



BIO OSMO BERHAD
BIO OSMO BERHAD
(Company No.: 740838-A)
(Incorporated in Malaysia under the Companies Act, 1965)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting ("EGM") of Bio Osmo Berhad ("Bio Osmo" or the "Company") will be held at Bukit Banang Golf & Country Club, No.1, Persiaran Gemilang, Bandar Banang Jaya, 83000 Batu Pahat, Johor Darul Takzim on Wednesday, 24 February 2016 at 12.00 noon, or at any adjournment thereof, for the purpose of considering and, if thought fit, passing with or without modifications, the following resolutions:

SPECIAL RESOLUTION 1

PROPOSED REDUCTION OF THE ISSUED AND PAID-UP SHARE CAPITAL OF BIO OSMO VIA CANCELLATION OF RM0.15 FROM THE PAR VALUE OF EACH EXISTING ORDINARY SHARE OF RM0.20 EACH IN BIO OSMO PURSUANT TO SECTION 64 OF THE COMPANIES ACT, 1965 ("ACT") ("PROPOSED PAR VALUE REDUCTION")

"**THAT** subject to the sanction of the High Court of Malaya ("**High Court**") for the Proposed Par Value Reduction, the passing of Special Resolution 2 and the approvals of all other relevant authorities (if required) being obtained, approval be and is hereby given to the Company and the Board of Directors of the Company ("**Board**") to reduce the Company's issued and paid-up share capital by cancelling RM0.15 from the par value of each existing ordinary share of RM0.20 each pursuant to Section 64 of the Act with the credit arising from such reduction and cancellation to be utilised to eliminate the accumulated losses of the Company and the excess, if any, to be credited as capital reserves of the Company;

AND THAT following the Proposed Par Value Reduction, approval be and is hereby given for the Company to change the par value of each ordinary share of the Company from RM0.20 to RM0.05 and be credited as fully paid 498,660,000 ordinary shares of RM0.05 each;

AND THAT the Board be and is hereby authorised to do all acts, deeds, things and execute all necessary documents as they may consider necessary or expedient or in the best interest of the Company with full power to make assent to and/or effect any conditions, variations, modifications and/or amendments in any manner as may be required or imposed by any relevant authorities and to deal with all matters relating thereto and to take such steps and do all acts and things in any manner as they may deem necessary or expedient to implement, finalise and give full effect to the Proposed Par Value Reduction."

SPECIAL RESOLUTION 2

PROPOSED AMENDMENTS TO THE MEMORANDUM AND ARTICLES OF ASSOCIATION ("M&A") OF BIO OSMO TO AMEND THE PAR VALUE OF THE EXISTING ORDINARY SHARES IN BIO OSMO ("PROPOSED AMENDMENTS")

"**THAT** subject to the passing of Special Resolution 1, the sanction of the High Court pursuant to Section 64 of the Act for the purpose of the Proposed Par Value Reduction and the approvals of all other relevant authorities (if required) being obtained, approval be and is hereby given to the Board to amend the M&A of Bio Osmo in the following manner:

| Clause No. | Existing provision | Proposed Amendments |
|---|--|--|
| Clause 6 of the Memorandum of Association of Bio Osmo | "The authorised share capital of the Company is Ringgit Malaysia Two Hundred and Fifty Million (RM250,000,000.00) comprising and divided as follows: (i) Ringgit Malaysia Two Hundred and Thirty Million (RM230,000,000.00) divided into 1,150,000,000 Shares of RM0.20 each; and (ii) Ringgit Malaysia Twenty Million (RM20,000,000.00) divided into One Hundred Million (100,000,000) Preference Shares of RM0.20 each." | "The authorised share capital of the Company is Ringgit Malaysia Seventy Seven Million and Five Hundred Thousand (RM77,500,000.00) comprising and divided as follows: (i) Ringgit Malaysia Fifty Seven Million and Five Hundred Thousand (RM57,500,000.00) divided into 1,150,000,000 Shares of RM0.05 each; and (ii) Ringgit Malaysia Twenty Million (RM20,000,000.00) divided into One Hundred Million (100,000,000) Preference Shares of RM0.20 each." |
| Article 11 Share Capital of the Articles of Association of Bio Osmo | "The authorised share capital of the Company is RM250,000,000.00 divided into 1,150,000,000 Shares and 100,000,000 ICPS of RM0.20 each." | "The authorised share capital of the Company is RM77,500,000.00 divided into 1,150,000,000 Shares of RM0.05 each and 100,000,000 ICPS of RM0.20 each." |

AND THAT the Board be and is hereby authorised to do all acts, deeds, things and execute all necessary documents as they may consider necessary or expedient or in the best interest of the Company with full power to make assent to and/or effect any conditions, variations, modifications and/or amendments in any manner as may be required or imposed by any relevant authorities and to deal with all matters relating thereto and to take such steps and do all acts and things in any manner as they may deem necessary or expedient to implement, finalise and give full effect to the Proposed Amendments."

ORDINARY RESOLUTION 1

PROPOSED SUBSCRIPTION BY BIO OSMO OF NEW ORDINARY SHARES IN INTRA MAGNUM SDN BHD ("IMSB") REPRESENTING 75% OF THE ENLARGED ISSUED AND PAID-UP SHARE CAPITAL IN IMSB FOR A TOTAL SUBSCRIPTION PRICE OF RM18.75 MILLION ("PROPOSED SUBSCRIPTION")

"**THAT** subject to the passing of Special Resolutions 1 and 2 and Ordinary Resolutions 2 and 3, the approvals of all other relevant authorities (if required) being obtained, approval be and is hereby given to the Company to subscribe for 18,750,000 new ordinary shares of RM1.00 each in IMSB, representing 75% of the enlarged issued and paid-up share capital in IMSB for a total subscription price of RM18.75 million, subject to and upon the terms and conditions set out in the conditional subscription agreement dated 15 September 2015 entered into between IMSB, Impiana Sdn Bhd and the Company in relation to the Proposed Subscription.

AND THAT the Board be and is hereby authorised to do all acts, deeds, things and execute all necessary documents as they may consider necessary or expedient or in the best interest of the Company with full power to make assent to and/or effect any conditions, variations, modifications and/or amendments in any manner as may be required or imposed by any relevant authorities and to deal with all matters relating thereto and to take such steps and do all acts and things in any manner as they may deem necessary or expedient to implement, finalise and give full effect to the Proposed Subscription."

ORDINARY RESOLUTION 2

PROPOSED PLACEMENT OF NEW ORDINARY SHARES OF RM0.05 EACH IN BIO OSMO ("BIO OSMO SHARES"), REPRESENTING UP TO 45% OF THE ISSUED AND PAID-UP SHARE CAPITAL OF BIO OSMO ("PLACEMENT SHARES") ("PROPOSED PLACEMENT")

"**THAT** subject to the passing of Special Resolutions 1 and 2 and Ordinary Resolutions 1 and 3, the approval of Bursa Malaysia Securities Berhad ("**Bursa Securities**") for the listing of and quotation for the Placement Shares on the Main Market of Bursa Securities and the approvals of all other relevant authorities (if required), approval be and is hereby given to the Board to allot and issue up to 45% of the then issued and paid-up share capital of Bio Osmo after the completion of the Proposed Par Value Reduction, to third party investors to be identified and shall be fixed based on the higher of the following:

- not more than 10% discount to the five (5)-day volume weighted average market price of the Bio Osmo Shares immediately prior to the price fixing date of the Placement Shares; or
- the par value of the Bio Osmo Shares of RM0.05 each after the Proposed Par Value Reduction.

THAT the proceeds of the Proposed Placement be utilised for the purposes as set out in Section 2.3.2 of the Circular, 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, subject to the approval of the relevant authorities, where required;

THAT the Placement Shares shall, upon allotment and issuance, rank pari passu in all respects with the then Bio Osmo Shares, save and except that the Placement Shares shall not entitle their holders to any dividends, rights, allotments and/or other forms of distribution that may be declared, made or paid prior to the date of allotment of the Placement Shares;

AND THAT the Board be and is hereby authorised to do all acts, deeds, things and execute all necessary documents as they may consider necessary or expedient or in the best interest of the Company with full power to make assent to and/or effect any conditions, variations, modifications and/or amendments in any manner as may be required or imposed by any relevant authorities and to deal with all matters relating thereto and to take such steps and do all acts and things in any manner as they may deem necessary or expedient to implement, finalise and give full effect to the Proposed Placement."

ORDINARY RESOLUTION 3

PROPOSED DIVERSIFICATION OF THE EXISTING CORE BUSINESSES OF BIO OSMO AND ITS SUBSIDIARIES ("BIO OSMO GROUP" OR THE "GROUP") TO INCLUDE THE BUSINESSES OF MANAGEMENT AND OPERATION OF HOTELS AND RESORTS, HOTEL PROPERTY INVESTMENT AND HOTEL DEVELOPMENT ("PROPOSED DIVERSIFICATIONS")

"**THAT** subject to the passing of Special Resolutions 1 and 2 and Ordinary Resolutions 1 and 2, the approvals of all other relevant authorities (if required) being obtained, approval be and is hereby given for the proposed diversification of the existing core businesses of the Bio Osmo Group to include the businesses of management and operation of hotels and resorts, hotel property investment and hotel development which might reasonably be expected to result in either:

- the diversion of 25% or more of the net assets of the Bio Osmo Group to an operation which differs widely from those operations previously carried on by Bio Osmo Group; or
- the contribution from such an operation of 25% or more of the net profits of the Bio Osmo Group;

AND THAT the Board be and is hereby authorised to do all acts, deeds, things and execute all necessary documents as they may consider necessary or expedient or in the best interest of the Company with full power to make assent to and/or effect any conditions, variations, modifications and/or amendments in any manner as may be required or imposed by any relevant authorities and to deal with all matters relating thereto and to take such steps and do all acts and things in any manner as they may deem necessary or expedient to implement, finalise and give full effect to the Proposed Diversifications."

BY ORDER OF THE BOARD

SIEW SUET WEI (MAICSA 7011254)
Company Secretary

Kuala Lumpur
2 February 2016

Notes:

- A member entitled to attend and vote at the EGM is entitled to appoint a proxy or proxies to attend and vote in his stead. The proxy need not be a Member of the Company and Section 149(1)(b) of the Act shall not apply.
- A member shall be entitled to appoint more than one proxy (subject always to a maximum of two (2) proxies at each meeting) to attend and vote at the same meeting.
- Where a member appoints more than one (1) proxy (subject always to a maximum of two (2) proxies at each meeting) the appointment shall be invalid unless he specifies the proportions of his holdings to be represented by each proxy.
- Where a member is an authorised nominee as defined under the Securities Industry (Central Depositories) Act, 1991 it may appoint at least one proxy in respect of each Securities Account it holds with ordinary shares of the Company standing to the credit of the said Securities Account.
- The instrument appointing a proxy shall be in writing under the hand of the appointor or if such appointor is a corporation under its common seal or the hand of its attorney.
- The instrument appointing a proxy must be deposited at the Company's Registered Office at 5-9A, The Boulevard Offices, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur not less than 48 hours before the time appointed for holding the EGM or any adjournment thereof.
- Depositors whose name appear in the Record of Depositors as at 17 February 2016 shall be regarded as members of the Company entitled to attend the EGM or appoint proxy(ies) to attend and vote on his/her behalf.