

## NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

22 SEPTEMBER 2016

Mykco Limited (the Company) gives you notice that the annual meeting of shareholders will be held at the offices of Investment Research Group Limited, Level 7, 12-26 Swanson Street, Auckland, commencing at 2.00 pm on Thursday 22 September 2016.

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The Explanatory Notes which accompany this Notice of Meeting set out the details of the transactions which are the subject of the resolutions and the approval required for each resolution by the shareholders of the Company pursuant to the constitution of the Company, the Companies Act 1993 (*Companies Act*) and the NZAX Listing Rules.

The business of the meeting will be:

#### **Chairman's Introduction**

#### **Company Presentation**

#### **Resolution 1: Annual Report**

To receive and consider the Annual Report, including the audit report and financial statements, for the year ended 31 March 2016.

*"That the Annual Report be received."*

#### **Resolution 2: Auditors**

To record that the Company's Auditors, Crowe Horwath New Zealand Audit Partnership, are automatically reappointed as auditors pursuant to section 207T of the Companies Act 1993 and to consider, and if thought fit, to pass the following ordinary resolution:

*"That the directors of the Company be authorised to fix the fees and expenses of the auditors of the Company for the financial year ending 31 March 2017."*

#### **Resolution 3: Re-election of Director**

To consider and, if thought fit, to pass the following ordinary resolution:

*"That Chew Choo Soon who retires by rotation and is eligible for re-election, be elected as a director of the Company."*

#### **Resolution 4: Share placement**

To consider and, if thought fit, to pass the following ordinary resolution pursuant to NZAX Listing Rule 7.3 and the Company's constitution:

*"That shareholders ratify, confirm and approve, for the purposes of NZAX Listing Rule 7.3.5(c), the previous allotment of 3,269,479 shares issued at 6.25 cents per share to Belian Holdings Limited on the terms set out in the Explanatory Notes."*

#### **Explanatory Notes**

Explanatory notes on the Resolutions are set out below.

#### **Currency**

References to \$ and NZD are references to NZ Dollars.

#### **Directors' Recommendation**

The Directors unanimously recommend that you vote in favour of Resolutions 1 to 4.

## Voting Details

### *Ordinary Resolution*

Resolutions 1 to 4 are ordinary resolutions. An ordinary resolution means a resolution passed by a simple majority of votes of shareholders of the Company entitled to vote and voting.

### *Voting Restrictions*

By virtue of NZAX Listing Rule 9.3:

Belian Holdings Limited to whom shares were allotted under the share placement that are to be ratified under Resolution 4 and their associated persons will not be entitled to vote in respect of that Resolution

Any votes cast by Belian Holdings Limited and their associated persons in relation to the relevant Resolution will be disregarded by the Company (unless such votes are cast by Belian Holdings Limited and their associated persons acting as a proxy for a person entitled to vote on the Resolution and in accordance with that person's express instructions).

### *Proxies and Representatives*

Shareholders may exercise their right to vote at the meeting either by being present in person or by appointing a proxy to attend and vote in their place. A proxy may vote at the meeting and at any adjournment thereof and on any resolution to amend any of the resolutions, on any resolution so amended and on any other resolution proposed at the meeting (or any adjournment). A proxy need not be a shareholder of the Company. The Chairman of the Meeting (who will not be Chew Choo Soon) is willing to act as proxy for any shareholder who may wish to appoint him for that purpose. If the shareholders appoint the Chairman of the Meeting as their proxy, and do not direct him how he is to vote, then the Chairman of the Meeting intends to vote any discretionary proxies that he receives in favour of the Resolutions. A shareholder is not permitted to confer a discretionary proxy on a shareholder who is not entitled to vote or any associated person of any such person. A body corporate shareholder may appoint a representative to attend the meeting on its behalf. A proxy form is enclosed with this notice.

If you wish to vote by proxy you must complete the attached form and produce it to the Company by delivering it to the Company's Share Registrar, Computershare Investor Services Ltd, Level 2, 159 Hurstmere Road, Takapuna, Auckland or by posting it to The Share Registrar, Mykco Limited, c/o Computershare Investor Services Ltd, Private Bag 92119, Auckland 1142, New Zealand in each case, so as to be received no later than 48 hours before the meeting is due to begin (i.e. before 2.00 pm on 20 September 2016).

Postal voting is not available.

By order of the Board  
Chew Choo Soon  
Chairman

## EXPLANATORY NOTES

### 1. AUDITORS (Resolution 2)

Crowe Horwath New Zealand Audit Partnership is automatically reappointed as auditors under section 207T of the Companies Act 1993. Resolution 2 authorises the Board to fix the fees and expenses of the auditors for the financial year ending 31 March 2017.

### 2. ELECTION OF DIRECTORS (Resolution 3)

NZAX Listing Rule 3.2.6 (adopted within the Company's constitution) requires that at every annual meeting, at least one third of the Directors and being those who have been longest in office since their last election, shall retire from office.

The Company currently has three directors. One of these directors (Chew Choo Soon) retire by rotation, and being eligible for re-election, have offered them self for re-election.

**CHEW CHOO SOON**, B Sc (Hons), Electrical Engineering  
Chairman

Chew Choo Soon is the Chairman and Co-founder of the Mykco Limited and is a Director of the Company since 21 December 2011. He graduated from the University of Malaya with a Bachelor of Science Honours Degree in Electrical Engineering in 1990.

He has more than twenty (20) years of experience in IT businesses and entrepreneurship. His career started in 1990, as a Systems Engineer in a local private limited company responsible for the installation and implementation of networking systems. In the following year, he was transferred to a joint venture company as Sales Executive and subsequently promoted to Vice President in 1995. He started MyKris Asia in 2000.

He has presented various workshops on wireless communication and business applications of ICT to members of the Association of Chinese Chamber of Commerce Malaysia (ACCCIM). He was appointed the Deputy Chairman for the ICT Committee in ACCCIM from 2006 to 2013. He is currently the Treasurer for Malaysia Internet Society which operates Malaysia Internet Exchange (MyIX) for Malaysian Internet service providers since 2012.

### 3. SHARE PLACEMENT (Resolution 4)

NZAX Listing Rule 7.3.5 permits companies listed on NZAX to issue equity securities without obtaining shareholder approval where the total number of equity securities issued and all other equity securities of the same class issued pursuant to that Rule during the 12 month period preceding the date of issue (or the period from the date of listing to the date of issue, if shorter) does not exceed 25% of the total number of equity securities on issue at the commencement of that period less 25% of the number of equity securities which have been acquired or redeemed during that period (other than equity securities held as treasury stock)(**25% Rule**).

NZAX Listing Rule 7.3.5 also allows companies listed on the NZAX to renew this capacity to issue securities within the 25% Rule when it has been used, by obtaining subsequent shareholder ratification of issues which have already been made.

The Company wishes to retain the maximum flexibility permitted by NZAX Listing Rules to raise capital by the issue of shares and other equity securities. This assists the Company to act quickly to take advantage of opportunities to secure additional capital, which the Company sees as being particularly important in the current economic climate where additional capital is often difficult to secure. If the Company is not able to act quickly, it risks losing opportunities to raise additional capital, which might be detrimental to the Company's shareholders.

If resolution 4 is not passed the company will not be able to raise additional capital pursuant to NZAX Listing Rule 7.3.5 until 26 August 2017. This will reduce the flexibility available to the company as any placement of shares will require the approval of the shareholders at a special shareholders meeting.

During the last 12 months, the Company has issued 3,269,479 shares under the 25% Rule (being 25.00% of the Company's shares on issue at the commencement of the 12 month period less 25% of the number of equity securities which have been acquired or redeemed during that period (other than equity securities held as treasury stock). These comprise 3,269,479 shares (25.00% of the shares calculated pursuant to NZAX Listing Rule 7.3.5) issued on 26 August 2016 to Belian Holdings Limited, for cash at 6.25cents per share (a discount to the VWAP, which was 6.30 cents per share). The references to VWAP are to the Volume Weighted Average Price of the Company's shares in the 20 trading days prior to the date of issue or the date of announcement of the issue:

The shares issued pursuant to the above transaction rank equally with all other shares in the Company on issue and Belian Holdings Limited as a result of the above issue of shares holds 20.00% of the total shares currently on issue. This will result in all shareholders % of the company being diluted including the existing substantial shareholders as detailed below.

	<b>Number of Shares held before allotment</b>	<b>% of Shares</b>	<b>Number of Shares held after allotment</b>	<b>% of Shares</b>
Belian Holdings Limited	-	-	3,269,479	20.00%
Barter Fund Limited	2,300,000	17.59%	2,300,000	14.07%
Sii Yih Ting	1,480,000	11.32%	1,480,000	9.05%
Kdon Weng Lee	1,291,325	9.87%	1,291,325	7.90%
Chu Kian Then	1,008,300	7.71%	1,008,300	6.17%
Other shareholders	6,998,291	53.51%	6,998,291	42.81%
	<b>13,077,916</b>	<b>100.00%</b>	<b>16,347,395</b>	<b>100.00%</b>

The cash received in exchange for the shares issued in each of these transactions provided the Company with funds to pursue investments. The directors are continuing to investigate investment opportunities but at present no contracts have been completed.

The shares issued pursuant to these transactions rank equally with all other shares in the Company on issue

Belian Holdings Limited to whom the shares referred to above were issued and their associated persons are not entitled to vote on Resolution 4. Nor may they cast undirected proxies.