



PELANGI PUBLISHING GROUP BHD.

(Company No.: 593649-H)

(Incorporated in Malaysia under the Companies Act, 1965)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT An Extraordinary General Meeting of Pelangi Publishing Group Bhd. ("Pelangi" or the "Company") will be held at Palm Resort Berhad, Melati Hall, Jalan Persiaran Golf, Off Jalan Jumbo, 81250 Senai, Johor on Friday, 18 March 2016 at 10.30 a.m. or immediately following the conclusion or adjournment of the Fourteenth Annual General Meeting of the Company scheduled to be held at the same venue and on the same date at 10.00 a.m., whichever is later, for the purpose of considering and if thought fit, passing with or without modifications the following resolutions:-

ORDINARY RESOLUTION 1

PROPOSED ESTABLISHMENT OF AN EMPLOYEES' SHARE OPTION SCHEME ("ESOS") OF UP TO 15% OF THE ISSUED AND PAID-UP SHARE CAPITAL OF PELANGI (EXCLUDING TREASURY SHARES) FOR THE ELIGIBLE EMPLOYEES AND DIRECTORS OF PELANGI AND ITS SUBSIDIARY COMPANIES ("PROPOSED ESOS")

"THAT, subject to the approvals of the relevant authorities for the Proposed ESOS having been obtained and to the extent permitted by law and the Memorandum and Articles of Association of the Company, the Directors be and are hereby authorised:-

- (a) to establish, implement and administer the Proposed ESOS in accordance with the by-laws of the Proposed ESOS ("By-Laws"), a draft of which is set out in Appendix I of the circular to shareholders of Pelangi dated 24 February 2016 ("Circular"), and to give effect to the Proposed ESOS with full power to assent to any conditions, variations, modifications and/ or amendments as may be required by the relevant authorities;
- (b) to make the necessary applications and do all things necessary at the appropriate time or times to Bursa Malaysia Securities Berhad ("Bursa Securities") for the listing of and quotation for the new ordinary shares of the Company which may from time to time be allotted and issued pursuant to the Proposed ESOS;
- (c) to issue new Pelangi Shares pursuant to the Proposed ESOS from time to time as may be required for the purpose of the Proposed ESOS, provided always that the total number of Pelangi Shares which may be made available under the Proposed ESOS and any other employee share issuance scheme to be implemented by the Company, if any, shall not in aggregate exceed 15% of the issued and paid-up share capital of the Company (excluding treasury shares) at any time during the existence of the Proposed ESOS;
- (d) to modify and/ or amend the Proposed ESOS and/ or the By-Laws from time to time provided that such modifications and/ or amendments are permitted and effected in accordance with the provisions of the By-Laws relating to modifications and/ or amendments; and
- (e) to do all such acts, execute all such documents and to enter into all such transactions, arrangements and agreements, deeds or undertakings and to make such rules or regulations, or impose such terms and conditions or delegate its power as may be necessary or expedient in order to give full effect to the Proposed ESOS and terms of the By-Laws (with full power to consent to and to adopt such conditions, modifications, variations and/ or amendments as they may deem fit and/ or as may be required by the relevant authorities)."

ORDINARY RESOLUTIONS 2 TO 8

PROPOSED ALLOCATION OF ESOS OPTIONS ("PROPOSED ALLOCATION")

"THAT, subject to the passing of Ordinary Resolution 1 and the approvals of the relevant authorities for the Proposed ESOS having been obtained, approval be and is hereby given to the Board of Directors of Pelangi ("Board") to authorise the ESOS Committee, from time to time throughout the duration of the Proposed ESOS, to offer and allocate to the following persons, options to subscribe for new Pelangi Shares under the Proposed ESOS:-

Ordinary Resolution	Name of Directors and/ or interested major shareholder of the Company	Maximum no. of Pelangi Shares
2	i. Datuk Sum Kown Cheek	1,500,000
3	ii. Lee Kheng Hon	750,000
4	iii. Teh Hui Guan	750,000
5	iv. Datuk Sam Yuen @ Sam Chin Yan	750,000
6	v. Vincent Wong Soon Choy	750,000
7	vi. Syahriza Binti Senan	750,000

Ordinary Resolution	Name of Director and/ or interested major shareholder of the Company	Maximum no. of Pelangi Shares
8	vii. Sum Lih Kang	500,000

PROVIDED ALWAYS THAT:-

- (a) The Directors and senior management do not participate in the deliberation or discussion of their own allocation;
- (b) The allocation to an eligible person who, either singly or collectively, through persons connected to the eligible person, holds 20% or more of the issued and paid-up share capital of Pelangi (excluding treasury shares), must not exceed 10% of the total number of new Pelangi Shares to be issued under the Proposed ESOS; and
- (c) Not more than 60% of the new Pelangi Shares available under the Proposed ESOS shall be allocated in aggregate to the Directors and senior management of Pelangi and its subsidiary companies, which are not dormant,

in accordance with the Main Market Listing Requirements of Bursa Securities ("Listing Requirements"), or any prevailing guidelines issued by Bursa Securities or any other relevant authority, as amended from time to time, and 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 Proposed ESOS."

ORDINARY RESOLUTION 9

PROPOSED PURCHASE BY PELANGI OF UP TO 10% OF ITS ISSUED AND PAID-UP SHARE CAPITAL AT ANY POINT IN TIME ("PROPOSED SHARE BUY-BACK")

"THAT, subject to the Companies Act, 1965 ("Act"), the provisions of the Memorandum and Articles of Association of the Company, the Listing Requirements and the approvals of all relevant governmental and/ or relevant authorities, where required, the Company be and is hereby authorised to purchase and/ or hold such number of Pelangi Shares under the Proposed Share Buy-Back ("Purchased Share(s)") upon such terms and conditions as the Board may deem fit in the interest of the Company provided that:-

- (a) the aggregate number of Purchased Shares does not exceed 10% of the issued and paid-up share capital of the Company at any point of time;
- (b) the maximum amount of funds to be allocated for the Purchased Shares shall not exceed the aggregate amount of the share premium and retained earnings of the Company;

THAT the Board be and is hereby authorised to:-

- (a) To cancel the Purchased Shares; or
- (b) To retain the Purchased Shares as treasury shares for distribution as share dividends to the shareholders of the Company and/ or be resold through Bursa Securities in accordance with the relevant rules of Bursa Securities and/ or be cancelled subsequently; or
- (c) To retain part of the Purchased Shares as treasury shares and cancel the remainder.

AND THAT authority conferred by this resolution shall commence upon passing this resolution until:-

- (a) the conclusion of the next AGM of the Company; or
- (b) the expiry of the period within which the next AGM of the Company is required by law to be held,

whichever is earlier, unless earlier revoked or varied by an ordinary resolution passed by the shareholders of the Company in a general meeting, but shall not prejudice the completion of purchase(s) by the Company before the aforesaid expiry date and in any event in accordance with the provision of the Act, the Listing Requirements and other prevailing laws, guidelines, rules and regulations issued by the relevant authorities.

THAT the Board be and is hereby authorised to sign and execute all documents, do all acts, deeds and things (including the maintaining of a central depositories account(s) under the Securities Industry (Central Depositories) Act, 1991 as may be required to give effect to and to complete the aforesaid Proposed Share Buy-Back) with full power to assent to any conditions, variations, modifications and/ or amendments in any manner as may be required or permitted by any relevant authorities and to deal with all matters relating thereto and to take all such steps and do all acts, deeds and things in any manner as they may deem necessary or expedient to implement, finalise and give full effect to the Proposed Share Buy-Back."

By Order of the Board

Leong Siew Foong (MAICSA NO. 7007572)

Zarina Binti Ahmad (LS NO. 0009964)

Huan Chuan Sen @ Ah Loy (MACS 01519)

Company Secretaries Johor Bahru

24 February 2016

Notes:-

- a. A member of the Company entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote in his stead. A proxy may but need not be a member of the Company and if he is not a member of the Company, Section 149(1)(b) of the Companies Act, 1965 shall not be applicable. There shall be no restriction as to the qualification of the proxy. A proxy appointed to attend and vote at a meeting of a company shall have the same rights as the member to speak at the meeting.
- b. A member shall be entitled to appoint more than one (1) 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.
- c. Where a member of the Company is an exempt authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991 ("SICDA") 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 authorised nominee may appoint in respect of each omnibus account it holds. Where a member is an authorised nominee as defined under SICDA, it may appoint one (1) proxy in respect of each Securities Account it holds with ordinary shares of the Company standing to the credit of the said Securities Account.
- d. The instrument appointing a proxy shall be in writing under the hand of the appointer or his attorney duly authorised in writing or if such appointer is a corporation under its common seal or the hand of its officer or attorney.
- e. The instrument appointing the proxy must be deposited at the Company's Registered Office situated at Suite 6.1A, Level 6, Menara Pelangi, Jalan Kuning, Taman Pelangi, 80400 Johor Bahru, Johor, Malaysia not less than 48 hours before the time stipulated for holding the meeting and any adjournment thereof.
- f. In respect of the deposited securities, only members whose names appear in the Record of Depositors on 11 March 2016 shall be eligible to attend the meeting.