

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in any doubt as to the course of action to be taken, you should consult your stockbroker, bank manager, solicitor, accountant or other professional adviser immediately.

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This Circular has been reviewed by Mercury Securities Sdn Bhd, who is the Principal Adviser to MQ Technology Berhad for the Proposals (as defined herein).

MQ

TECHNOLOGY BERHAD

MQ TECHNOLOGY BERHAD

(Registration No. 200301033383 (635804-H))

(Incorporated in Malaysia)

CIRCULAR TO SHAREHOLDERS IN RELATION TO THE

- (I) PROPOSED VARIATION OF THE MINIMUM CONVERSION PRICE (“MCP”) OF THE REDEEMABLE CONVERTIBLE BONDS (“BONDS”) (“PROPOSED VARIATION OF MCP”); AND**
- (II) PROPOSED VARIATION OF THE UTILISATION OF PROCEEDS TO BE RAISED FROM THE ISSUANCE OF BONDS (“PROPOSED VARIATION OF UTILISATION OF PROCEEDS”)**

(COLLECTIVELY REFERRED TO AS “PROPOSALS”)

AND

NOTICE OF EXTRAORDINARY GENERAL MEETING

Principal Adviser



MERCURY SECURITIES SDN BHD

(Registration No. 198401000672 (113193-W))

(A Participating Organisation of Bursa Malaysia Securities Berhad)

The Notice of Extraordinary General Meeting of MQ Tech (“EGM”) to be held at Unit 310, Block C, Damansara Intan, No. 1, Jalan SS20/27, 47400 Petaling Jaya, Selangor Darul Ehsan on Friday, 25 July 2025 at 11.00 a.m. or at any adjournment thereof, together with the Form of Proxy are enclosed in this Circular.

You are entitled to attend and vote at the EGM or appoint a proxy or proxies to attend and vote on your behalf. If you wish to do so, you may deposit the Form of Proxy at the Company’s registered office at Level 7, Mercu 3, No. 3, Jalan Bangsar, KL Eco City, 59200 Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur, Malaysia not less than 24 hours before the time and date stipulated for the EGM or at any adjournment thereof. The lodgement of the Form of Proxy will not preclude you from attending and voting in person at the EGM should you subsequently wish to do so.

Last date and time for lodging the Form of Proxy : Thursday, 24 July 2025 at 11.00 a.m.

Date and time of the EGM : Friday, 25 July 2025 at 11.00 a.m.

This Circular is dated 8 July 2025

DEFINITIONS

Except where the context otherwise requires, the following definitions shall apply throughout this Circular:

Act	:	Companies Act, 2016
Balance of MCS	:	The remaining number of Conversion Shares that can be issued pursuant to the MCS as at the LPD
Board	:	Board of Directors
Bonds	:	Redeemable convertible bonds
Bursa Securities	:	Bursa Malaysia Securities Berhad (Registration No. 200301033577 (635998-W))
Circular	:	This circular to the shareholders of our Company dated 8 July 2025
Constitution	:	Constitution of our Company
Conversion Price	:	The price at which each Share shall be issued upon conversion of the Bonds, as set out in the Subscription Agreement
Conversion Share(s)	:	New MQ Tech Share(s) to be issued pursuant to the conversion of the Bonds at the conversion terms, subject to the terms and conditions as set out in the Subscription Agreement and Supplemental Subscription Agreement
Development of Partial Melaka Land	:	Development on the Partial Melaka Land which comprises 2 blocks of 27-storey resort suites with a total 1,000 units of resort suite units, 80 units of shop lots as well as 1 block of 9-storey car park consists of 1,806 car park bays
Directors	:	Directors of our Company
EGM	:	Extraordinary general meeting of our Company
EPS	:	Earnings per MQ Tech Share
Exercise Notice	:	Exercise notice in the form set out in the Subscription Agreement
First Issuance	:	The issuance of first sub-tranche of Main Tranche 1 Bonds with an aggregate nominal value of RM2.50 million on 15 October 2024
FPE	:	Financial period ended / ending, as the case may be
FYE	:	Financial year ended / ending, as the case may be
Issuance of Bonds	:	Issuance of Bonds with an aggregate nominal value of up to RM150.00 million
Listing Requirements	:	ACE Market Listing Requirements of Bursa Securities
LPD	:	26 June 2025, being the latest practicable date prior to the date of this Circular
Main Tranche Bonds	:	The main tranche(s) of the Issuance of Bonds comprising the Main Tranche 1 Bonds, Main Tranche 2 Bonds and Main Tranche 3 Bonds
Main Tranche 1 Bonds	:	Main Tranche 1 Bonds is of an aggregate nominal value of up to RM50.00 million, comprising multiple Sub-Tranche 1 Bonds

DEFINITIONS (Cont'd)

Main Tranche 2 Bonds	:	Main Tranche 2 Bonds is of an aggregate nominal value of up to RM50.00 million, comprising multiple Sub-Tranche 2 Bonds
Main Tranche 3 Bonds	:	Main Tranche 3 Bonds is of an aggregate nominal value of up to RM50.00 million, comprising multiple Sub-Tranche 3 Bonds
MCP	:	Minimum Conversion Price for the Bonds to be converted into Conversion Shares
MCS	:	Maximum number of 327,109,900 Conversion Shares
Mercury Securities or Principal Adviser	:	Mercury Securities Sdn Bhd (Registration No. 198401000672 (113193-W))
Melaka Land	:	The entire parcel of leasehold land in Klebang, Melaka measuring approximately 10.727 acres and held under PN 63030, Lot 1, Kawasan Bandar XLV, District of Melaka Tengah, State of Melaka
MPTSB	:	Microlead Precision Technology Sdn Bhd (Registration No. 199501041104 (370308-U)), a wholly-owned subsidiary of MQ Tech
MQ Tech or Company	:	MQ Technology Berhad (Registration No. 200301033383 (635804-H))
MQ Tech Group or Group	:	Collectively, our Company and our subsidiaries
MQ Tech Share(s) or Share(s)	:	Ordinary share(s) in our Company
NA	:	Net assets
Original MCP	:	MCP of RM0.10 pursuant to the Subscription Agreement
Partial Melaka Land	:	Part of leasehold land in Klebang, Melaka measuring approximately 7.155 acres within the Melaka Land
Previous Circular	:	The circular to the shareholders of our Company dated 16 August 2024 in relation to the Issuance of Bonds, Share Consolidation and Share Capital Reduction
Proposals	:	Collectively, the Proposed Variation of MCP and Proposed Variation of Utilisation of Proceeds
Proposed Acquisition of Remaining Melaka Land	:	Proposed acquisition by Star Acres Sdn Bhd, a wholly-owned subsidiary of MQ Tech, from Cash Support Sdn Bhd of the Remaining Melaka Land, for a purchase consideration of RM8.50 million to be satisfied entirely by cash
Proposed Variation of MCP	:	Proposed variation of minimum conversion price of the Bonds
Proposed Variation of Utilisation of Proceeds	:	Proposed variation of utilisation of proceeds to be raised from the Issuance of Bonds
Remaining Melaka Land	:	Remaining portion of leasehold land measuring up to 3.572 acres within a larger parcel of the leasehold land measuring approximately 10.727 acres in Klebang, Melaka identified as PN 63030, Lot 1, Kawasan Bandar XLV, District of Melaka Tengah, State of Melaka

DEFINITIONS (Cont'd)

Revised MCP	:	Revised MCP of RM0.05 pursuant to the Supplemental Subscription Agreement
Share Capital Reduction	:	Reduction of our issued share capital of RM50.00 million pursuant to Section 116 of the Act which was deemed completed on 3 February 2025
Share Consolidation	:	Share consolidation of every 10 existing MQ Tech Shares into 1 MQ Tech Share which was completed on 25 September 2024
SIS Options	:	Share issuance scheme options
Sub-Tranche 1 Bonds	:	Multiple sub-tranches with a minimum nominal value of RM500,000 each within the Main Tranche 1 Bonds of RM50.00 million
Sub-Tranche 2 Bonds	:	Multiple sub-tranches with a minimum nominal value of RM500,000 each within the Main Tranche 2 Bonds of RM50.00 million
Sub-Tranche 3 Bonds	:	Multiple sub-tranches with a minimum nominal value of RM500,000 each within the Main Tranche 3 Bonds of RM50.00 million
Subscriber or Triton	:	Triton Capital Fund VCC (Registration no: T20VC0036F), an umbrella variable capital company incorporated in Singapore under the laws of Singapore on 26 March 2020, acting on behalf of and for the account of TCF Fund A
Subscription Agreement	:	A conditional subscription agreement dated 7 June 2024 entered into between MQ Tech and Triton in relation to the Issuance of Bonds
Supplemental Subscription Agreement	:	A supplemental agreement dated 21 May 2025 to the Subscription Agreement entered into between MQ Tech and Triton for the Proposed Variation of MCP
WVAP	:	Volume weighted average market price
CURRENCY		
RM and sen	:	Ringgit Malaysia and sen

All references to “**we**”, “**us**”, “**our**” and “**ourselves**” in this Circular, if any, shall mean MQ Tech or where the context requires, our Group.

References to “**you**” or “**your**” in this Circular are to the shareholders of our Company, unless the context otherwise requires.

Words denoting the singular shall, where applicable, include the plural and vice versa, and words denoting the masculine gender shall, where applicable, include the feminine and/or neuter genders, and vice versa. Any reference to persons in this Circular shall include corporations, unless otherwise specified.

Any reference to any statutes, rules, regulations, enactments or rules of the stock exchange in this Circular is a reference to such statutes, rules, regulations, enactments or rules of the stock exchange currently in force and as may be amended from time to time and any re-enactment thereof.

Any reference to a time of day and date in this Circular shall be a reference to Malaysian time of day and date, unless otherwise stated.

DEFINITIONS (Cont'd)

Any discrepancy in the figures included in this Circular between the amounts listed, actual figures and the totals thereof are due to rounding.

Certain statements in this Circular may be forward-looking in nature, which are subject to uncertainties and contingencies. Forward-looking statements may contain estimates and assumptions made by our Board after due inquiry, which are nevertheless subject to known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements to differ materially from the anticipated results, performance or achievements expressed or implied in such forward-looking statements. In light of these and other uncertainties, the inclusion of a forward-looking statement in this Circular should not be regarded as a representation or warranty that our Group's plans and objectives will be achieved.

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EXECUTIVE SUMMARY

This Executive Summary highlights only the salient information of the Proposals. You are advised to read this Circular in its entirety for further details of the Proposals and not to rely solely on this Executive Summary in forming a decision on the Proposals before voting at the forthcoming EGM.

Key information	Description	Reference to Circular
<p>Summary of the Proposals</p>	<p><u>Proposed Variation of MCP</u></p> <p>Our Company had on 21 May 2025, entered into the Supplemental Subscription Agreement with the Subscriber to revise the Original MCP from RM0.10 to the Revised MCP of RM0.05. The Revised MCP shall only be applicable to all unissued Bonds. For the avoidance of doubt, the outstanding Bonds of RM2.70 million which remained unconverted as at the LPD will be converted at the Original MCP. Notwithstanding the Revised MCP, there will be no change to the MCS.</p> <p>For the avoidance of doubt, save for the adjustment to the Original MCP, all other terms and conditions of the Subscription Agreement shall remain unchanged and continue to be in full force and effect.</p> <p><u>Proposed Variation of Utilisation of Proceeds</u></p> <p>Consequent to the Proposed Variation of MCP as set out in Section 2.1 of this Circular, the total gross proceeds to be raised from the Issuance of Bonds based on the MCP and MCS will reduce to RM19.86 million as compared to RM32.71 million as stated in the Previous Circular. Accordingly, the Company proposes to vary the allocation of the utilisation of proceeds raised from the Issuance of Bonds as set out in Section 2.2 of this Circular.</p>	<p>Sections 2.1 and 2.2</p>
<p>Rationale and justifications for the Proposals</p>	<p><u>Proposed Variation of MCP</u></p> <p>After considering our Group's financial requirements, the prevailing market price and trading history of MQ Tech Shares following the completion of the Share Consolidation, the Proposed Variation of the MCP is aimed at aligning the MCP with current market conditions to provide a fair and realistic conversion opportunity for the holders of the Bonds. Our Board believes that the Proposed Variation of MCP will facilitate the progressive subscription and conversion of the Bonds.</p> <p><u>Proposed Variation of Utilisation of Proceeds</u></p> <p>Pursuant to the Proposed Variation of MCP to revise the MCP from RM0.10 to RM0.05, which results in lower proceeds raised from the Issuance of Bonds, our Board has resolved to vary the allocation of the utilisation of proceeds to reflect the lower proceeds raised arising from the Proposed Variation of MCP.</p> <p>The Proposed Variation of Utilisation of Proceeds will allow our Company to reallocate the proceeds to be raised to provide our Group with the flexibility to maintain adequate cash reserves, ensuring that we can continue to meet our operational needs efficiently.</p>	<p>Section 3</p>

EXECUTIVE SUMMARY (Cont'd)

Key information	Description	Reference to Circular
Risk factors	<p>(i) Risk of the Proposed Variation of MCP</p> <p>The Proposed Variation of MCP may result in lower proceeds from the Issuance of Bonds under the Revised MCP. In the event of a funding shortfall, our Company will be required to fund the shortfall through alternative sources, such as internally generated funds, other fund raising corporate exercises and/or bank borrowings.</p> <p>(ii) Non-subscription of the Bonds by the Subscriber</p> <p>The Subscriber may choose to delay the conversion of Bonds and decline to subscribe for subsequent sub-tranches, particularly if the price of MQ Tech Shares falls below or near the Revised MCP.</p>	Section 4
Approvals required	<p>The Proposals are subject to the following approvals being obtained:</p> <p>(i) MQ Tech's shareholders at the forthcoming EGM for the Proposals; and</p> <p>(ii) any other approval(s) from any other relevant parties / authorities, if required.</p> <p>The Proposals are inter-conditional upon each other. The Proposals are not conditional upon any other corporate exercises undertaken or to be undertaken by the Company.</p>	Section 6
Interests of directors, major shareholders, chief executive and/or persons connected with them	<p>None of our Directors, major shareholders, chief executive and/or persons connected with them has any interest, whether direct or indirect, in the Proposals.</p>	Section 8
Directors' statement / recommendation	<p>Our Board, having considered all aspects of the Proposals, including but not limited to the rationale and effects of the Proposals, is of the opinion that the Proposals are in the best interest of our Company.</p> <p>Accordingly, our Board recommends that our shareholders to vote in favour of the resolutions pertaining to the Proposals to be tabled at the forthcoming EGM.</p>	Section 9

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TECHNOLOGY BERHAD

MQ Technology Berhad

(Registration No. 200301033383 (635804-H))
(Incorporated in Malaysia)

Registered Office

Level 7, Mercu 3
No. 3, Jalan Bangsar
KL Eco City
59200 Kuala Lumpur
Wilayah Persekutuan Kuala Lumpur
Malaysia

8 July 2025

Board of Directors

Dato' Nurulhidayah Binti Ahmad Zahid (*Independent Non-Executive Chairman*)

Dato' Lim Char Boo (*Senior Independent Non-Executive Vice Chairman*)

Terence Cheah Eu Lee (*Executive Director*)

Gerald Nicholas Tan Eng Hoe (*Independent Non-Executive Director*)

Dr. Koay Boon Hooi (*Independent Non-Executive Director*)

To: The shareholders of MQ Tech

Dear Sir/ Madam,

- (I) PROPOSED VARIATION OF MCP; AND**
 - (II) PROPOSED VARIATION OF UTILISATION OF PROCEEDS**
-

1. INTRODUCTION

On 7 June 2024, Mercury Securities had, on behalf of our Board, announced, amongst others, that our Company had on 7 June 2024 entered into the Subscription Agreement with Triton for the Issuance of Bonds.

On 7 August 2024, Mercury Securities had, on behalf of our Board, announced that Bursa Securities has vide its letter dated 7 August 2024, resolved to approve, amongst others, the listing of and quotation for up to 327,109,900 Conversion Shares at the MCP of RM0.10 pursuant to the Issuance of Bonds on the ACE Market of Bursa Securities.

On 9 September 2024, the shareholders of our Company had vide an EGM to approve, amongst others, the Issuance of Bonds convertible into a maximum of 327,109,900 Conversion Shares at the MCP of RM0.10.

On 15 October 2024, Mercury Securities, on behalf of our Board, announced that our Company has issued the first sub-tranche of Main Tranche 1 Bonds with an aggregate nominal value of RM2.50 million on 15 October 2024. Since the First Issuance up to the LPD, an aggregate nominal value of RM7.00 million of Bonds have been issued of which RM4.30 million of Bonds have been converted into 43,000,000 Conversion Shares at the Original MCP. As at the LPD, our Company has Bonds amounting to RM2.70 million remained outstanding.

The summary details of the MCS of the Issuance of Bonds are as follows:

MCS	Conversion Shares issued	Maximum number of Conversion Shares can be issued as at the LPD
327,109,900	43,000,000 ⁽¹⁾	284,109,900

Note:

- (1) *After taking into consideration the issuance of Conversion Shares from the conversion of Bonds at the MCP of RM0.10 as follows:*
- (i) *conversion of RM0.80 million of Bonds into 8,000,000 Conversion Shares on 18 October 2024;*
 - (ii) *conversion of RM0.80 million of Bonds into 8,000,000 Conversion Shares on 23 October 2024;*
 - (iii) *conversion of RM0.85 million of Bonds into 8,500,000 Conversion Shares on 29 October 2024;*
 - (iv) *conversion of RM0.90 million of Bonds into 9,000,000 Conversion Shares on 1 November 2024; and*
 - (v) *conversion of RM0.95 million of Bonds into 9,500,000 Conversion Shares on 11 November 2024.*

On behalf of the Board, Mercury Securities wishes to announce that our Company:

- (i) had on 21 May 2025 entered into the Supplemental Subscription Agreement with the Subscriber to revise the Original MCP to RM0.05; and
- (ii) proposes to undertake the Proposals.

Further details of the Proposals are set out in the ensuing sections.

THE PURPOSE OF THIS CIRCULAR IS TO PROVIDE YOU WITH THE RELEVANT INFORMATION ON THE PROPOSALS, TO SET OUT OUR BOARD'S RECOMMENDATION ON THE PROPOSALS AND TO SEEK YOUR APPROVAL FOR THE RESOLUTIONS PERTAINING TO THE PROPOSALS TO BE TABLED AT THE FORTHCOMING EGM. THE NOTICE OF EGM AND THE FORM OF PROXY ARE ENCLOSED IN THIS CIRCULAR.

YOU ARE ADVISED TO READ AND CONSIDER CAREFULLY THE CONTENTS OF THIS CIRCULAR TOGETHER WITH THE APPENDICES CONTAINED HEREIN CAREFULLY BEFORE VOTING ON THE RESOLUTIONS PERTAINING TO THE PROPOSALS TO BE TABLED AT THE FORTHCOMING EGM.

2. DETAILS OF THE PROPOSALS

2.1 Proposed Variation of MCP

On 21 May 2025, MQ Tech had entered into the Supplemental Subscription Agreement to revise the Original MCP to RM0.05. The Proposed Variation of MCP is a material variation to the Issuance of Bonds pursuant to Rule 8.24 of the Listing Requirements. Accordingly, our Company will seek the approval of our shareholders for the Proposed Variation of MCP at the forthcoming EGM.

The Revised MCP shall only be applicable to all Bonds issued on or after the effective date of the Revised MCP, being the date of which all Conditions Precedent to the Revision (as set out in Section 2 of Appendix I) are fully satisfied ("**Effective Date**"). For the avoidance of doubt, the outstanding Bonds of RM2.70 million which remained unconverted as at the LPD and any Bonds issued prior to the Effective Date will still be subjected to the Original MCP. Notwithstanding the Revised MCP, there will be no change to the MCS.

For the avoidance of doubt, save for the adjustment to the Original MCP, all the other terms and conditions of the Subscription Agreement shall remain unchanged and continue to be in full force and effect. The salient terms of the Supplemental Subscription Agreement are set out in Appendix I of this Circular.

As at the LPD, the details of the status of the Issuance of Bonds are as follows:

Tranche	Total principal amount allowed for issue (RM'000)	Issued Bonds (RM'000)	Bonds converted (RM'000)	No. of Conversion Shares issued	Bonds redeemed (RM'000)	Outstanding Bonds (RM'000)	Unissued Bonds (RM'000)
Main Tranche 1 Bonds	50,000	7,000	4,300 ⁽¹⁾	43,000,000 ⁽¹⁾	-	2,700	43,000
Main Tranche 2 Bonds	50,000	-	-	-	-	-	50,000
Main Tranche 3 Bonds	50,000	-	-	-	-	-	50,000
Total	150,000	7,000	4,300	43,000,000	-	2,700	143,000

Note:

(1) The details of Conversion Shares are as follows:

Date of issuance	No of Conversion Shares	Bonds converted (RM'000)	Conversion Price (RM)
18 October 2024	8,000,000	800	0.10
23 October 2024	8,000,000	800	0.10
29 October 2024	8,500,000	850	0.10
1 November 2024	9,000,000	900	0.10
11 November 2024	9,500,000	950	0.10
Total	43,000,000	4,300	

The remaining number of Conversion Shares that can be issued pursuant to the MCS will be up to 284,109,900 Conversion Shares.

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2.1.1 Basis of determining the Revised MCP

Taking into consideration the recent decline in the price performance of MQ Tech Shares following the completion of the Share Consolidation and the intention of our Board to facilitate a smooth implementation of the Issuance of Bonds without any disruption (including the gradual issuance of subsequent tranches of Bonds and their conversion into Conversion Shares throughout the tenure of the Bonds), our Company and the Subscriber have agreed to revise the Original MCP to RM0.05.

The Revised MCP is based on amongst others, the business and financial requirements of the Company as well as the prevailing market price and trading history of MQ Tech Shares after the completion of the Share Consolidation.

A comparison of the historical prices of MQ Tech Shares and the Revised MCP is as follows:

	MQ Tech Share price (RM)	Premium/ (Discount) of the Revised MCP to MQ Tech Share price (%)
5-day VWAP up to and including the LPD	0.0498	0.040
3-month VWAP up to and including the LPD	0.0583	(14.24)
6-month VWAP up to and including the LPD	0.0829	(39.69)
The lowest MQ Tech Share price since the completion of the Share Consolidation on 25 September 2024 and up to and including the LPD	0.045	11.11

The Revised MCP represents a premium of approximately 0.40% over the 5-day VWAP of MQ Tech Shares and a discount of approximately 14.24% and 39.69% over the 3-month VWAP and 6-month VWAP of MQ Tech Shares up to and including the LPD respectively. Hence, our Board is of the view that the Revised MCP is reasonable such that we take into account prevailing market conditions, including market sentiment and the volatility of the Malaysian stock market while also facilitates the continuous implementation of the Bonds over its tenure and, at the same time, is not detrimental to the interests of our Group and the shareholders of our Company, as the remaining maximum number of Conversion Shares can be issued pursuant to the MCS remains at 284,109,900 Conversion Shares.

Based on the above, our Board is of the view that the Revised MCP is reasonable will enable our Company to raise the necessary funds to support the intended utilisation of proceeds as set out in Section 2.2 of this Circular, ensuring financial stability and strategic growth.

2.1.2 Number of Conversion Shares to be issued

The number of Conversion Shares to be issued shall depend on the Conversion Price, provided that the Conversion Price is not less than the Revised MCP. Nonetheless, the remaining number of Conversion Shares that can be issued pursuant to the MCS will be up to 284,109,900 Conversion Shares.

Pursuant to the Subscription Agreement, the Company shall not issue nor shall the Subscriber subscribe for any sub-tranche of the Bonds if the aggregate of:

- (i) all Conversion Shares;
- (ii) 100% of the nominal value of all outstanding Bonds divided by the MCP; and

- (iii) 100% of the nominal value of the Bonds in the sub-tranche (to be issued and subscribed) divided by the MCP,

would breach the MCS.

Based on the above, our Company will not issue nor will the Subscriber subscribe further Bonds once the MCS has been reached. For illustrative purposes, assuming the outstanding Bonds of RM2.70 million are converted at the Original MCP and the remaining unissued Bonds to be issued are converted at the Revised MCP, the number of Conversion Shares that may be issued under Main Tranche 1 Bonds, Main Tranche 2 Bonds and Main Tranche 3 Bonds are as follows:

Tranche	No. of Conversion Shares	RM
Main Tranche 1 Bonds		
- Issued and converted	43,000,000 ⁽¹⁾	4,300,000
- Issued and to be converted	27,000,000 ⁽¹⁾	2,700,000 ⁽²⁾
- To be issued and converted	257,109,900 ⁽³⁾	12,855,495
Main Tranche 2 Bonds	- ⁽⁴⁾	-
Main Tranche 3 Bonds	- ⁽⁴⁾	-
	327,109,900	19,855,495

Notes:

- (1) Conversion based on the Original MCP.
- (2) For information, the proceeds raised from the Bonds of RM2.70 million have been fully utilised by our Company as at the LPD.
- (3) Conversion based on the Revised MCP.
- (4) No Conversion Shares shall be issued in Main Tranche 2 Bonds and Main Tranche 3 Bonds as the MCS has been reached.

2.1.3 Ranking of the Conversion Shares

The Conversion Shares shall, upon allotment and issuance, rank equally in all aspects with the existing MQ Tech Shares, save that the Conversion Shares will not be entitled to any dividends, rights, allotments and / or other distributions that may be declared, made or paid where the entitlement date is prior to the date of allotment and issuance of the Conversion Shares.

2.1.4 Listing of and quotation for the Conversion Shares

Bursa Securities had vide its letter dated 7 August 2024 approved, amongst others, the listing of and quotation for up to 327,109,900 Conversion Shares pursuant to the Issuance of Bonds. Save for the listing of and quotation for up to 327,109,900 Conversion Shares which was approved by Bursa Securities pursuant to the Issuance of Bonds, there is no additional new MQ Tech Shares to be issued pursuant to the Proposed Variation of MCP.

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2.2 Proposed Variation of Utilisation of Proceeds

Consequent to the Proposed Variation of MCP as set out in Section 2.1 of this Circular, the total gross proceeds to be raised from the Issuance of Bonds based on the MCP and MCS will reduce to RM19.86 million as set out in Section 2.1.2 of this Circular as compared to RM32.71 million as stated in the Previous Circular. Accordingly, the Company proposes to vary the allocation of the utilisation of proceeds raised from the Issuance of Bonds as follows:

Description	Proposed utilisations based on the Original MCP stated in the Previous Circular	Proposed utilisations based on the Revised MCP	Variation	Actual proceeds raised and utilised as at the LPD	Estimated timeframe for use of proceeds upon receipt
	RM million	RM million	RM million	RM million	
Funding for the construction cost for phase 1 of the Development of Partial Melaka Land ⁽¹⁾	15.74	3.71	(12.03) ⁽²⁾	-	Within 36 months
Factory expansion and working capital for existing businesses	13.41	13.41	-	4.96	Within 12 months
Expenses relating to the corporate exercises involving amongst others, the Issuance of Bonds	3.56	2.74	(0.82) ⁽³⁾	2.04	Within 36 months
Total Proceeds	32.71	19.86	(12.85)	7.00	

Notes:

(1) *The Development of Partial Melaka Land will be carried out in 2 phases as follows:*

- (i) *phase 1 consists of 1 block of 27-storey resort suites comprises 25 floors with total of 500 resort suite units and 2 floors with total of 40 shop lot units as well as 1 block of 9-storey carpark comprises 1,806 carpark bays ("Phase 1"); and*
- (ii) *phase 2 consists of 1 block of 27-storey resort suites comprises 25 floors with total of 500 resort suite units and 2 floors with total of 40 shop lot units ("Phase 2").*

The estimated gross development profit is approximately RM60.80 million taking into consideration the estimated gross development value and gross development cost of the Development of Partial Melaka Land are approximately RM274.98 million and RM214.18 million, respectively, based on the preliminary feasibility study conducted. The gross development cost will be funded via the proceeds to be raised from the Issuance of Bonds as well as our Group's internally-generated funds, progress billings from the Development of Partial Melaka Land, other fund raising corporate exercises and/or bank borrowings, of which the exact quantum will be determined by our Board at a later stage depending on the gearing, cost of funding and funding requirements of our Group.

As at the LPD, the Development of Partial Melaka Land has yet to commence and the tentative timeline for the Development of Partial Melaka Land is as follows:

No.	Event	Tentative date
1	<i>Submission for Amendment of Planning Permission Application in relation to the Melaka Land to relevant authorities⁽¹⁾</i>	<i>1st Quarter of 2026</i>
2	<i>Submission for the relevant applications to the relevant authorities in relation to the building plan for the Development of Partial Melaka Land</i>	<i>4th Quarter of 2026</i>
3	<i>Obtain all relevant approvals including but not limited to the building plan for the Development of Partial Melaka Land</i>	<i>3rd Quarter of 2027</i>

No.	Event	Tentative date
4	Commencement of Phase 1	4 th Quarter of 2027
5	Completion of Phase 1	4 th Quarter of 2030

Note:

- (1) *For information, our Group intends to submit the Amendment of Planning Permission Application to the relevant authorities upon completion of the Proposed Acquisition of Remaining Melaka Land. Our Group expects the Proposed Acquisition of Remaining Melaka Land to be completed by 4th Quarter of 2025.*

For information, the expected commencement and completion dates for the Phase 2 cannot be determined at this juncture as the commencement of Phase 2 will depend on the take-up rate of the Phase 1.

- (2) *Our Group intends to fund the shortfall via our Group's internally-generated funds, progress billings from the Development of Partial Melaka Land, other fund raising corporate exercises and/or bank borrowings, of which the exact quantum will be determined by our Board at a later stage depending on the gearing, cost of funding and funding requirements of our Group.*
- (3) *The variation on the expenses is due to the lower administration fee to the Subscriber which corresponds with the lower proceeds raised from the Issuance of Bonds.*

Pursuant to Rule 8.24 of the Listing Requirements, our Company will seek the approval of our shareholders for the Proposed Variation of Utilisation of Proceeds at the forthcoming EGM.

3. RATIONALE AND JUSTIFICATIONS FOR THE PROPOSALS

3.1 Proposed Variation of MCP

After considering our Group's financial requirements, the prevailing market price and trading history of MQ Tech Shares following the completion of the Share Consolidation, the Proposed Variation of the MCP is aimed at aligning the MCP with current market conditions to provide a fair and realistic conversion opportunity for the holders of the Bonds.

Our Board believes that the Proposed Variation of MCP will facilitate the progressive subscription and conversion of the Bonds. Consequently, the Proposed Variation of MCP is expected to support the eventual full subscription and issuance of the Bonds, subject to the MCS, enabling our Group to raise adequate funds to be utilised for the purposes set out in Section 2.2 of this Circular.

3.2 Proposed Variation of Utilisation of Proceeds

Pursuant to the Proposed Variation of MCP to revise the MCP from RM0.10 to RM0.05, which results in lower proceeds raised from the Issuance of Bonds, our Board has resolved to vary the allocation of the utilisation of proceeds to reflect the lower proceeds raised arising from the Proposed Variation of MCP.

The Proposed Variation of Utilisation of Proceeds will allow our Company to reallocate the proceeds to be raised to provide our Group with the flexibility to maintain adequate cash reserves, ensuring that we can continue to meet our operational needs efficiently.

Premised on the above, our Board is of the view that it is in the best interest of our Group to undertake the Proposed Variation of Utilisation of Proceeds.

4. RISK FACTORS

4.1 Risk of the Proposed Variation of MCP

The Proposed Variation of MCP may result in lower proceeds from the Issuance of Bonds under the Revised MCP. As illustrated in Section 2.2 of this Circular, the total gross proceeds to be raised by our Company based on the MCP and MCS would be approximately RM19.86 million pursuant to the Proposed Variation of MCP, which are significantly lower than the RM32.71 million based on the Original MCP and MCS as set out in the Previous Circular. In the event of a funding shortfall, our Company will be required to fund the shortfall through alternative sources, such as internally generated funds, other fund raising corporate exercises and/or bank borrowings.

4.2 Non-subscription of the Bonds by the Subscriber

The Subscriber may choose to delay the conversion of Bonds and decline to subscribe for subsequent sub-tranches, particularly if the price of MQ Tech Shares falls below or near the Revised MCP. In such a scenario, our Company may not be able to raise the necessary funds for the purposes outlined in Section 2.2 of this Circular, which may cause our Company to experience funding shortfall and may subsequently impact the business operation of our Company.

Nevertheless, our Group will take reasonable steps to ensure smooth implementation and timely completion of the Issuance of Bonds. Our Group also anticipates its financial performance to improve in the future with the implementation of the plans, which will help maintain the Subscriber's confidence going forward, as set out in Section 2.2 of this Circular.

In the event of non-subscription of the Bonds by the Subscriber, our Company shall look at other fund raising options and/or bank borrowings to fund the shortfall.

5. EFFECTS OF THE PROPOSALS

5.1 Issued share capital

The Proposed Variation of Utilisation of Proceeds will not have any effect on the issued share capital as it does not involve any issuance of new Shares.

The pro forma effects of the conversion of the Bonds pursuant to the Proposed Variation of MCP on our Company's issued share capital are as follows:

	No. of Shares	RM
Issued share capital as at the LPD	206,554,653	57,103,256
Assuming full conversion of outstanding Bonds as at the LPD ⁽¹⁾	27,000,000	2,700,000
	<u>233,554,653</u>	<u>59,803,256</u>
Assuming full conversion of Bonds to be issued	257,109,900 ⁽²⁾	12,855,495 ⁽³⁾
Enlarged issued share capital	<u>490,664,553</u>	<u>72,658,751</u>

Notes:

- (1) Assuming conversion of the outstanding Bonds of RM2.70 million as at the LPD into 27,000,000 Conversion Shares at the Original MCP.
- (2) Computed based on the Balance of MCS of 284,109,900 Conversion Shares deducted by the 27,000,000 Conversion Shares issued pursuant to the conversion of outstanding Bonds in Note (1) above.
- (3) Assuming the Conversion Shares are issued at the Revised MCP.

5.2 NA per Share and gearing

The Proposed Variation of Utilisation of Proceeds will not have any effect on the NA per Share and gearing of our Group as it is neither a transaction nor a fund-raising exercise.

Based on the latest audited consolidated statements of financial position of our Group as at 28 February 2025, the pro forma effects of the conversion of Bonds pursuant to the Proposed Variation of MCP on the NA per Share and gearing of our Group are set out as follows:

	Audited as at 28 February 2025 RM'000	(I) Assuming full conversion of the outstanding Bonds ⁽¹⁾ RM'000	(II) After (I) and assuming full conversion of the Bonds to be issued ⁽²⁾ RM'000
Share capital	57,103	59,803	72,659
Reserves	4,881	4,881	4,881
Retained earnings	1,736	1,636 ⁽³⁾	936 ⁽⁴⁾
Bonds	334	-	-
Total equity	64,053	66,320	78,476
Number of Shares in issue ('000)	206,555	233,555	490,665
NA per Share (RM)	0.31	0.28	0.16
Total borrowings (RM'000)	2,564	198	198
Gearing level (times)	0.04	*	*

Notes:

* Being less than 0.01 time

- (1) Assuming the outstanding Bonds of RM2.70 million are converted into 27,000,000 Conversion Shares at the Original MCP.
- (2) Assuming full conversion of the Bonds to be issued into 257,109,900 Conversion Shares (being the remaining MCS computed based on Note (1) of Section 4.1 of this Circular) at the Revised MCP.
- (3) After deducting the estimated expenses in relation to the Proposals of RM0.10 million.
- (4) After deducting the remaining estimated expenses to be incurred for the Issuance of Bonds of RM0.70 million.

5.3 Substantial shareholders' shareholdings

The Proposed Variation of Utilisation of Proceeds will not have any effect on the shareholdings of the substantial shareholders of MQ Tech as it does not involve any issuance of new Shares.

The pro forma effects of the conversion of Bonds pursuant to the Proposed Variation of MCP on the shareholdings of our substantial shareholder are as follows:

Name	As at the LPD				Assuming full conversion of Bonds pursuant to the MCS			
	Direct		Indirect		Direct		Indirect	
	No. of Shares ('000)	% ⁽¹⁾	No. of Shares ('000)	% ⁽¹⁾	No. of Shares ('000)	% ⁽²⁾	No. of Shares ('000)	% ⁽²⁾
Michael Heng Chun Hong	14,093	6.82	-	-	14,093	2.87	-	-

Notes:

- (1) Based on the total issued Shares of 206,554,653 as at the LPD.
- (2) Based on the total issued Shares of 490,664,553 assuming full conversion of Bonds into 284,109,900 Conversion Shares pursuant to the MCS.

It is expected that there will be no changes in our Company's major shareholders pursuant to the Issuance of Bonds as there will be no conversion of the Bonds by the Subscriber to transfer a controlling interest in our Company such that the Subscriber becomes controlling shareholder of our Company without the prior approval of our Company's shareholders, nor to hold more than 10% interest in the total number of issued shares of our Company, at any time and from time to time, without our Company's prior approval. In addition, the Conversion Shares are expected to be sold down via the open market on a progressive basis, in tandem with the progressive subscription and conversion of the Bonds.

5.4 Earnings and EPS

The Proposals are not expected to have any material effect on the earnings of our Group for the financial year ended 28 February 2026.

Notwithstanding the above, the Proposals are expected to contribute positively to our Group's future earnings as and when the benefits of the revised utilisation of proceeds from the Issuance of Bonds as set out in Section 2.2 of this Circular are realised.

Subject to the future earnings of the Group, its EPS may be diluted in the future financial years as a result of the increase in its total number of issued shares arising from the conversion of the Bonds into Conversion Shares.

5.5 Convertible securities

As at the LPD, save for the 2,990,710 outstanding SIS Options which have been issued and remained unexercised as well as outstanding Bonds of RM2.70 million, the Company does not have any outstanding convertible securities. For information, the total number of SIS Options that may be granted and exercised pursuant to the maximum allowable amount under the SIS is as follows:

	No. of Shares
Maximum allowable amount under the SIS (30% of issued Shares as at the LPD)	61,966,300
Less: Shares issued under the SIS	(38,445,750) ⁽¹⁾
Less: Assuming full exercise of the outstanding SIS Options	(2,990,710)
Number of SIS Options available to be granted	20,529,800⁽²⁾

Notes:

- (1) The details of the issuance of new MQ Tech Shares pursuant to the exercise of SIS Options are as follows:

Date of issuance	No of new MQ Tech Shares issued	Exercise Price (RM)
15 March 2023	45,766,000	0.0437
15 March 2023	44,080,600	0.0397
16 March 2023	18,309,000	0.0437
17 March 2023	21,968,200	0.0437
21 November 2023	90,000,000	0.0225
17 January 2024	49,600,000	0.0225
15 May 2024	33,333,300	0.0150
31 May 2024	81,400,400	0.0150
Total	384,457,500	

Pursuant to the Share Consolidation which was completed on 25 September 2024, the number of new MQ Tech Shares from the exercise of SIS Options of 384,457,500 were adjusted to 38,445,750 MQ Tech Shares.

- (2) *The actual number of new MQ Tech Shares arising from the exercise of the SIS Options which may be granted shall not be less than 100 MQ Tech Shares and always be in the multiples of 100 MQ Tech Shares or such amount constituting 1 board lot as permitted by Bursa Securities to be traded on Bursa Securities.*

6. APPROVALS REQUIRED

The Proposals are subject to the following approvals being obtained:

- (i) MQ Tech's shareholders at the forthcoming EGM for the Proposals; and
- (ii) any other approval(s) from any other relevant parties / authorities, if required.

The Proposals are inter-conditional upon each other. The Proposals are not conditional upon any other corporate exercises undertaken or to be undertaken by the Company.

7. CORPORATE EXERCISES ANNOUNCED BUT PENDING COMPLETION

Our Board confirms that, save as disclosed below as well as the Issuance of Bonds and the Proposals, being the subject matter of this Circular, there is no other corporate exercise/scheme which has been announced by our Company on Bursa Securities but pending completion as at the date of this Circular.

- (i) proposed acquisition by Star Acres Sdn Bhd ("**SASB**"), a wholly-owned subsidiary of MQ Tech, from Cash Support Sdn Bhd ("**CSSB**") of the remaining portion of leasehold land measuring up to 3.572 acres within a larger parcel of the leasehold land measuring approximately 10.727 acres in Klebang, Melaka identified as PN 63030, Lot 1, Kawasan Bandar XLV, District of Melaka Tengah, State of Melaka, for a cash consideration of RM8.50 million. As at the LPD, the Proposed Acquisition of Remaining Melaka Land is pending completion as SASB has yet to procure the requisite financing and/or funding for the purchase of the Remaining Melaka Land; and
- (ii) proposed disposal by MPTSB, a wholly-owned subsidiary of MQ Tech, to MTrustee Berhad ("**MTrustee**"), acting as the trustee for and on behalf of Hektar Real Estate Investment Trust ("**Hektar REIT**") of a parcel of leasehold industrial land held under PN 5908, Lot 14840, Mukim 12, District of Barat Daya, State of Pulau Pinang with the buildings erected thereon, together with all infrastructure, major systems, and fixtures and fittings attached thereto ("**Penang Property**") for a total disposal consideration of RM30.00 million to be satisfied entirely in cash ("**Proposed Disposal**") and leaseback of Penang Property by MPTSB from MTrustee for a term of 15 years for its existing business operations ("**Proposed Leaseback**"). As at the LPD, the Proposed Disposal and Proposed Leaseback are pending amongst others, the approval being obtained from our shareholders at an EGM to be convened for the Proposed Disposal and Proposed Leaseback.

8. INTERESTS OF DIRECTORS, MAJOR SHAREHOLDERS, CHIEF EXECUTIVE AND/OR PERSONS CONNECTED

None of our Directors, major shareholders, chief executive and/or persons connected with them has any interest, whether direct or indirect, in the Proposals.

9. DIRECTORS' STATEMENT / RECOMMENDATION

Our Board, having considered all aspects of the Proposals, including but not limited to the rationale and effects of the Proposals, is of the opinion that the Proposals are in the best interest of our Company.

Accordingly, our Board recommends that our shareholders to vote in favour of the resolutions pertaining to the Proposals to be tabled at the forthcoming EGM.

10. TENTATIVE TIMEFRAME FOR COMPLETION

Barring any unforeseen circumstances and subject to the approvals stated in Section 6 of this Circular, the Proposals are expected to complete by 3rd quarter of 2025:

Date	Events
25 July 2025	<ul style="list-style-type: none">• EGM for the Proposals• Completion of the Proposals

11. EGM

The EGM, the notice of which is enclosed together with this Circular, will be held at Unit 310, Block C, Damansara Intan, No. 1, Jalan SS20/27, 47400 Petaling Jaya, Selangor Darul Ehsan on Friday, 25 July 2025 at 11.00 a.m. or at any adjournment thereof, for the purpose of considering and if thought fit, passing with or without modifications, the resolutions to give effect to the Proposals.

If you are unable to attend and vote in person at the EGM, you are entitled to appoint a proxy or proxies to attend and vote on your behalf. If you wish to do so, you may deposit the Form of Proxy at our Company's registered office at Level 7, Mercu 3, No. 3, Jalan Bangsar, KL Eco City, 59200 Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur, Malaysia not less than 24 hours before the time and date stipulated for the EGM or at any adjournment thereof.

The lodgement of the Form of Proxy does not preclude you from participating and voting in person at the EGM should you subsequently wish to do so.

12. FURTHER INFORMATION

Please refer to the appendices of this Circular for further information.

Yours faithfully,
For and on behalf of the Board of
MQ TECHNOLOGY BERHAD

TERENCE CHEAH EU LEE
Executive Director

SALIENT TERMS OF THE SUPPLEMENTAL SUBSCRIPTION AGREEMENT

The salient terms of the Supplemental Subscription Agreement are as follows:

Section	Subject Matter	Salient Terms of the Supplemental Subscription Agreement
1	Proposed Revision of MCP	<p>(a) The Company and the Subscriber (collectively referred as the “Parties”) mutually agree and confirm that the MCP shall be the Revised MCP of MYR0.05 per Share, effective as of the date of which all Conditions Precedent to the Revision (as set out in Section 2 below) are fully satisfied (“Effective Date”).</p> <p>(b) On the Effective Date, all references to MCP in the Subscription Agreement (including without limitation the definition for the term “Minimum Conversion Price” under Condition 1.1, Schedule 4D of the Subscription Agreement shall be read as and/or construed to refer to the Revised MCP, as the context requires.</p> <p>(c) For avoidance of doubt, the Revised MCP shall subject to the fulfilment of the Conditions Precedent to the Revision and apply exclusively to:</p> <ul style="list-style-type: none"> (i) the Bonds issued on or after the Effective Date; and (ii) conversions of the Bonds occurring on or after the Effective Date.
2	Conditions Precedent to the Revision	<p>The Proposed Revision of MCP is subject to and conditional upon the following (“Conditions Precedent to the Revision”):</p> <ul style="list-style-type: none"> (a) the approval having been obtained from Bursa Securities for the Proposed Revision of MCP, if required; and (b) the approval by the shareholders of the Company for the Proposed Revision of MCP having been obtained; <p>within three (3) months from the date of this Supplemental Subscription Agreement or such other period as the Parties may mutually agree in writing (“Fulfilment Period”). In the event the Conditions Precedent to the Revision are not fully satisfied within the Fulfilment Period, this Supplemental Subscription Agreement shall unless otherwise agreed in writing by the Parties lapse and be of no further effect save for any antecedent breach of this Supplemental Subscription Agreement.</p>
3	Non-Retroactive Effect	<p>Subject to the fulfilment of all Conditions Precedent to the Revision, the Revised MCP shall not apply to:</p> <ul style="list-style-type: none"> (a) the outstanding Bonds of RM2.70 million which remained unconverted as at the date of the Supplemental Subscription Agreement (“Outstanding Bonds”); (b) any Bonds issued prior to the Effective Date; or (c) any conversions of the Bonds occurring on or before the Effective Date.

SALIENT TERMS OF THE SUPPLEMENTAL SUBSCRIPTION AGREEMENT (Cont'd)

Section	Subject Matter	Salient Terms of the Supplemental Subscription Agreement
4	Redemption of Outstanding Bonds	Subject to the fulfilment of all Conditions Precedent to the Revision, the Subscriber shall be entitled to, by notice in writing require the Company to redeem the Outstanding Bonds at 118% of its nominal value, together with accrued interest as set out in Condition 6 of the Subscription Agreement (" Outstanding Bonds Redemption Amount "), within five (5) Business Days from the date of such notice (" Redemption Period ") in full and in clear funds without further formality. Unless waived by the Subscriber in writing, interest shall accrue on the Outstanding Bonds Redemption Amount on a daily basis at the rate of 3.0% per month (the " Outstanding Bonds Default Interest ") commencing from the Business Day immediately following the expiry of the Redemption Period up to and including the date on which the Subscriber receives full payment of the Outstanding Bonds Redemption Amount, together with accrued Outstanding Bonds Default Interest. Nothing herein shall prejudice any right of the Subscriber under the Subscription Agreement in respect of the Outstanding Bonds.

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FURTHER INFORMATION

1. RESPONSIBILITY STATEMENT

Our Board has seen and approved this Circular and they collectively and individually accept full responsibility for the accuracy of the information contained in this Circular and confirm that, after making all reasonable enquiries and to the best of their knowledge and belief, there are no other facts, the omission of which would make any statement in this Circular misleading.

2. CONSENT AND CONFLICT OF INTERESTS

Mercury Securities, being the Principal Adviser to our Company for the Proposals, has given and has not subsequently withdrawn its written consent to the inclusion of its name and all references thereto in the form and context in which it appears in this Circular.

Mercury Securities confirms that there is no conflict of interest that exists or is likely to exist which would give rise to a possible conflict of interest situation in its capacity as Principal Adviser to our Company for the Proposals.

3. MATERIAL COMMITMENTS AND CONTINGENT LIABILITIES**3.1 Material commitments**

As at the LPD, there are no material commitments incurred or known to be incurred by our Group, which may have a material impact on the profits and/or NA of our Group.

3.2 Contingent liabilities

As at the LPD, there are no contingent liabilities incurred or known to be incurred by our Group which, upon becoming enforceable, may have a material impact on the profits and/or NA of our Group.

4. MATERIAL LITIGATION, CLAIMS AND ARBITRATION

As at the LPD, our Group is not engaged in any material litigation, claims or arbitration, either as plaintiff or defendant, and our Board is not aware of any proceedings, pending or threatened against our Group, or of any facts likely to give rise to any proceedings which may materially affect the business or financial position of our Group.

5. MATERIAL CONTRACT

Save as disclosed below, there are no material contracts (not being contracts entered into in the ordinary course of business) that have been entered into by the Group within the 2 years preceding the date of this Circular:

- (i) the Subscription Agreement;
- (ii) the facility agreement dated 24 September 2024 entered into between the Company and Kenanga Investment Bank Berhad acting as the principal adviser/lead arranger/lead manager and facility agent in relation to the Issuance of Bonds;
- (iii) the trust deed dated 24 September 2024 entered into between the Company and MTrustee acting as the trustee in relation to the Issuance of Bonds;
- (iv) the conditional sale and purchase agreement dated 19 February 2025 entered into between SASB with CSSB for the Proposed Acquisition of Remaining Melaka Land;

FURTHER INFORMATION (Cont'd)

- (v) the conditional sale and purchase agreement dated 19 February 2025 entered into between MPTSB and MTrustee acting as the trustee for and on behalf of Hektar REIT for the Proposed Disposal;
- (vi) the master lease agreement entered into between MPTSB and MTrustee, deposited in escrow, for the Proposed Leaseback; and
- (vii) the option agreement entered into between MPTSB and MTrustee, deposited in escrow, for the purpose of granting mutual put and call options in respect of the Penang Property.

6. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents will be made available for inspection at the registered office of our Company at Level 7, Mercu 3, No. 3, Jalan Bangsar, KL Eco City, 59200 Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur, Malaysia, during normal business hours on Mondays to Fridays (except public holidays) from the date of this Circular up to and including the date of the EGM to be convened:

- (i) the Constitution;
- (ii) the audited consolidated financial statements of our Company for the FYE 30 September 2022, FYE 30 September 2023 and 17-month FPE 28 February 2025;
- (iii) the Supplemental Subscription Agreement;
- (iv) the letter of consent and declaration of conflict of interest referred to in Section 2 of this Appendix; and
- (v) the material contracts referred to in Section 5 of this Appendix.

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TECHNOLOGY BERHAD

MQ TECHNOLOGY BERHAD

(Registration No. 200301033383 (635804-H))
(Incorporated in Malaysia)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT an Extraordinary General Meeting (“**EGM**”) of MQ Technology Berhad (“**MQ Tech**” or “**Company**”) will be held at Unit 310, Block C, Damansara Intan, No. 1, Jalan SS20/27, 47400 Petaling Jaya, Selangor Darul Ehsan on Friday, 25 July 2025 at 11.00 a.m. or at any adjournment thereof, for the purpose of considering and if thought fit, passing with or without modifications, the following resolutions:

ORDINARY RESOLUTION 1

PROPOSED VARIATION OF THE MINIMUM CONVERSION PRICE (“MCP”) OF THE REDEEMABLE CONVERTIBLE BONDS (“BONDS”) (“PROPOSED VARIATION OF MCP”)

“**THAT**, subject to passing the Ordinary Resolution 2 and the approvals being obtained from the relevant authorities and/or parties, the Board of Directors of the Company (“**Board**”) be and is hereby given the authority and approval to amend, modify and / or vary the existing terms of the Bonds in accordance with the amendments, modifications and / or variations as set out in the Supplemental Subscription Agreement dated 21 May 2025 entered into between the Company and Triton Capital Fund VCC;

AND THAT the Board be and is hereby empowered and authorised to do all such acts, deeds and things and to execute, enter into, sign and deliver on behalf of the Company, all such documents and/or arrangements (including without limitation, the affixing of the Company’s common seal) as the Board may deem necessary, expedient and/or appropriate to implement, to finalise, to give full effect to and to complete the Proposed Variation of MCP, with full powers to assent to and/or accept any conditions, modifications, variations, arrangements and/or amendments as the Board may in their absolute discretion deem fit, necessary, expedient and/or in the best interest of the Company and/or as may be imposed by any relevant authorities and/or parties in connection with the Proposed Variation of MCP.”

ORDINARY RESOLUTION 2

PROPOSED VARIATION OF THE UTILISATION OF PROCEEDS TO BE RAISED FROM THE ISSUANCE OF BONDS (“PROPOSED VARIATION OF UTILISATION OF PROCEEDS”)

“**THAT** subject to passing the Ordinary Resolution 1 and the approvals being obtained from the relevant authorities and/or parties, approval be and is hereby given to the Company for the variation for the utilisation of proceeds arising from the issuance of Bonds, the details of which are set out in the circular to shareholders of the Company dated 8 July 2025;

AND THAT the Board be and is hereby empowered and authorised to do all such acts, deeds and things and to execute, enter into, sign and deliver on behalf of the Company, all such documents and/or arrangements (including without limitation, the affixing of the Company’s common seal) as the Board may deem necessary, expedient and/or appropriate to implement, to finalise, to give full effect to and to complete the Proposed Variation of Utilisation of Proceeds, with full powers to assent to and/or accept any conditions, modifications, variations, arrangements and/or amendments as the Board may in their absolute discretion deem fit, necessary, expedient and/or in the best interest of the Company and/or as may be imposed by any relevant authorities and/or parties in connection with the Proposed Variation of Utilisation of Proceeds.”

BY ORDER OF THE BOARD

LIM LI HEONG (MAICSA 7054716) (SSM PC No.: 202008001981)
WONG MEE KIAT (MAICSA 7058813) (SSM PC No.: 202008001958)
Company Secretaries

Kuala Lumpur
8 July 2025

Notes:

- (i) *For the purpose of determining who shall be entitled to attend the EGM, the Company shall be requesting Bursa Malaysia Depository Sdn. Bhd. to make available to the Company, a Record of Depositors as at 18 July 2025. Only a member whose name appears on this Record of Depositors shall be entitled to attend the EGM or appoint a proxy to attend, speak or vote at the EGM on his/her behalf.*
- (ii) *A member entitled to attend and vote at the EGM is entitled to appoint proxy/proxies to attend, speak and vote in his stead. A proxy may but need not be a member of the Company.*
- (iii) *A member may appoint not more than two (2) proxies to attend the same EGM. Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he specifies the proportions of his holding(s) to be represented by each proxy.*
- (iv) *Where a member of the Company is an authorised nominee as defined in the Securities Industry (Central Depositories) Act, 1991, it may appoint not more than two (2) proxies in respect of each securities account it holds in ordinary shares of the Company standing to the credit of the said securities account.*
- (v) *Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one (1) 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.*
- (vi) *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 seal or under the hand of an officer or attorney duly authorised.*
- (vii) *The instrument appointing a proxy and the power of attorney or other authority, if any under which it is signed or a notarially certified copy of that power of authority, shall be deposited at the Company's registered office at Level 7, Mercu 3, No. 3, Jalan Bangsar, KL Eco City, 59200 Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur, Malaysia not less than 24 hours before the time set for holding the EGM or at any adjournment thereof.*



TECHNOLOGY BERHAD

MQ TECHNOLOGY BERHAD

(Registration No. 200301033383 (635804-H))
(Incorporated in Malaysia)

FORM OF PROXY

CDS Account No. _____

No. of Shares held _____

*I/We _____ *NRIC/ Company No. _____
(FULL NAME IN BLOCK CAPITALS)

of _____
(FULL ADDRESS)

Being *a member / members of MQ TECHNOLOGY BERHAD (Registration No. 200301033383 (635804-H)) hereby

appoint _____ NRIC No. _____
(FULL NAME IN BLOCK CAPITALS)

of _____
(FULL ADDRESS)

or failing *him/her _____ NRIC No. _____
(FULL NAME IN BLOCK CAPITALS)

of _____
(FULL ADDRESS)

or failing *him/ her, the Chairman of the Meeting as *my/ our proxy to participate, speak and vote on *my/ our behalf at the Extraordinary General Meeting of MQ Technology Berhad ("**Company**") to be held at Unit 310, Block C, Damansara Intan, No. 1, Jalan SS20/27, 47400 Petaling Jaya, Selangor Darul Ehsan on Friday, 25 July 2025 at 11.00 a.m. or at any adjournment thereof to vote, in the manner indicated below:

*My/ our proxy is to vote as indicated below:

RESOLUTIONS	DESCRIPTION	FOR	AGAINST
ORDINARY RESOLUTION 1	PROPOSED VARIATION OF MCP		
ORDINARY RESOLUTION 2	PROPOSED VARIATION OF UTILISATION OF PROCEEDS		

(Please indicate with an "X" in the appropriate boxes on how you wish your vote to be casted. Unless voting instructions are indicated in the space above, the proxy will vote as he/ she thinks fit.)

For appointment of two (2) proxies, percentage shareholdings to be represented by the proxies:-

	No. of shares	Percentage
Proxy 1		
Proxy 2		
Total		100%

Signature/ Common Seal of Member

Date:

Notes:

- (i) For the purpose of determining who shall be entitled to attend the EGM, the Company shall be requesting Bursa Malaysia Depository Sdn. Bhd. to make available to the Company, a Record of Depositors as at 18 July 2025. Only a member whose name appears on this Record of Depositors shall be entitled to attend the EGM or appoint a proxy to attend, speak or vote at the EGM on his/her behalf.
- (ii) A member entitled to attend and vote at the EGM is entitled to appoint proxy/proxies to attend, speak and vote in his stead. A proxy may but need not be a member of the Company.

- (iii) *A member may appoint not more than two (2) proxies to attend the same EGM. Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he specifies the proportions of his holding(s) to be represented by each proxy.*
- (iv) *Where a member of the Company is an authorised nominee as defined in the Securities Industry (Central Depositories) Act, 1991, it may appoint not more than two (2) proxies in respect of each securities account it holds in ordinary shares of the Company standing to the credit of the said securities account.*
- (v) *Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one (1) 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.*
- (vi) *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 seal or under the hand of an officer or attorney duly authorised.*
- (vii) *The instrument appointing a proxy and the power of attorney or other authority, if any under which it is signed or a notarially certified copy of that power of authority, shall be deposited at the Company's registered office at Level 7, Mercu 3, No. 3, Jalan Bangsar, KL Eco City, 59200 Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur, Malaysia not less than 24 hours before the time set for holding the EGM or at any adjournment thereof.*

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AFFIX STAMP

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