



NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting of Priceworth International Berhad ("**PIB**" or "**Company**") will be held at Sabah Oriental Hotel, Lorong Karamuning, Kota Kinabalu, Sabah on Friday, 20 December 2013 at 2.30 p.m. or immediately after the conclusion or adjournment (as the case may be) of the 17th Annual General Meeting of the Company to be held at the same venue and on the same day at 2.00 p.m., whichever is the later or any adjournment thereof, for the purpose of considering and if thought fit, passing the following resolutions with or without modifications:

SPECIAL RESOLUTION 1

PROPOSED REDUCTION OF THE PAR VALUE OF EACH EXISTING ORDINARY SHARES OF RM0.50 EACH TO RM0.10 EACH IN PIB PURSUANT TO SECTION 64(1) OF THE COMPANIES ACT 1965 ("ACT") ("PROPOSED PAR VALUE REDUCTION")

"**THAT** subject to the passing of Special Resolution 2, the sanction of the High Court of Malaya pursuant to Section 64 of the Act and approvals being obtained from the relevant authorities and parties, the par value of every existing ordinary share of RM0.50 each in the issued and paid up share capital of the Company to be reduced to RM0.10 each and the credit arising from the said reduction to be credited as other reserve of the Company;

AND THAT the Board of the Company be and is hereby authorised to take such steps, execute such documents and enter into any arrangement, 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 effects to the Proposed Par Value 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."

SPECIAL RESOLUTION 2

PROPOSED AMENDMENT TO THE MEMORANDUM OF ASSOCIATION OF PIB TO FACILITATE THE IMPLEMENTATION OF THE PROPOSED PAR VALUE REDUCTION ("PROPOSED MA AMENDMENT")

"**THAT** subject to the passing of Special Resolution 1, approval be and is hereby given to the Company to alter, modify, vary and delete the Memorandum of Association of the Company in the following manner:

Memorandum of Association

Clause 5

Existing

The authorized share capital of the Company is RM200,000,000 divided into 400,000,000 ordinary shares of RM0.50 each. The shares in the original or any increased capital may be divided into several classes and there may be attached thereto respectively any preferential, deferred or other special rights, privileges, conditions or restrictions as to dividend, capital, voting or otherwise.

Proposed Change

The authorized share capital of the Company is RM200,000,000 divided into **2,000,000,000** ordinary shares of **RM0.10** each. The shares in the original or any increased capital may be divided into several classes and there may be attached thereto respectively any preferential, deferred or other special rights, privileges, conditions or restrictions as to dividend, capital, voting or otherwise.

ORDINARY RESOLUTION 1

PROPOSED ACQUISITION OF THE ENTIRE ISSUED AND PAID-UP SHARE CAPITAL OF BETA BUMI SDN BHD ("BBSB") BY PIB ("PROPOSED ACQUISITION")

"**THAT**, subject to all relevant regulatory approvals being obtained and the passing of Special Resolution 1 and Special Resolution 2, approval be and is hereby given to PIB, to acquire 500,000 ordinary shares of RM1.00 each in BBSB, representing the entire issued and paid-up share capital of BBSB for a total purchase consideration of RM25,000,000 to be satisfied by way of cash consideration of RM2,000,000 and the balance of RM23,000,000 to be satisfied via issuance of 65,714,285 new ordinary shares of RM0.10 each in PIB ("**New PIB Shares**") at an issue price of RM0.35 per New PIB Share and subject to the terms and conditions as set out in the Share Sale Agreement ("**SSA**") dated 1 April 2013 entered into between PIB and BBSB.

AND THAT the Board of Directors of PIB be and is hereby authorised to take all such steps and to sign, execute and enter into all deeds, agreements, arrangements, undertakings, transfers and indemnities as they may deem fit, necessary, expedient and/or appropriate in order to implement, perform, finalise and give full effect to the Proposed Acquisition under the terms and conditions of the SSA with full powers to assent to any conditions, modifications, variations and/or amendments as may be required by any relevant authorities and/or as the Board of Directors of PIB deem fit, appropriate and in the best interest of PIB."

ORDINARY RESOLUTION 2

PROPOSED ISSUANCE OF UNSECURED REDEEMABLE CONVERTIBLE NOTES WITH AN AGGREGATE PRINCIPAL AMOUNT OF UP TO RM50.0 MILLION ("PROPOSED RCN ISSUE")

"**THAT**, subject to the approval of all relevant authorities and the passing of Special Resolution 1 and Special Resolution 2, approval be and is hereby given to the Company to:

- (i) issue up to RM50.0 million nominal value of 2.0% equity-linked redeemable structured convertible notes ("**RCN**"), convertible into ordinary shares of RM0.10 each in the capital of PIB ("**New PIB Share(s)**") at a conversion price to be determined in accordance with the terms and conditions of the RCN.
- (ii) allot and issue such number of New PIB Shares pursuant to the conversion of the RCN, from time to time during the tenure of the RCN, credited as fully paid-up, to or to the order of the noteholder of the RCN in accordance with the terms and conditions of the RCN.

subject to the terms and conditions as set out in the Subscription Agreement dated 1 April 2013 and Supplemental Agreement dated 7 August 2013 entered into between PIB and Advance Opportunities Fund and Advance Capital Fund Ltd.

THAT such New PIB Shares to be issued arising from the conversion of the RCN, shall, upon allotment and issue, be listed on the Main Market of Bursa Malaysia Securities Berhad and rank *pari passu* in all respects with the existing PIB Shares except that they will not be entitled to any dividends, rights, allotments and/or other distributions that may be declared, made or paid prior to the relevant date of allotment of the New PIB Shares.

AND THAT the Board of Directors of the Company be and is hereby authorised to take all such steps and to sign, execute and enter into all such other agreements, deeds, arrangements, undertakings, indemnities, transfers, assignments and guarantees with any party or parties and to do all acts and things, as the board of directors may deem fit, necessary, expedient and/or appropriate in order to implement, perform, finalise and give full effect to the Proposed RCN Issue with full powers to sign and execute all documents, make applications to authorities and regulatory bodies for any approvals and consents required and assent to any conditions, modifications, revaluations, variations and/or amendments as may be required by the relevant authorities and to do all such acts and things in any manner as they may deem necessary or expedient and/or appropriate to implement, finalise and give full effect to the Proposed RCN Issue."

By Order of the Board

Katherine Chung Mei Ling (MAICSA 7007310)

Company Secretary

Sandakan
28 November 2013

Notes:

- (i) Only a depositor whose name appears on the Record of Depositors as at 16 December 2013 shall be entitled to attend, speak and vote at the Meeting or appoint proxy/proxies to attend and vote on his/her behalf.
- (ii) A proxy may but need not be a Member of the Company and the provision of Section 149(1)(b) of the Companies Act, 1965 shall not apply.
- (iii) Where a Member appoints two (2) proxies, the appointment shall be invalid unless he specifies the proportion of his shareholdings to be represented by each proxy.
- (iv) Where a Member is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one (1) 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.
- (v) To be valid, this form duly completed must be deposited at the Registered Office of the Company at Lot 5, 1st Floor, Block No. 4, Bandar Indah, Mile 4, Jalan Utara, P. O. Box 2848, 90732 Sandakan, Sabah not less than forty-eight (48) hours before the time for holding the meeting or any adjournment thereof.