



M3 TECHNOLOGIES (ASIA) BERHAD

(Company No. 482772-D)
(Incorporated in Malaysia under the Companies Act, 1965)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT an Extraordinary General Meeting ("EGM") of M3 Technologies (Asia) Berhad ("M3Tech" or "Company") will be held at Eugenia Room, Ground Floor, Sime Darby Convention Centre, No. 1A, Jalan Bukit Kiara 1, 60000 Kuala Lumpur on Wednesday, 25 November 2015 at 10.00 a.m., or at any adjournment thereof, for the purpose of considering and, if thought fit, passing with or without modification the following resolutions:

ORDINARY RESOLUTION 1

PROPOSED RENOUNCEABLE RIGHTS ISSUE OF UP TO 395,152,428 NEW ORDINARY SHARES OF RM0.10 EACH IN M3TECH ("M3TECH SHARES") ("RIGHTS SHARES") TOGETHER WITH UP TO 296,364,321 FREE DETACHABLE WARRANTS ("WARRANTS") AT AN ISSUE PRICE OF RM0.10 PER RIGHTS SHARE ON THE BASIS OF FOUR (4) RIGHTS SHARES TOGETHER WITH THREE (3) WARRANTS FOR EVERY TWO (2) EXISTING M3TECH SHARES HELD ON AN ENTITLEMENT DATE TO BE DETERMINED AND ANNOUNCED LATER ("ENTITLEMENT DATE") BASED ON A MINIMUM SUBSCRIPTION LEVEL OF 80,000,000 RIGHTS SHARES TOGETHER WITH 60,000,000 WARRANTS ("MINIMUM SUBSCRIPTION LEVEL") ("PROPOSED RIGHTS ISSUE WITH WARRANTS")

"THAT, subject to the passing of Ordinary Resolution 10 and Special Resolution 1 and the approvals of all relevant authorities including the approval of Bursa Malaysia Securities Berhad ("Bursa Securities") for the admission of the Warrants to the Official List of the ACE Market of Bursa Securities and the listing of and quotation for the Rights Shares, the Warrants and the new M3Tech Shares to be issued arising from the exercise of the Warrants, approval be and is hereby given to the Directors of the Company to:

- (i) provisionally allot and issue by way of renounceable rights issue of up to 395,152,428 Rights Shares together with up to 296,364,321 free detachable Warrants at an issue price of RM0.10 per Rights Share on the basis of four (4) Rights Shares together with three (3) Warrants for every two (2) existing M3Tech Shares held on the Entitlement Date;
- (ii) deal with any fractional entitlements under the Proposed Rights Issue with Warrants arising from any reason whatsoever as the Board of Directors of the Company ("Board") may at its absolute discretion deem fit and expedient and in the best interest of the Company;
- (iii) deal with any unsubscribed Rights Shares made available to the other entitled shareholders and/or renounee(s)/transferee(s) under the excess Rights Shares with Warrants application and to allocate the excess Rights Shares in a fair and equitable manner to be determined and announced later by the Board;
- (iv) utilise the proceeds to be derived from the Proposed Rights Issue with Warrants in the manner as set out in Section 2.1.6 of the Circular and the Directors of the Company be and are hereby authorised to revise the manner and purpose of utilisation of proceeds as they may deem fit and expedient in the best interest of the Company subject (where required) to the approval of the relevant authorities;
- (v) create and issue the free Warrants based on the indicative principal terms as set out in Appendix I of the Circular and the terms and conditions of a Deed Poll to be executed by the Company constituting the Warrants ("Deed Poll");
- (vi) allot and issue such further free Warrants as may be required or permitted to be issued as a result of any adjustments under the provisions of the Deed Poll;
- (vii) allot and issue the new M3Tech Shares arising from the exercise of the Warrants (including further free Warrants arising from any adjustments under the provisions of the Deed Poll); and
- (viii) enter into and execute the Deed Poll constituting the Warrants and to do all acts, deeds and things as the Directors of the Company may deem fit or expedient in order to finalise, implement and to give effect to the Deed Poll;

THAT the Rights Shares and the new M3Tech Shares to be issued upon exercise of any Warrants shall, upon allotment and issuance, rank *pari passu* in all respects with the then existing M3Tech Shares, except that they shall not be entitled to any dividends, rights, allotments and/or other distributions that may be declared, made or paid prior to the date of allotment of the Rights Shares and the new M3Tech Shares to be issued upon exercise of any Warrants;

AND THAT the Directors of the Company be and are hereby empowered and authorised to do all such acts and things, take such steps, execute such documents and enter into any arrangements, agreements and/or undertakings with any party or parties as they may deem fit, necessary or expedient or appropriate in order to finalise, implement and/or give full effect to the Proposed Rights Issue with Warrants with full power to assent to any terms, conditions, modifications, variations and/or amendments as may be agreed to/required by any relevant authority or as a consequence of any such requirement as may be deemed necessary and/or expedient in the best interest of the Company."

ORDINARY RESOLUTION 2

PROPOSED ESTABLISHMENT OF AN EMPLOYEES' SHARE OPTION SCHEME ("ESOS" OR "SCHEME") OF UP TO 30% OF THE PREVAILING ISSUED AND PAID-UP SHARE CAPITAL OF THE COMPANY (EXCLUDING TREASURY SHARES) FOR THE ELIGIBLE EMPLOYEES (INCLUDING DIRECTORS) OF M3TECH AND ITS SUBSIDIARIES ("M3TECH GROUP" OR "GROUP") (EXCLUDING DORMANT SUBSIDIARIES) WHO MEET THE CRITERIA OF ELIGIBILITY FOR PARTICIPATION IN THE SCHEME ("ELIGIBLE EMPLOYEE(S)") AS SET OUT IN THE BY-LAWS CONTAINING THE RULES, TERMS AND CONDITIONS OF THE SCHEME ("BY-LAWS") ("PROPOSED ESOS")

"THAT, subject to the passing of Special Resolution 1 and the approvals of all relevant authorities including the approval of Bursa Securities for the listing of and quotation for the new M3Tech Shares to be issued arising from the exercise of the options granted under the Scheme ("Option(s)") on the ACE Market of Bursa Securities, approval be and is hereby given to the Directors of the Company:

- (i) to establish, implement and administer a Scheme for the benefit of the Eligible Employees, and to grant Options in accordance with the terms set out in the By-Laws, referred to Appendix II of the Circular, for a period of five (5) years from the date of the Scheme comes into force, which may be extended or renewed (as the case may be) for a further period of up to five (5) years, at the sole and absolute discretion of the Board, PROVIDED that the total period of the Scheme shall not exceed ten (10) years;
- (ii) to make such applications as may be necessary at the appropriate time or times to Bursa Securities and any other relevant authorities upon which the new M3Tech Shares may, for the time being, be listed, for permission to deal in and for quotation of any new M3Tech Shares in the capital of the Company which may hereafter from time to time be allotted and issued pursuant to the exercise of the Options to be granted under the Scheme;
- (iii) to allot and issue from time to time such number of new M3Tech Shares in the capital of the Company as may be required pursuant to the exercise of the Options provided that the total number of new M3Tech Shares to be issued under the Scheme shall not in aggregate exceed thirty per cent (30%) of the prevailing issue and paid-up share capital (excluding treasury shares) of the Company at any point in time throughout the duration of the Scheme; and
- (iv) to modify and/or amend the Scheme from time to time as may be required, permitted or deemed necessary by the authorities and/or the Board provided that such modifications and/or amendments are effected and permitted in accordance with the provisions of the By-Laws of the Scheme relating to modifications and/or amendments, deeds or undertakings and to make such rules or regulations, or impose such terms and conditions or delegate part of its power as may be necessary or expedient in order to give full effect to the Scheme;

THAT the new M3Tech Shares to be issued upon the exercise of any Options shall, upon allotment and issuance, rank *pari passu* in all respects with the then existing M3Tech Shares, except that the new M3Tech Shares shall not be entitled to any dividends, rights, allotments and/or other distributions that may be declared, made or paid, for which the entitlement date (namely the date as at the close of business on which the Company's shareholders must be registered in order to be entitled to any dividends, rights, allotments and/or other distributions) is prior to the date of allotment of the new M3Tech Shares to be issued upon the exercise of any Options;

AND THAT the Directors of the Company be and are hereby empowered and authorised to do all such acts and things, take such steps, execute such documents and enter into any arrangements, agreements and/or undertakings with any party or parties as they may deem fit, necessary or expedient or appropriate in order to finalise, implement and/or give full effect to the Proposed ESOS with full power to assent to any terms, conditions, modifications, variations and/or amendments as may be agreed to/required by any relevant authority or as a consequence of any such requirement as may be deemed necessary and/or expedient in the best interest of the Company."

PROPOSED GRANTING OF OPTIONS TO DIRECTORS OF THE COMPANY

"THAT, subject to the passing of Ordinary Resolution 2 and Special Resolution 1 and the approvals of all the relevant authorities, including the approval of Bursa Securities for the listing of and quotation for the new M3Tech Shares to be issued arising from the exercise of the Options on the ACE Market of Bursa Securities, approval be and is hereby given to the Company at any time and from time to time during the duration of the Scheme to offer and grant options to each of the Directors named herein below to subscribe for such number of M3Tech Shares to be issued under the Scheme subject always to the following provision:

- (i) he/she must not participate in the deliberation or discussion of his/her own allocation of new M3Tech Shares to be issued under the Scheme;
- (ii) not more than ten percent (10%) of the total number of new M3Tech Shares available under the Scheme shall be allocated to him/her, if he/she, either singly or collectively through persons connected with him/her, hold twenty percent (20%) or more of the issued and paid-up share capital (excluding treasury shares) of M3Tech; and

also subject always to such terms and conditions and/or any adjustments which may be made in accordance with the provisions of the By-Laws of the Scheme and any prevailing guidelines issued by Bursa Securities, ACE Market Listing Requirements of Bursa Securities or any other relevant authorities as amended from time to time,

(a) CHEW SHIN YONG, MARK	ORDINARY RESOLUTION 3
(b) LIM SENG BOON	ORDINARY RESOLUTION 4
(c) LESTER RATNAKUMAR NEIL FRANCIS	ORDINARY RESOLUTION 5
(d) CHIN CHEE WING	ORDINARY RESOLUTION 6
(e) LIM KOOI SIANG	ORDINARY RESOLUTION 7
(f) CHOONG ENG CHOON	ORDINARY RESOLUTION 8
(g) YEOH BOON HOCK	ORDINARY RESOLUTION 9

AND THAT, the authority be further given to the Company to allot and issue such number of new M3Tech Shares pursuant to the Scheme to him/her from time to time pursuant to the exercise of such options."

ORDINARY RESOLUTION 10

PROPOSED INCREASE IN THE AUTHORISED SHARE CAPITAL OF M3TECH FROM RM25,000,000 COMPRISING 250,000,000 M3TECH SHARES TO RM200,000,000 COMPRISING 2,000,000,000 M3TECH SHARES ("PROPOSED INCREASE IN AUTHORISED SHARE CAPITAL")

"THAT, subject to the passing of Special Resolution 1, approval be and is hereby given to the Directors of the Company to increase the authorised share capital of the Company from RM25,000,000 comprising 250,000,000 ordinary shares of RM0.10 each to RM200,000,000 comprising 2,000,000,000 ordinary shares of RM0.10 each;

AND THAT the Directors of the Company be and are hereby authorised to do all such acts, deeds and things and to execute, sign and deliver on behalf of the Company all such documents and/or agreements the Directors may deem necessary and/or expedient to finalise, implement and give full effect to complete the Proposed Increase in Authorised Share Capital including without limitation, with full power to assent to any conditions, modifications, variations and/or amendments in any manner as may be required by the relevant authorities."

SPECIAL RESOLUTION 1

PROPOSED AMENDMENTS TO THE MEMORANDUM AND ARTICLES OF ASSOCIATION OF M3TECH ("M&A") TO FACILITATE THE PROPOSED INCREASE IN AUTHORISED SHARE CAPITAL AND THE PROPOSED ESOS ("PROPOSED M&A AMENDMENTS")

"THAT, subject to the passing of Ordinary Resolution 10, approval be and is hereby given for the following amendments to the Company's M&A:

Memorandum of Association	Existing provision	Revised provision
Clause 5	The authorised share capital of the Company is RM25,000,000.00 divided into 250,000,000 ordinary shares of RM0.10 each. The shares in the original or any increased capital may be divided into several classes and there may be attached thereto respectively any preferential, deferred, qualified or other special rights, privileges, conditions or restrictions as to dividend, capital, voting or otherwise.	The authorised share capital of the Company is RM200,000,000.00 divided into 2,000,000,000 ordinary shares of RM0.10 each. The shares in the original or any increased capital may be divided into several classes and there may be attached thereto respectively any preferential, deferred, qualified or other special rights, privileges, conditions or restrictions as to dividend, capital, voting or otherwise.

Articles of Association	Existing provision	Revised provision
Article 5(2)	Every scheme for the issuance of shares or option to employees and/or directors of the Company shall be approved by the members in general meeting and no director shall participate in such issue of shares or options unless the shareholders in general meeting have approved the specific allotment to be made to such a director and unless he holds office in an executive capacity provided that a non executive may also participate in an issue of shares pursuant to a public issue or offer for sale.	Every scheme for the issuance of shares or options to employees and/or directors of the Company shall be approved by the members in general meeting and no director shall participate in such issue of shares or options unless the shareholders in general meeting have approved the specific allotment to be made to such a director (including executive and non executive directors).

AND THAT the Directors of the Company be and are hereby empowered and authorised to do all such acts and things, take such steps, execute such documents and enter into any arrangements, agreements and/or undertakings with any party or parties as they may deem fit, necessary or expedient or appropriate in order to finalise, implement and/or give full effect to the Proposed M&A Amendments with full power to assent to any terms, conditions, modifications, variations and/or amendments as may be agreed to/required by any relevant authority or as a consequence of any such requirement as may be deemed necessary and/or expedient in the best interest of the Company."

By Order of the Board of
M3 TECHNOLOGIES (ASIA) BERHAD

Tea Sor Hua (MACS 01324)
Yong Yen Ling (MAICSA 7044771)
Company Secretaries

Petaling Jaya
8 October 2015

Notes:

1. A member entitled to attend and vote at this EGM is entitled to appoint any person as his proxy to attend and vote in his stead. There shall be no restriction as to the qualification of the proxy. A proxy appointed to attend and vote at the meeting shall have the same rights as the member to speak at the meeting.
2. A member shall be entitled to appoint up to two (2) proxies to attend and vote at the same meeting. Where a shareholder appoints two (2) proxies, he shall specify the proportion of his shareholdings to be represented by each proxy.
3. A proxy may but need not be a member of the Company and the provisions of Section 149(1)(a) and (b) of the Companies Act, 1965 shall not apply to the Company.
4. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, under the seal.
5. 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.
6. The instruments appointing a proxy must be deposited at the Registered Office of the Company, located at Third Floor, No. 79 (Room 4A), Jalan SS 21/60, Damansara Utama, 47400 Petaling Jaya, Selangor Darul Ehsan not less than forty-eight (48) hours before the time for holding the EGM or at any adjournment thereof.
7. The depositors whose names appear on the Record of Depositors as at 18 November 2015 shall be regarded as members and entitled to attend, speak and vote at the EGM or appoint a proxy or proxies to attend and vote in his stead.