

**I Synergy Holdings Berhad  
(Company No. 1138715-H)**

**Notice of General Meeting**

**General Meeting to be held at**

**Unit 20-10, Tower A, The Vertical Business Suite,  
Avenue 3, Bangsar South, No.8 Jalan Kerinchi,  
59200, Kuala Lumpur;**

**Important**

This Notice of General Meeting should be read in its entirety. If Shareholders are in doubt as to how to vote, they should seek advice from their professional adviser prior to voting.

## NOTICE OF EXTRAORDINARY GENERAL MEETING

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Notice is given that an Extraordinary General Meeting of I Synergy Holdings Berhad (Company No. 1138715-H) ("**Company**") will be held at Unit 20-10, Tower A, The Vertical Business Suite, Avenue 3, Bangsar South, No.8 Jalan Kerinchi, 59200, Kuala Lumpur, on 15 July 2016, Friday, commencing at 11.00 am (Malaysian time).

The Explanatory Statement that accompanies and forms part of this Notice of Extraordinary General Meeting describes in more detail the matters to be considered.

### Business

#### Resolution 1: Approval of sale of I Synergy International (M) Sdn Bhd

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To consider and, if thought fit, to pass the following Resolution as an **ordinary resolution**:

*"That, subject to each other Resolution being passed, for the purposes of NSX Listing Rules 6.41, 6.42 and 6.43, and for all other purposes, and subject to and conditional upon the approvals of all relevant authorities being obtained where required, approval is given for the Company to sell its wholly-owned subsidiary, I Synergy International (M) Sdn Bhd, comprising 100,000 ordinary shares of RM1.00 each to MYco for total consideration of not less than 150,000,000 shares but up to 250,000,000 shares of \$0.01 each in Ausco, subject to market valuation, on the terms and conditions described in the Explanatory Statement ("**Proposed Sale**").*

*And that, the Board of Directors the Company be and is hereby authorised to give full effect to the Proposed Sale with full powers to assent to any terms, conditions, modifications, variations and/or amendments in any manner as may be required by the relevant authorities or as the Board of Directors may deem necessary or expedient in the best interests of the Company and to do all acts, deeds and things and to execute, sign and deliver for and on behalf of the Company all such documents as may be necessary and/or expedient in the best interests of the Company."*

#### Resolution 2: Approval of Proposed Share Consolidation

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To consider and, if thought fit, to pass the following Resolution as an **ordinary resolution**:

*"That subject to the approvals of all relevant authorities, approval be and is hereby given to the Company to consolidate every fifty (50) existing ordinary share of RM0.02 each held by the registered shareholders of the Company whose names appear in the Record of Depositors at the close of business on a date to be determined by the Board of Directors into one (1) Consolidated Share credited as fully paid-up ("**Proposed Share Consolidation**").*

*And that the Board of Directors of the Company be and is hereby authorised to give full effect to the Proposed Share Consolidation with full powers to assent to any terms, conditions, modifications, variations and/or amendments in any manner as may be required by the relevant authorities or as the Board of Directors of the Company may deem necessary or expedient in the best interest of the Company and to do all acts, deeds and things and to execute, sign and deliver for and on behalf of the Company all such documents as may be necessary and/or expedient in the best interests of the Company."*

### **Resolution 3: Approval of Proposed Capital Reduction**

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To consider and, if thought fit, to pass the following Resolution as a **special resolution**:

*"That, subject to each other Resolution being passed and subject to the sanction of the High Court Malaya pursuant to Section 64 of the Companies Act 1965, for all purposes, and with effect from the date of the passing of this Resolution:*

- (i) the amount of Malaysia Ringgit Four Million and Nine Hundred Thousand (RM4,900,000) standing to the credit of the share capital account of the Company be cancelled ("**Proposed Capital Reduction**");*
- (ii) the credit arising from the Proposed Capital Reduction be credited to the contributed surplus account of the Company;*
- (iii) the Board of Directors be and is hereby authorised to utilise and apply such contributed surplus in such manner as may be permitted by the laws of the Company including, without limitation, the payment of distributions to shareholders from time to time; and*
- (iv) the Board of Directors be and is hereby authorised to take all steps and do all such acts and matters as they may consider necessary or expedient to give effect to the Capital Reduction with full power to give all notices, directions, consents and authorisations in respect of any matter arising under or in connection with the Proposed Capital Reduction and to assent to any conditions, modifications, variations and/or amendments relating to the Proposed Capital Reduction as may be required by the relevant regulatory authorities and to do all such things as they may consider necessary or expedient to give effect to the Proposed Capital Reduction."*

### **Resolution 4: Approval of Proposed Distribution-In-Specie**

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To consider and, if thought fit, to pass the following Resolution as an **ordinary resolution**:

*"That, subject to each other Resolution being passed, a distribution of Ausco Shares per ordinary share in the capital of the Company payable to all entitled shareholders whose names appear on the Company's register of members and/or record of depositors on a date to be determined by the Board of Directors in accordance with the Articles of Association of the Company be and is hereby approved ("**Proposed Distribution-In-Specie**"). Shareholders whose names appear on the Australian branch register of members and/ or record of depositors shall receive the Proposed Distribution-In-Specie.*

*And that the Board of Directors be and is hereby authorised to do all such deeds, acts and things and execute, sign and deliver all documents for and on behalf of the Company as they may consider necessary or expedient to implement and/or give full effect to the aforesaid Proposed Distribution-In-Specie."*

On behalf of the Board



**Dato Teo Chee Hong**  
Director  
I Synergy Holdings Berhad

15 June 2016

## EXPLANATORY STATEMENT

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### Important information

This Explanatory Statement has been prepared for the information of the shareholders of I Synergy Holdings Berhad (Company No. 1138715-H) (**Company**) in connection with the Resolutions to be considered at the General Meeting to be held at Unit 20-10, Tower A, The Vertical Business Suite, Avenue 3, Bangsar South, No.8 Jalan Kerinchi, 59200, Kuala Lumpur on 15 July 2016, Friday, commencing at 11.00am.

The purpose of this Explanatory Statement is to provide Shareholders with all information known to the Company, which is material to a decision on how to vote on the Resolutions in the accompanying Notice of Meeting.

**Important:** Each Resolution is subject to, and conditional on, each other Resolution being passed. Accordingly, the Resolutions should be considered collectively as well as individually.

This Notice and Explanatory Statement should be read in its entirety. If Shareholders are in doubt as to how to vote, they should seek advice from their professional adviser prior to voting.

### Interpretation

Capitalised terms which are not otherwise defined in this Notice and Explanatory Statement have the meanings given to those terms in Section 3.

References to "\$" and "A\$" in this Notice and Explanatory Statement are references to Australian currency unless otherwise stated.

References to "RM" in this Notice and Explanatory Statement are references to Malaysian currency unless otherwise stated.

References to time in this Notice and Explanatory Statement relate to the time in Kuala Lumpur, Malaysia.

### Voting entitlements

In accordance with Companies Act 1965, the Board has determined that a person's entitlement to vote at the General Meeting will be the entitlement of that person set out in the register of Shareholders as at 11.00am on 13 July 2016. Accordingly, transactions registered after that time will be disregarded in determining a Shareholder's entitlement to attend and vote at the General Meeting.

### Voting exclusions

The Company will disregard any votes cast on the Resolutions by Dato' Teo Chee Hong and any associate of that person. However, the Company need not disregard a vote if:

- it is cast by a person as proxy for a person who is entitled to vote in accordance with the directions on the Proxy Form; or
- it is cast by the Chair as proxy for a person who is entitled to vote in accordance with a direction on the Proxy Form to vote as the proxy decides

### General

Please note the following:

- In regard of deposited securities, only members appear in the Record of Depositors as at 13 July 2016 shall be entitled to attend and vote at the Meeting.
- A member entitled to attend and vote at the above meeting is entitled to appoint a proxy to attend and vote in his/ her stead. If a member is present either in person or by its corporate representative, and a person appointed by that member as proxy is also present at that meeting, that person may not exercise the rights conferred by the instrument of proxy while the member is present.
- The instrument appointing a proxy must be in writing and signed by the appointor or the appointor's attorney duly authorized in writing, or if the appointor is a body corporate, by its corporate representative or at least 2 of its officers.
- The instrument appointing a proxy and the original power of attorney (if any) under which it is signed or a certified copy of the power of attorney must be received by the Company at least 48 hours before the meeting by delivery to the Company's office, by facsimile received at the Company's office or at any other place fax number or electronic address for the purpose in the notice of meeting.
- Every instrument of proxy must specify the Member's name and address the Company's name the proxy's name or the name of the office held by the proxy and the meetings at which the proxy may be used.
- The instrument of proxy may be worded so that a proxy is directed to vote either for or against each of the resolutions to be proposed. Any instrument of proxy deposited in which the name of the appointee is not filled will be deemed to be given in favour of the chairman of the meeting to which it relates. The instrument of proxy may specify the proportion or number of votes that the proxy may exercise.

To vote by proxy, please complete and sign the enclosed Proxy Form and send by:

- post to the Company at B-1-15, Block B, 8 Avenue, Jalan Sungai Jernih 8/1, Section 8, 46050 Petaling Jaya, Selangor;
- facsimile to the Company on +603 7956 7301; or
- email to the Company Secretary at [wu@cwics.com.my](mailto:wu@cwics.com.my),

so that it is received by no later than 11.00am on 13 July 2016. Proxy Forms received later than this time will be invalid.

## Privacy

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the EGM and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of, amongst others, processing and administration by the Company (or its agents) of proxies and representatives appointed for the EGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the EGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "Purposes"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's such breach of warranty.

## 1. PROPOSED TRANSACTION

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### 1.1 Background

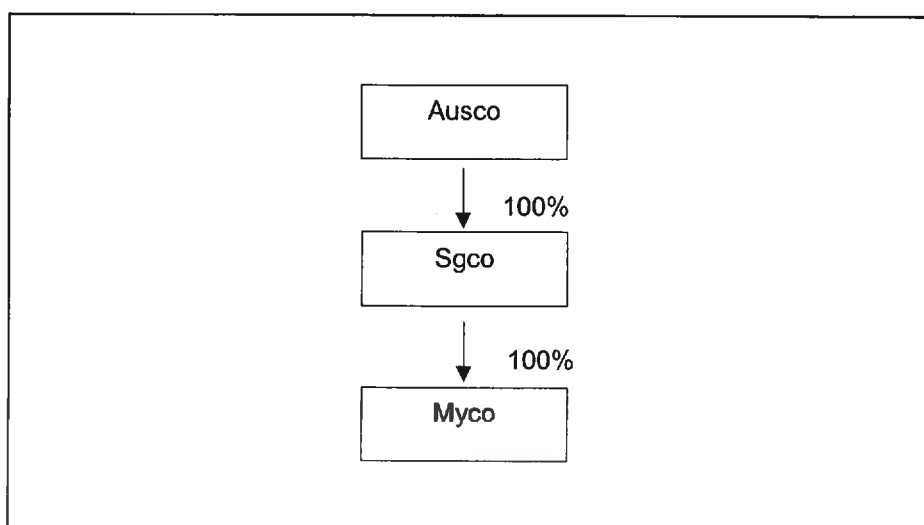
The Company was incorporated on 13 May 2015 and listed on the National Stock Exchange of Australia (**NSX**) on 31 August 2015.

The Company is the parent company of I Synergy International (M) Sdn Bhd (**ISI**), a private limited liability company formed in Malaysia that operates and manages its own affiliate network called Affiliate Junction, Malaysia's leading and premiere affiliate network.

Due to rapid business growth and planned overseas expansion, the Board is of opinion that a mainboard listing on the Australia Securities Exchange (**ASX**) will help to raise capital needed for expansion and to enhance Shareholders' value with better share liquidity.

### 1.2 Proposed Restructure

The proposed restructuring of I Synergy involves the incorporation of a new Australian registered company (**Ausco**) which will wholly own a new Singapore registered company (**SGco**). SGco in turn will wholly own a new Malaysian registered company (**MYco**) as shown below:



The Company intends to dispose of its wholly-owned subsidiary, ISI comprising 100,000 ordinary shares, to MYco for total share consideration of not less than 150,000,000 but up to 250,000,000 ordinary shares in Ausco, subject to market valuation (**Ausco Shares**). The actual number of Ausco Shares to be issued will be determined having regard to market factors and feedback the Ausco receives from investors and advisers during roadshow presentations for the Public Offer.

Prior to the General Meeting, the Company will enter into an agreement with MYco and Ausco to sell all of the issued capital in ISI (**ISI Sale Agreement**). The key terms of the ISI Sale Agreement are summarised below.

- (a) The Company will transfer its 100,000 ordinary shares in ISI, comprising all of the issued capital in ISI, to MYco.
- (b) As consideration for transferring all of the issued capital in ISI, the Company will be issued not less than 150,000,000 but up to 250,000,000 shares in Ausco Shares, subject to market valuation.

- (c) Completion is subject to each party obtaining all authorisations of any regulatory authorities, and all approvals of its shareholders, necessary to implement the agreement.
- (d) The agreement contains other standard provisions, including warranties and indemnities given by the Company in favour of the Ausco and MYco.

Following completion of the ISI Sale Agreement, the Company will undertake the Proposed Share Consolidation, being a consolidation of every 50 existing Shares of RM0.02 each into 1 new ordinary Share of RM1.00 and, via the Proposed Capital Reduction, will reduce the revised par value of RM1.00 to RM0.02. With the Proposed Share Consolidation and Capital Reduction, the total number of ordinary shares outstanding will be 5,000,000 at par value of RM0.02. The table below provides a summary of the effect of the Proposed Capital Reduction on the Company's capital structure.

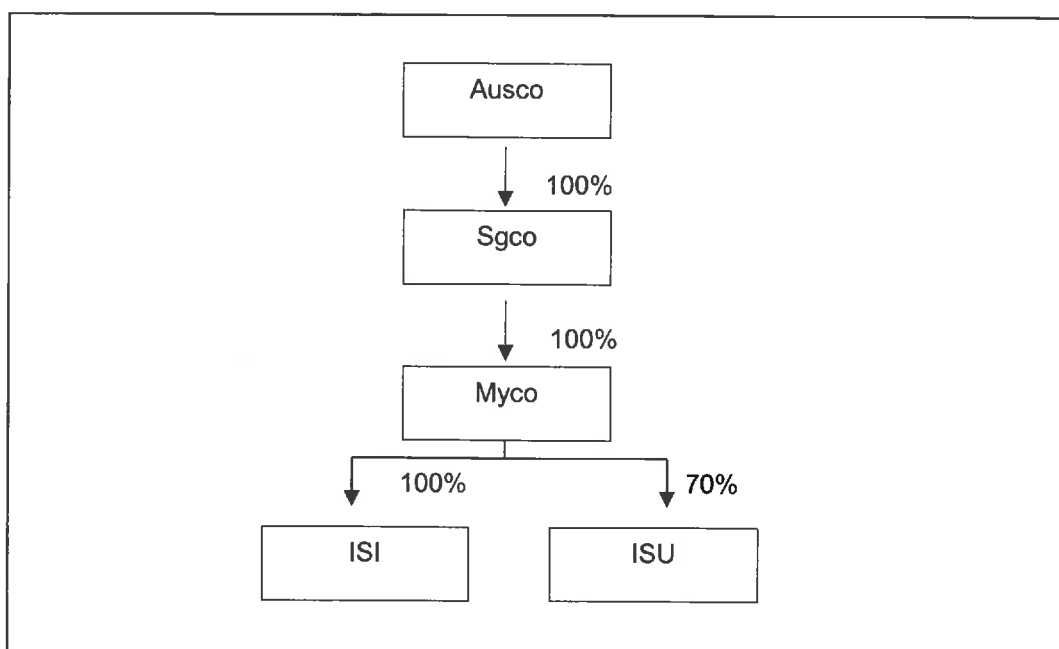
Company Capital Structure	Audited as at 31.12.2015	Unaudited accounts as at 31.3.2016	After Proposed Capital Reduction
<b>Number of Shares</b>	250,000,000	250,000,000	5,000,000
<b>Share capital</b>	RM5,000,000	RM5,000,000	RM100,000
<b>Retained earnings/(deficit)</b>	(RM423,239)	RM26,761	RM26,761

The Proposed Capital Reduction will be undertaken by the way of a repayment of capital to Shareholders (registered as at a record date to be determined by the Board) via the Proposed Distribution-In-Specie, being a distribution-in-specie of not less than 150,000,000 but up to up to 250,000,000 Ausco Shares on the basis of shareholdings.

In addition to acquiring 100% of the issued capital in ISI, MYco will also acquire 70% of the issued capital in I Synergy Universal (M) Sdn Bhd (**ISU**) from Managing Director, Dato' Teo Chee Hong, under an agreement (**ISU Sale Agreement**) to be entered into prior to the General Meeting. ISU owns a proprietary affiliate marketing platform (**Platform**) that delivers affiliate marketing solutions (see Section 1.3 for further information). ISI and ISU will enter into a licence agreement under which ISU will grant to ISI a non-exclusive, indefinite, licence to use the Platform for a licence fee.

The consideration payable by Ausco to Dato' Teo Chee Hong for his 70% interest in ISU is determined having regard to market factors and feedback the Ausco receives from investors and advisers during roadshow presentations for the Public Offer

The corporate group following the Proposed Restructure is shown below.



Following completion of the Sale Agreements, Ausco intends to list on the ASX, whereby it will offer up to 40,000,000 shares at an issue price of \$0.20 to raise up to \$8,000,000 before costs (**Public Offer**) with a minimum subscription of \$5,000,000. Therefore, upon completion, Shareholders will become shareholders of the Ausco which will be listed on the ASX and will hold 100% of the shares in ISI, and 70% of the shares in ISU.

**Important:** Completion under the Sale Agreements is not conditional on Ausco successfully listing on the ASX. However, if Ausco does not list on the ASX by 31 December 2016 (or such later date agreed by the parties) then any transactions completed under the Sale Agreements will be unwound so that the parties are restored to their previous positions, and the Proposed Restructure will not proceed.

Although the Company will dispose of its only major asset under the ISI Sale Agreement, the Company will remain listed on NSX for a short period of time, during which it may seek to acquire another asset or business. However, there is no guarantee that a new asset or business will be acquired the Company, in which case the Company will likely be delisted from the NSX.

### 1.3 Affiliate Junction Platform

Affiliate Junction is an integrated platform that provides affiliates with an advanced set of business management, interactive marketing tools and education management system, which empowers affiliates in performance-based marketing solutions to a variety of merchants and advertisers.

It allows merchants and advertisers to easily manage, track and automate referral incentives to affiliates as a reward for promoting to consumers and driving leads and/or sales to their businesses via online and offline promotions.

The Platform comprises 2 main modules:

- Merchants / advertisers module – it provides merchants with sales tracking, incentive / commission payouts, tier-base referral rates, customer analytics and self-serve campaign functions.



- Affiliate module – it provides affiliates with a single login to multiple affiliate programs, sales tracking, marketing resources tool, training, automated performance based commission calculation, consolidated earnings reporting, etc.

## 1.4 Business plan

ISI provides large merchants (advertiser clients) with performance-based marketing solutions and access to a variety of programs to help them harness the value of consumer data.

Through its network of 19,000+ affiliates (publishers) in Malaysia, ISI connects businesses with their intended target audience to drive product awareness and increase sales.

ISI provides a systematic approach for merchants and advertisers to leverage and reward affiliates and publishers for successful marketing efforts in targeting an intended audience and resulting in a desired business lead.

ISI receives revenue from 2 main avenues:

- Merchant Fee – Merchants (i.e. retailers, e-commerce business's, resellers etc) pay a Merchant Fee to gain access to the Platform.
- Licence and Training Fee – Affiliates pay a licence fee to access the Platform and also pay for training and education about the use of the Platform from ISI's expert staff.



Figure 1: Business Model

ISU generates revenue from the licence fees paid by ISI for use of the Platform. Currently, ISI is ISU's only customer. The Company may consider expanding ISU's customer base in the future.

Having established and proven its business model in Malaysia over the past decade, Ausco plans to grow the business in the following ways (among others) using funds raised under the Public Offer:

- Geographical Expansion: Ausco plans to take the Platform to new geographical markets within Southeast Asia and Australia. The Company has established a small

office in Indonesia to investigate the potential of this as its first target market and additional countries are currently being identified.

- **Product and Industry Expansion:** the Company currently operates predominately in the retail sector providing a marketing platform for consumer goods and services. Capitalising on its extensive affiliate and customer base, Ausco intends to expand the programs under the Platform to deliver new marketing solutions and innovative solutions and to begin expansion into new industries. Potential industries which have been identified include financial products, property and health and wellbeing. Ausco also plans to investigate more ways to monetise the data it receives via the Platform as well as investigating additional opportunities to add to the current offering in the retail sector.

## 1.5 Indicative timetable

Barring any unforeseen circumstances and subject to all relevant approvals being obtained, the Board expects the Proposed Restructure to be completed in the 4<sup>th</sup> quarter of 2016. The tentative timetable for implementation of the Proposed Restructure and IPO of Ausco on the ASX is as follows:

Event	Date
Notice of Meeting sent to Shareholders	15 June 2016
General Meeting to approve the Propose Restructure	15 July 2016
Completion of the Sale Agreements	18 July 2016
Application to Court for the Proposed Capital Reduction	18 July 2016
Ausco Prospectus lodged with ASIC	8 August 2016
Public Offer opens	15 August 2016
Public Offer closes	2 September 2016
Issue of Shares under the Public Offer	19 September 2016
Expected date for Ausco Shares to be distributed in-specie to Shareholders	19 September 2016
Expected date for Ausco Shares to begin trading on ASX	26 September 2016

## 1.6 Indicated capital structure

The table below provides a summary of the capital structure of Ausco at the date of this Notice and upon completion of its ASX listing. Please note that the figures below are indicative only and may change (even materially).

Capital structure	Minimum Subscription		Full Subscription	
Upon registration	1	1	1	1
Consideration shares issued to acquire 100% of ISI (subject to market valuation)	150,000,000	250,000,000	150,000,000	250,000,000
Consideration shares issued to acquire 70% of ISU (subject to market valuation)	16,556,291	16,556,291	16,556,291	16,556,291
Shares issued under the Public Offer	25,000,000	25,000,000	40,000,000	40,000,000
<b>Total shares</b>	<b>191,556,292</b>	<b>291,556,292</b>	<b>206,556,292</b>	<b>306,556,292</b>
Options to various directors, staff and affiliates (the options will have an exercise price above the offer price under the Public Offer, and will vest over time)	5,746,689	8,764,689	6,196,689	8,764,689
<b>Fully diluted share capital</b>	<b>197,302,981</b>	<b>300,320,981</b>	<b>212,752,981</b>	<b>315,320,981</b>

## 1.7 Advantages of the Proposed Restructure

The Directors are of the view that the following non-exhaustive list of advantages of the Proposed Restructure may be relevant to a Shareholder's decision on how to vote on the Resolutions:

- better access to capital by being listed on the ASX;
- a capital injection of \$5 million to \$8 million through the Public Offer which can be used to fund growth;
- improved share liquidity by holding shares on a more liquid exchange in the ASX;
- enhanced market perception and corporate image by being listed on the ASX; and
- acquisition of a 70% interest in ISU and the Platform.

## 1.8 Potential disadvantages of the Proposed Restructure

The Directors are of the view that the following non-exhaustive list of disadvantages of the Proposed Restructure may be relevant to a Shareholder's decision on how to vote on the Resolutions:

- Shareholders will be diluted through the issue of consideration shares for the acquisition of a 70% interest in ISU, and the issue of shares under the Public Offer;
- a cash payment for any merger/acquisitions; and
- ISH will no longer have any material assets or a business and may be de-listed from the NSX.

## **2. ADDITIONAL INFORMATION**

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### **2.1 Scope of disclosure**

The law requires that this Explanatory Statement sets out all other information that is reasonably required by the Existing Shareholders in order to decide whether or not it is in the Company's interests to pass the Resolutions and which is known to the Company.

The Company is not aware of any relevant information that is material to the decision on how to vote on the Resolutions other than as is disclosed in this Explanatory Statement or previously disclosed to Shareholders by the Company by notification to the NSX.

### **2.2 Listing Rule 6.41**

Listing Rule 6.41 provides that an issuer shall provide full details to NSX as soon as practicable of any proposed significant change to the nature or scale of its activities. The issuer must do any of the following if required by NSX:

- provide additional information to NSX;
- obtain the approval of members for the change; or
- meet the requirements of Chapter 4 of the Listing Rules as if applying for a listing.

As the Company is proposing to sell its only material asset (being its shares in ISI) under the ISI Share Purchase Agreement, it will effectively become a shell company upon completion. Accordingly, the Company is seeking Shareholder approval for the purposes of Listing Rule 6.41.

### **2.3 Listing Rule 6.42**

Listing Rule 6.42 provides that an issuer must not dispose of a major asset if it is aware that the person acquiring the asset intends to list its securities. This rule does not apply if the shareholders of the issuer approve of the disposal.

As the Ausco intends to list on the ASX following its acquisition of ISI, the Company is seeking Shareholder approval for the purposes of Listing Rule 6.42.

### **2.4 Listing Rule 6.43**

NSX Listing Rule 6.43 provides that an issuer must obtain the approval of its shareholder if it disposes of a substantial asset to any of the following:

- a related party;
- a child entity;
- a person with voting power of at least 10% of the voting securities of the issuer;
- an associate of a person referred to above; or
- a person nominated by NSX.

Ausco is a related party of the Company as it is controlled by Dato' Teo Chee Hong who is a Director and the major Shareholder of the Company. Accordingly, the Company is seeking Shareholder approval for the purposes of Listing Rule 6.43.

## 2.5 Interests of the Directors

The table below sets out the interests of the Directors in the Shares of the Company as at the date of this Notice.

Director	Shares	Percentage of total Shares
Dato' Teo Chee Hong	167,400,000	66.96%
Will Ong Han Keong	10,050,000	4.02%
Lennon Chu Chung Piow	10,050,000	4.02%

## 2.6 Directors' recommendations

Other than to the extent that the Director abstains from voting due to having a material personal interest in the outcome of the Resolution, the Directors unanimously recommend that Shareholders vote in favour of all Resolutions.

## 2.7 Voting intentions of the Chair

The Chair intends to vote all available proxies in favour of all Resolutions.

## 2.8 Taxation

The Proposed Restructure and the passing of the Resolutions may give rise to income tax implications for the Company and Shareholders. Shareholders are advised to seek their own taxation advice on the effect of the Resolutions on their personal position. Neither the Company, nor any Director or adviser to the Company accepts any responsibility for any individual Shareholder's taxation consequences on any aspect of the Proposed Restructure or the Resolutions.

## 2.9 NSX disclaimer

The fact that the Notice of Meeting, Explanatory Statement and other relevant documentation has been received by NSX is not to be taken as an indication of the merits of the Resolutions or the Company. NSX and its respective officers take no responsibility for any decision a Shareholder may make in reliance on any of those documents.

### 3. DEFINITIONS

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In this Notice of Meeting and Explanatory Statement, the following terms have the following meanings:

**Annexure** means an annexure to this Explanatory Statement.

**ASIC** means the Australian Securities and Investments Commission.

**ASX** means ASX Limited ACN 008 624 691 or the Australian Securities Exchange, as the context requires.

**Ausco** means a limited liability company to be incorporated in Australia as the ultimate holding company and to list on the ASX.

**Ausco Shares** means the consideration shares to be issued by Ausco for the acquisition of ISI.

**Board** means the board of Directors.

**Chair** means the chairperson of the Meeting.

**Companies Act** means the *Companies Act 1965* (Malaysia).

**Company** means I Synergy Holdings Berhad (Company No. 1138715-H).

**Constitution** means the constitution of the Company.

**Corporations Act** means the *Corporations Act 2001* (Cth).

**Director** means a director of the Company.

**Explanatory Statement** means this explanatory statement incorporated in this Notice.

**ISI** means I Synergy International (M) Sdn Bhd (Company No. 1062594-W).

**ISI Sale Agreement** means the share purchase agreement to be entered into prior to the General Meeting between the Company, MYco and Ausco in relation to the sale and purchase of all of the issued capital of ISI.

**ISU** means I Synergy Universal (M) Sdn Bhd.

**ISU Sale Agreement** means the share purchase agreement to be entered into prior to the General Meeting between Dato' Teo Chee Hong, MYco and Ausco in relation to the sale and purchase of 70% of the issued capital of ISU.

**Listing Rules** means the official listing rules of NSX.

**Meeting** or **General Meeting** means the general meeting of Shareholders to be held on 15 July 2016 at 11am (Malaysian time).

**MYco** means private limited liability company to be incorporated in Malaysia as an intermediate holding company.

**Notice** or **Notice of Meeting** means the notice of General Meeting incorporating this Explanatory Statement.

**NSX** means National Stock Exchange of Australia Limited ACN 000 902 063 or the National Stock Exchange of Australia, as the context requires.

**Proposed Capital Reduction** means the proposed capital reduction described in Resolution 3.

**Proposed Distribution-In-Specie** means the proposed distribution in-specie of Ausco Shares described in Resolution 4.

**Proposed Restructure** means the proposed restructure described in Section 1.2.

**Proposed Sale** means the proposed sale described in Resolution 1.

**Proposed Share Consolidation** means the proposed share consolidation described in Resolution 2.

**Proxy Form** means the proxy form attached to this Notice.

**Resolution** means a resolution contained in the Notice.

**Sale Agreements** means the ISI Sale Agreement and the ISU Sale Agreement.

**Share** means a fully paid ordinary share in the capital of the Company.

**SGco** means private limited liability company to be incorporated in Malaysia as an intermediate holding company.

**Shareholder** means a holder of one or more Shares.