

FOCUS DYNAMICS TECHNOLOGIES BERHAD

(Company No. 582924-P)

(Incorporated in Malaysia under the Companies Act, 1965)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Tenth Annual General Meeting ("10th AGM") of Focus Dynamics Technologies Berhad ("the Company") will be held at Machang Room, Level 2, Hotel Equatorial Melaka, Bandar Hilir, 75000 Melaka on Thursday, 27 June 2013 at 10.00 a.m. for the following purposes :-

AGENDA

AS ORDINARY BUSINESS

- To receive the Audited Financial Statements for the year ended 31 December 2012 together with the Reports of the Directors and Auditors thereon. (Please refer Explanatory Note 1)
- To approve the payment of Directors' fee of RM174,500.00 for the financial year ended 31 December 2012. (Ordinary Resolution 1)
- To approve the payment of Directors' Fee of RM2,000.00 per month for each of Independent Non-Executive Director. (Ordinary Resolution 2)
- To re-elect Datuk Manan Bin Haji Md Said, the retiring Director who retires by rotation pursuant to Article 127 of the Company's Articles of Association and being eligible, offer himself for re-election in accordance with the Article 128 of the Company's Articles of Association. (Ordinary Resolution 3)
- To re-elect the following retiring Directors who retire and being eligible, offer themselves for re-election in accordance with Article 91 of the Company's Articles of Association :-
 - Encik Ameen Bin Jamal (Ordinary Resolution 4)
 - Mr. Chang Yun Lung (Ordinary Resolution 5)
- To re-appoint Messrs Mustapha, Khoo & Co. as Auditors of the Company for the financial year ending 31 December 2013 and to authorize the Directors to fix the Auditors' remuneration. (Ordinary Resolution 6)

AS SPECIAL BUSINESS

To consider and if thought fit, to pass with or without modifications, the following resolutions :-

- Authority to Issue Share Pursuant to Section 132D of the Companies Act, 1965. (Ordinary Resolution 7) (Please refer Explanatory Note 2)

"THAT subject always to the Companies Act, 1965, the Articles of Association of the Company and approvals of the relevant government / regulatory authorities, the Directors be and are hereby authorized, pursuant to Section 132D of the Companies Act, 1965, to allot and issue new ordinary shares of RM0.10 each in the Company from time to time and upon such terms and conditions to such persons and for such purposes as the Directors may, in their absolute discretion, deem fit, provided that the aggregate number of new ordinary shares to be issued pursuant to this resolution does not exceed 10% of the total issued share capital of the Company for the time being and that the Directors are also empowered to do all such things and upon such terms and conditions as the Directors may deem fit and expedient in the best interest of the Company to give effect to the issuance of new ordinary shares under this resolution including making such applications to Bursa Malaysia Securities Berhad for the listing of and quotation for the new ordinary shares to be issued pursuant to this resolution."
- Proposed Amendments to the Articles of Association of the Company. (Special Resolution) (Please refer Explanatory Note 3)

"THAT the proposed amendments to the Articles of Association of the Company as set out in Appendix 1 attached to this Annual Report be and are hereby approved and in consequence thereof, the new set of Articles of Association incorporating the amendments be adopted AND THAT the Directors and Secretary be and are hereby authorised to carry out all the necessary steps to give effect to the amendments."
- To transact any other ordinary business of which due notice has been given in accordance with the Companies Act, 1965.

BY ORDER OF THE BOARD

TEO SOON MEI
(MAICSA 7018590)
Company Secretary

Melaka
Dated: 5 June 2013

Explanatory Notes :-

- Item 1 of the Agenda
This Agenda item is meant for discussion only as the provision of Section 169(1) of the Companies Act, 1965, Malaysia, does not require a formal approval of the shareholders and is hence, not put forward for voting.
- Item 7 of the Agenda
Ordinary Resolution 7 is proposed for the purpose of granting a renewed general mandate ("General Mandate"), which if passed, will empower the Directors of the Company, pursuant to Section 132D of the Companies Act, 1965 to issue and allot new ordinary shares of RM0.10 each in the Company from time to time provided that the aggregate number of shares issued pursuant to the General Mandate does not exceed 10% of the issued and paid-up capital of the Company for the time being as the Directors may consider such action to be in the interest of the Company. The General Mandate, unless revoked or varied by the Company in a general meeting, will expire at the conclusion of the next Annual General Meeting of the Company, or during the expiration of period within which the next Annual General Meeting is required by law to be held, whichever is earlier.

As of the date of this Notice, no new shares in the Company were issued pursuant to the mandate granted to the Directors at the last Annual General Meeting of the Company held on 27 June 2012 and which will lapse at the conclusion of this 10th AGM. However, the Board of Directors of the Company had on 24 April 2013 announced that the Company proposes to implement a private placement which will issue and allot up to 32,068,300 new ordinary shares of RM0.10 each in the Company ("Placement shares"), which representing 10% of the issued and paid-up capital of the Company to independent third party investors to be identified at a later date (hereinafter referred to as "Proposed Private Placement") pursuant to the general mandate granted at the last Annual General Meeting of the Company held on 27 June 2012 and which will lapse at the conclusion of this 10th AGM. If the Proposed Private Placement does not complete at the conclusion of this 10th AGM, the Placement shares will be issued pursuant to the General Mandate under Ordinary Resolution 7, if passed by the shareholders of the Company at this 10th AGM. The total estimated proceeds raised from the Proposed Private Placement was RM3,206,830.00 with the proposed utilization as per table below :-

	Proceeds RM	Expected time frame for utilisation of proceeds from the listing of the Placement Shares
Working capital for Focus Dynamics Technologies Berhad and its subsidiaries* ("Focus Group") *	3,106,830	Within 12 months
Estimated expenses in relation to the Proposed Private Placement ^A	100,000	Within 1 month
Total estimated proceeds	3,206,830	

Notes:

(*) A breakdown of the utilization of working capital of the Group is as follows:

Description	RM
Purchase of raw material	1,500,000
Sales and marketing expenses	606,830
Other operating expenses such as maintenance and administrative costs	1,000,000
Total	3,106,830

(^A) If the actual expenses incurred pursuant to the Proposed Private Placement are higher than the amount budgeted, the deficit will be funded out of the portion allocated for working capital. Conversely, if the actual expenses are lower than the amount budgeted, the excess will be utilised for working capital.

The General Mandate will provide flexibility to the Company for any possible fund raising activities, including but not limited to further placing of shares, for the purpose of funding the Private Placement, future investment project(s), working capital and/or acquisitions.

3. Item 8 of the Agenda

The Special Resolution, if passed, will give authority for the Company to amend its Articles of Association in order to align with the recent amendments of the Bursa Securities ACE Market Listing Requirements issued by Bursa Malaysia Securities Berhad and also to streamline the Company's Articles of Association with the provisions of the Companies Act 1965. The details of the proposed amendments to the Articles of Association of the Company is set out in Appendix 1 despatched together with the Company's 2012 Annual Report.

NOTES :-

- A member of the Company who is entitled to attend, speak and vote at this 10th AGM may appoint a proxy to attend, speak and vote on his behalf. A proxy may not be a member of the Company and a member may appoint any person to be his proxy without limitation and the provisions of Section 149(1)(a),(b), (c) and (d) of the Companies Act, 1965 shall not apply to the Company.
- Where a member of the Company appoints up to three (3) proxies to attend at the same meeting, he shall specify in the instrument of proxy the proportions of his shareholdings to be represented by each proxy. He must also specify which proxy is entitled to vote on a show of hands and only one (1) of those proxies is entitled to vote on a show of hands.
- Where a member of the Company is an authorized nominee as defined under the Securities Industry (Central Depository) Act, 1991 ("SICDA"), he may appoint up to three (3) proxies in respect of each security account it holds with ordinary shares of the Company standing to the credit of the said security account.
- Where a member of the Company is an exempt authorised nominee holding ordinary shares in the Company for multiple beneficial owner in one (1) securities account ("omnibus account"), there is no limit to the number of proxies which is the exempt authorised nominee may appoint in respect each omnibus account its holds. An exempt authorised nominee refers to an authorised nominee defined under the SICDA which is exempted from compliance with the provisions of subsection 25A(1) of SICDA.
- The instrument appointing a proxy shall be in writing by the appointer or an attorney duly authorized in writing or, if the appointer is a corporation, whether under its seal or by an officer or attorney duly authorized.
- The instrument appointing either a proxy, a power of attorney or other authorities, where it is signed or certified by a notary as a true copy shall be deposited at the Registered Office of the Company at No. 4-1, Komplek Niaga Melaka Perdana, Jln KNMP 3, Bukit Katil, 75450 Melaka, not less than 48 hours before the meeting convenes or at any adjournment thereof, and in default the instrument of proxy shall not be treated as valid.
- In respect of deposited securities, only members whose names appear in the Record of Depositors on 20 June 2013 ("General Meeting Record of Depositors") shall be eligible to attend, speak and vote at this 10th AGM.
- Any alteration in the form of proxy must be initiated.