



ASIAN PAC HOLDINGS BERHAD

(Company No. 129-T)
(Incorporated in Malaysia)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an extraordinary general meeting (“**EGM**”) of Asian Pac Holdings Berhad (“**Asian Pac**” or the “**Company**”) will be held at Tournament Room, West Wing, TPC Kuala Lumpur (Kuala Lumpur Golf and Country Club Berhad), 10, Jalan 1/70D, Off Jalan Bukit Kiara, 60000 Kuala Lumpur on Friday, 20 January 2017 at 10.00 a.m. or at any adjournment thereof, for the purposes of considering and if thought fit, passing with or without modifications, the following:

ORDINARY RESOLUTION 1

PROPOSED RENOUNCEABLE RIGHTS ISSUE OF UP TO RM99,256,461 NOMINAL VALUE OF 5-YEAR 3% IRREDEEMABLE CONVERTIBLE UNSECURED LOAN STOCKS TO BE ISSUED AT 100% OF ITS NOMINAL VALUE OF RM1.00 EACH (“ICULS”) ON THE BASIS OF 1 ICULS FOR EVERY 10 ORDINARY SHARES OF RM0.20 EACH IN ASIAN PAC HOLDINGS BERHAD (“ASIAN PAC SHARES”) HELD BY THE ENTITLED SHAREHOLDERS OF THE COMPANY (“ENTITLED SHAREHOLDERS”) ON AN ENTITLEMENT DATE TO BE DETERMINED LATER TOGETHER WITH UP TO 198,512,922 FREE NEW DETACHABLE WARRANTS (“WARRANTS”) TO BE ISSUED ON THE BASIS OF 2 WARRANTS FOR EACH ICULS SUBSCRIBED

“**THAT** subject to the passing of Ordinary Resolution 2 and all approvals being obtained from the relevant regulatory authorities including the Securities Commission Malaysia (“**SC**”) for the approval of the issuance of the ICULS, approval be and is hereby given to the Board of Directors of the Company (“**Board**”) to:

- (i) undertake the renounceable rights issue of up to RM99,256,461 nominal value of ICULS at 100% of its nominal value of RM1.00 each on the basis of 1 ICULS for every 10 Asian Pac Shares held by the Entitled Shareholders, which is to be provisionally allotted to the Entitled Shareholders on an entitlement date to be determined later together with up to 198,512,922 Warrants on the basis of 2 Warrants for each ICULS subscribed;
- (ii) issue and allot such ICULS and Warrants, as may be required to give effect to the Proposed Rights Issue in such manner as set out in Section 2.1 of Part A of the Circular to Shareholders of the Company dated 29 December 2016 (“**Circular**”);
- (iii) enter into and execute the trust deed with the trustee appointed by the Company constituting the ICULS (“**Trust Deed**”) 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 Trust Deed;
- (iv) 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;
- (v) issue the ICULS entitling the holder of each ICULS to subscribe for 5 new Asian Pac Shares in the Company at the conversion price or any other conversion price as may be adjusted pursuant to the provisions contained in the Trust Deed constituting the ICULS, at any time from the date of issue of the ICULS up to and including the maturity date and/or any extension thereof;

- (vi) issue and allot additional Warrants as may be required or permitted to be issued arising from such adjustment(s) in accordance with the provisions of the Deed Poll constituting the Warrants entitling the holder of each Warrant to subscribe for 1 new Asian Pac Share in the Company at the exercise price or any other exercise price as may be adjusted pursuant to the provisions contained in the Deed Poll constituting the Warrants, at any time from the date of issue of the Warrants up to and including the maturity date and/or any extension thereof;
- (vii) issue and allot such appropriate number of Asian Pac Shares, credited as fully paid-up, to the ICULS holders and holders of the Warrants arising from the conversion of the ICULS and/or from the exercise of the Warrants to subscribe for new Asian Pac Shares and/or such appropriate number of Asian Pac Shares arising from the conversion of the ICULS and/or from the exercise of the Warrants referred to in paragraphs (v) and (vi) above in accordance with the terms and conditions of the Trust Deed as well as the terms and conditions of the Deed Poll AND THAT any new Asian Pac Shares to be issued arising from the conversion of the ICULS and/or from the exercise of the Warrants (inclusive of the additional ICULS and/or Warrants referred to in paragraphs (v) and (vi) above), shall upon issuance and allotment, rank *pari passu* in all respect with the then existing Asian Pac Shares, save and except that such Asian Pac Shares shall not be entitled to any dividends, rights, allotments and/or any other forms of distribution which may be declared, made or paid, where the entitlement date precedes the date of allotment of such new Asian Pac Shares arising from the conversion of the ICULS and/or the exercise of the Warrants;
- (viii) deal with any fractional entitlements of an Asian Pac Share or an ICULS or a Warrant that may arise from the Proposed Rights Issue in such manner as the Board may at its absolute discretion deem fit and expedient to minimise the incidence of odd lots and in the best interest of the Company;
- (ix) make available any ICULS with Warrants which are not taken up or validly taken up for excess applications to the Entitled Shareholders and/or their transferee(s) and/or their renounee(s) who have applied for the excess ICULS with Warrants in a fair and equitable manner and on such basis as may be determined by the Board subject always to such allocation being made on a fair and equitable basis and that the intentions of Board as set out in Section 2.1.1 of Part A of the Circular are achieved;
- (x) the proceeds of the Proposed Rights Issue be utilised for the purposes as set out in Section 2.1.7 of Part A of the Circular, and the Board be and is hereby authorised to revise the manner and purpose of the utilisation of proceeds as it may deem fit, expedient and in the best interest of the Company subject to the approval of any relevant authorities (where required); and
- (xi) execute or enter into agreements, deed or arrangements as the Board may deem necessary or expedient, to give effect to the Proposed Rights Issue with full power to make and/or assent to any conditions, variation, modification and/or amendments (if any) as may imposed /agreed to by the relevant authorities and to take all such steps as they may deem necessary in order to implement, finalise and give full effect to the Proposed Rights Issue with or without variation,

AND THAT in order to implement, complete and give full effect to the Proposed Rights Issue, approval be and is hereby given to the Board to do or procure to be done all acts, deeds and things and to execute, sign and deliver on behalf of the Company, all such documents as it may deem necessary, expedient and/or appropriate to implement, give full effect to and complete the Proposed Rights Issue, with full powers to assent to any conditions, modifications, variations and/or amendments thereto as may be imposed by the relevant authority and/or as the Board may deem fit."

ORDINARY RESOLUTION 2

PROPOSED EXEMPTION TO MAH SAU CHEONG AND PERSON ACTING IN CONCERT WITH HIM ("PAC") FROM THE OBLIGATION TO UNDERTAKE A MANDATORY TAKE-OVER OFFER FOR ALL THE ASIAN PAC SHARES, CONVERTIBLE SECURITIES AND NEW ASIAN PAC SHARES TO BE ISSUED PURSUANT TO THE CONVERSION OF ICULS AND/OR THE EXERCISE OF THE WARRANTS NOT HELD BY MAH SAU CHEONG OR HIS PAC PURSUANT TO PARAGRAPH 4.08 OF THE RULES ON TAKE-OVERS, MERGERS AND COMPULSORY ACQUISITIONS 2016 ("PROPOSED EXEMPTION")

"THAT subject to the passing of Ordinary Resolution 1 and the approvals and/or consents of the SC and/or any other relevant authorities or parties (where required) including such conditions as may be imposed by the SC, approval be and is hereby given for Mah Sau Cheong and his PAC to be exempted from the obligation to undertake a mandatory take-over offer to acquire all the remaining Asian Pac Shares of the Company not already held by him and his PAC which would arise pursuant to the conversion of the ICULS and/or exercise of the Warrants in accordance with Paragraph 4.08 of the Rules on Take-Overs, Mergers and Compulsory Acquisitions 2016 which encompasses the following:

- (i) The irrevocable undertaking from Mah Sau Cheong and Chin Lai Kuen to subscribe by way of excess application, in aggregate with their irrevocable undertaking to subscribe in full for their respective entitlements under the Proposed Rights Issue, for up to RM65.0 million nominal value of ICULS together with 130.0 million Warrants;
- (ii) Full or partial conversion of the ICULS by Mah Sau Cheong or his PAC during the entire tenure of the ICULS; and/or
- (iii) Full or partial exercise of the Warrants by Mah Sau Cheong or his PAC during the entire tenure of the Warrants;

AND THAT in order to implement, complete and give full effect to the Proposed Exemption, approval be and is hereby given to the Board to do or procure to be done all acts, deeds and things and to execute, sign and deliver on behalf of the Company, all such documents as it may deem necessary, expedient and/or appropriate to implement, give full effect to and complete the Proposed Exemption, with full powers to assent to any conditions, modifications, variations and/or amendments thereto as may be imposed by the relevant authority and/or as the Board may deem fit."

BY ORDER OF THE BOARD

Chan Yoon Mun (MAICSA 0927219)
Ooi Mei Ying (MAICSA 7051036)
Company Secretaries

Kuala Lumpur
29 December 2016

Notes:

(1) **Members Entitled To Attend**

In respect of deposited securities, only members whose names appear in the Record of Depositors on 13 January 2017 shall be entitled to attend, speak and vote at the EGM or appoint proxy/proxies to attend and/or vote on his behalf.

(2) **Appointment of Proxy**

(a) *A member entitled to attend and vote at the meeting is entitled to appoint a proxy or proxies (but not more than 2 proxies) to attend and vote in his stead. A proxy 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.*

(b) *Where a member appoints 2 proxies, the appointment shall be invalid unless he specifies the proportion of his shareholdings to be represented by each proxy.*

Notes (Cont'd):

- (c) *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 1 proxy in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.*
- (d) *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. An exempt authorised nominee refers to an authorised nominee defined under SICDA which is exempted from compliance with the provisions of subsection 25A(1) of SICDA.*
- (e) *An instrument appointing a proxy, in the case of an individual, shall be signed by the appointor or by his/her attorney and in the case of a corporation shall be either given under its common seal or signed on its behalf by an attorney or officer of the corporation so authorised.*
- (f) *An instrument appointing a proxy must be deposited at the Registered Office of the Company at 12th Floor, Menara SMI, No. 6, Lorong P. Ramlee, 50250 Kuala Lumpur not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof.*

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