



DUFU TECHNOLOGY CORP. BERHAD

(Company No. 581612-A)
(Incorporated in Malaysia under the Companies Act, 1965)

NOTICE OF EXTRAORDINARY GENERAL MEETING II

NOTICE IS HEREBY GIVEN THAT an Extraordinary General Meeting II of Dufu Technology Corp. Berhad ("Dufu" or "Company") will be held at Room Dayang of Plot 19, Hilir Sungai Keluang 2, Taman Perindustrian Bayan Lepas, Fasa IV, 11900 Penang on Friday, 31 May 2013 at 10.00 a.m., or immediately following the conclusion of or adjournment of the Eleventh Annual General Meeting and Extraordinary General Meeting I of the Company to be held on 31 May 2013, whichever is later, for the purpose of considering and, if thought fit, passing with or without modifications, the following resolutions:-

ORDINARY RESOLUTION 1

PROPOSED RENOUNCEABLE TWO-CALL RIGHTS ISSUE OF UP TO 60,000,000 NEW ORDINARY SHARES OF RM0.50 EACH IN DUFU TECHNOLOGY CORP. BERHAD ("DUFU" OR "COMPANY") ("RIGHTS SHARES"), ON THE BASIS OF ONE (1) RIGHTS SHARE FOR EVERY TWO (2) EXISTING ORDINARY SHARES OF RM0.50 EACH HELD IN DUFU ("SHARES" OR "DUFU SHARES") ON AN ENTITLEMENT DATE TO BE DETERMINED LATER, AT AN INDICATIVE ISSUE PRICE OF RM0.50 PER RIGHTS SHARE PAYABLE IN TWO (2) CALLS, OF WHICH THE FIRST CALL OF RM0.20 PER RIGHTS SHARE SHALL BE PAYABLE IN CASH UPON APPLICATION WHILST THE SECOND CALL OF RM0.30 PER RIGHTS SHARE SHALL BE CAPITALISED FROM THE COMPANY'S RETAINED EARNINGS UPON ALLOTMENT ("PROPOSED TWO-CALL RIGHTS ISSUE")

"**THAT** subject to all approvals being obtained from the relevant authorities or parties (where required), approval be and is hereby given to the Board of Directors of Dufu ("**Board**") to provisionally allot and issue by way of renounceable two-call rights issue of up to 60,000,000 Rights Shares at an indicative issue price of RM0.50 per Rights Share, of which the first call of RM0.20 per Rights Share is payable by cash on application and the second call of RM0.30 per Rights Share is to be capitalised from the Company's retained earnings upon allotment, to the shareholders of the Company whose names appear in the Record of Depositors of the Company at the close of business on the entitlement date to be determined by the Board, or their renounees, on the basis of one (1) Rights Share for every two (2) existing Dufu Shares held, further particulars of which are set out in the Circular to shareholders of the Company dated 15 May 2013 ("**Circular**");

AND THAT the Board be and is hereby authorised to determine the final issue price, first call price and second call price of the Rights Shares after taking into consideration, amongst others, the theoretical ex-rights price ("**TERP**") based on the five (5)-day volume-weighted average market price ("**VWAP**") of the existing Dufu Shares prior to the price-fixing date to be determined by the Board, the final issue price for the Rights Shares shall in no event be lower than the par value of Dufu Shares of RM0.50 each, the adequacy of retained earnings for capitalisation, funding requirements of Dufu Group, the then prevailing market conditions and market price of Dufu Shares;

AND THAT all such Rights Shares shall upon allotment and issuance, rank *pari passu* in all respects with the then existing Shares, save and except that the Rights Shares will not be entitled to any dividends, rights, allotment and/or other forms of distributions that may be declared, made or paid, the entitlement date of which precedes the date of allotment and issuance of the Rights Shares;

AND THAT the Board be and is hereby authorised to capitalise from the Company's retained earnings towards paying in full the final second call of the Rights Shares pursuant to the Proposed Two-Call Rights Issue;

AND THAT any fractional entitlements arising from the Proposed Two-Call Rights Issue shall be dealt with in such manner as the Board may in their sole and absolute discretion deem expedient or to be in the best interest of the Company;

AND THAT the proceeds of the Proposed Two-Call Rights Issue be utilised for the purposes as set out in the Circular, and the Board be authorised with full powers to vary the manner and/or purpose of utilisation of such proceeds in such manner as the Board may deem fit, necessary and/or expedient, subject (where required) to the approval of the relevant authorities;

AND THAT the Board be and is hereby authorised to do all such acts and things, execute such documents and enter into all such transactions, arrangements, agreements as may be necessary or expedient to give full effect to the Proposed Two-Call Rights Issue with full power to assent to any conditions, modifications, variations and/or amendments as the Board may deem fit, necessary and/or expedient in the interests of the Company or as may be imposed by any relevant authority or consequent upon the implementation of the said conditions, modifications, variations and/or amendments."

ORDINARY RESOLUTION 2

PROPOSED ALLOTMENT TO KHOO LAY TATT ("KLT") FOR UP TO 5,000,000 RIGHTS SHARES PURSUANT TO KLT UNDERTAKING (AS DEFINED IN THE CIRCULAR) IN THE EVENT OF UNDER-SUBSCRIPTION OF THE PROPOSED TWO-CALL RIGHTS ISSUE ("PROPOSED ALLOTMENT")

"**THAT**, subject to the passing of Ordinary Resolution 1 above and the approvals of all relevant authorities being obtained, the Company and the Board be and is hereby authorised to issue and allot up to 5,000,000 Rights Shares to KLT, a Senior Independent Non-Executive Director of the Company, pursuant to KLT Undertaking in the event there are Rights Shares not subscribed by other entitled shareholders and/or their renounees arising from the Proposed Two-Call Rights Issue upon such terms and conditions and on the basis as disclosed in the Circular."

By Order of the Board
HOW WEE LING (MAICSA 7033850)
OOI EAN HOON (MAICSA 7057078)

Company Secretaries
Penang
15 May 2013

Note:

For the purpose of determining a member who shall be entitled to attend and vote at this Extraordinary General Meeting II, the Company shall be requesting the Record of Depositors as at 22 May 2013. Only a depositor whose name appears on the Record of Depositors as at 22 May 2013 shall be entitled to attend, speak and vote at the said meeting or appoint proxy(ies) to attend, speak and vote on his/her behalf.

Proxy:-

1. A Member of the Company entitled to attend and vote is entitled to appoint up to two (2) proxies to attend and vote in his place. A proxy may but need not be a Member and the provision of Section 149(1)(b) of the Companies Act, 1965 shall not apply to the Company.
2. Where a member of the Company is an Exempt Authorised Nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies which the Exempt Authorised Nominee may appoint in respect of each omnibus account it holds.
3. Where a member appoints more than one (1) proxy, the appointments shall be invalid unless he specifies the proportion of his holdings to be represented by each proxy.
4. The instrument appointing a proxy shall be in writing under the hand of the appointor or his attorney duly authorised in writing or, if the appointor is a corporation, either under its common seal or under the hand of an officer or attorney duly authorised.
5. The instrument appointing a proxy must be deposited at the Registered Office of the Company at 57-G, Persiaran Bayan Indah, Bayan Bay, Sungai Nibong, 11900 Penang not less than forty-eight (48) hours before the time set for holding of the meeting or at any adjournment thereof.