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If you have sold or transferred all your shares in **Furniweb Holdings Limited**, you should at once hand this circular and the accompanying form of proxy to the purchaser(s) or the transferee(s) or to the bank, licensed securities dealer or registered institution in securities or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or the transferee(s).

FURNIWEB HOLDINGS LIMITED

飛霓控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 8480)

PROPOSALS FOR GENERAL MANDATES TO ISSUE AND BUY BACK SHARES RE-ELECTION OF DIRECTORS AND NOTICE OF ANNUAL GENERAL MEETING

Capitalised terms used in the lower portion of the front and inside cover pages have the same respective meanings as those defined in the section headed “Definitions” of this circular.

A notice convening the Annual General Meeting to be held at Arcadia II, Level 3, Hotel Armada Petaling Jaya, Lorong Utara C, Section 52, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia on Wednesday, 19 June 2019 at 10.00 a.m. is set out on pages 18 to 23 of this circular.

Whether or not you intend to attend the Annual General Meeting in person, you are requested to complete and return the accompanying form of proxy in accordance with the instructions printed thereon to the Branch Share Registrar, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong as soon as possible and in any event not less than 48 hours before the time of the Annual General Meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the Annual General Meeting or any adjournment thereof should you so wish.

This circular will remain on the “Latest Company Announcements” page of the GEM website at www.hkgem.com for at least 7 days from the date of its posting. This announcement will also be posted on the Company’s website at www.furniweb.com.my.

29 March 2019

CHARACTERISTICS OF GEM

GEM has been positioned as a market designed to accommodate small and mid-sized companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration.

Given that the companies listed on GEM are generally small and mid-sized companies, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.

CONTENTS

	<i>Page</i>
Definitions	1
Letter from the Board	
Introduction	4
Grant of Buy-back Mandate, General Mandate and Extension Mandate	5
Proposed Re-election of Directors	6
Closure of register of members	7
Actions to be taken	8
Recommendations	8
Responsibility Statement	8
General Information	8
Miscellaneous	9
Appendix I — Explanatory Statement for the Buy-back Mandate	10
Appendix II — Biographical Details of the Directors to be re-elected at the Annual General Meeting	14
Notice of Annual General Meeting	18

DEFINITIONS

In this circular, unless the context otherwise requires, the following expressions have the following meanings:

“Annual General Meeting”	the annual general meeting of the Company to be convened and held at Arcadia II, Level 3, Hotel Armada Petaling Jaya, Lorong Utara C, Section 52, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia on Wednesday, 19 June 2019 at 10.00 a.m. or any adjournment thereof (as the case may be), the notice of which is set out on pages 18 to 23 of this circular
“Articles of Association”	the amended and restated articles of association of the Company, as amended, supplemented or otherwise modified from time to time
“associate(s)”	has the same meaning ascribed to it under the GEM Listing Rules
“Board”	the board of Directors
“Branch Share Registrar”	Tricor Investor Services Limited, the branch share registrar and transfer office of the Company in Hong Kong
“Buy-back Mandate”	a general and unconditional mandate proposed to be granted to the Directors to enable them to buy back Shares, the aggregate number of which shall not exceed 10% of the aggregate number of Shares in issue as at the date of passing the relevant resolution at the Annual General Meeting
“close associate(s)”	has the same meaning as ascribed to it under the GEM Listing Rules
“Companies Law”	the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands, as amended, supplemented or otherwise modified from time to time
“Company”	Furniweb Holdings Limited (飛電控股有限公司), an exempted company incorporated in the Cayman Islands with limited liability, the issued shares of which are listed and traded on the GEM

DEFINITIONS

“controlling shareholder”	has the same meaning as ascribed to it under the GEM Listing Rules
“core connected person(s)”	has the same meaning as ascribed to it under the GEM Listing Rules
“Director(s)”	the director(s) of the Company from time to time
“Extension Mandate”	a general and unconditional mandate proposed to be granted to the Directors to the effect that any Shares bought back under the Buy-back Mandate will be added to the total number of Shares which may be allotted, issued and dealt with under the General Mandate
“GEM Listing Rules”	the Rules Governing the Listing of Securities on the GEM
“General Mandate”	a general and unconditional mandate proposed to be granted to the Directors to exercise the power of the Company to allot, issue and deal with Shares up to a maximum of 20% of the aggregate number of the share capital of the Company in issue as at the date of passing of the ordinary resolution in relation thereto at the Annual General Meeting
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Latest Practicable Date”	19 March 2019, being the latest practicable date prior to the printing of this circular for ascertaining certain information referred to in this circular
“Listing Date”	16 October 2017, the date on which dealing in the Shares first commenced on the GEM
“PRG Holdings”	PRG Holdings Berhad (formerly known as Furniweb Industrial Products Berhad and was changed to PRG Holdings Berhad with effect from 26 January 2015), a company incorporated in Malaysia on 13 March 2001 and whose shares are listed on the Main Market of Bursa Malaysia and the controlling shareholder

DEFINITIONS

“SFO”	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong
“Share(s)”	ordinary share(s) with a nominal value of HK\$0.10 each in the share capital of the Company
“Shareholder(s)”	holder(s) of Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	The Hong Kong Code on Takeovers and Mergers
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“RM”	Malaysian Ringgit, the lawful currency of Malaysia
“%”	per cent

LETTER FROM THE BOARD

FURNIWEB HOLDINGS LIMITED

飛霓控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 8480)

Executive Directors:

Mr. Cheah Eng Chuan
Mr. Tan Chuan Dyi
Dato' Lua Choon Hann

Non-executive Directors:

Dato' Lim Heen Peok (*Chairman*)
Mr. Yang Guang

Independent non-executive Directors:

Mr. Ho Ming Hon
Dato' Sri Wee Jeck Seng
Dato' Sri Dr. Hou Kok Chung

Registered office:

Cricket Square, Hutchins Drive
PO Box 2681
Grand Cayman KY1-1111
Cayman Islands

Headquarters:

Lot 1883, Jalan KPB9
Kg. Bharu Balakong
43300 Seri Kembangan
Selangor
Malaysia

*Principal place of business
in Hong Kong:*

31st Floor, 148 Electric Road
North Point
Hong Kong

29 March 2019

To the Shareholders

Dear Sir or Madam

**PROPOSALS FOR
GENERAL MANDATES TO ISSUE AND BUY BACK SHARES
RE-ELECTION OF DIRECTORS
AND
NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

The primary purposes of this circular are to provide you with information regarding certain ordinary resolutions to be proposed at the Annual General Meeting to enable Shareholders to make an informed decision on whether to vote for or against those resolutions and to give you notice of the Annual General Meeting.

LETTER FROM THE BOARD

The resolutions to be proposed at the Annual General Meeting, in addition to ordinary business, include (i) ordinary resolutions relating to the proposed grant of the General Mandate, the Buy-back Mandate and the Extension Mandate and (ii) ordinary resolutions relating to the proposed re-election of Directors.

GRANT OF BUY-BACK MANDATE, GENERAL MANDATE AND EXTENSION MANDATE

At the Annual General Meeting, an ordinary resolution will be proposed to grant to the Directors a general and unconditional mandate to exercise all powers of the Company to buy back issued Shares. The maximum number of Shares that may be bought back pursuant to the Buy-back Mandate will be such number which represents 10% of the aggregate number of Shares in issue as at the date of passing of the relevant resolution subject to the GEM Listing Rules.

The Buy-back Mandate will lapse on the earliest of (i) the date of the next annual general meeting, or (ii) the date by which the next annual general meeting of the Company is required to be held by law and/or the Articles of Association, or (iii) the date on which such authority is revoked or varied by ordinary resolution of the Company in the general meeting.

The explanatory statement required by the GEM Listing Rules to be sent to Shareholders in connection with the proposed resolution to grant to the Directors the Buy-back Mandate is set out in Appendix I to this circular. This contains all the information reasonably necessary to enable Shareholders to make an informed decision on whether to vote for or against the resolution.

At the Annual General Meeting, an ordinary resolution will be proposed to grant to the Directors a general and unconditional mandate to allot, issue, and deal with further Shares representing up to 20% of the aggregate number of Shares in issue as at the date of passing of the relevant resolution.

Subject to the passing of the ordinary resolution of the Buy-back Mandate and the General Mandate, an ordinary resolution will also be proposed to grant to the Directors the Extension Mandate to authorise the Directors to issue new Shares in an amount not exceeding the aggregate number of the Shares bought back pursuant to the Buy-back Mandate.

Based on 504,000,000 Shares in issue as at the Latest Practicable Date and on the basis that no new Shares will be issued and no Shares will be bought back by the Company for the period from the Latest Practicable Date up to and including the date of the Annual General Meeting:

- (1) subject to the passing of the proposed resolution granting the General Mandate to the Directors, the Company will be allowed under the General Mandate to issue up to a maximum of 100,800,000 Shares, representing 20% of the Shares in issue as at the Latest Practicable Date; and

LETTER FROM THE BOARD

- (2) subject to the passing of the proposed resolution granting the Buy-back Mandate to the Directors, the Company will be allowed under the Buy-back Mandate to buy back up to a maximum of 50,400,000 Shares, representing 10% of the Shares in issue as at the Latest Practicable Date.

The Directors wish to state that they have no immediate plans to buy back any Shares or to allot and issue any new Shares, other than Shares which may fall to be allotted and issued upon the exercise of any options granted under the share option scheme of the Company).

PROPOSED RE-ELECTION OF DIRECTORS

Pursuant to article 105(A) of the Articles, at least one-third of the Directors shall retire from office by rotation at each annual general meeting of the Company, provided that every Director shall be subject to retirement by rotation at least once every three years. Any Director who retires under this article shall be eligible for re-election as Director and shall continue to act as a Director throughout the meeting at which he retires. By virtue of article 105(A) of the Articles, Mr. Tan Chuan Dyi, Dato' Sri Wee Jeck Seng, and Mr. Ho Ming Hon who have been longest in office since their appointment, shall retire as Directors by rotation at the Annual General Meeting and, all being eligible, offer themselves for re-election as Directors.

Pursuant to article 109 of the Articles, the Directors shall have power from time to time to appoint any person as a Director either to fill a causal vacancy or as an additional Director. Any Director so appointed shall hold office only until the next following general meeting of the Company and shall then be eligible for re-election at the meeting but shall not be taken into account in determining the Directors or the number of Directors who are to retire by rotation at such meeting. Since Mr. Yang Guang was appointed by the Board as an additional director to the existing Board on 23 November 2018, by virtue of article 109 of the Articles, Mr. Yang Guang will retire from office at the Annual General Meeting and, being eligible, offer himself for re-election as Director.

The nomination committee reviews the structure, size and composition (including the skills, knowledge and experience) of the Board at least annually and make recommendations on any proposed changes to the Board to complement the Company's corporate strategy. The nomination committee also identify individuals suitably qualified to become members of the Board and select or make recommendations to the Board on the selection of individuals nominated for directorship, the appointment or re-appointment of directors.

In making recommendation to the Board, the nomination committee takes into standards of ethics, integrity, professionalism, judgment-making ability, experience and expertise in business, corporate, accountancy, law, finance, qualifications, technical skills and knowledge relevant to the Company, and independence (if applicable) of each candidate. It also considers other relevant endeavors which the nomination committee thinks fit. It will also take into account qualifications, and technical skills and knowledge relevant to the Company's manufacturing and retail divisions that a candidate possess.

LETTER FROM THE BOARD

Dato' Sri Wee Jeck Seng and Mr. Ho Ming Hon, being independent non-executive Directors, have given an annual confirmation of their independence pursuant to the independence guidelines as set out in Rule 5.09 of GEM Listing Rules. During the meeting held on 20 March 2019, the nomination committee reviewed the annual confirmation of independence given by Dato' Sri Wee Jeck Seng and Mr. Ho Ming Hon and was satisfied with the independence of Dato' Sri Wee Jeck Seng and Mr. Ho Ming Hon with regard to factors, including but not limited to the criteria under Rule 5.09 of GEM Listing Rules. The nomination committee also believes that they have the required character, integrity and experience to continue to fulfill and discharge the roles and duties of independent non-executive Directors. In addition, the nomination committee has evaluated the performance of Mr. Tan Chuan Dyi, Dato' Sri Wee Jeck Seng, Mr. Ho Ming Hon and Mr. Yang Guang and was of a view that each of them have been contributing to the Group effectively and are committed to their roles as Director. Thus, the nomination committee has recommended to the Board the re-election of Mr. Tan Chuan Dyi, Dato' Sri Wee Jeck Seng, Mr. Ho Ming Hon and Mr. Yang Guang at the Annual General Meeting. On 20 March 2019, the Board accepted the recommendation by the nomination committee and recommended Mr. Tan Chuan Dyi, Dato' Sri Wee Jeck Seng, Mr. Ho Ming Hon and Mr. Yang Guang to stand for re-election by Shareholders at the Annual General Meeting.

The Board believes Mr. Tan Chuan Dyi, Dato' Sri Wee Jeck Seng, Mr. Ho Ming Hon and Mr. Yang Guang can bring to the Board different perspectives, skills and experiences, as well as contribute to its diversity in the following manners:

- Mr. Tan Chuan Dyi and Mr. Ho Ming Hon have strong financial background;
- Mr. Ho Ming Hon has accounting background;
- Dato' Sri Wee Jeck Seng has solid experiences in community affairs and politics; and
- Mr. Yang Guang has experiences in business culture and development in the China market.

The biographical details and other information of Mr. Tan Chuan Dyi, Dato' Sri Wee Jeck Seng, Mr. Ho Ming Hon and Mr. Yang Guang are set out in Appendix II to this circular. The Board, upon the recommendation of the nomination committee, has proposed the re-election of the above retiring Directors.

CLOSURE OF REGISTER OF MEMBERS

In order to determine entitlements to attend and vote at the AGM, the register of members of the Company will be closed from Friday, 14 June 2019 to Wednesday, 19 June 2019, both days inclusive, during which period no transfer of Shares in the Company will be effected. In order to be eligible to attend and vote at the forthcoming AGM, all transfer documents accompanied by the relevant share certificates must be lodged for registration with the Branch Share Registrar, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong not later than 4:30 p.m. on Thursday, 13 June 2019.

LETTER FROM THE BOARD

ACTIONS TO BE TAKEN

Set out on pages 18 to 23 of this circular is a notice convening the Annual General Meeting at which ordinary resolutions will be proposed to approve, among other matters, the following:

- (a) the grant of the General Mandate, the Buy-back Mandate and the Extension Mandate; and
- (b) the re-election of Directors.

Whether or not you intend to attend the Annual General Meeting in person, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return it to the Branch Share Registrar, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as practicable and in any event not later than 48 hours before the time for holding the Annual General Meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the Annual General Meeting or any adjournment thereof should you so wish.

RECOMMENDATIONS

The Directors consider that the proposals regarding the grant of the General Mandate, the Buy-back Mandate and the Extension Mandate and the re-election of Directors are in the best interests of the Company and the Shareholders as a whole and recommend the Shareholders to vote in favour of the relevant resolutions at the Annual General Meeting.

RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief, the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

GENERAL INFORMATION

Your attention is drawn to the additional information set out in the appendices to this circular.

LETTER FROM THE BOARD

MISCELLANEOUS

The English text of this circular shall prevail over the Chinese text for the purpose of interpretation.

Yours faithfully
By order of the Board
FURNIWEB HOLDINGS LIMITED
Dato' Lim Heen Peok
Chairman

This appendix serves as an explanatory statement, as required under Rule 13.08 of the GEM Listing Rules, to provide Shareholders with all the information reasonably necessary to enable them to make an informed decision on whether to vote for or against the ordinary resolution to approve the grant of the Buy-back Mandate to the Directors.

1. GEM LISTING RULES RELATING TO BUY-BACK OF SHARES

The GEM Listing Rules permit companies whose primary listings are on the Stock Exchange to buy back their securities on the Stock Exchange and any other stock exchange on which securities of the company are listed and such exchange is recognised by the Securities and Futures Commission of Hong Kong subject to certain restrictions. Among such restrictions, the GEM Listing Rules provide that the shares of such company must be fully paid up and all buy-backs of shares by such company must be approved in advance by an ordinary resolution of shareholders, either by way of a general mandate or by specific approval of a particular transaction.

2. SHARE CAPITAL

As at the Latest Practicable Date, there were a total of 504,000,000 Shares in issue.

Subject to the passing of the proposed resolution granting the Buy-back Mandate and on the basis that no new Shares are issued and no Shares are bought back for the period from the Latest Practicable Date up to and including the date of the Annual General Meeting, the Company will be allowed under the Buy-back Mandate to buy back up to a maximum of 50,400,000 Shares, representing 10% of the issued share capital of the Company as at the Latest Practicable Date.

3. REASONS FOR THE BUY-BACKS

The Directors believe that the Buy-back Mandate is in the best interests of the Company and the Shareholders as a whole to seek a general authority from the Shareholders to enable the Company to buy back Shares on the Stock Exchange or any other stock exchange on which the Shares are listed. Such buy-backs may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per Share and/or earnings per Share and will only be made when the Directors believe that such buy-backs will benefit the Company and the Shareholders as a whole.

4. FUNDING OF BUY-BACKS

Buy-backs must be paid out of funds legally available for the purpose in accordance with the Articles, the GEM Listing Rules and the applicable laws of the Cayman Islands. The Company is prohibited from buying back its own securities on the Stock Exchange for a consideration other than cash or for settlement otherwise than in accordance with the trading rules of the Stock Exchange. Under the Cayman Islands laws, any buy-backs by the Company may be made out of profits or out of the Company's share premium account or out of the

proceeds of a fresh issue of Shares made for the purpose of the buy-back or, if so authorised by the Articles and subject to the Companies Law, out of capital. Any premium payable on a redemption or purchase over the par value of the Shares to be purchased must be provided for out of the profits of the Company or from sums standing to the credit of the share premium account of the Company or, if authorised by the Articles and subject to the provisions of the Companies Law, out of capital.

5. MATERIAL ADVERSE IMPACT IN THE EVENT OF BUY-BACK IN FULL

Taking into account the current working capital position of the Group, the Directors consider that, if the Buy-back Mandate were to be carried out in full at any time during the proposed buy-back period, it might have a material adverse impact on the working capital and/or gearing position of the Company as compared with the position as at 31 December 2018, being the date on which its latest published audited consolidated financial statements were made up. However, the Directors do not intend to exercise the Buy-back Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements or the gearing position of the Company which in the opinion of the Directors are from time to time appropriate for the Company.

6. SHARE PRICES

The highest and lowest prices at which the Shares traded on the GEM of the previous twelve months and up to the Latest Practicable Date were as follows:

2018	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
March	0.435	0.370
April	0.405	0.360
May	0.415	0.350
June	0.450	0.340
July	0.410	0.300
August	0.630	0.290
September	0.980	0.580
October	1.900	0.700
November	3.340	1.780
December	3.280	2.510
2019		
January	3.320	1.640
February	3.190	2.680
March (<i>up to the Latest Practicable Date</i>)	2.970	2.360

7. UNDERTAKING

The Directors have undertaken to the Stock Exchange that they will exercise the power of the Company to make buy-backs pursuant to the Buy-back Mandate in accordance with the GEM Listing Rules and the applicable laws of the Cayman Islands and in accordance with the regulations set out in the memorandum of association of the Company and the Articles of Association.

8. CORE CONNECTED PERSON

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their close associates, have any present intention to sell any Shares to the Company under the Buy-back Mandate if the same is approved by the Shareholders at the Annual General Meeting.

No core connected persons of the Company have notified the Company that they have a present intention to sell Shares to the Company, or have undertaken not to do so, in the event that the grant of the Buy-back Mandate is approved by the Shareholders at the Annual General Meeting.

9. THE TAKEOVERS CODE AND MINIMUM PUBLIC HOLDING

If a Shareholder's proportionate interest in the voting rights of the Company increases on the Company exercising its powers to buy back securities pursuant to the Buy-back Mandate, such increase will be treated as an acquisition for the purposes of Rule 32 of the Takeovers Code. As a result, a Shareholder or group of Shareholders acting in concert (as defined in the Takeovers Code) could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, according to the register of interests kept by the Company pursuant to section 336 of the SFO and so far as is known to, or can be ascertained after reasonable enquiry by the Directors, 63% of the issued share capital of the Company are held by PRG Holdings. On the basis of 504,000,000 Shares in issue as at the Latest Practicable Date and assuming there is no further issue or buy-backs of Shares during the period from the Latest Practicable Date up to and including the date of the Annual General Meeting, if the Buy-back Mandate were exercised in full, the shareholding in the Company of PRG Holding would be increased from approximately 63% to approximately 70% of the total number of issued Shares.

Such increase would not give rise to an obligation on the part of PRG Holding and parties acting in concert (as defined in the Takeovers Code) with it to make a mandatory offer under Rule 26 of the Takeovers Code, and would not result in the aggregate amount of the issued Shares in the public hands being reduced to less than 25%.

The Directors are not aware of any consequences which would arise under the Takeovers Code as a result of any buy-back pursuant to the Buy-back Mandate.

The Directors have no intention to exercise the Buy-back Mandate to such an extent that would result in (i) any obligation of PRG Holdings and parties acting in concert (as defined in the Takeovers Code) with it to make a mandatory offer under the Takeovers Code or (ii) the number of Shares in the hands of public falling below the prescribed minimum percentage of 25%.

10. SHARE BUY-BACK MADE BY THE COMPANY

The Company did not buy back any Shares in the six months prior to the Latest Practicable Date (whether on the Stock Exchange or otherwise).

Set out below are the biographical details of the retiring Directors, who being eligible, would offer themselves for re-election at the Annual General Meeting.

Mr. Tan Chuan Dyi (“Mr. Tan”)

Mr. Tan, aged 47, is the chief operating officer and executive Director. He joined the Group and was appointed as the chief operating officer and executive Director on January 2014 and 3 March 2017, respectively. He is also a member of the risk management committee of the Board. He also sits on the boards of various companies within the Group. He is responsible for implementing strategic planning, business development and operational management of the Group. He also sets comprehensive goals for performance and growth of the Group.

Mr. Tan obtained Bachelor of Science in Business Administration with a major in Finance from California State University, Frenso in the United States in May 1993. He was the Head of Equity Capital Market Department in RHB Investment Bank from January 2007 to June 2011, and a director of Head of Equity Syndication of Group Investment Banking, Kenanga Investment Bank Bhd. from September 2011 to December 2013. Mr. Tan has more than 20 years of experience in the financial services industry, particularly in the areas of fund management, institutional broking, investment banking and capital markets.

He assumed office in the following entity:

Period of time	Position	Name of entity
Since 23 February 2017	Independent non-executive director	Naim Holdings Berhad

Save as disclosed above, Mr. Tan does not have any relationship with any Director, senior management, management shareholder, substantial shareholder or controlling shareholder of the Company nor hold any position with the Company and other members of the Group. He did not hold any directorship in other listed public company(ies) in the last three years before the Latest Practicable Date.

As at the Latest Practicable Date, Mr. Tan holds approximately 0.02% in the issued share capital of PRG Holdings.

Mr. Tan has entered into a service contract with the Company for an initial term of three years, commencing from 20 September 2017, which shall be renewed and extended automatically for successive terms of one year upon expiry of the then current term. Mr. Tan is subject to retirement by rotation and re-election in accordance with the provisions of the Articles. Pursuant to the service contract, Mr. Tan received remuneration and/or other emoluments (including salaries and bonuses) of RM977,000 from the Group for the year ended 31 December 2018. Mr. Tan’s remuneration and/ or other emoluments were determined and will

be reviewed by the Board annually with reference to his qualifications, experience, duties and responsibilities with the Company, as well as the Company's performance and the prevailing market conditions.

Save as disclosed above and so far as the Directors were aware as at the Latest Practicable Date, there are no other matters that need to be brought to the attention of the Shareholders nor other information required to be disclosed pursuant to the requirements of Rules 17.50(2) (h) to (v) of the GEM Listing Rules in relation to Mr. Tan's re-election at the Annual General Meeting.

Dato' Sri Wee Jeck Seng ("Dato' Sri Wee")

Dato' Sri Wee, aged 54, is the independent non-executive Director. He joined the Group and was appointed as an independent non-executive Director on 20 September 2017. He is also the chairman of the remuneration committee and a member of the audit committee, nomination committee and risk management committee of the Board. He is responsible for overseeing the management of the Group independently.

Dato' Sri Wee obtained Bachelor of Business Management from University of Sunderland in the United Kingdom in September 2007 and later obtained Master of Public Administration from the Universiti Utara Malaysia in November 2013. He had almost 15 years of experience in community affairs and politics.

He was appointed as the chairman of Malaysia Timber Council from January 2015 to December 2016 and is currently serving as the chairman of Labuan Port Authority by the Ministry of Transport in Malaysia.

Save as disclosed above, Dato' Sri Wee does not have any relationship with any Director, senior management, management shareholder, substantial shareholder or controlling shareholder of the Company nor hold any position with the Company and other members of the Group. He did not hold any directorship in other listed public company(ies) in the last three years before the Latest Practicable Date.

As at the Latest Practicable Date, Dato' Sri Wee had no interests (within the meaning of Part XV of the SFO) in any Shares, underlying Shares or debentures of the Company and/or its associated corporations.

Dato' Sri Wee has entered into a letter of appointment with the Company confirming his appointment as an independent non-executive Director for an initial term of two years, commencing from 20 September 2017, the appointment of which may be terminated by either party by giving at least two months' notice in writing. Dato' Sri Wee is subject to retirement by rotation and re-election at annual general meeting in accordance with the Articles. Pursuant to the letter of appointment, Dato' Sri Wee received a director's fee of RM61,000 from the Group for the year ended 31 December 2018, which is determined with reference to his duties and responsibilities in the Company.

Save as disclosed above and so far as the Directors were aware as at the Latest Practicable Date, there are no other matters that need to be brought to the attention of the Shareholders nor other information required to be disclosed pursuant to the requirements of Rules 17.50(2) (h) to (v) of the GEM Listing Rules in relation to Dato' Sri Wee's re-election at the Annual General Meeting.

Mr. Ho Ming Hon (“Mr. Ho”)

Mr. Ho, aged 43, is the independent non-executive Director. He joined the Group and was appointed as an independent non-executive Director on 20 September 2017. He is also chairman of the audit committee and risk management committee and a member of the remuneration committee and nomination committee of the Board. He is responsible for overseeing the management of the Group independently.

Mr. Ho obtained Bachelor of Accounting from the National University of Malaysia in the Malaysia in May 1998. He is a Certified Public Accountant and a member of The Malaysian Institute of Certified Public Accountants. He is currently a senior vice-president and Head of Corporate Finance and Corporate Services of Pelikan International Corporation Bhd., a company whose shares are listed on Bursa Malaysia Securities Berhad. Mr. Ho has over 16 years of experience in auditing and corporate finance.

Save as disclosed above, Mr. Ho does not have any relationship with any Director, senior management, management shareholder, substantial shareholder or controlling shareholder of the Company nor hold any position with the Company and other members of the Group. He did not hold any directorship in other listed public company(ies) in the last three years before the Latest Practicable Date.

As at the Latest Practicable Date, Mr. Ho had no interests (within the meaning of Part XV of the SFO) in any Shares, underlying Shares or debentures of the Company and/or its associated corporations.

Mr. Ho has entered into a letter of appointment with the Company confirming his appointment as an independent non-executive Director for an initial term of two years, commencing from 20 September 2017, the appointment of which may be terminated by either party by giving at least two months' notice in writing. Mr. Ho is subject to retirement by rotation and re-election in accordance with the provisions of the Articles. Pursuant to the letter of appointment, Mr. Ho received a director's fee of RM61,000 from the Group for the year ended 31 December 2018, which is determined with reference to his duties and responsibilities in the Company.

Save as disclosed above and so far as the Directors were aware as at the Latest Practicable Date, there are no other matters that need to be brought to the attention of the Shareholders nor other information required to be disclosed pursuant to the requirements of Rules 17.50(2) (h) to (v) of the GEM Listing Rules in relation to Mr. Ho's re-election at the Annual General Meeting.

Mr. Yang Guang (“Mr. Yang”)

Mr. Yang, aged 34, is the non-executive Director. He joined the Group and was appointed as a non-executive Director on 23 November 2018. He is responsible for advising the management on the long term strategic planning of the Group.

Mr. Yang obtained Bachelor of Computer Application from Beijing Foreign Affairs University of Economy* (北京涉外經濟專修學院) in June 2008. He has joined Ningxia Shi Ye Energy Company Limited* (寧夏石業能源有限公司) since October 2008 and currently serves as the vice president in that company, which he primarily involves in formulating the business development plans and business strategies and overseeing daily operational management.

Save as disclosed above, Mr. Yang does not have any relationship with any Director, senior management, management shareholder, substantial shareholder or controlling shareholder of the Company nor hold any position with the Company and other members of the Group. He did not hold any directorship in other listed public company(ies) in the last three years before the Latest Practicable Date.

As at the Latest Practicable Date, Mr. Yang had no interests (within the meaning of Part XV of the SFO) in any Shares, underlying Shares or debentures of the Company and/or its associated corporations.

Mr. Yang has entered into a letter of appointment with the Company confirming his appointment as a non-executive Director for a term of two years, commencing from 23 November 2018, the appointment of which may be terminated by either party by giving at least two months’ notice in writing. Mr. Yang is subject to retirement by rotation and re-election at annual general meeting in accordance with the Articles. Pursuant to the letter of appointment, Mr. Yang received a director’s fee of RM6,000 from the Group for the year ended 31 December 2018, which is determined with reference to his duties and responsibilities in the Company commencing on 23 November 2018.

Save as disclosed above and so far as the Directors were aware as at the Latest Practicable Date, there are no other matters that need to be brought to the attention of the Shareholders nor other information required to be disclosed pursuant to the requirements of Rules 17.50(2) (h) to (v) of the GEM Listing Rules in relation to Mr. Yang’s re-election at the Annual General Meeting.

* *for identification purposes only*

NOTICE OF ANNUAL GENERAL MEETING

FURNIWEB HOLDINGS LIMITED

飛霓控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 8480)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the annual general meeting (the “**Meeting**”) of FURNIWEB HOLDINGS LIMITED (飛霓控股有限公司) (the “**Company**”) will be held at Arcadia II, Level 3, Hotel Armada Petaling Jaya, Lorong Utara C, Section 52, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia on Wednesday, 19 June 2019 at 10.00 a.m. to consider, if thought fit, transact the following businesses:

As Ordinary Business

1. To receive and approve the audited consolidated financial statements of the Company and its subsidiaries and the reports of the directors (the “**Directors**”) and the auditors (the “**Auditors**”) of the Company for the year ended 31 December 2018.
2. To re-elect the following Directors, each as a separate resolution:
 - (a) Mr. Tan Chuan Dyi;
 - (b) Dato’ Sri Wee Jeck Seng;
 - (c) Mr. Ho Ming Hon; and
 - (d) Mr. Yang Guang,

and to authorise the board of Directors (the “**Board**”) to fix the remuneration of the Directors.

3. To re-appoint BDO Limited as the Auditors for the year ending 31 December 2019 and to authorise the Board to fix the remuneration of the Auditors.

As Special Business

4. To consider and, if thought fit, pass with or without amendments, the following resolution as an Ordinary Resolution of the Company:

“**THAT:**

- (a) subject to paragraph (c) and (d) below, pursuant to the Rules Governing the Listing of Securities on the GEM of The Stock Exchange of Hong Kong

NOTICE OF ANNUAL GENERAL MEETING

Limited (the “**GEM Listing Rules**”) and all other applicable laws, the exercise by the directors (the “**Directors**”) of the Company during the Relevant Period (as defined in paragraph (e) below) of all the powers of the Company to allot, issue and deal with the unissued shares (the “**Shares**”) of HK\$0.10 each in the share capital of the Company, and to make or grant offers, agreements and options (including warrants, bonds, notes and other securities which carry rights to subscribe for or are convertible into Shares) which would or might require the exercise of such powers be and the same is hereby generally and unconditionally approved;

- (b) the approval in paragraph (a) above shall authorise the Directors during the Relevant Period to make or grant offers, agreements and options (including warrants, bonds, notes and other securities which carry rights to subscribe for or are convertible into Shares) which would or might require the exercise of such powers after the end of the Relevant Period;
- (c) the aggregate number of Shares of the Company allotted and issued or agreed conditionally or unconditionally to be allotted and issued (whether pursuant to an option or otherwise) by the Directors pursuant to the approval in paragraph (a) above, otherwise than pursuant to:
 - (i) a Rights Issue (as hereinafter defined in paragraph (e) below);
 - (ii) the exercise of options granted under the share option scheme or similar arrangement for the time being adopted by the Company from time to time;
 - (iii) any scrip dividend or similar arrangements providing for allotment and issue of Shares in lieu of the whole or part of a dividend on Shares in accordance with the articles of association (the “**Articles**”) of the Company and other relevant regulations in force from time to time; or
 - (iv) any issue of Shares upon the exercise of rights of subscription or conversion under the terms of any warrants of the Company or any securities which are convertible into Shares;

shall not exceed 20% of the aggregate number of Shares in issue as at the date of the passing of this resolution, and the said approval shall be limited accordingly; and

- (d) the Company may not issue securities convertible into new Shares for cash consideration unless the initial conversion price is not lower than the Benchmarked Price (as hereinafter defined in paragraph (e) below) of the Shares at the time of the relevant placing, and the Company may not issue warrants, options or similar rights to subscribe for (i) any new Shares; or (ii) any securities convertible into new Shares, for cash consideration pursuant to the approval in paragraph (a) above; and

NOTICE OF ANNUAL GENERAL MEETING

(e) for the purpose of this resolution:

“**Benchmarked Price**” means the higher of:

- (i) the closing price on the date of the relevant placing agreement or other agreement involving the proposed issue of securities pursuant to the approval in paragraph (a) above;
- (ii) the average closing price in the 5 trading days immediately prior to the earlier of:
 - (1) the date of announcement of the placing or the proposed transaction or arrangement involving the proposed issue of securities pursuant to the approval in paragraph (a) above;
 - (2) the date of the placing agreement or other agreement involving the proposed issue of securities pursuant to the approval in paragraph (a) above; and
 - (3) the date on which the placing is fixed.

“**Relevant Period**” means the period from the date of passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles or any applicable law of the Cayman Islands to be held; or
- (iii) the date on which such mandate granted under this resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting.

“**Rights Issue**” means an offer of Shares, or offer or issue of warrants, options or other securities giving rights to subscribe for Shares open for a period fixed by the Directors to the holders of Shares or any class of Shares whose names appear on the registers of members of the Company on a fixed record date in proportion to their then holdings of such Shares as at that date (subject to such exclusions or other arrangements as the Directors may deem necessary or

NOTICE OF ANNUAL GENERAL MEETING

expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of, or the expenses or delay which may be involved in determining the existence or extent of any restrictions or obligations under the laws of, or the requirements of, jurisdiction outside Hong Kong or any recognised regulatory body or any stock exchange outside Hong Kong).”

5. To consider and, if thought fit, pass with or without amendments, the following resolution as an Ordinary Resolution of the Company:

“THAT:

- (a) subject to paragraph (b) below, the exercise by the directors (the “**Directors**”) of the Company during the Relevant Period (as defined in paragraph (c) below) of all the powers of the Company to buy back the shares (the “**Shares**”) of HK\$0.10 each in the share capital of the Company on the GEM of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) or any other stock exchange on which Shares may be listed and recognised by the Securities and Futures Commission of Hong Kong (the “**SFC**”) and the Stock Exchange for such purpose, and subject to and in accordance with the rules and regulations of the SFC, the Stock Exchange, the Companies Law (Law 3 of 1961), as consolidated and revised) of the Cayman Islands and all other applicable laws as amended from time to time in this regard, be and the same is hereby generally and unconditionally approved;
- (b) the aggregate number of Shares which may be bought back or agreed to be bought back by the Company pursuant to the approval in paragraph (a) above during the Relevant Period shall not exceed 10% of the aggregate number of Shares in issue as at the date of the passing of this resolution, and the said approval shall be limited accordingly; and
- (c) for the purpose of this resolution, “**Relevant Period**” means the period from the date of passing of this resolution until whichever is the earliest of:
- (i) the conclusion of the next annual general meeting of the Company;
 - (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles or any other applicable law of the Cayman Islands to be held; or
 - (iii) the date on which such mandate granted under this resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting.”

NOTICE OF ANNUAL GENERAL MEETING

6. To consider and, if thought fit, pass with or without amendments, the following resolution as an Ordinary Resolution of the Company:

“**THAT** conditional upon resolutions numbered 4 and 5 above being passed, the unconditional general mandate granted to the directors (the “**Directors**”) of the Company to allot, issue and deal with the unissued shares of the Company pursuant to resolution numbered 4 above be and it is hereby extended by the addition to the aggregate number of the ordinary shares (the “**Shares**”) of HK\$0.10 each in the share capital of the Company which may be allotted or agreed conditionally or unconditionally to be allotted by the Director pursuant to or in accordance with such general mandate of an amount representing the aggregate number of Shares bought back by the Company pursuant to or in accordance with the authority granted under paragraph (a) of resolution numbered 5 above.

Yours faithfully
By order of the Board
FURNIWEB HOLDINGS LIMITED
Dato’ Lim Heen Peok
Chairman

Hong Kong, 29 March 2019

Registered office:

Cricket Square, Hutchins Drive
PO Box 2681
Grand Cayman KY1-1111
Cayman Islands

Headquarters:

Lot 1883, Jalan KP9
Kg. Bharu Balakong
43300 Seri Kembangan
Selangor
Malaysia

*Principal place of business
in Hong Kong:*

31st Floor, 148 Electric Road
North Point
Hong Kong

Notes:

1. A member of the Company entitled to attend and vote at the Meeting is entitled to appoint another person as his proxy to attend and vote in his stead. A member who is the holder of two or more shares (the “**Shares**”) in the Company may appoint more than one proxy to represent him and vote on his behalf at the Meeting. A proxy need not be a member of the Company.
2. In the case of joint registered holders of any Share, any one of such joint holders may vote at the Meeting (or any adjournment thereof), either personally or by proxy, in respect of such Share as if he was solely entitled thereto; but if more than one of such joint holders are present at the Meeting (or any adjournment thereof) personally or by proxy, that one of the said joint holders so presents whose name stands first on the register in respect of such Share shall alone be entitled to vote in respect thereof.
3. In order to be valid, the form of proxy together with any power of attorney or other authority (if any) under which it is signed or a notarially certified copy of such power or authority must be deposited at the Branch Share Registrar, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong not less than 48 hours before the time for holding the Meeting or at any adjournment thereof (as the case may be).

NOTICE OF ANNUAL GENERAL MEETING

4. Completion and delivery of the form of proxy will not preclude you from attending and voting in person at the Meeting (or any adjournment thereof) if you so wish, and in such event, the form of proxy shall be deemed to be revoked.
5. The record date for determining the entitlement of the holders of Shares to attend and vote at the Meeting will be Wednesday, 19 June 2019. The Company's register of members will be closed from Friday, 14 June 2019 to Wednesday, 19 June 2019 (both days inclusive). All transfer of Shares accompanied by the relevant share certificates must be lodged with the Branch Share Registrar, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong, for registration no later than 4:30 p.m. on Thursday, 13 June 2019.
6. In relation to the proposed resolution numbered 2 above, the biographical information and other details of the directors of the Company proposed to be re-elected are set out in Appendix II to the circular of the Company of which this notice of annual general meeting forms part.
7. In relation to resolutions numbered 4 and 6 above, approval is being sought from the Shareholders for the grant to the Directors of a general mandate to authorise the allotment and issue of Shares in accordance with all applicable laws and the GEM Listing Rules. The Directors have no immediate plans to issue any new Shares other than Shares which may fall to be allotted and issued upon exercise of the subscription rights attached to options granted under the share option scheme of the Company or any scrip dividend scheme which may be approved by the Shareholders.
8. In relation to resolution numbered 5 above, approval is being sought from Shareholders for the grant to the Directors of a general mandate to buy back Shares in accordance with all applicable laws and the GEM Listing Rules. The Directors wish to state that they will exercise the powers conferred thereby to buy back the Company's shares in circumstances which they deem appropriate for the benefit of the shareholders of the Company. An explanatory statement containing the information necessary to enable the shareholders to make an informed decision to vote on the proposed resolution as required by the Listing Rules is set out in Appendix I to the circular of the Company of which this notice of annual general meeting forms part.
9. In compliance with Rule 17.47(4) of the GEM Listing Rules, voting on each of the proposed resolutions set out in this notice of the Meeting will be decided by way of a poll.
10. If Typhoon Signal No. 8 or above, or a "black" rainstorm warning is in effect any time after 7:00 a.m. on the date of the Meeting, the Meeting will be postponed. The Company will post an announcement on the website of the Company at www.furniweb.com.my and on the HKExnews website of the Stock Exchange at www.hkexnews.hk to notify members of the Company of the date, time and place of the re-scheduled Meeting.

As at the date of this announcement, the non-executive directors are Dato' Lim Heen Peok (the chairman) and Mr. Yang Guang, the executive directors are Mr. Cheah Eng Chuan, Mr. Tan Chuan Dyi and Dato' Lua Choon Hann, and the independent non-executive directors are Mr. Ho Ming Hon, Dato' Sri Wee Jeck Seng and Dato' Sri Dr. Hou Kok Chung.

This announcement, for which the directors (the "Directors") of the Company collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief, the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

This announcement will remain on the "Latest Company Announcements" page of the GEM website at www.hkgem.com for at least 7 days from the date of its posting. This announcement will also be posted on the Company's website at www.furniweb.com.my.