



FIAMMA HOLDINGS BERHAD (88716-W)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT an Extraordinary General Meeting ("EGM") of Fiamma Holdings Berhad ("Fiamma" or "Company") will be held at Main Board Room, Level 10, Wisma Fiamma, No. 20, Jalan 7A/62A, Bandar Manjalara, 52200 Kuala Lumpur on Tuesday, 23 February 2016 at 11.45 a.m. or such time immediately after the conclusion or adjournment (as the case may be) thereof of the Thirty-Third AGM to be held at the same venue on the same day at 11.00 a.m., whichever is later, for the purpose of considering and, if thought fit, passing with or without modification the following resolutions:

ORDINARY RESOLUTION 1

PROPOSED SHARE SPLIT INVOLVING THE SUBDIVISION OF EVERY ONE (1) EXISTING ORDINARY SHARE OF RM1.00 EACH IN FIAMMA ("FIAMMA SHARES" OR "SHARES") INTO TWO (2) ORDINARY SHARES OF RM0.50 EACH IN FIAMMA ("SUBDIVIDED SHARES") HELD ON A SPLIT ENTITLEMENT DATE TO BE DETERMINED AND ANNOUNCED LATER ("SPLIT ENTITLEMENT DATE") ("PROPOSED SHARE SPLIT")

"THAT, subject to the passing of Ordinary Resolution 2, Ordinary Resolution 11, Special Resolution 1 and the approvals of all relevant authorities including the approval of Bursa Malaysia Securities Berhad ("Bursa Securities") for the listing of and quotation for the Subdivided Shares on the Main Market of Bursa Securities ("Main Market"), approval be and is hereby given to the Directors of the Company to subdivide every one (1) existing Fiamma Share held by the entitled shareholders of Fiamma whose names appear in the Record of Depositors of the Company on the Split Entitlement Date into two (2) Subdivided Shares.

THAT the Subdivided Shares shall, upon allotment and issuance, rank *pari passu* in all respect with each other, except that the Subdivided Shares shall not be entitled to any dividends, rights, allotments and/or other distributions that may be declared, made or paid, where the entitlement date is prior to the date of allotment of the Subdivided Shares.

AND THAT the Directors of the Company be and are hereby empowered and authorised to do all such acts and things, take such steps and execute such documents in order to finalise, implement and/or give full effect to the Proposed Share Split with full power to assent to any terms, conditions, modifications, variations and/or amendments as may be agreed to or required by any relevant authority or as a consequence of any such requirement as may be deemed necessary and/or expedient in the best interest of the Company."

ORDINARY RESOLUTION 2

PROPOSED BONUS ISSUE OF UP TO 177,555,700 NEW SUBDIVIDED SHARES ("BONUS SHARES") TO BE FULLY CREDITED AS FULLY PAID-UP, ON THE BASIS OF ONE (1) BONUS SHARE FOR EVERY TWO (2) SUBDIVIDED SHARES HELD ON A BONUS ENTITLEMENT DATE TO BE DETERMINED AND ANNOUNCED LATER ("BONUS ENTITLEMENT DATE") ("PROPOSED BONUS ISSUE")

"THAT, subject to the passing of Ordinary Resolution 1, Ordinary Resolution 11, Special Resolution 1 and the approvals of all relevant authorities including the approval of Bursa Securities for the listing of and quotation for the Bonus Shares on the Main Market, approval be and is hereby given to the Directors of the Company to:

- issue up to 177,555,700 Bonus Shares to be credited as fully paid-up, on the basis of one (1) Bonus Share for every two (2) Subdivided Shares held by the entitled shareholders of Fiamma whose names appear in the Record of Depositors of the Company on the Bonus Entitlement Date, which is intended to be the same date as the Split Entitlement Date; and
- deal with any fractional entitlements under the Proposed Bonus Issue arising from any reason whatsoever as the Board may at its absolute discretion deem fit and expedient and in the best interest of the Company.

THAT the Bonus Shares shall, upon allotment and issuance, rank *pari passu* in all respect with each other and the Subdivided Shares, except that the Bonus Shares shall not be entitled to any dividends, rights, allotments and/or other distributions that may be declared, made or paid, where the entitlement date is prior to the date of allotment of the Bonus Shares.

AND THAT the Directors of the Company be and are hereby empowered and authorised to do all such acts and things, take such steps and execute such documents in order to finalise, implement and/or give full effect to the Proposed Bonus Issue with full power to assent to any terms, conditions, modifications, variations and/or amendments as may be agreed to or required by any relevant authority or as a consequence of any such requirement as may be deemed necessary and/or expedient in the best interest of the Company."

ORDINARY RESOLUTION 3

PROPOSED ESTABLISHMENT OF AN EMPLOYEE SHARE OPTION SCHEME ("ESOS" OR "SCHEME") OF UP TO 15% OF THE PREVALING ISSUED AND PAID-UP SHARE CAPITAL OF FIAMMA (EXCLUDING TREASURY SHARES) FOR THE ELIGIBLE EMPLOYEES (INCLUDING DIRECTORS) OF FIAMMA AND ITS SUBSIDIARIES ("FIAMMA GROUP" OR "GROUP") (EXCLUDING DORMANT SUBSIDIARIES) WHO MEET THE CRITERIA OF ELIGIBILITY FOR PARTICIPATION IN THE SCHEME ("ELIGIBLE EMPLOYEE(S)") AS SET OUT IN THE BY-LAWS CONTAINING THE RULES, TERMS AND CONDITIONS OF THE SCHEME ("BY-LAWS") ("PROPOSED ESOS")

"THAT, subject to the approvals of all relevant authorities including the approval of Bursa Securities for the listing of and quotation for the new ordinary shares of Fiamma to be issued arising from the exercise of the options granted under the Scheme ("Option(s)") on the Main Market, approval be and is hereby given to the Directors of the Company to:

- establish, implement and administer a Scheme for the benefit of the Eligible Employees, and to grant Options in accordance with the terms set out in the By-Laws, referred to as Appendix III of the Circular, for a period of five (5) years from the date of the Scheme comes into force, which may be extended or renewed (as the case may be) for a further period of up to five (5) years, at the sole and absolute discretion of the Board, PROVIDED that the total period of the Scheme shall not exceed ten (10) years;
- make such applications as may be necessary at the appropriate time or times to Bursa Securities and any other relevant authorities upon which the new ordinary shares of Fiamma may, for the time being, be listed, for permission to deal in and for quotation of any new ordinary shares of Fiamma in the capital of the Company which may hereafter from time to time be allotted and issued pursuant to the exercise of the Options to be granted under the Scheme;
- allot and issue from time to time such number of new ordinary shares of Fiamma in the capital of the Company as may be required pursuant to the exercise of the Options provided that the total number of new ordinary shares of Fiamma to be issued under the Scheme shall not in aggregate exceed 15% of the prevailing issued and paid-up share capital (excluding treasury shares) of the Company at any point in time throughout the duration of the Scheme; and
- modify and/or amend the Scheme from time to time as may be required, permitted or deemed necessary by the authorities and/or the Board provided that such modifications and/or amendments are effected and permitted in accordance with the provisions of the By-Laws of the Scheme relating to modifications and/or amendments, deeds or undertakings and to make such rules or regulations, or impose such terms and conditions or delegate part of its power as may be necessary or expedient in order to give full effect to the Scheme.

THAT the new ordinary shares of Fiamma to be issued upon the exercise of any Options shall, upon allotment and issuance, rank *pari passu* in all respects with the then existing ordinary shares of Fiamma, except that the new ordinary shares of Fiamma shall not be entitled to any dividends, rights, allotments and/or other distributions that may be declared, made or paid, where the entitlement date is prior to the date of allotment of the new ordinary shares of Fiamma to be issued upon the exercise of any Option.

AND THAT the Directors of the Company be and are hereby empowered and authorised to do all such acts and things, take such steps, execute such documents and enter into any arrangements, agreements and/or undertakings with any party or parties as they may deem fit, necessary or expedient or appropriate in order to finalise, implement and/or give full effect to the Proposed ESOS with full power to assent to any terms, conditions, modifications, variations and/or amendments as may be agreed to/required by any relevant authority or as a consequence of any such requirement as may be deemed necessary and/or expedient in the best interest of the Company."

ORDINARY RESOLUTIONS 4 TO 10

PROPOSED GRANTING OF OPTIONS TO DIRECTORS OF THE COMPANY

"THAT, subject to the passing of Ordinary Resolution 3 and the approvals of all the relevant authorities, including the approval of Bursa Securities for the listing of and quotation for the new ordinary shares of Fiamma to be issued arising from the exercise of the Options on the Main Market, approval be and is hereby given to the Company at any time and from time to time during the duration of the Scheme to offer and grant options to each of the Directors named herein below to subscribe for such number of new ordinary shares of Fiamma to be issued under the Scheme subject always to the following provision:

- he/she must not participate in the deliberation or discussion of his/her own allocation of new ordinary shares of Fiamma to be issued under the Scheme;
- not more than ten percent (10%) of the total number of new ordinary shares of Fiamma available under the Scheme shall be allocated to him/her, if he/she, either singly or collectively through persons connected with him/her, hold twenty percent (20%) or more of the issued and paid-up share capital (excluding treasury shares) of the Company; and

also subject always to such terms and conditions and/or any adjustments which may be made in accordance with the provisions of the By-Laws of the Scheme and any prevailing guidelines issued by Bursa Securities, Main Market Listing Requirements of Bursa Securities or any other relevant authorities as amended from time to time.

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| (a) TAN SRI DATO' AZIZAN BIN HUSAIN | ORDINARY RESOLUTION 4 |
| (b) LIM CHOO HONG | ORDINARY RESOLUTION 5 |
| (c) LIM SOO KONG (LIM SOO CHONG) | ORDINARY RESOLUTION 6 |
| (d) DATO' BAHAR BIN AHMAD | ORDINARY RESOLUTION 7 |
| (e) KOK SAU CHUN | ORDINARY RESOLUTION 8 |
| (f) DR. TEH CHEE GHEE | ORDINARY RESOLUTION 9 |
| (g) MARGARET CHAK LEE HUNG | ORDINARY RESOLUTION 10 |

AND THAT, the authority be further given to the Company to allot and issue such number of new ordinary shares of Fiamma pursuant to the Scheme to him/her from time to time pursuant to the exercise of such Options."

ORDINARY RESOLUTION 11

PROPOSED INCREASE IN AUTHORISED SHARE CAPITAL OF FIAMMA FROM RM200,000,000 COMPRISING 200,000,000 FIAMMA SHARES TO RM500,000,000 COMPRISING 1,000,000,000 SUBDIVIDED SHARES ("PROPOSED INCREASE IN AUTHORISED SHARE CAPITAL")

"THAT, subject to the passing of Ordinary Resolution 1, Ordinary Resolution 2 and Special Resolution 1, approval be and is hereby given to the Directors of the Company to increase the authorised share capital of the Company from RM200,000,000 comprising 200,000,000 ordinary shares of RM1.00 each to RM500,000,000 comprising 1,000,000,000 ordinary shares of RM0.50 each;

AND THAT the Directors of the Company be and are hereby authorised to do all such acts, deeds and things and to execute, sign and deliver on behalf of the Company all such documents and/or agreements the Directors may deem necessary and/or expedient to finalise, implement and give full effect to complete the Proposed Increase in Authorised Share Capital including without limitation, with full power to assent to any conditions, modifications, variations and/or amendments in any manner as may be required by the relevant authorities."

SPECIAL RESOLUTION 1

PROPOSED AMENDMENTS TO THE MEMORANDUM AND ARTICLES OF ASSOCIATIONS ("M&A") OF FIAMMA TO FACILITATE THE PROPOSED SHARE SPLIT AND PROPOSED INCREASE IN AUTHORISED SHARE CAPITAL ("PROPOSED M&A AMENDMENTS")

"THAT, subject to the passing of Ordinary Resolution 1, Ordinary Resolution 2 and Ordinary Resolution 11, approval be and is hereby given for the following amendments to the Company's M&A:

Memorandum of Association	Existing provision	Revised provision
Clause 5	The capital of the Company is RM200,000,000/- Malaysian currency divided into 200,000,000 Ordinary Shares of RM1/- each. The Company shall have the power to increase or reduce its capital, to consolidate or sub-divide the shares into shares of larger or smaller amounts, and to divide the shares forming the capital (original, increased or reduced) of the Company into several classes and to attach thereto respectively, preferential, deferred or special rights, privileges or conditions as may be determined by or in accordance with the regulations for the time being of the Company and to issue additional capital with any such rights, privileges or conditions as aforesaid, and any preference shares may be issued on the terms that it is or at the option of the Company is liable, to be redeemed.	The capital of the Company is RM500,000,000/- Malaysian currency divided into 1,000,000,000 Ordinary Shares of RM0.50 each. The Company shall have the power to increase or reduce its capital, to consolidate or sub-divide the shares into shares of larger or smaller amounts, and to divide the shares forming the capital (original, increased or reduced) of the Company into several classes and to attach thereto respectively, preferential, deferred or special rights, privileges or conditions as may be determined by or in accordance with the regulations for the time being of the Company and to issue additional capital with any such rights, privileges or conditions as aforesaid, and any preference shares may be issued on the terms that it is or at the option of the Company is liable, to be redeemed.
Articles of Association	Existing provision	Revised provision
Article 3	The authorised capital of the Company at the date of the adoption of these Articles of Association is Malaysian Ringgit Two Hundred Million (RM200,000,000/-) divided into 200,000,000 ordinary shares of RM1/- each.	The authorised capital of the Company at the date of the adoption of these Articles of Association is Malaysian Ringgit Five Hundred Million (RM500,000,000/-) divided into 1,000,000,000 ordinary shares of RM0.50 each.

AND THAT the Directors of the Company be and are hereby empowered and authorised to do all such acts and things, take such steps, execute such documents and enter into any arrangements, agreements and/or undertakings with any party or parties as they may deem fit, necessary or expedient or appropriate in order to finalise, implement and/or give full effect to the Proposed M&A Amendments with full power to assent to any terms, conditions, modifications, variations and/or amendments as may be agreed to/required by any relevant authority or as a consequence of any such requirement as may be deemed necessary and/or expedient in the best interest of the Company."

By Order of the Board of
FIAMMA HOLDINGS BERHAD

Chin Mee Foon (MIA 2191)
Tai Yit Chan (MAICSA 7009143)
Chan Su San (MAICSA 6000622)

Secretaries
Selangor Darul Ehsan
29 January 2016

Notes:

- A member of the Company entitled to attend and vote at this EGM is entitled to appoint a proxy or proxies to attend and vote in his stead. A proxy may but need not be a member of the Company.
- A member of the Company may appoint two (2) proxies to attend and vote at this EGM. Where the member of the Company appoints two (2) proxies, the appointment shall be invalid unless 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 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 the Securities Industry (Central Depositories) Act 1991 ("SICDA") which is exempted from compliance with the provisions of subsection 25A(1) of SICDA.
- If the appointer is a corporation, the instrument appointing a proxy must be executed under its Common Seal or under the hand of an officer or attorney duly authorised.
- The instrument appointing a proxy or the power of attorney or other authority (if any) under which it is signed or notarially certified copy of such power or authority, shall be deposited at the Registered Office of the Company at Lot 6.05, Level 6, KPMG Tower, 8 First Avenue, Bandar Utama, 47800 Petaling Jaya, Selangor Darul Ehsan not less than 48 hours before the time set for holding the meeting or any adjournment thereof.
- For the purpose of determining who shall be entitled to attend this EGM, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd to make available to the Company a Record of Depositors as at 15 February 2016 and only a Depositor whose name appears in such Record of Depositors shall be entitled to attend, speak and vote at this EGM and entitled to appoint a proxy or proxies.