



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 Mahkota 3, Hotel Istana Kuala Lumpur, 73, Jalan Raja Chulan, 50200 Kuala Lumpur on Tuesday, 13 March 2012 at 10 a.m., for the purpose of considering and, if thought fit, passing the following resolutions with or without any modification:-

ORDINARY RESOLUTION 1

PROPOSED BONUS ISSUE OF UP TO 241,999,945 NEW ORDINARY SHARES OF US\$0.10 EACH IN THE COMPANY ("SHARES") ("BONUS SHARES"), TO BE CREDITED AS FULLY PAID-UP AT PAR, ON THE BASIS OF ONE (1) BONUS SHARE FOR EVERY TWO (2) EXISTING SHARES HELD BY THE ENTITLED SHAREHOLDERS OF THE COMPANY ON AN ENTITLEMENT DATE TO BE DETERMINED BY THE BOARD OF DIRECTORS OF THE COMPANY ("BOARD") AND ANNOUNCED LATER ("PROPOSED BONUS ISSUE")

"THAT subject to the passing of Ordinary Resolution 3 below and the approval of all relevant authorities or parties having been obtained, a sum of RM21,776,200 standing to the credit of the Company's share premium account and the balance thereof required to be capitalised by allotment and issue of up to 241,999,945 Bonus Shares, to be credited as fully paid-up at par, 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 and announced later ("**Entitlement Date**") ("**Entitled Shareholders**"), on the basis of one (1) Bonus Share for every two (2) existing Shares held in the Company on the Entitlement Date;

THAT the Board be and is hereby authorised to allot and issue the Bonus Shares to the Entitled Shareholders on the basis of one (1) Bonus Share for every two (2) existing Shares held in the Company on the Entitlement Date, and to deal with any fractional entitlements in such manner at its absolute discretion as it may deem fit and expedient or in the best interest of the Company (including but not limited to disregarding the fractional entitlements);

THAT such Bonus Shares shall, upon allotment and issue, rank *pari passu* in all respects with the then existing issued and fully paid-up Shares, save and except that the 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, the entitlement date of which is prior to the date of the allotment of the Bonus Shares;

AND THAT the Board be and is hereby authorised to sign and execute all documents, do all things and acts as may be required to give effect to the Proposed Bonus Issue 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 and things in any manner as they may deem necessary or expedient to implement, finalise and give full effect to the Proposed Bonus Issue."

ORDINARY RESOLUTION 2

PROPOSED RENOUNCEABLE RIGHTS ISSUE OF UP TO 241,999,945 WARRANTS IN THE COMPANY ("WARRANT(S)"), AT AN ISSUE PRICE OF RM0.05 PER WARRANT, ON THE BASIS OF ONE (1) WARRANT FOR EVERY TWO (2) EXISTING ORDINARY SHARES OF US\$0.10 EACH IN THE COMPANY ("SHARES") HELD BY THE ENTITLED SHAREHOLDERS OF THE COMPANY ON AN ENTITLEMENT DATE TO BE DETERMINED BY THE BOARD OF DIRECTORS OF THE COMPANY ("BOARD") AND ANNOUNCED LATER ("PROPOSED RIGHTS ISSUE OF WARRANTS")

"THAT subject to the passing of Ordinary Resolution 3 below and the approval of all relevant authorities or parties having been obtained, the Board be and is hereby authorised to provisionally allot and issue by way of a renounceable rights issue up to 241,999,945 Warrants at an issue price of RM0.05 per Warrant, on the basis of one (1) Warrant for every two (2) existing Shares in the Company held by the shareholders 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**"), on such terms and conditions as the Board may determine;

THAT the Board be and is hereby authorised to determine and vary if deemed fit, necessary and/or expedient, the exercise price of the Warrants and the issue price and/or exercise price of any other securities issued or to be issued in connection with the Proposed Rights Issue of Warrants;

THAT any Warrants which are not validly taken up or which are not allotted for any reason whatsoever shall be made available for excess applications in such manner as the Board shall determine at its absolute discretion;

THAT the Warrants be allotted and issued in registered form on the basis that, subject to any adjustments to the subscription rights attached to the Warrants under the provisions of the deed poll to be executed by the Company constituting the Warrants ("**Deed Poll**"), each Warrant entitles its holder to subscribe for one (1) Share ("**Rights Share**") at an exercise price to be determined by the Board, during its prescribed exercise period;

THAT the Warrants and the Rights Shares to be issued pursuant to the exercise of the Warrants shall be listed on the Main Market of Bursa Securities;

THAT the proceeds of the Proposed Rights Issue of Warrants be utilised for the purposes as set out in Section 5 of the Circular to shareholders of the Company dated 27 February 2012, 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 (where required) to the approval of the relevant authorities;

THAT the Board be and is hereby empowered and authorised to:-

- deal with any fractional entitlements that may arise from the Proposed Rights Issue of Warrants in such manner and on such terms and conditions as the Board shall in its absolute discretion as it may deem fit or think expedient or in the best interests of the Company (including without limitation to disregard such fractional entitlements);
- allot and issue such number of additional Warrants pursuant to the adjustments under the Deed Poll ("**Additional Warrants**") and to adjust from time to time the exercise price of the Warrants as a consequence of the adjustments under the provisions in the Deed Poll and/or to effect such modifications, variations and/or amendments as may be imposed / required / permitted by Bursa Securities and any other relevant authorities or parties or otherwise;
- allot and issue such appropriate number of Rights Shares, to the holders of the Warrants arising from the exercise of the Warrants and the Additional Warrants, and all Rights Shares to be issued pursuant to the exercise of the Warrants and the Additional Warrants shall, when allotted, issued and fully paid-up, rank *pari passu* in all respects with the then existing issued and fully paid-up shares in the capital of the Company, save and except that the Rights Shares shall not be entitled to any dividends, rights, allotments and/or distributions which may be declared, made or paid to the shareholders of the Company, the entitlement date of which is prior to the date of allotment of the Rights Shares;
- enter into the Deed Poll with full powers to assent to any condition, modification, revaluation, variation and/or amendments (if any) as the Board may deem fit, necessary and/or expedient or as may be imposed by the relevant authorities and to take all steps as it may consider necessary in order to implement, finalise and give full effect to the Deed Poll subject to all provisions and adjustments contained therein;
- do all acts, deeds and things and execute, sign, deliver and cause to be delivered on behalf of the Company all such transactions, arrangements, agreements and/or documents as may be necessary or expedient in order to implement, give effect to and complete the Proposed Rights Issue of Warrants with full powers to assent to any condition, modification, variation and/or amendment to the terms of the Proposed Rights Issue of Warrants 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 Rights Issue of Warrants;

AND THAT this resolution constitutes a specific approval for the issuance of 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 Warrants, Additional Warrants and Rights Shares to be issued pursuant to or in connection with the Proposed Rights Issue of Warrants have been duly allotted and issued in accordance with the terms of the Proposed Rights Issue of Warrants."

ORDINARY RESOLUTION 3

PROPOSED INCREASE IN THE AUTHORISED SHARE CAPITAL OF XDL FROM US\$50,000,000 COMPRISING 500,000,000 ORDINARY SHARES OF US\$0.10 EACH ("SHARES") TO US\$300,000,000 COMPRISING 3,000,000,000 SHARES ("PROPOSED INCREASE IN AUTHORISED SHARE CAPITAL")

"THAT the authorised share capital of the Company be increased from US\$50,000,000 comprising 500,000,000 Shares to US\$300,000,000 comprising 3,000,000,000 Shares.

AND THAT the directors of the Company be and are hereby authorised to give effect to the aforesaid increase in authorised share capital of the Company."

By Order of the Board

LIM LEE KUAN (MAICSA 7017753)

TEO MEE HUI (MAICSA 7050642)

Company Secretaries

Kuala Lumpur
27 February 2012

Notes:-

- For the purpose of determining a member who shall be entitled to attend this special general meeting, the Company shall be requesting Bursa Malaysia Depository Sdn. Bhd. in accordance with Bye-laws 58(5) of the Company's Bye-laws and Section 34(l) of the Securities Industry (Central Depositories) Act 1991 of Malaysia to issue a General Meeting Record of Depositors as at 6 March 2012. Only a depositor whose name appears on the Record of Depositors as at 6 March 2012 shall be entitled to attend the said meeting and to speak or vote thereat.
- A member who is the holder of two (2) or more Shares shall be entitled to appoint not more than 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 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 his attorney duly authorised in writing or if the appointor is a corporation, the form of proxy 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 Malaysian Registered Office at 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 set for holding the Special General Meeting on or before 10.00 a.m., 11 March 2012, or any adjournment thereof.