

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting ("EGM") of Kobay Technology Bhd ("Kobay" or the "Company") will be held at 4th Floor, Wisma Kobay, No. 42-B, Jalan Rangoon, 10400 Georgetown, Penang, on Wednesday, 14 December 2016 at 3.30 p.m. or immediately following the conclusion or adjournment of the 22nd Annual General Meeting of the Company scheduled to be held at the same venue and on the same date at 2.30 p.m., whichever shall be later, for the purpose of considering and, if thought fit, passing the following ordinary resolutions, with or without any modifications:

ORDINARY RESOLUTION 1

PROPOSED BONUS ISSUE OF UP TO 34,040,375 NEW ORDINARY SHARES OF RM1.00 EACH IN KOBAY ("BONUS SHARES") ON THE BASIS OF ONE (1) BONUS SHARE FOR EVERY TWO (2) EXISTING ORDINARY SHARES OF RM1.00 EACH IN KOBAY ("KOBAY SHARES" OR "SHARES") HELD, ON AN ENTITLEMENT DATE TO BE DETERMINED LATER ("PROPOSED BONUS ISSUE")

"THAT subject to the passing of Ordinary Resolution 2, the Special Resolution 1 and the approvals of all relevant authorities being obtained, the Board of Directors of Kobay ("**Board**") be and is hereby authorised to capitalise an amount of up to RM34,040,375 from the share premium and retained profits account of the Company, and to apply such capitalised sums to make payment in full for up to 34,040,375 Bonus Shares to be credited as fully paid-up, on the basis of one (1) Bonus Share for every two (2) existing Kobay Shares held by the shareholders whose names appear in the Record of Depositors of the Company as at the close of business on an entitlement date to be determined and announced later;

THAT any fractional entitlements arising from the Proposed Bonus Issue, if any, shall be disregarded and shall be dealt with in such manner as the Board shall in their absolute discretion deem fit or expedient, and in the best interest of the Company;

THAT the Bonus Shares shall, upon allotment and issue, rank pari passu in all respects with the then existing Kobay Shares, save and except that the Bonus Shares shall not be entitled to any dividends, rights, allotments and/or other distributions which may be declared, made or paid to shareholders of the Company, the entitlement date of which precedes the date of allotment of the Bonus Shares;

AND THAT the Board be and is hereby authorised to give effect to the Proposed Bonus Issue with full power to assent to any conditions, modifications, variations and/or amendments in any manner as may be required by the relevant authorities and to deal with all matters relating thereto and to take all such steps and do all acts and things in any manner as they may deem necessary or expedient to implement, finalise and give full effect to the Proposed Bonus Issue."

ORDINARY RESOLUTION 2

PROPOSED INCREASE IN THE AUTHORISED SHARE CAPITAL OF KOBAY FROM RM100,000,000 COMPRISING 100,000,000 KOBAY SHARES TO RM200,000,000 COMPRISING 200,000,000 KOBAY SHARES ("PROPOSED INCREASE IN AUTHORISED SHARE CAPITAL")

"THAT, subject to the passing of Ordinary Resolution 1 and the Special Resolution 1, the authorised share capital of Kobay be and is hereby increased from RM100,000,000 comprising 100,000,000 Kobay Shares to RM200,000,000 comprising 200,000,000 Kobay Shares by the creation of an additional 100,000,000 new Kobay Shares;

AND THAT the Board be and is hereby authorised to give effect to the Proposed Increase in Authorised Share Capital with full powers to assent to any conditions, modifications, variations and/or amendments in any manner as may be required by the relevant authorities and to deal with all matters relating thereto and to take all such steps and do all acts and things in any manner as it may deem necessary or expedient to implement, finalise and give full effect to the Proposed Increase in Authorised Share Capital."

SPECIAL RESOLUTION 1

PROPOSED AMENDMENTS TO THE MEMORANDUM AND ARTICLES OF ASSOCIATION OF KOBAY ("PROPOSED AMENDMENTS")

"THAT subject to the passing of Ordinary Resolution 1 and Ordinary Resolution 2, approval be and is hereby given to the Board to approve the deletions, alterations, modifications, variations and additions to the Memorandum and Articles of Association of the Company as follows:

Clause / Article	Existing provision	Amended provision
Clause 5 in the Memorandum of Association	The capital of the Company is RM100,000,000.00 Malaysia Ringgit divided into 100,000,000 ordinary shares of RM1.00 each.	The capital of the Company is RM200,000,000.00 Malaysia Ringgit divided into 200,000,000 ordinary shares of RM1.00 each.
Article 3 in the Articles of Association	The authorised share capital of the Company at the date of adoption of these Articles, is Ringgit Malaysia One Hundred Million (RM100,000,000.00) divided into One Hundred Million (100,000,000) ordinary shares of Ringgit Malaysia One (RM1.00) each.	The authorised share capital of the Company at the date of adoption of these Articles, is Ringgit Malaysia Two Hundred Million (RM200,000,000.00) divided into Two Hundred Million (200,000,000) ordinary shares of Ringgit Malaysia One (RM1.00) each

AND THAT the Board be and is hereby authorised to give effect to the Proposed Amendments and to take all steps and do all acts and things in any manner as they may deem necessary to complete, finalise, implement and give full effect to the Proposed Amendments."

SPECIAL RESOLUTION 2

PROPOSED AMENDMENTS OF ARTICLES OF ASSOCIATION

"THAT the Proposed Amendments of Articles of Association as set out in **Appendix I** of this Circular, be and is hereby approved.

AND THAT the Directors and Secretary of the Company be and are hereby authorised to do all such acts, deeds and things to execute, sign and deliver all documents for and on behalf of the Company as they may consider necessary or expedient to give effect to and implement the Proposed Amendments of Articles of Association with full power to assent to any conditions, modifications, variations and alterations as may be imposed or permitted by the relevant authorities."

By order of the Board

CHAN MUN SHEE (MAICSA 7003071)
WONG MEE CHOON (MACS 01562)
Company Secretaries

Penang
7 November 2016

Notes:

- (1) A proxy may but need not be a member or a qualified legal practitioner, or an approved company auditor or a person approved by the Registrar and the provisions of Section 149(1)(b) of the Companies Act, 1965 shall not apply to the Company.
- (2) To be valid, this form, duly completed must be deposited with the registered office of the Company, at 3rd Floor, Wisma Kobay, No. 42-B Jalan Rangoon, 10400 Georgetown, Penang not less than forty eight (48) hours before the time for holding the meeting provided that 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).
- (3) A member shall be entitled to appoint not more than two (2) proxies to attend and vote at the same meeting and the appointment shall be invalid unless he specifies the proportions of his holdings to be represented by each proxy.
- (4) Where a member is an authorized nominee as defined under the Securities Industry (Central Depositories) Act 1991, 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.
- (5) If the appointor is a corporation this form must be executed under the corporation's common seal, or under the hand of an officer or attorney duly authorized.
- (6) Where a member is an Exempt Authorised Nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account") as defined under the Securities Industry (Central Depositories) Act 1991, there is no limit to the number of proxies which the Exempt Authorised Nominee may appoint in respect of each omnibus account it holds.
- (7) In respect of deposited securities, only members whose names appear on the Record of Depositors on 5 December 2016 (General Meeting Record of Depositors) shall be eligible to attend the meeting or appoint proxy(ies) to attend and/or vote on his behalf.