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## **MERDEKA FINANCIAL SERVICES GROUP LIMITED**

**(萬德金融服務集團有限公司\*)**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 8163)**

### **NOTICE OF EXTRAORDINARY GENERAL MEETING**

**NOTICE IS HEREBY GIVEN** that an extraordinary general meeting (the “**Meeting**”) of Merdeka Financial Services Group Limited (the “**Company**”) will be held on Tuesday, 7 March 2017 at 11:00 a.m. at Jasmine Room, 3/F., Best Western Plus Hotel Hong Kong, 308 Des Voeux Road West, Hong Kong for the purposes of considering and, if thought fit, passing the following resolutions with or without amendments as ordinary resolutions:

#### **ORDINARY RESOLUTIONS**

1. “**THAT:**

- (A) the third supplemental deed (the “**Third Supplemental Deed**”) dated 20 January 2017 and entered into among the Company and the holders of the zero coupon convertible bonds due 2017 (the “**Convertible Bonds**”) in the outstanding principal amount of HK\$124,068,000, for (a) extending the maturity date of the Convertible Bonds for 3 years from 12 August 2017 to 12 August 2020; (b) amending the conversion price of the Convertible Bonds from HK\$0.3696 per share (the “**Share**”) of HK\$0.001 in the capital of the Company to HK\$0.095 per Share; and (c) inclusion of the following adjustment events to the conversion price: (i) issue of Shares for subscription by way of rights, or a grant of options or warrants to subscribe for Shares, at a price which is less than 80% of the market price per Share to the shareholders of the Company; (ii) issue wholly for cash of securities convertible into or exchangeable for or carrying rights of subscription for Shares, if in any case the total effective consideration per Share receivable is less than 80% of the market price, or the conversion, exchange or subscription rights of any such issue are altered so that the said total effective consideration receivable is less than 80% of such market price; and (iii) issue of Shares being made wholly for cash at a price less than 80% of the market price per Share, a copy of which has been produced to this meeting marked “A” and signed by the chairman of this meeting for identification purpose, and the transactions contemplated thereunder and the implementation thereof be and are hereby approved, ratified and confirmed;

*\* for identification purposes only*

- (B) any one or more of the directors (the “Directors”) of the Company be and is/are hereby granted a specific mandate to allot and issue of new Shares upon exercise of the conversion rights attached to the Convertible Bonds at the conversion price of HK\$0.095 per Share (subject to adjustment) upon and subject to the terms and conditions of the Convertible Bonds as amended by the Third Supplemental Deed; and
- (C) any one or more of the Directors be and is/are hereby authorised for and on behalf of the Company to execute (and, if necessary, affix the common seal of the Company thereto) any such other documents, instruments and agreements and to do any such acts or things as may be deemed by him/her/them to be necessary or incidental to, ancillary to or in connection with the matters contemplated in the Third Supplemental Deed and the transactions contemplated thereunder or otherwise in relation to the Third Supplemental Deed and the matters and the transactions contemplated thereunder.”

2. “**THAT**, to the extent not already exercised, the mandate to allot and issue shares of the Company given to the Directors at the annual general meeting of the Company held on 24 May 2016 be and is hereby revoked and replaced by the mandate **THAT**:

- (A) subject to paragraph (C) of this resolution and pursuant to the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all powers of the Company to allot, issue and deal with additional shares in the share capital of the Company or options, warrants, or similar rights to subscribe for any shares and to make or grant offers, agreements and options (including bonds, warrants and debentures convertible into shares of the Company), which might require the exercise of such powers be and is hereby generally and unconditionally approved;
- (B) the approval in paragraph (A) of this resolution shall be in addition to any other authorisation given to the Directors and shall authorise the Directors on behalf of the Company during the Relevant Period (as hereinafter defined) to make or grant offers, agreements, options and rights of exchange or conversion which would or might require the exercise of such powers after the end of the Relevant Period (as hereinafter defined);
- (C) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) and issued by the Directors pursuant to the approval in paragraph (A) of this resolution, otherwise than pursuant to (i) a Rights Issue (as hereinafter defined), or (ii) the exercise of rights of conversion under any securities which are convertible into shares of the Company, or (iii) any scrip dividend scheme or similar arrangements providing for the allotment of shares in lieu of the whole or a part of a dividend on shares of the Company pursuant to the articles of association of the Company from time to time, or (iv) the grant or exercise of any options granted under any option scheme or similar arrangement for the time being adopted by the Company for the grant or issue to the Directors, officers and/or employees of the Company and/or any of its subsidiaries of options to subscribe for, or rights to acquire, shares of the Company, shall not in aggregate exceed 20 per cent. of the aggregate nominal amount of the share capital of the Company in issue at the date of passing of this resolution and the said approval shall be limited accordingly; and

(D) for the purpose of this resolution:

“Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable laws to be held; or
- (iii) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting.

“Rights Issue” means the allotment or issue of shares in the share capital of the Company pursuant to an offer of shares open for a period fixed by the Directors made to holders of shares of the Company or any class thereof whose names appear on the register of members of the Company on a fixed record date in proportion to their then holdings of such shares or class thereof (subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognised regulatory body or any stock exchange in any territory outside Hong Kong).”

By order of the Board of  
**Merdeka Financial Services Group Limited**  
**Cheung Wai Yin, Wilson**  
*Chairman and Chief Executive Officer*

Hong Kong, 20 February 2017

*Registered Office:*

Cricket Square  
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Cayman Islands  
British West Indies

*Head Office and Principal Place of*

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Chinachem Century Tower  
178 Gloucester Road  
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*Notes:*

1. Where there are joint holders of any share any one of such joint holder may vote, either in person or by proxy, in respect of such share as if he were solely entitled thereto, but if more than one of such joint holders be present at the Meeting the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose seniority shall be determined by the order in which the names stand in the share register of the Company in respect of the joint holding. Several executors or administrators of a deceased member in whose name any share stands shall for the purposes of the articles of association of the Company be deemed joint holders thereof.
2. Any member entitled to attend and vote at the Meeting shall be entitled to appoint another person as his proxy to attend and vote instead of him. A member who is the holder of two or more shares may appoint more than one proxy to represent him and vote on his behalf at the Meeting or at a class meeting. A proxy need not be a member. In addition, a proxy or proxies representing either a member who is an individual or a member which is a corporation shall be entitled to exercise the same powers on behalf of the member which he or they represent as such member could exercise.
3. Delivery of an instrument appointing a proxy shall not preclude a member of the Company from attending and voting in person at the Meeting and in such event, the instrument appointing a proxy shall be deemed to be revoked.
4. The instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed, or a certified copy of such power or authority, shall be delivered to the branch share registrar of the Company in Hong Kong, Tricor Tengis Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong not less than 48 hours before the time appointed for holding the Meeting or any adjourned meeting.
5. All voting by the members at the Meeting shall be conducted by way of poll.

*As at the date of this notice, the Board comprises two executive Directors, namely Mr. Cheung Wai Yin, Wilson and Mr. Lau Chi Yan, Pierre, and three independent non-executive Directors, namely Ms. Yeung Mo Sheung, Ann, Mr. Ng Kay Kwok and Mr. Yip Kat Kong, Kenneth.*