



ZELAN BERHAD

(Company No. 27676-V)
(Incorporated in Malaysia under the Companies Act, 1965)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Extraordinary General Meeting ("EGM") of Zelan Berhad ("Zelan" or "Company") will be held at Mahkota 2, BR Level, Hotel Istana, 73, Jalan Raja Chulan, 50250 Kuala Lumpur on Monday, 30 September 2013 at 3.00 p.m. or immediately after the conclusion of adjournment (as the case may be) of the 37th Annual General Meeting of the Company which will be held at the same venue and on the same day at 2.30 p.m., for the purpose of considering and, if thought fit, passing the following resolutions:

SPECIAL RESOLUTION 1

PROPOSED REDUCTION OF RM0.40 OF THE PAR VALUE OF EACH EXISTING ORDINARY SHARE OF RM0.50 EACH IN ZELAN PURSUANT TO SECTION 64 OF THE COMPANIES ACT, 1965 ("PROPOSED PAR VALUE REDUCTION")

"**THAT** subject to the confirmation of the High Court of Malaya ("**Court**") pursuant to Section 64 of the Companies Act, 1965 and the passing of the Special Resolution 3 below, approval be and is hereby given to the Company to reduce its issued and paid-up share capital from RM281,631,485 comprising 563,262,970 ordinary shares of RM0.50 each in Zelan ("**Zelan Shares**") to RM56,326,297 comprising 563,262,970 ordinary shares of RM0.10 each in Zelan ("**New Zelan Shares**") through cancellation of RM0.40 from the existing par value of RM0.50 of each Zelan Share.

THAT the credit arising from the Proposed Par Value Reduction be fully utilised to eliminate the accumulated losses of the Company.

AND THAT authority be and is hereby given to the Directors of the Company ("**Directors**") to do all such deeds, acts and things and execute, sign and deliver all documents for and on behalf of the Company as they may consider necessary or expedient to finalise, implement and give effect to the Proposed Par Value Reduction with full power to assent to any conditions, modifications, variations as may be imposed or permitted by the relevant authorities/parties and/or the Court."

SPECIAL RESOLUTION 2

PROPOSED REDUCTION OF THE SHARE PREMIUM ACCOUNT OF ZELAN PURSUANT TO SECTIONS 60 AND 64 OF THE COMPANIES ACT, 1965 ("PROPOSED SHARE PREMIUM REDUCTION")

"**THAT** subject to the confirmation of the Court pursuant to Sections 60 and 64 of the Companies Act, 1965, approval be and is hereby given to the Company to reduce the Company's share premium account by the cancellation of the sum of up to approximately RM124.396 million standing to credit of the Company's share premium account.

THAT the credit arising from the Proposed Share Premium Reduction be fully utilised to eliminate the accumulated losses of the Company.

AND THAT authority be and is hereby given to the Directors to do all such deeds, acts and things and execute, sign and deliver all documents for and on behalf of the Company as they may consider necessary or expedient to finalise, implement and give effect to the Proposed Share Premium Reduction with full power to assent to any conditions, modifications, variations as may be imposed or permitted by the relevant authorities/parties and/or the Court."

SPECIAL RESOLUTION 3

PROPOSED AMENDMENT TO THE MEMORANDUM OF ASSOCIATION OF ZELAN ("PROPOSED MOA AMENDMENT")

"**THAT**, subject to the passing of the Special Resolution 1, the Memorandum of Association of the Company be amended in the manner set out in **Section 2.4** of the Circular to Shareholders dated 9 September 2013 ("**Circular**").

AND THAT the Directors be and are hereby authorised to give effect to the aforesaid amendments to the Memorandum of Association of the Company."

ORDINARY RESOLUTION 1

PROPOSED RENOUNCEABLE RIGHTS ISSUE OF 281,631,485 NEW ZELAN SHARES ("RIGHTS SHARES") ON THE BASIS OF 1 RIGHTS SHARE FOR EVERY 2 NEW ZELAN SHARES HELD ON AN ENTITLEMENT DATE TO BE DETERMINED LATER TOGETHER WITH 281,631,485 FREE DETACHABLE WARRANTS ("WARRANTS") ON THE BASIS OF 1 WARRANT FOR EVERY 1 RIGHTS SHARE SUBSCRIBED ("PROPOSED RIGHTS ISSUE WITH WARRANTS")

"**THAT** subject to the passing of Special Resolutions 1 and 3, and the approval from the relevant authorities being obtained where necessary, approval be and is hereby given for Zelan to undertake the Proposed Rights Issue with Warrants as set out in **Section 2.5** of the Circular including the following:

- (i) To provisionally allot and issue by way of renounceable rights issue of 281,631,485 Rights Shares at an issue price to be determined and announced later by the Directors, together with 281,631,485 free Warrants on the basis of 1 Rights Share for every 2 New Zelan Shares together with 1 free Warrant for every 1 Rights Share subscribed in Zelan held by the entitled shareholders of the Company whose name appear in the Record of Depositors on an entitlement date to be determined and announced later;
- (ii) To determine the final issue price of the Rights Shares and the exercise price of the Warrants prior to the price fixing date to be determined by the Directors after taking into consideration the following:
 - (a) the prevailing market conditions prior to the price fixing date;
 - (b) the market price of New Zelan Shares;
 - (c) the theoretical ex-rights price ("**TERP**") of the New Zelan Shares, based on the 5-day volume weighted average market price ("**VWAMP**") of New Zelan Shares with a discount to the TERP if deemed appropriate by the Directors; and
 - (d) the new par value of the New Zelan Shares.
- (iii) To issue the Warrants based on the principal terms of which are set out in **Section 2.5.6** of the Circular and upon the terms and conditions of a deed poll to be executed by Zelan ("**Deed Poll**");
- (iv) To allot and issue such number of New Zelan Shares arising from the exercise of the Warrants during the tenure of the Warrants; and
- (v) To 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.

THAT the Directors be and are hereby authorised to allocate the excess Rights Shares, if any, in a fair and equitable manner on a basis to be determined by the Directors in their absolute discretion.

THAT the Directors be and are hereby authorised to deal with all or any of the fractional entitlement of the Rights Shares and Warrants pursuant to the Proposed Rights Issue with Warrants, which are not validly taken up or which are not allotted for any reason whatsoever, in such fair and equitable manner as the Directors may in their absolute discretion deems fit and in the best interest of the Company.

THAT the Rights Shares and the New Zelan Shares to be issued arising from the exercise of the Warrants will, upon allotment and issuance, rank pari passu in all respects with the then existing New Zelan Shares, save and except that they will not be entitled to any dividend, rights, allotments and/or any other forms of distributions that may be declared, made or paid prior to the relevant date of allotment and issuance of the Rights Shares and the New Zelan Shares to be issued arising from the exercise of the Warrants.

THAT the proceeds from the Proposed Rights Issue with Warrants will be utilised for such purposes as set out in **Section 4** of the Circular and the Directors be authorised with full power to vary the manner and/or purpose of utilisation of such proceeds in such manner as the Directors may deem fit, necessary or expedient, subject to (where applicable) the approval of the relevant authorities.

THAT the Directors be and are hereby authorised to enter into and execute the Deed Poll constituting the Warrants and to do all acts, deeds and things as they may deem fit and expedient in order to implement, finalise and give effect to the aforesaid Deed Poll.

AND THAT the Directors be and are hereby authorised with full power to make any modifications, variations and/or amendments in any manner as may be in the best interest of the Company or as may be required by the relevant authority/authorities to give effect to the Proposed Rights Issue with Warrants, and to take all such steps as they may deem necessary or expedient in the best interest of the Company to implement, finalise and give full effect to the Proposed Rights Issue with Warrants."

ORDINARY RESOLUTION 2

PROPOSED SHAREHOLDERS' MANDATE FOR THE DISPOSAL OF UP TO 56,671,000 ORDINARY SHARES OF RM1.00 EACH IN IJM CORPORATION BERHAD ("IJM SHARES") FOR CASH TO BUYERS TO BE IDENTIFIED AND AT PRICES TO BE DETERMINED LATER IN THE OPEN MARKET AND/OR VIA DIRECT BUSINESS TRANSACTIONS ("PROPOSED SHAREHOLDERS' MANDATE")

"**THAT** approval be and is hereby given to the Company to dispose up to 56,671,000 IJM Shares for cash to buyers to be identified and at prices to be determined later in the open market and/or via direct business transactions.

AND THAT the Directors be and are hereby authorised to do all such acts and matters as they may consider necessary or expedient to give full effect to the aforesaid Proposed Shareholders' Mandate with full power to assent to any conditions, modifications, variations and/or amendments to the terms of the aforesaid Proposed Shareholders' Mandate as may be required by any relevant authorities and to execute, deliver and/or cause to be delivered such documents and agreements in connection therewith."

BY ORDER OF THE BOARD

NORLIDA BINTI JAMALUDIN

LS 0006467
Company Secretary

9 September 2013
Kuala Lumpur

Notes:

1. A member of the Company who is entitled to be present and vote at the Extraordinary General Meeting may appoint a proxy or proxies to be present and vote instead of him. A proxy may but need not be a member of the Company.
2. The instrument appointing a proxy shall be in writing under the hand of the appointor or his attorney duly authorised in writing or if the appointor is a corporation, under its common seal or signed by its attorney or by an officer on behalf of the corporation.
3. In the case of a corporation, the form of proxy must be executed under seal or under the hand of its attorney duly authorised.
4. The instrument appointing a proxy, together with the power of attorney (if any) under which it is signed or a certified copy thereof, shall be deposited at the Company's Share Registrar's Office at Symphony Share Registrars Sdn Bhd, Level 6, Symphony House, Pusat Dagangan Dana 1, Jalan PJU 1A/46, 47301 Petaling Jaya, Selangor (Fax No: +603 7841 8151/8152) at least forty-eight (48) hours before the time fixed for holding the meeting or any adjournment thereof.