



MERGE ENERGY BHD

(Company No. 420099-X)
(Incorporated in Malaysia)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting of Merge Energy Bhd ("**Merge**" or the "**Company**") will be held at No. 2, Jalan Apollo U5/190, Bandar Pinggiran Subang, 40150 Shah Alam, Selangor Darul Ehsan on Thursday, 10 October 2019 at 10.00 a.m. and at any adjournment thereof, for the purpose of considering and if thought fit to pass the following resolutions, with or without any modifications:

ORDINARY RESOLUTION 1

PROPOSED DISPOSAL OF LANDS BY MEWAH KOTA SDN BHD ("MKSB"), A WHOLLY-OWNED SUBSIDIARY OF MERGE FOR VARIOUS PARCELS OF LANDS CONTIGUOUS TO EACH OTHER ("LANDS"), ALL OF WHICH ARE LOCATED AT BANDAR SERENDAH, DAERAH ULU SELANGOR, SELANGOR DARUL EHSAN ("PROPOSED LAND DISPOSALS")

"THAT subject to all approvals and consents being obtained from all relevant authorities and/or parties (where applicable), approval be and is hereby given to MKSB to dispose the Lands in Serendah to various parties based on the terms and conditions set out in the nine (9) conditional sale and purchase agreements as disclosed in the circular to the shareholders dated 18 September 2019 in relation to the Proposed Land Disposals, Proposed Change of Name and Proposed Adoption of New Constitution of the Company, for a total cash consideration of RM16,650,545.

THAT the proceeds arising from the Proposed Land Disposals be utilised for the purposes as set out in Section 4 of the circular to the shareholders of Merge dated 18 September 2019 in relation to the Proposed Land Disposals, Proposed Change of Name and Proposed Adoption of New Constitution of the Company, and the Directors of the Company ("**Board**") be hereby 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 in the best interest of the Company.

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 to give effect to the Proposed Land Disposals with full powers 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 or deemed necessary by the Board, and to take all steps and do all such acts and matters as they may consider necessary or expedient to implement, finalise and give full effect to the Proposed Land Disposals."

ORDINARY RESOLUTION 2

PROPOSED DEVELOPMENT PURSUANT TO A JOINT VENTURE AGREEMENT DATED 4 JULY 2019 ENTERED INTO BETWEEN PARAMOUNT VENTURES SDN BHD ("PVSB" OR "DEVELOPER"), A WHOLLY OWNED SUBSIDIARY OF MERGE, AND MEGA 3 HOUSING SDN BHD ("M3H" OR "LANDOWNER") ("JVA") TO DEVELOP A MIXED DEVELOPMENT PROJECT ("PROJECT") LOCATED AT PASIR PANJANG, PORT DICKSON, NEGERI SEMBILAN ("PROPOSED DEVELOPMENT")

"THAT subject to the approval of all relevant authorities (if necessary), approval be and is hereby given for PVSB to enter into the JVA dated 4 July 2019 with M3H to develop the Land pursuant to the Proposed Development and for PVSB to do all acts, deeds and things to execute all actions and obligations pursuant to the terms and conditions of the JVA, details of which are in the circular to the shareholders of Merge dated 18 September 2019 in relation to the Proposed Development, Proposed Diversification and Proposed Share Capital Reduction.

THAT the JVA be and is hereby confirmed and approved.

AND THAT the Board be and are hereby empowered and authorised to do all such acts, deeds and things to execute, sign and deliver on behalf of the Company all such documents and enter into any arrangements and/or undertakings with any party or parties as they may deem fit, necessary or expedient or appropriate in order to implement, finalise and/or give full effect to the Proposed Development with full powers to assent to any terms, conditions, modifications, variations and/or amendments as may be required by the relevant authorities or deemed necessary by the Board in the best interest of the Company."

ORDINARY RESOLUTION 3

PROPOSED DIVERSIFICATION OF THE PRINCIPAL ACTIVITIES OF THE COMPANY AND ITS SUBSIDIARIES' ("MERGE GROUP" OR "GROUP") TO INCLUDE PROPERTY DEVELOPMENT ("PROPOSED DIVERSIFICATION")

"THAT subject to the approvals of all relevant authorities (if any), approval be and is hereby granted to Merge Group to diversify its principal activities to include property development.

AND THAT the Board be and is hereby authorised to do all acts, deeds and things as are necessary to give full effects to the Proposed Diversification with full power to assent to any conditions, modifications, variations and/or amendments as may be required or imposed by the relevant authorities, and to take all steps and actions in the best interest of the Company as the Board may deem fit or expedient in order to carry out, finalise and give full effect to the Proposed Diversification."

SPECIAL RESOLUTION 1

PROPOSED CHANGE OF COMPANY NAME FROM "MERGE ENERGY BHD" TO "STELLA HOLDINGS BERHAD" ("PROPOSED CHANGE OF NAME")

"THAT approval be and is hereby given for the name of the Company to be changed from MERGE ENERGY BHD to STELLA HOLDINGS BERHAD with effect from the date of the issuance of the Certificate Of Incorporation on Change of Name of Company by the Companies Commission of Malaysia AND THAT the Constitution of the Company be amended accordingly, wherever the name of the Company appears AND THAT the Directors and/or the Company Secretary be authorised to carry out all necessary formalities to effect the proposed change of name of the Company."

SPECIAL RESOLUTION 2

PROPOSED REVOCATION OF THE EXISTING MEMORANDUM AND ARTICLES OF ASSOCIATION AND PROPOSED ADOPTION OF NEW CONSTITUTION OF THE COMPANY

"THAT approval be and is hereby given to revoke the existing Memorandum and Articles of Association of the Company with immediate effect and in place thereof, the proposed new Constitution of the Company as set out in **Appendix III** of the circular to the shareholders of Merge dated 18 September 2019 in relation to the Proposed Land Disposals, Proposed Change of Name and Proposed Adoption of New Constitution of the Company, be and is hereby adopted as the Constitution of the Company, AND THAT the Directors of the Company be and are hereby authorised to assent to any modifications, variations and/or amendments as may be required by the relevant authorities and to do all acts and things and take all such steps as may be considered necessary to give full effect to the foregoing."

SPECIAL RESOLUTION 3

PROPOSED REDUCTION OF MERGE'S ISSUED SHARE CAPITAL PURSUANT TO SECTION 117 OF THE COMPANIES ACT 2016 ("ACT") BY REDUCING AND CANCELLING THE SHARE CAPITAL OF MERGE WHICH IS LOST OR NOT REPRESENTED BY AVAILABLE ASSETS, EQUIVALENT TO THE ENTIRE ACCUMULATED LOSSES OF THE COMPANY TO OFFSET THE CREDIT ARISING AGAINST SUCH ACCUMULATED LOSSES ("PROPOSED SHARE CAPITAL REDUCTION")

"THAT subject to and conditional upon the approvals of all relevant authorities and/or parties (if any) pursuant to Section 117 of the Act, the Board be and is hereby given the authority and approval to reduce and cancelling the share capital of the Company which is lost or not represented by available assets, equivalent to the entire accumulated losses of the Company to offset the credit arising against such accumulated losses of Merge.

THAT the remaining balance after the setting off of the Company's accumulated losses pursuant to the Proposed Share Capital Reduction shall be credited to the retained earnings of the Company, which shall be utilised in such manner as the Board deems fit and in the best interest of the Company as permitted by the relevant and applicable laws and the Main Market Listing Requirements issued by Bursa Malaysia Securities Berhad.

AND THAT the Board be and is hereby authorised to approve, sign and execute all documents, do all things and acts as the Board may consider necessary or expedient to implement, finalise and give full effect to the Proposed Share Capital Reduction in the best interest of the Company with full power to assent to any conditions, variations, modifications and/or amendments in any manner as may be required by any relevant authorities, the relevant and applicable laws or deemed necessary or desirable by the Board."

**BY ORDER OF THE BOARD
MERGE ENERGY BHD**

**HANI SYAMIRA ABDUL HAMID
LS0009872
Group Company Secretary**

Shah Alam, Selangor, Malaysia
18 September 2019

Notes:

1. *A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote in his stead. 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. A proxy may but need not be a member of the Company.*
2. *Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, it may appoint at least 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.*
3. *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, either under its Common Seal or the hand of a duly authorised officer or attorney of the corporation.*
4. *The instrument appointing a proxy must be deposited at the registered office of the Company at No. 2 Jalan Apollo U5/190, Bandar Pinggiran Subang, 40150 Shah Alam, Selangor Darul Ehsan not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof.*
5. *For purpose of determining members' eligibility to attend the meeting, only members whose names appear in the Record of Depositors as at 3 October 2019 shall be entitled to attend this meeting or appoint proxy(ies) to attend and vote on his behalf.*



**MERGE
ENERGY**

MERGE ENERGY BHD

(Company No. 420099-X)

(Incorporated in Malaysia)

PROXY FORM

| | |
|---------------------------|------------------------|
| NO. OF SHARES HELD | CDS ACCOUNT NO. |
| | |

*I/We, _____ *NRIC No./Company No. _____
(FULL NAME OF SHAREHOLDER, IN BLOCK LETTERS)

of _____
(FULL ADDRESS)

being a *member/members of MERGE ENERGY BHD, hereby appoint _____

_____, NRIC No. _____
(NAME OF PROXY AS PER NRIC, IN BLOCK LETTERS)

of _____
(FULL ADDRESS)

and/ or failing him/her, _____, NRIC No. _____
(NAME OF PROXY AS PER NRIC, IN BLOCK LETTERS)

of _____
(FULL ADDRESS)

and/or failing him/her, the Chairman of the meeting as *my/our proxy to vote for *me/us on *my/our behalf at the Extraordinary General Meeting of the Company to be held at The Boardroom, No. 2, Jalan Apollo U5/190, Bandar Pinggiran Subang, 40150 Shah Alam, Selangor Darul Ehsan on Thursday, 10 October 2019 at 10.00 a.m., and at any adjournment thereof.

| Ordinary Resolutions | | For | Against |
|-----------------------------|--|------------|----------------|
| 1 | Proposed Land Disposals | | |
| 2 | Proposed Development | | |
| 3 | Proposed Diversification | | |
| Special Resolutions | | | |
| 1 | Proposed Change of Name | | |
| 2 | Proposed Adoption of New Constitution of the Company | | |
| 3 | Proposed Share Capital Reduction | | |

(Please indicate with an "X", in the space provided whether you wish your vote to be casted for or against the resolution. Unless otherwise instructed, the proxy may vote as he or she shall think fit in respect of the resolution.)

**Delete if not applicable.*

Where a member appoints 2 proxies, please specify the proportion of the member's shareholdings to be represented by each proxy.

Signed this day of 2019

| FOR APPOINTMENT OF TWO PROXIES, NO. OF SHARES AND PERCENTAGE OF SHAREHOLDINGS TO BE REPRESENTED BY THE PROXIES: | | |
|--|----------------------|--------------------------|
| | NO. OF SHARES | % OF SHAREHOLDING |
| Proxy 1 | | |
| Proxy 2 | | |
| | | 100% |

.....
Signature/Seal of Shareholder



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2. *Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, it may appoint at least 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.*
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AFFIX
STAMP

THE COMPANY SECRETARY
MERGE ENERGY BHD (420099-X)
No. 2, Jalan Apollo U5/190
Bandar Pinggiran Subang,
40150 Shah Alam
Selangor Darul Ehsan, Malaysia

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