

**NOTICE IS HEREBY GIVEN** that the Twenty-First Annual General Meeting of Pharmaniaga Berhad will be held at Mutiara Ballroom, Ground Floor, Royale Chulan, Damansara, 2 Jalan PJU 7/3, Mutiara Damansara, 47810 Petaling Jaya, Selangor Darul Ehsan on Tuesday, 23 April 2019 at 9.00 a.m. for the purpose of transacting the following business:

## AS ORDINARY BUSINESS

- To receive the Audited Financial Statements for the financial year ended 31 December 2018 together with the Reports of the Directors and Auditors. **(Please refer to Note 1)**
- To re-elect Encik Mohd Suffian Haji Haron who retires as Director of the Company by rotation in accordance with Article 88 of the Company's Constitution, and being eligible, offers himself for re-election. **(Resolution 1)**
- To re-elect Encik Fahmy Ismail, who retires as a Director of the Company in accordance with Article 94 of the Company's Constitution, and being eligible, offers himself for re-election. **(Resolution 2)**
- To approve payment of RM34,528.00 being fees for the Director appointed with effect from 1 January 2019 until the conclusion of this Annual General Meeting of the Company. **(Resolution 3)**
- To approve payment of Directors' fees and meeting allowances for Pharmaniaga Berhad and its subsidiaries from 24 April 2019 until the conclusion of the next Annual General Meeting of the Company. **(Resolution 4)**
- To re-appoint Messrs. PricewaterhouseCoopers PLT as auditors of the Company and to hold office until the conclusion of the next Annual General Meeting, at a remuneration to be determined by the Directors. **(Resolution 5)**

## AS SPECIAL BUSINESS

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

- Ordinary Resolution Authority to Allot and Issue Shares in General Pursuant to Sections 75 and 76 of the Companies Act 2016** **(Resolution 6)**

"THAT pursuant to Sections 75 and 76 of the Companies Act 2016 and subject to the approvals of the relevant governmental/regulatory authorities, the Directors be and are hereby empowered to issue shares in the capital of the Company from time to time 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 issued pursuant to this resolution does not exceed 10% of the issued share capital of the Company for the time being and that the Directors be and are hereby also empowered to obtain approval from the Bursa Malaysia Securities Berhad for the listing and quotation of the additional shares so issued and that such authority shall continue to be in force until the conclusion of the next Annual General Meeting of the Company."

## 8. Ordinary Resolution

### Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions (Resolution 7)

"THAT, subject always to the Companies Act 2016 ("Act"), the Company's Constitution and the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, approval be and is hereby given for the renewal of the mandate granted by the shareholders of the Company on 11 April 2018, authorising the Company and/or its subsidiaries to enter into recurrent transactions of a revenue or trading nature with the Related Parties as specified in Section 2.2 of the Circular to Shareholders dated 25 March 2019, provided that the transactions are:

- necessary for the day to day operations;
- carried out in the ordinary course of business and on normal commercial 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.

**AND THAT** such approval 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 by a resolution passed at the said AGM, such authority is renewed;
- the expiration of the period within which the next AGM of the Company is required to be held pursuant to Section 340(2) of the Act (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or
- revoked or varied by resolution passed by the shareholders in a General Meeting;

whichever is the earlier.

**AND FURTHER THAT** the Directors of the Company be authorised to complete and do all such acts and things (including executing all such documents as may be required) as they may consider expedient or necessary to give effect to this Shareholders' Mandate."

## 9. Special Resolution

### Proposed Adoption of the new Constitution of the Company (Special Resolution 1)

"THAT the draft new set of the Constitution of the Company in the form and manner as set out in Appendix A attached herewith be and is hereby approved and adopted as the new Constitution of the Company, in substitution for, and to the exclusion of, the existing Constitution of the Company AND THAT the Directors be and are hereby authorised to do all such acts and things and to take such steps that are necessary to give effect to adoption of the new Constitution of the Company."

- To transact any other business of the Company of which due notice shall have been received.

By Order of the Board

**TASNEEM MOHD DAHALAN**

Secretary  
Kuala Lumpur  
25 March 2019

## Notes

### 1. Audited Financial Statements

The Audited Financial Statements laid at this meeting pursuant to Section 340(1)(a) of the Act are meant for discussion only. It does not require shareholders' approval, and therefore, shall not be put forward for voting.

### 2. Ordinary Resolutions 1 and 2 – Re-election of Directors in accordance with Article 88 and 94 of the Company's Constitution

Article 88 of the Company's Constitution provides amongst others that at least one-third of the Directors who are subject to retirement by rotation or, if their number is not three (3) or multiple of three (3), the number nearest to one-third shall retire from office provided always that all Directors shall retire from office once at least in every three (3) years and shall be eligible for re-election. At this AGM Encik Mohd Suffian Haji Haron will be standing for re-election pursuant to Article 88 of the Company's Constitution.

The Board through the Nomination Committee ("NC") has assessed the criteria and contribution of Encik Mohd Suffian Haji Haron and has recommended for his re-election as Director of the Company.

Article 94 of the Company's Constitution provides amongst others that any casual vacancy occurring in the Board of Directors may be filled up by the Directors, but any person so chosen shall retain his office only until the next AGM of the Company, at which he shall retire, but at which he shall be eligible for re-election. At this AGM Encik Fahmy Ismail will be standing for re-election pursuant to Article 94 of the Company's Constitution.

The profiles of the Directors who are standing for re-election are set out on pages 18 and 22 of the Annual Report, while details of their interests in securities are set out on page 229 of the Annual Report.

### 3. Ordinary Resolutions 3 and 4 – Directors' Remuneration

Section 230(1) of the Act provides amongst others that the fees of the Directors and any benefits payable to the Directors of a listed company and its subsidiaries shall be approved at the general meeting.

**Ordinary Resolution 3** seeks approval for payment of Directors' fees for Encik Fahmy Ismail who was appointed to the Board on 1 January 2019. Payment is for the period 1 January 2019 until conclusion of this AGM of the Company. The Company will seek approval for payment of his Director fees from 24 April 2019 until conclusion of the next AGM under Ordinary Resolution 4.

**Ordinary Resolution 4** seeks approval for payment of Directors' fees and meeting allowances from 24 April 2019 until the conclusion of the next AGM of the Company, which comprises the following, with or without modifications:

#### Pharmaniaga Berhad

No	Directors	Annual Fees (RM)
1	Mohd Suffian Haji Haron	120,000
2	Izzat Othman	110,000
3	Lieutenant General Dato' Seri Panglima Dr Sulaiman Abdullah (Retired)	90,000
4	Fahmy Ismail	90,000

			Annual Fees (RM)
Board of Directors	Chairman	For any new appointment from the conclusion of the 2019 AGM until conclusion of the next AGM	170,000
	Member		90,000
Audit Committee	Chairman		30,000
	Member		20,000
Other Board Committees	Chairman		5,000
	Member		3,000

			Meeting Allowance (per meeting) RM
Board of Directors	Chairman		1,500
	Member		1,000
Board Committees Meetings	Chairman		1,500
	Member		1,000

#### Subsidiaries of Pharmaniaga Berhad

Name	Position Held	Type	Amount (RM)
Dato' Farshila Emran	Director	<b>PT Errita Pharma</b>	
		Directors' Fee (annual)	30,000
Izzat Othman	Director	<b>PT Millennium Pharmacon International Tbk</b>	
		Directors' Fee (annual)	46,150*
		Meeting allowance – per meeting	1,000
		Board Committees	750
Director	Director	<b>PT Errita Pharma</b>	
		Directors' Fee (annual)	48,000
Pharmaniaga Group	Director	<b>Pharmaniaga Group</b>	
		Directors' Fee (annual)	1,000
Pharmaniaga Group	Director	<b>Pharmaniaga Group</b>	
		Directors' Fee (annual)	36,000

\* IDR 162.5 million based on average rate of RMD.0284 as at 31 December 2018.

### 4. Ordinary Resolution 5 – Re-appointment of Auditors

The Board and Audit Committee of the Company are satisfied with the quality of service, adequacy of resources provided, communication, interaction skills and independence, objectivity and professionalism demonstrated by the External Auditors, Messrs. PricewaterhouseCoopers PLT in carrying out their functions. Being satisfied with the External Auditors' performance, the Board recommends their re-appointment for shareholders' approval at the Twenty-First AGM.

### 5. Explanatory Notes to Special Business

#### a) Ordinary Resolution 6 - Authority for Directors to Allot and Issue Shares

Ordinary Resolution 6, if passed, will give powers to the Directors to issue up to a maximum of 10% of the issued share capital of the Company for the time being for such purposes as the Directors consider would be in the interest of the Company.

This authority will, unless revoked or varied by the Company at a general meeting, expire at the conclusion of the next AGM.

The authority 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 acquisitions.

As at the date of this Notice, no new shares were issued pursuant to the authority granted to the Directors at the Twentieth AGM held on 11 April 2018, the mandate of which will lapse at the conclusion of the Twenty-First AGM to be held on 23 April 2019.

### b) Ordinary Resolution 7 - Recurrent Related Party Transactions

Ordinary Resolution 7, if passed, will enable the Company and/or its Subsidiaries to enter into recurrent transactions involving the interests of Related Parties, which are of a revenue or trading nature and necessary for the Group's day-to-day operations, subject to the transactions being carried out in the ordinary course of business and on terms not to the detriment of the minority shareholders of the Company ("Mandate").

Further information on the Mandate is set out in the Circular to Shareholders dated 25 March 2019.

### c) Special Resolution 1 - Proposed Adoption of the New Constitution of the Company

The proposed Special Resolution 1, if passed, will enable the Company's Constitution to be in line with the Act and the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. The proposed new Constitution is set out in Appendix A, a copy of which is despatched together with the Constitution of the Company.

### 6. Appointment of Proxy

- A member of the Company entitled to attend and vote at the meeting is entitled to appoint a proxy to be his proxy to attend and vote in his stead. A proxy may but need not be a member of the Company.
- In the case of a Corporation, the proxy should be executed under the hand of a duly authorised officer.
- A member of the Company is entitled to appoint more than one proxy to attend and vote at the same meeting in his stead, provided that the member 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 a proxy and the power of attorney or other authority (if any) under which it is signed, should be deposited at the office of the Company's Share Registrar, Tricor Investor & Issuing House Services Sdn Bhd, located at Unit 32-01, Level 32, Tower A, Vertical Business Suite Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur or its Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, no later than Sunday, 21 April 2019 at 9.00 a.m.
- Only members registered in the Record of Depositors as at 12 April 2019 shall be eligible to attend the meeting or appoint a proxy to attend and vote on his/her behalf.
- Pursuant to Paragraph 8.29A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all the resolutions set out in this Notice will be put to vote by poll.