

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

Supplementary Notice of General Meeting

This Supplementary Notice of General Meeting (**Supplementary Notice**) relates to the general meeting of I Synergy Holdings Berhad (Company No. 1138715-H) (**Company**) 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: The date of the General Meeting has been postponed from 15 July 2016 to **Thursday, 28 July 2016, commencing at 11:00am (Kuala Lumpur time).**

This Supplementary Notice is intended to be read in conjunction with the Company's Notice of General Meeting (**Original Notice**) dated 15 June 2016. This Supplementary Notice is supplementary to and does not affect the validity of the Original Notice (other than to the extent that it is amended by this Supplementary Notice).

This Supplementary Notice amends Resolution 4 and includes an additional Resolution for Shareholders to vote on, being Resolution 5. Accordingly, enclosed with this Supplementary Notice is a new, replacement proxy form to be completed and returned. Please disregard the previous proxy form as it will not be accepted.

If you have already completed and returned the proxy form, you will be required to complete and return a copy of the enclosed replacement proxy form by 11.00am (Kuala Lumpur time) on Tuesday, 26 July 2016 for your proxy to be valid. Proxy forms submitted on the previous form will not be accepted.

Your vote is important, so we encourage all Shareholders to read this Supplementary Notice together with the Original Notice and vote either by proxy or at the 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.

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 26 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

Unless otherwise indicated, capitalised terms have the meaning given in the Original Notice.

The Company's Notice of General Meeting dated 15 June 2016 is supplemented and amended to the extent set out above and below.

1. Resolution 4: Approval of Proposed Distribution-In-Specie

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 and Ausco Performance 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.”

The purpose of amending Resolution 4 is to include the Ausco Performance Shares, as well as the Ausco Shares, in the Proposed Distribution-In-Specie.

2. Resolution 5: Change to Constitution

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

“The Company may distribute in-specie to its Members any shares (including, without limitation, ordinary shares and performance shares) it holds in a corporation in any way permitted by law and, if applicable, the Listing Rules. Each Member is deemed to consent to becoming a member of the corporation in which the distributed shares are held and is deemed to have irrevocably appointed the Company as its attorney and agent for the purposes of applying for membership in the corporation in which the distributed shares are held.”

The purpose of this Resolution 5 is to avoid the need for each individual Shareholder to submit an application form for the Ausco Shares it is entitled to, which may otherwise be required under Australian law.

3. Proposed Restructure

Following feedback from market participants, the following confirmations and changes apply to the Proposed Restructure:

- (a) for the purposes of Resolution 1, the consideration that the Ausco will pay to the Company for all of the issued capital in ISI under the ISI Sale Agreement is:
 - (i) 150,000,000 Ausco Shares; and
 - (ii) 50,000,000 Ausco Performance Shares. The terms and conditions of the Ausco Performance Shares are set out in the Annexure;
- (b) completion of the Proposed Distribution In-Specie will occur contemporaneously with completion of Ausco's ASX listing; and
- (c) the Company's Managing Director, Dato Teo Chee Hong, will transfer (**MD Share Transfer**) a portion of the Ausco Shares that he would otherwise have received under the Proposed Distribution In-Specie to Shareholders other than the Directors (**Non-Director Shareholders**) for nil consideration on a pro rata basis. The purpose of the MD Share Transfer is to reduce the purchase price payable by Ausco for ISI (and, therefore, the valuation of the Ausco presented to the market) and eliminate the effect of the reduced purchase price on Non-Director Shareholders. The MD Share Transfer will occur contemporaneously with completion of the Proposed Distribution In-Specie and Ausco's ASX listing.

As at the date of this Supplementary Notice, ISH has 250,000,000 ordinary (pre-share consolidation) on issue. For each share in ISH held at the record date, one (1) Ausco Share will be issued to the Non-Director Shareholders under the Proposed Distribution In-Specie and MD Share Transfer. In addition, each Shareholder (including the Directors) will receive 1 Ausco Performance Share for every 5 shares in ISH it holds at the record date.

The table below sets out the number of Ausco Shares that each Director will receive under the Proposed Distribution In-Specie, after factoring in the MD Share Transfer.

Director	Ausco Shares allocated under Proposed Distribution In-Specie (A)	Ausco Shares to be transferred to Non-Director Shareholders (B)	Ausco Shares received by Director (C) = (A) – (B)	Ausco Shares received per ISH share held
Dato Teo Chee Hong*	137,088,780	8,471,480	128,617,300	0.56
Will Ong Han Keong	102,000	-	102,000	0.60
Lennon Chu Chung Piow	102,000	-	102,000	0.60
Total	137,292,780	8,471,480	128,821,300	-

Note: Dato Teo Chee Hong's interest in ISH comprises of controlling interest in the following entities:

- 100% in Time Guardian Ventures Limited
- 51% in I Synergy Capital Sdn Bhd (which is 18% held by Will Ong Han Keong and 16% held by Lennon Chu Chung Piow)
- 99% in Tripple Gem Sdn Bhd

Please note that no application form for the Ausco Shares or Ausco Performance Shares will be required from a Shareholder entitled to such shares.

4. Indicative capital structure

The table below sets out the proposed capital structure of Ausco 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
Consideration shares issued to acquire 100% of ISI	150,000,000	150,000,000
Consideration shares issued to acquire 70% of ISU (subject to market valuation)	16,556,291	16,556,291
Shares issued under the Public Offer	25,000,000	40,000,000
Total shares	191,556,292	206,556,292
Ausco Performance Shares	50,000,000	50,000,000
Options to various directors, staff and affiliates (options will have an exercise price above the offer price under the Public Offer, and will vest over time)	8,764,689	8,764,689
Fully diluted share capital	250,320,981	265,320,981

5. Indicative timetable

The indicative timetable for the Proposed Restructure and IPO of Ausco is set out below. Please note that these dates are subject to change.

Event	Date
Supplementary Notice of Meeting sent to Shareholders	6 July 2016
General Meeting to approve the Propose Restructure	28 July 2016
Completion of the Sale Agreements	29 July 2016
Application to Court for the Proposed Capital Reduction	29 July 2016
Ausco Prospectus lodged with ASIC	8 August 2016
Public Offer opens	15 August 2016
Public Offer closes	12 September 2016
Issue of Shares under the Public Offer	19 September 2016
Expected date for Ausco Shares and Ausco Performance Shares to be distributed in-specie to Shareholders	29 September 2016
Expected date for Ausco Shares to begin trading on ASX	6 October 2016

Please contact the Company on +603-2242 1333 with any queries on this Supplementary Notice.



Dato Teo Chee Hong
Director
I Synergy Holdings Berhad
5 July 2016

Annexure – Ausco Performance Shares

The terms and conditions for the Ausco Performance Shares are set out below.

1. Issue price

Each performance share (**Performance Share**) will be issued for nil cash consideration.

2. Rights

- (a) The Performance Shares do not carry any voting rights in the Ausco.
- (b) The Performance Shares confer on the holder the right to receive notices of general meetings and financial reports and accounts of the Ausco that are circulated to shareholders. Holders of Performance Shares have the right to attend general meetings of shareholders of the Ausco.
- (c) The Performance Shares do not entitle the holder to any dividends.
- (d) The Performance Shares do not confer any right to participate in the surplus profits or assets of the Ausco upon winding up of the Ausco.
- (e) The Performance Shares do not confer any right to a return of capital, whether in a winding up, upon a reduction of capital or otherwise.
- (f) The Performance Shares do not confer the right to participate in new issues of securities such as entitlement issues. If the Ausco makes a bonus issue of Shares or other securities to existing Shareholders (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment) the number of Shares which must be issued on the conversion of a Performance Share will be increased by the number of Shares which the holder would have received if the relevant Performance Share had converted before the record date for the bonus issue.
- (g) If at any time the issued capital of the Ausco is reorganised, the Performance Shares are to be treated in the manner set out in ASX Listing Rule 7.21 (or other applicable ASX Listing Rule), being that the number of Performance Shares or the conversion ratio or both will be reorganised so that the holder of the Performance Shares will not receive a benefit that holders of ordinary shares do not receive and so that the holders of ordinary shares will not receive a benefit that the holder of the Performance Shares does not receive.
- (h) The Performance Shares give the holder no rights other than those expressly provided by these terms and conditions and those provided at law where such rights at law cannot be excluded by these terms and conditions.

3. Conversion

- (a) Subject to clause 3(b), each Performance Share is convertible into a fully paid ordinary share in the capital of the Ausco (**Conversion Share**) upon the Ausco reporting that either one of the following milestones has been achieved:
 - (i) the Ausco generating revenue of A\$29m within any continuous 12 month period expiring 24 months after the date of issue;
 - (ii) the Ausco generating cumulative revenue of A\$62m during the period from the date of issue until the date that is 24 months after issue.

(each, a **Milestone**).

- (b) Despite anything else contained in these terms and conditions, the conversion of any Performance Shares is subject to the Ausco obtaining all required (if any) shareholder or regulatory approval for the purpose of issuing the Conversion Shares. If conversion of all or part of the Performance Shares would result in any person being in contravention of section 606(1) of the *Corporations Act 2001* (Cth) (**Corporations Act**) then the conversion of each Performance Share that would cause the contravention will be deferred until such time or times that the conversion would not at a later date result in a contravention of section 606(1) of the Corporations Act. The holder must give prior notification to the Ausco in writing if it considers that the conversion of all or part of its Performance Shares may result in the contravention of section 606(1) of the Corporations Act, failing which the Ausco will be entitled to assume that the conversion of the Performance Shares under these terms and conditions will not result in any person being in contravention of section 606(1) of the Corporations Act.
- (c) The Ausco must issue any Conversion Shares in the name of the holder (or its nominee) within 7 days of the relevant Performance Shares becoming convertible into Conversion Shares under these terms and conditions.
- (d) Each Conversion Share will rank equally with a fully paid ordinary share in the capital of the Ausco.
- (e) The Performance Shares will not be quoted on any securities exchange and the Ausco will not make an application for quotation in respect of them. However, if the Ausco is listed on the ASX at the relevant time, upon conversion of any Performance Shares into Conversion Shares, the Ausco must within 7 days after the conversion apply for quotation of the Conversion Shares on the ASX, subject always to the requirements of the ASX Listing Rules, including those relating to escrow.

4. Expiry

The Performance Shares will be redeemed by the Ausco for nil cash consideration upon the earlier of:

- (a) the Board (acting reasonably) confirming that both Milestones have failed; and
- (b) 3 years after the date of issue.

5. Transferability

The Performance Shares are not transferable without the prior written consent of the Ausco, which consent may be withheld in its absolute discretion.

6. Compliance with Corporations Act, ASX Listing Rules and Constitution

- (a) Despite anything else contained in these terms and conditions, if the Corporations Act, ASX Listing Rules or Constitution prohibits an act being done, that act must not be done.
- (b) Nothing contained in these terms and conditions prevents an act being done that the Corporations Act, ASX Listing Rules or Constitution require to be done.
- (c) If the Corporations Act, ASX Listing Rules or Constitution conflict with these terms and conditions, or these terms and conditions do not comply with the Corporations Act, ASX Listing Rules or the Constitution, the holder authorise the Ausco to do anything necessary to rectify such conflict or non-compliance, including but not limited to unilaterally amending these terms and conditions.