the Board and to be announced by the Company ("Entitled Shareholders") on the basis of eleven (11) Rights Shares for every two (2) existing PDZ Shares held after the Proposed Special Issue;
- allot and issue up to 2,940,633,520 free Warrants to those Entitled Shareholders who have successfully applied for the Rights Shares on the basis of one (1) Warrant for every two (2) Rights Shares subscribed;
- constitute the Warrants upon the terms and conditions of a deed poll to be executed by PDZ ("Deed Poll"), the principal terms of which are set out in the Circular to Shareholders of the Company dated 15 May 2015;
- allot and issue such other additional Warrants as may be required or permitted to be issued as a result of any adjustment under the provisions of the Deed Poll and to adjust from time to time the exercise price of the Warrants as a consequence of the adjustments under the provisions in the Deed Poll and/or to effect such modifications, variations and/or amendments as may be imposed, required or permitted by Bursa Securities and any other relevant authorities or parties or otherwise; and

(e) allot and issue such number of new PDZ Shares credited as fully paid-up arising from the exercise of the Warrants during the tenure of the Warrants, including such appropriate number of PDZ Shares arising from the exercise of the additional Warrants.

THAT the Board be and is hereby authorised to fix the final issue price of the Rights Shares and exercise price of the Warrants in the manner stipulated in the Circular to Shareholders of the Company dated 15 May 2015;

THAT the proceeds of the Proposed Rights Issue with Warrants be utilised for the purposes as set out in the Circular to Shareholders of the Company dated 15 May 2015, and the Board be 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, subject (where required) to the approval of the relevant authorities;

THAT any Rights Shares which are not validly taken up or which are not allocated for any reasons whatsoever shall be made available for excess applications in such manner as the Board shall determine at its absolute discretion;

THAT the Board be and are hereby authorised to allocate the excess Rights Shares in a fair and equitable manner on a basis to be determined by the Board in their absolute discretion;

THAT the Board be and are hereby entitled to deal with all or any of the fractional entitlement of the Rights Shares and Warrants arising from the Proposed Rights Issue with Warrants, which are not validly taken up or which are not allotted for any reason whatsoever, in such manner and on such terms and conditions as the Board may in their absolute discretion deem fit or think expedient in the best interest of the Company (including without limitation to disregard such fractional entitlements);

THAT the approval hereby granted to PDZ to allot and issue the new PDZ Shares arising from the exercise of Warrants shall remain in full force and effect for the duration of the tenure of the Warrants;

THAT the Rights Shares to be issued herein shall rank *pari passu* in all respects with the existing PDZ Shares except that they will not be entitled to any rights, dividends, allotment and/or other forms of distributions that may be declared, made or paid to shareholders for which the entitlement date precedes the issue date of the new PDZ Shares arising from the Proposed Rights Issue with Warrants;

THAT the new PDZ Shares to be issued arising from the exercise of the Warrants shall rank *pari passu* in all respects with the existing PDZ Shares except that they will not be entitled to any rights, dividends, allotment and/or other distributions for which the relevant entitlement date precedes the issue date of the new PDZ shares arising from the exercise of the Warrants;

THAT the Rights Shares, the Warrants and the new PDZ Shares to be issued pursuant to the exercise of the Warrants shall be listed on Bursa Securities;

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 and new PDZ Shares to be issued pursuant to or in connection with the Proposed Rights Issue with Warrants;

AND THAT the Board be and are further authorised to do all acts, deeds and things and execute all necessary documents that they may deem fit or expedient in order to carry out, finalise and give effect to the Proposed Rights Issue with Warrants with full powers to assent to or make any conditions, modification, variation and/or amendment as may be imposed by the relevant authorities and to take all steps as they may consider necessary or expedient in the best interest of the Company in order to implement, finalise and give full effect to the Proposed Rights Issue with Warrants.

ORDINARY RESOLUTION 6

PROPOSED ALLOTMENT AND ISSUANCE OF 1,555,555,556 RCPS AT AN ISSUE PRICE OF RM0.18 PER RCPS TO KENMAKUR ("PROPOSED ISSUANCE OF RCPS")

THAT, subject to the passing of Special Resolutions 1 and 2 and Ordinary Resolutions 1, 2, 3, 4 and 5, and subject further to the approval of all the relevant authorities being obtained, including but not limited to the approval-in-principle being obtained from Bursa Securities for the listing of new PDZ Shares arising from the conversion of the RCPS, authority be and is hereby given to the Board to allot and issue 1,555,555,556 RCPS (including all conversion shares arising therefrom) to KENMAKUR or such nominated parties and according to such proportions as KENMAKUR shall determine;

AND THAT the Board be and are hereby empowered and authorised to do all acts, deeds and things and execute, sign, deliver and cause to be delivered on behalf of the Company all such documents and/or agreements (including, without limitation, the affixing of the Company's common seal, where necessary) as the Board may consider necessary, expedient or relevant to implement, finalise, complete and give full effect to the Proposed Issuance of RCPS with full powers to assent to any conditions, modifications, variations and/or amendments in any manner as may be required by the relevant authorities, Bursa Securities or as the Board may deem necessary or expedient in the best interest of the Company and to take such steps as they may deem necessary or expedient in order to implement, finalise, complete and give full effect to the Proposed Issuance of RCPS.

SPECIAL RESOLUTION 1

PROPOSED AMENDMENTS TO THE MEMORANDUM OF ASSOCIATION OF PDZ PURSUANT TO THE PROPOSED IASC ("PROPOSED AMENDMENTS TO THE MEMORANDUM")

THAT, subject to the passing of Special Resolution 2 and Ordinary Resolutions 1, 2, 3, 4, 5 and 6, the approval be and is hereby given for the amendments to the Memorandum of Association of PDZ as set out in the Circular to Shareholders of the Company dated 15 May 2015, be and hereby approved and adopted;

THAT the Board be and are hereby authorised and empowered to carry out, do all such acts, deeds and things and take all such steps they may consider necessary, and to execute, sign, deliver and caused to be delivered on behalf of the Company all such documents and/or agreements (including, without limitation, the affixing of the Company's common seal, where necessary) as the Board may consider necessary or required to give effect to the Proposed Amendments to the Memorandum;

AND THAT the Board be and are further authorised to give effect to the Proposed Amendments to the Memorandum with full power to assent to or make any conditions, modifications, variations and/or amendments in any manner as may be imposed by the relevant authorities or as the Board may deem necessary or expedient in the best interest of the Company and to take all steps as they may deem necessary or expedient in order to implement, finalise and give full effect to the Proposed Amendments to the Memorandum.

SPECIAL RESOLUTION 2

PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION OF PDZ PURSUANT TO THE PROPOSED ISSUANCE OF RCPS ("PROPOSED AMENDMENTS TO THE ARTICLES")

THAT, subject to the passing of Special Resolution 1 and Ordinary Resolutions 1, 2, 3, 4, 5 and 6, the approval be and is hereby given for the amendments to the Articles of Association of PDZ as set out in the Circular to Shareholders of the Company dated 15 May 2015, be and hereby approved and adopted;

THAT the Board be and are hereby authorised and empowered to carry out, do all such acts, deeds and things and take all such steps they may consider necessary, and to execute, sign, deliver and caused to be delivered on behalf of the Company all such documents and/or agreements (including, without limitation, the affixing of the Company's common seal, where necessary) as the Board may consider necessary or required to give effect to the Proposed Amendments to the Articles;

AND THAT the Board be and are further authorised to give effect to the Proposed Amendments to the Articles with full power to assent to or make any conditions, modifications, variations and/or amendments in any manner as may be imposed by the relevant authorities or as the Board may deem necessary or expedient in the best interest of the Company and to take all steps as they may deem necessary or expedient in order to implement, finalise and give full effect to the Proposed Amendments to the Articles.

By Order of the Board

DATO' MUHAMMAD HAFIDZ BIN NURUDDIN (MAICSA 7005820)
ALWIZAH AL-YAFI BIHTI AHMAD KAMAL (MAICSA 7033148)
Company Secretaries

Kuala Lumpur
15 May 2015

Notes:-

- A member entitled to attend and vote at the Meeting is entitled to appoint one or more proxies (but not more than two (2) to attend and vote instead of him. 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. Where a member appoints two (2) proxies to attend the same meeting, the member shall specify the proportion of his shareholding to be represented by each proxy, failing which the appointment(s) shall be invalid.
- Where a member of the Company is an authorized 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.
- Where a member of the Company is an exempt authorized 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 authorized nominee may appoint in respect of each omnibus account it holds.
- Where an authorised nominee or an exempt authorised nominee appoints more than one (1) proxy, the proportion of shareholdings to be represented by each proxy must be specified in the instrument appointing the proxies.
- Depositors whose names appear in the Record of Depositors on 1 June 2015 shall be entitled to attend and vote at the Meeting or appoint a proxy to attend, speak and vote on his behalf.
- The Proxy Form and the instrument appointing a proxy must be deposited with the share registrar of the Company, Tricor Investor Services Sdn Bhd at Level 17, The Gardens North Tower, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur not less than forty-eight (48) hours before the time set for holding the meeting or at any adjournment thereof.
- If the appointer is a corporation, the instrument appointing a proxy must be executed under its Common Seal or under the hand of its attorney.
- If no name is inserted in the space provided for the name of your proxy, the Chairman of the meeting will act as your proxy.