



XIDELANG HOLDINGS LTD

(Bermuda Company No. 43136)

(Incorporated as an exempted company in Bermuda under the Companies Act 1981 of Bermuda)

(Malaysian Foreign Company Registration No. 995210-W)

(Registered as a foreign company in Malaysia under the Companies Act, 1965 of Malaysia)

NOTICE OF SPECIAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT a Special General Meeting of XiDeLang Holdings Ltd ("XDL" or the "Company") will be held at Dewan Putra Perdana 2, Level 1, Putrajaya Shangri-la Hotel, Taman Putra Perdana, Presint 1, 62000 Wilayah Persekutuan, Putrajaya, Malaysia on Monday, 9 December 2013 at 10.00 a.m., for the purpose of considering and, if thought fit, passing the following resolutions with or without any modification:-

ORDINARY RESOLUTION 1

PROPOSED RENOUNCEABLE RIGHTS ISSUE OF UP TO 322,665,266 NEW ORDINARY SHARES OF USD0.10 EACH IN XDL ("XDL SHARES") ("RIGHTS SHARES") AT AN ISSUE PRICE OF RM0.35 PER RIGHTS SHARE, TOGETHER WITH UP TO 241,998,950 FREE DETACHABLE WARRANTS IN XDL ("WARRANTS 2014") AND AN ATTACHED BONUS ISSUE OF UP TO 241,998,950 NEW XDL SHARES ("BONUS SHARES") TO BE CREDITED AS FULLY PAID-UP AT PAR, ON THE BASIS OF FOUR (4) RIGHTS SHARES TOGETHER WITH THREE (3) FREE WARRANTS 2014 AND THREE (3) BONUS SHARES FOR EVERY TWELVE (12) EXISTING XDL SHARES HELD AS AT AN ENTITLEMENT DATE TO BE DETERMINED ("PROPOSED RIGHTS ISSUE")

THAT subject to the passing of the Special Resolution No. 1 below and the approval of all relevant authorities or parties being obtained (if required):-

(a) the Board of Directors of XDL ("**Board**") be and is hereby authorised:-

- to provisionally allot and issue by way of a renounceable rights issue of up to 322,665,266 Rights Shares at an issue price of RM0.35 per Rights Share, together with up to 241,998,950 Warrants 2014 and an attached bonus issue of up to 241,998,950 Bonus Shares to be credited as fully paid up to the shareholders of the Company whose names appear in the Record of Depositors of the Company as at the close of business on an entitlement date to be determined by the Board ("**Entitlement Date**") ("**Entitled Shareholders**"), and/or their renounee(s), on the basis of four (4) Rights Shares for every twelve (12) existing Shares held and three (3) free Warrants 2014 and three (3) Bonus Shares for every four (4) Rights Shares subscribed for on the Entitlement Date and on such terms and conditions and in such manner as the Board may determine;
 - to issue by way of bonus the Warrants 2014 in registered form to the Entitled Shareholders (and/or their renounee(s), as the case may be) and Excess Applicants (defined below), if any, who subscribe for and are allotted Rights Shares, each Warrant 2014 conferring the right to subscribe for one (1) new Share at an exercise price of RM0.35 per Share, subject to any adjustment to the subscription rights attached to the Warrants 2014 in accordance with the provisions of a deed poll to be executed by the Company constituting the Warrants 2014 ("**Deed Poll**"); and
 - to issue the Bonus Shares by way of bonus to the Entitled Shareholders (and/or their renounee(s), as the case may be) and Excess Applicants, if any, who subscribe for and are allotted Rights Shares on such terms and conditions and in such manner as the Board may determine;
- (b) any Rights Shares which are not validly taken up or which are not allotted for any reason whatsoever to the Entitled Shareholders and/or their renounees shall be made available for excess applications in such manner and to such persons ("**Excess Applicants**") as the Board shall determine at its absolute discretion;
- (c) the Rights Shares, the Warrants 2014, the Bonus Shares and the new Shares to be issued pursuant to the exercise of the Warrants 2014 shall be listed on the Main Market of Bursa Malaysia Securities Berhad ("**Bursa Securities**");
- (d) the Board be and is hereby empowered and authorised to:-

(i) forthwith upon the allotment and issue of the Rights Shares to the Entitled Shareholders (and/or their renounee(s), as the case may be) and Excess Applicants, if any:-

- create, allot and issue by way of bonus such number of Warrants 2014 to such Entitled Shareholders (and/or their renounee(s), as the case may be) and Excess Applicants, if any, pursuant to the terms and conditions of the Deed Poll; and
- allot and issue by way of bonus three (3) Bonus Shares credited as fully paid up at par to such Entitled Shareholders (and/or their renounee(s), as the case may be) and Excess Applicants, if any,

for every four (4) Rights Shares subscribed for by the Entitled Shareholders (and/or their renounee(s), as the case may be) and Excess Applicants, if any, on such Entitlement Date, and on the terms and conditions and in such manner as the Board may determine;

- allot and issue such number of additional Warrants 2014 pursuant to the adjustments as provided under the Deed Poll ("**Additional Warrants 2014**") and to adjust from time to time the exercise price of the Warrants 2014 as a consequence of the adjustments under the provisions of the Deed Poll and/or to effect such modifications, variations and/or amendments as may be imposed, required or permitted by Bursa Securities and any other relevant authorities or parties (if required);
- allot and issue such number of new Shares credited as fully paid-up to the holders of the Warrants 2014 upon their exercise of the relevant Warrants 2014 to subscribe for new Shares during the tenure of the Warrants 2014, and such further new Shares as may be required or permitted to be issued pursuant to the exercise of the Additional Warrants 2014 and such adjustments in accordance with the provisions of the Deed Poll;
- capitalise and apply all sums standing to the credit of the Company's retained earnings account based on the audited financial statements of the Company as at 31 December 2012, the unaudited financial statements of the Company as at 30 June 2013 as well as after accounting for the subsequent dividends received from its subsidiaries, for the allotment and issue of up to 241,998,950 Bonus Shares, credited as fully paid-up at par, to the Entitled Shareholders (and/or their renounee(s), as the case may be) and Excess Applicants, if any, who subscribe for and are allotted Rights Shares;
- deal with any fractional entitlements that may arise from the Proposed Rights Issue in such manner and on such terms and conditions as the Board shall in its absolute discretion deem fit, necessary and/or expedient or in the best interests of the Company (including without limitation to disregard such fractional entitlements altogether);
- enter into the Deed Poll with full powers to assent to and accept any condition, modification, variation and/or amendment as the Board may deem fit, necessary and/or expedient in the best interests of the Company or as may be imposed by any relevant authority or consequent upon the implementation of any of the aforesaid conditions, modifications, variations and/or amendments and to take all steps as it considers necessary, expedient or desirable to implement, finalise and give full effect to the Deed Poll; and
- do all acts, deeds and things, and to execute, enter into, sign, deliver and cause to be delivered for and on behalf of the Company all such transactions, arrangements, agreements and/or documents as it may consider necessary or expedient in order to implement, give full effect to and complete the Proposed Rights Issue, with full powers to assent to and accept any condition, modification, variation, arrangement and/or amendment to the terms of the Proposed Rights Issue as the Board may deem fit, necessary and/or expedient in the best interests of the Company or as may be imposed by any relevant authority or consequent upon the implementation of the aforesaid conditions, modifications, variations, arrangements and/or amendments and to take all steps as it considers necessary in connection with the Proposed Rights Issue in order to implement and give full effect to the Proposed Rights Issue;

(e) the Rights Shares and the Bonus Shares shall, upon allotment, issuance and (where applicable) full payment, rank pari passu in all respects with the then existing issued and paid-up Shares, save and except that the holders of such Rights Shares and Bonus Shares shall not be entitled to any dividends, rights, allotments and/or other distributions which may be declared, made or paid to shareholders of the Company ("**Shareholders**"), the entitlement date of which is prior to the respective date(s) of allotment of the Rights Shares and Bonus Shares;

(f) the new Shares to be issued pursuant to the exercise of the Warrants 2014 (including the Additional Warrants 2014, if any) shall, upon allotment, issue and full payment of the exercise price of the Warrants 2014 (or the Additional Warrants 2014, if any), rank pari passu in all respects with the then existing issued and fully paid-up Shares, save and except that the holders of such new Shares shall not be entitled to any dividends, rights, allotments and/or other distributions which may be declared, made or paid to Shareholders, the entitlement date of which is prior to the date of allotment of such new Shares arising from the exercise of the Warrants 2014 (including the Additional Warrants 2014, if any);

(g) the proceeds of the Proposed Rights Issue be utilised for the purposes as set out in Section 4 of the Circular to Shareholders dated 15 November 2013 and the Board be authorised with full powers to vary the manner and/or purpose of utilisation of such proceeds in such manner as the Board may deem fit, necessary and/or expedient or in the best interests of the Company, subject (where required) to the approval of the relevant authorities; and

(h) this Ordinary Resolution constitutes specific approval for the issuance of Shares and securities in the Company contemplated herein which is made pursuant to an offer, agreement or option and shall continue in full force and effect until all Rights Shares, Warrants 2014 (including Additional Warrants 2014, if any), Bonus Shares and new Shares to be issued pursuant to or in connection with the Proposed Rights Issue have been allotted and issued in accordance with the terms of the Proposed Rights Issue."

SPECIAL RESOLUTION 1

PROPOSED AMENDMENTS TO THE BYE-LAWS OF THE COMPANY ("PROPOSED AMENDMENTS")

"THAT subject to the approval of all the relevant authorities or parties (if required) being obtained, approval be and is hereby given for the Company to carry out the following proposed amendments to the Bye-Laws of the Company to enable the Company to implement the proposed issuance of Bonus Shares under the Proposed Rights Issue as envisaged in Ordinary Resolution 1:-

(i) PROPOSED AMENDMENTS TO BYE-LAW 146:

The existing Bye-law 146 be amended by inserting the text shown in bold in the manner set out below:-

"146. (1) The Company may, upon the recommendation of the Board, at any time and from time to time pass an ordinary resolution to the effect that it is desirable to capitalise all or any part of any amount for the time being standing to the credit of any reserve or fund (including the profit and loss account) whether or not the same is available for distribution and accordingly that such amount be set free for distribution among the Members or any class of Members who would be entitled thereto if it were distributed by way of dividend and in the same proportions, on the footing that the same is not paid in cash but is applied either in or towards paying up the amounts for the time being unpaid on any shares in the Company held by such Members respectively or in paying up in full unissued shares, debentures or other obligations of the Company, to be allotted and distributed credited as fully paid up among such Members, or partly in one way and partly in the other, and the Board shall give effect to such resolution provided that, for the purposes of this Bye law, a share premium account and any reserve or fund representing unrealised profits, may be applied only in paying up in full unissued shares of the Company to be issued to such Members credited as fully paid. In carrying sums to reserve and in applying the same the Board shall comply with the provisions of the Act.

(2) In addition, the Company may, upon the recommendation of the Board, at any time and from time to time pass an ordinary resolution to capitalise all or any part of any amount for the time being standing to the credit of any reserve or fund (including the profit and loss account) whether or not the same is available for distribution and accordingly that such amount be set free for distribution among selected Members or part only of a class of Members (each, and collectively, the "Entitled Members") and in such proportion as may be determined in accordance with the manner authorised in the said ordinary resolution, on the footing that the same is not paid in cash but is applied either in or towards paying up the amounts for the time being unpaid on any shares in the Company held by such Entitled Members respectively or in paying up in full unissued shares, debentures or other obligations of the Company, to be allotted and distributed credited as fully paid up to such Entitled Members, or partly in one way and partly in the other, and the Board shall give effect to such resolution, provided that, for the purposes of this Bye law, a share premium account and any reserve or fund representing unrealised profits, may be applied only in paying up in full unissued shares of the Company to be issued to such Entitled Members credited as fully paid. In carrying sums to reserve and in applying the same the Board shall comply with the provisions of the Act."

(ii) PROPOSED AMENDMENTS TO BYE-LAW 147:

The existing Bye-law 147 be amended by inserting the text shown in bold in the manner set out below:-

"147. The Board may settle, as it considers appropriate, any difficulty arising in regard to any distribution under the last preceding Bye law and in particular may issue certificates in respect of fractions of shares or authorise any person to sell and transfer any fractions or may resolve that the distribution should be as nearly as may be practicable in the correct proportion but not exactly so or may ignore fractions altogether, and may determine that cash payments shall be made to any Members or Entitled Members, as the case may be, in order to adjust the rights of all parties, as may seem expedient to the Board. The Board may appoint any person to sign on behalf of the persons entitled to participate in the distribution any contract necessary or desirable for giving effect thereto and such appointment shall be effective and binding upon the Members or the Entitled Members, as the case may be."

AND THAT the Board be and is hereby empowered and authorised to do all acts, deeds and things, and to execute, enter into, sign, deliver and cause to be delivered for and on behalf of the Company all such documents as it may consider necessary or expedient in order to implement, give full effect to and complete the Proposed Amendments, with full powers to assent to and accept any condition, modification, variation and/or amendment in connection with the Proposed Amendments as the Board may deem fit, necessary and/or expedient in the interests of the Company or as may be imposed by any relevant authority or consequent upon the implementation of the said conditions, modifications, variations and/or amendments and to take all steps as it considers necessary in connection with the Proposed Amendments in order to implement and give full effect to the Proposed Amendments."

By Order of the Board

Secretarius Services Sdn Bhd

Company Secretary

Kuala Lumpur

15 November 2013

Notes:-

- A member shall be entitled to appoint up to two (2) proxies to attend and vote at the same meeting. A proxy may but need not be a member of the Company. Where a member appoints more than one (1) proxy the appointment shall be invalid unless he specifies the proportions of his holdings to be represented by each proxy.
- Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991 of Malaysia, it may appoint not more than two (2) proxies in respect of each securities account it holds which is credited with ordinary shares of the Company.
- 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.
- 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, the proxy form must be executed under its Common Seal or under the hand of an officer, attorney or other person duly authorised to sign the same.
- The instrument appointing a proxy must be deposited at the Company's registered office in Malaysia i.e. Level 18, The Gardens North Tower, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur not less than forty-eight (48) hours before the time for holding the meeting i.e. on or before Saturday, 7 December 2013, 10.00 a.m. or any adjournment thereof.
- Only members whose names appear in the Record of Depositors as at 3 December 2013 will be entitled to attend and vote at the meeting or appoint proxy (proxies) to attend and vote on their behalf.