



GADANG HOLDINGS BERHAD

(278114-K)
(Incorporated in Malaysia)

NOTICE OF 22ND ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Twenty-Second (22nd) Annual General Meeting (AGM) of Gadang Holdings Berhad (the Company) will be held at Banyan, Casuarina & Dillenia Room, Ground Floor, Sime Darby Convention Centre, 1A Jalan Bukit Kiara 1, 60000 Kuala Lumpur on Thursday, 19th November 2015 at 10.00 a.m. for the following purposes:-

AGENDA

AS ORDINARY BUSINESS

- To receive the Audited Financial Statements of the Company for the year ended 31 May 2015 together with the Reports of the Directors and Auditors thereon. *Please refer to Note B (Ordinary Resolution 1)*
- To approve the payment of a first and final single tier dividend of 5 sen per share in respect of the financial year ended 31 May 2015. *(Ordinary Resolution 2)*
- To approve the payment of Directors' fees of RM220,000.00 in respect of the financial year ended 31 May 2015 (FY2014: RM192,000). *(Ordinary Resolution 3)*
- To re-elect Encik Adam Bin Bachek, who is retiring in accordance with Article 108 of the Company's Articles of Association. *(Ordinary Resolution 4)*
- To re-elect Ms Kok Pei Ling, who is retiring in accordance with Article 108 of the Company's Articles of Association. *(Ordinary Resolution 4)*
- To re-appoint Messrs Crowe Horwath as Auditors of the Company and to authorise the Directors to fix their remuneration. *(Ordinary Resolution 5)*

AS SPECIAL BUSINESS

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

7. Authority to Directors to issue shares

"THAT pursuant to Section 132D of the Companies Act, 1965, the Directors be and are hereby authorised to issue shares in the Company at any time until the conclusion of the next Annual General Meeting and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion, deem fit provided that the aggregate number of shares to be issued does not exceed ten per centum of the issued and paid-up share capital of the Company for the time being, subject always to the approvals of the relevant regulatory authorities." *(Ordinary Resolution 6)*

8. Proposed renewal of shareholders' mandate for recurrent related party transactions of a revenue or trading nature and the provision of financial assistance

"THAT, subject to the provisions of the Listing Requirements of Bursa Malaysia Securities Berhad, approval be and is hereby given for the Company and/or its subsidiaries ("Gadang Group") to enter into recurrent related party transactions of a revenue or trading nature and for the provision of financial assistance as set out in Section 2.4 of the Circular to Shareholders dated 28th October 2015 ("Circular") with the related parties listed in Section 2.3 of the Circular which transactions are necessary for the day-to-day operations, in the ordinary course of business of Gadang Group on terms which are not more favourable to the related parties than those generally available to the public and are not to the detriment of the minority shareholders;

THAT such authority shall commence immediately upon the passing of this resolution and shall continue to be in force until:

- the conclusion of the next Annual General Meeting ("AGM") of the Company, at which time it will lapse, unless renewed by a resolution passed at that meeting;
 - the expiration of the period within which the next AGM of the Company is required to be held pursuant to Section 143 (1) of the Companies Act, 1965 ("Act") (but shall not extend to such extension as may be allowed pursuant to Section 143 (2) of the Act); or
 - revoked or varied by resolution passed by the shareholders of the Company in a general meeting;
- whichever is the earlier;

AND THAT, the Directors and/or any of them be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) to give effect to the transactions contemplated and/or authorised by this resolution." *(Ordinary Resolution 7)*

9. Continuing In Office As Independent Director – Datuk Wan Lokman Bin Dato' Wan Ibrahim

"THAT approval be and is hereby given to Datuk Wan Lokman Bin Dato' Wan Ibrahim who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine years, to continue to act as an Independent Non-Executive Director of the Company". *(Ordinary Resolution 8)*

10. Continuing In Office As Independent Director – Encik Adam Bin Bachek

"THAT subject to the passing of Ordinary Resolution 3, approval be and is hereby given to Encik Adam Bin Bachek who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine years, to continue to act as an Independent Non-Executive Director of the Company". *(Ordinary Resolution 9)*

NOTICE OF DIVIDEND ENTITLEMENT AND PAYMENT

NOTICE IS ALSO HEREBY GIVEN THAT the first and final single tier dividend of 5 sen per share, for the financial year ended 31 May 2015, if approved by the shareholders at the 22nd Annual General Meeting, will be paid on 23 December 2015 to Depositors whose names appear in the Record of Depositors at the close of business on 30 November 2015.

A Depositor shall qualify for entitlement to the dividend only in respect of:-

- shares transferred into the Depositor's Securities Account before 4.00 p.m. on 30 November 2015 in respect of transfers; and
- shares bought on Bursa Malaysia Securities Berhad ("Bursa Securities") on a cum entitlement basis according to the Rules of Bursa Securities.

BY ORDER OF THE BOARD

SALLY TAN SEOK CHUNG
Secretary

Kuala Lumpur
28 October 2015

NOTES:

A. Appointment of Proxy and Entitlement of Attendance

- Only depositors whose names appear in the Record of Depositors as at 12 November 2015 be regarded as members and entitled to attend, speak and vote at this meeting.
- A member of the Company entitled to attend, speak and vote at this meeting, is entitled to appoint a proxy to attend, speak and vote in his stead. A proxy may but need not be a member of the Company. 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 seal or under the hand of an officer or attorney duly authorised.
- The Articles provide that a member shall not be entitled to appoint more than two (2) proxies to attend and vote at the same meeting and the appointment shall be invalid unless he specifies the proportion of his shareholdings to be represented by each proxy.
- 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 the proxy must be deposited at the Registered Office of the Company at Wisma Gadang, No 52, Jalan Tago 2, Off Jalan Persiaran Utama, Sri Damansara, 52200 Kuala Lumpur not less than forty-eight (48) hours before the time appointed for holding the meeting or adjourned meeting.

B. Audited Financial Statements

The agenda is meant for discussion only under the provisions of Section 169(1) of the Companies Act, 1965. As such, the Audited Financial Statements do not require formal approval of the shareholders, hence the matter will not be put for voting.

EXPLANATORY NOTES TO SPECIAL BUSINESS

(i) Ordinary Resolution 6 - Authority to Directors to issue shares

The proposed Ordinary Resolution 6 is a renewal of the general mandate for issuance of shares by the Company under Section 132D of the Companies Act, 1965, obtained from the shareholders at the last Annual General Meeting. The resolution, if passed, will empower the Directors of the Company to issue and allot new shares in the Company from time to time provided that the aggregate number of shares issued does not exceed 10% of the issued and paid-up share capital of the Company for the time being. This authority, unless revoked or varied by the Company in a general meeting, will expire at the conclusion of the next Annual General Meeting of the Company.

As at the date of this Notice, no new shares in the Company were issued pursuant to the mandate granted to the Directors at the last Annual General Meeting held on 19 November 2014 and which will lapse at the conclusion of this 22nd Annual General Meeting.

This mandate will provide flexibility to the Company for any possible fund raising activities, including but not limited to further placing of shares, for purpose of funding future investment project(s), working capital and/or acquisition(s) and thereby reducing administrative time and costs associated with the convening of additional shareholders meeting(s).

(ii) Ordinary Resolution 7 - Proposed renewal of shareholders' mandate for recurrent related party transactions of a revenue or trading nature and for the provision of financial assistance

The proposed Ordinary Resolution 7 is in relation to the approval of Shareholders' Mandate for Recurrent Related Party Transactions and if passed, will empower the Company and its subsidiaries ("Gadang Group") to enter into recurrent related party transactions of a revenue or trading nature and for the provision of financial assistance which are necessary for Gadang Group's day-to-day operations, subject to the transactions being in the ordinary course of business and on terms which are not more favourable to the related parties than those generally available to the public and are not to the detriment of the minority shareholders of the Company.

Details relating to Ordinary Resolution 7 are set out in the Circular to Shareholders dated 28 October 2015, which is despatched together with this Annual Report 2015.

(iii) Ordinary Resolutions 8 and 9 - Continuing In Office As Independent Non-Executive Directors

In line with Recommendation 3.3 of the Malaysian Code on Corporate Governance 2012, the Board of Directors has assessed the independence of Datuk Wan Lokman Bin Dato' Wan Ibrahim and Encik Adam Bin Bachek, who have served as Independent Non-Executive Directors for a cumulative term of more than nine years, and recommended them to continue to act as Independent Non-Executive Directors of the Company based on the following justifications:-

- Both of them have met the independence guidelines as set out in Chapter 1 of the Bursa Malaysia Securities Berhad Main Market Listing Requirements.
- Datuk Wan Lokman Bin Dato' Wan Ibrahim's vast experience in the banking sector and in-depth expertise in the plantation segment will greatly contribute in know-how to support Gadang's upstream and downstream palm oil activities.
- Encik Adam Bin Bachek's legal background in contract negotiations and technical knowledge in contract management shall be valuable to the Gadang Group, as more complex and higher value projects are being tendered by the Group.
- Both of them, having been with the Company for more than nine years, are familiar with the Group's business goals and have devoted sufficient time to discharge their statutory duties and fiduciary responsibilities.
- Both have exercised due care during their tenure as Independent Non-Executive Directors of the Company and have carried out their professional duties in the interest of the Company and shareholders.

The proposed Ordinary Resolution 8, if passed, will authorise Datuk Wan Lokman Bin Dato' Wan Ibrahim to continue in office as an Independent Non-Executive Director of the Company.

The proposed Ordinary Resolution 9, if passed, will authorise Encik Adam Bin Bachek to continue in office as an Independent Non-Executive Director of the Company.

STATEMENT ACCOMPANYING NOTICE OF ANNUAL GENERAL MEETING

No individual is seeking new election as a Director at the 22nd Annual General Meeting of the Company.

Further details of the Directors who are seeking for re-election are set out in the Directors' Profile on page 9 of this Annual Report 2015.