



NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Eleventh Annual General Meeting of MQ Technology Berhad ("the Company") will be held at the Conference Room of the Company, Plot 86-B, Lintang Bayan Lepas 9, Bayan Lepas Industrial Park 4, 11900 Bayan Lepas, Penang on Wednesday, 25 June 2014 at 10.00 a.m. to transact the following business:-

ORDINARY BUSINESS

- To receive the Audited Financial Statements for the financial year ended 31 December 2013 together with the Reports of the Directors and Auditors thereon.
- To approve the payment of Directors' fees of not exceeding RM250,000 for the financial year ending 31 December 2014. Ordinary Resolution 1
- To re-elect the following Directors who were appointed to the Board during the year and retire in accordance with Article 91 of the Company's Articles of Association:-
 - Mr. Teh Eng Huat Ordinary Resolution 2
 - Mr. Na Chiang Seng Ordinary Resolution 3
 - Mr. Soo Tee Wei Ordinary Resolution 4
 - Mr. Lim Soon Seng Ordinary Resolution 5
- To appoint Messrs. SJ Grant Thornton as auditors of the Company in place of the retiring auditors, Messrs Crowe Horwath, to hold office until the conclusion of the next Annual General Meeting of the Company and to authorise the Directors to fix their remuneration. Ordinary Resolution 6

SPECIAL BUSINESS:

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

- AUTHORITY UNDER SECTION 132D OF THE COMPANIES ACT, 1965 FOR THE DIRECTORS TO ISSUE SHARES**
 "That, subject to the Companies Act, 1965 ("the Act"), the Articles of Association of the Company and the approvals of the relevant government and/or regulatory authorities, the Directors be and are hereby authorised, pursuant to Section 132D of the Act, to allot and issue shares in the Company at any time until the conclusion of the next annual general meeting or the expiration of the period within which the next annual general meeting is required by law to be held or revoked/varied by resolution passed by the shareholders of the Company in general meeting whichever is the earlier and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion, deemed fit, provided that the aggregate number of shares to be issued does not exceed 10% of the issued share capital of the Company for the time being and that the Directors are also empowered to obtain the approval from Bursa Malaysia Securities Berhad for the listing of and quotation for the additional shares to be issued." Ordinary Resolution 7

7. PROPOSED SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE ("PROPOSED SHAREHOLDERS' MANDATE")

"That, subject to the provisions of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad, approval be and is hereby given to the Company and/or its subsidiaries to enter into and to give effect to the recurrent related party transactions of a revenue or trading nature with the related party as stated in Section 2.4 of the Circular to Shareholders dated 2 June 2014 ("Circular") provided that such transactions are undertaken in the ordinary course of business, on arm's length basis, on normal commercial terms which are not more favourable to the related party than those generally available to the public and are not to the detriment of the Company's minority shareholders.

That such approval shall continue to be in force until:-

- the conclusion of the next annual general meeting of the Company following the general meeting at which such mandate was passed, at which time it will lapse, unless the authority is renewed by a resolution passed at the next annual general meeting; or
- the expiration of the period within which the next annual general meeting of the Company after the date it is required to be held pursuant to Section 143(1) of the Companies Act, 1965 (but will not extend to such extension as may be allowed pursuant to Section 143(2) of the Act); or
- revoked or varied by resolution passed by the shareholders in general meeting; whichever is the earlier.

And That, the Directors of the Company be authorised to complete and do all such acts and things (including executing all such documents as may be required) as they may consider expedient or necessary to give effect to the Proposed Shareholders' Mandate." Ordinary Resolution 8

- To transact any other business of which due notice shall have been given in accordance with the Companies Act, 1965.

By Order of the Board

DATUK TAN LEH KIAH (MAICSA 719692)
OOI YOONG YOONG (MAICSA 7020753)
Secretaries

Penang
Date : 2 June 2014

Notes:-

Proxy

- There is no restriction as to the qualification of the proxy and the provisions of Section 149(1)(b)&(c) of the Companies Act, 1965 shall not apply to the Company.
- A member entitled to attend and vote is entitled to appoint two (2) or more proxies to attend and vote in his stead. Where a member appoints two (2) or more proxies, the appointments shall be invalid unless he specifies the proportions of his holdings to be represented by each proxy.
- The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorized in writing or, if the appointor is a corporation, either under the corporation's common seal or under the hand of an officer or attorney duly authorized.
- Where a Member of the Company is an authorised nominee as defined under the Central Depositories Act, it may appoint at least one (1) proxy in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.
- Where a Member of the Company is an exempt authorized nominee as defined under the Central Depositories Act, 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 Authorized Nominee may appoint in respect of each omnibus account it holds.
- For a proxy to be valid, the instrument appointing a proxy shall be deposited at the Registered Office, 51-9-A, Menara BHL, Jalan Sultan Ahmad Shah, 10050 Penang not less than forty-eight hours before the time for holding the meeting and any adjournments thereof. In the event the Member(s) duly executes the form of proxy but does not name any proxy, such Member(s) shall be deemed to have appointed the Chairman of the meeting as his/their proxy, Provided Always that the rest of the proxy form, other than the particulars of the proxy have been duly completed by the Member(s).

General Meeting Record of Depositors

- Only a depositor whose name appears on the Record of Depositors of the Company as at 16 June 2014 shall be entitled to attend the this Meeting or appoint proxies to attend, speak and/or vote on his/her behalf.

Ordinary Business

- Ordinary Resolution 6 – Appointment of Messrs. SJ Grant Thornton as Auditors**
Messrs Crowe Horwath, the retiring auditors had indicated that they are not seeking for re-appointment as auditors of the Company at the forthcoming Annual General Meeting.

Notice of Nomination pursuant to Section 172(11) of the Companies Act, 1965 (set out in Appendix 1 attached to the 2013 Annual Report), has been received by the Company for the nomination of Messrs. Messrs. SJ Grant Thornton who have given their consent to act, for appointment as auditors and of the intention to propose the following resolution :

"That, Messrs. SJ Grant Thornton be and are hereby appointed as Auditors of the Company in place of the retiring Auditors, Messrs Crowe Horwath, to hold office until the conclusion of the next annual general meeting of the Company at remuneration to be determined by the Directors."

The Directors have confirmed that there were no disagreements with Messrs Crowe Horwath on accounting treatments within the last 12 months and that there are no other circumstances connected with the change of auditors that should be brought to the attention of shareholders.

Special Business

- Ordinary Resolution 7 - Authority under Section 132D of the Companies Act, 1965 for the Directors to issue shares**
This is the renewal of the mandate obtained from the members at the last Annual General Meeting ("the previous mandate"). The proposed resolution, if passed, would provide flexibility to the Directors to undertake fund raising activities, including but not limited to placement of shares for the funding of the Company's future investment projects, working capital and/or acquisitions, by the issuance of shares in the Company to such persons at any time as the Directors may deem fit, without having to convene a general meeting.

This authority shall continue in force until the conclusion of the next annual general meeting of the Company or the expiration of the period within which the next annual general meeting is required by law to be held or revoked/varied by resolution passed by the shareholders in general meeting whichever is the earlier.

Pursuant to the previous mandate, the Company had on 27 March 2014 announced that the Company proposed to undertake private placement exercise of up to 23,056,000 new ordinary shares of RM0.10 each representing not more than ten percent (10%) of the issued and paid-up share capital of the Company ("Proposed Private Placement"). Bursa Securities had on 30 April 2014, approved the Proposed Private Placement.

As at the latest practicable date before printing of this Annual Report, the exact quantum and timing of the Proposed Private Placement has yet been determined, hence no proceeds have been raised.

10. Ordinary Resolution 8 - Proposed Shareholders' Mandate

The proposed resolution, if passed, will allow the Group to enter into recurrent related party transactions of a revenue or trading nature pursuant to the provisions of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad.

This authority shall continue in force until the conclusion of the next annual general meeting of the Company or the expiration of the period within which the next annual general meeting is required by law to be held (but will not extend to such extension as may be allowed pursuant to Section 143(2) of the Companies Act, 1965) or revoked/varied by resolution passed by the shareholders in general meeting whichever is the earlier.

Please refer to the Circular to Shareholders dated 2 June 2014 for further information.