

**NOTICE OF TWENTY-THIRD ANNUAL GENERAL MEETING**

**NOTICE IS HEREBY GIVEN** that the Twenty-Third Annual General Meeting of VST ECS BERHAD (formerly known as ECS ICT Berhad) ("VST ECS" or "the Company") will be held at Greens III (Sports Wing), Tropicana Golf & Country Resort, Jalan Kelab Tropicana, 47410 Petaling Jaya, Selangor Darul Ehsan on Wednesday, 15 May 2019 at 10:30 a.m. or at any adjournment thereof in the following purposes:-

**AGENDA**
**As Ordinary Business**

- To receive the Audited Financial Statements for the financial year ended 31 December 2018 together with the Reports of the Directors and the Auditors thereon. (refer to Note (B)7)
- To approve the declaration of a single-tier final dividend of 2.5 sen per share in respect of the financial year ended 31 December 2018. (Resolution 1)
- To re-elect the following Directors who retire in accordance with Article 102 of the Articles of Association of the Company:-
  - Mr. Soong Jan Hsung; (Resolution 2)
  - Ms. Ho Chee Kit; and (Resolution 3)
  - Enck Ahmad Subri Bin Abdullah (Resolution 4)
- To re-appoint KPMG PLT as Auditors of the Company until the conclusion of the next Annual General Meeting and to authorise the Directors to fix their remuneration. (Resolution 5)

**As Special Business**

To consider and, if thought fit, with or without any modification, to pass the following resolutions:-

**ORDINARY RESOLUTION NO. 1 (Resolution 6)**

**RETENTION OF INDEPENDENT NON-EXECUTIVE DIRECTOR**  
 THAT subject to the passing of Resolution 3, Ms. Ho Chee Kit who has served as an Independent Non-Executive Director of the Company for a cumulative term of nine years, be hereby retained as an Independent Non-Executive Director of the Company."

**ORDINARY RESOLUTION NO. 2 (Resolution 7)**

**RETENTION OF INDEPENDENT NON-EXECUTIVE DIRECTOR**  
 THAT subject to the passing of Resolution 4, Enck Ahmad Subri Bin Abdullah who has served as an Independent Non-Executive Director of the Company for a cumulative term of nine years, be hereby retained as an Independent Non-Executive Director of the Company."

**ORDINARY RESOLUTION NO. 3 (Resolution 8)**

**PAYMENT OF DIRECTORS' FEES**  
 THAT the Directors' Fees amounting to RM444,675.00 (Ringgit Malaysia: Four Hundred Forty-Four Thousand Six Hundred and Seventy-Five) only for the financial year ended 31 December 2018, be and is hereby approved for payment."

**ORDINARY RESOLUTION NO. 4 (Resolution 9)**

**PAYMENT OF BENEFITS PAYABLE TO THE DIRECTORS UNDER SECTION 230 OF THE COMPANIES ACT 2016**  
 THAT the benefits payable to the Directors up to an amount of RM105,087.00 (Ringgit Malaysia: One Hundred Five Thousand and Eighty-Seven) only for the period from 1 July 2019 to the next Annual General Meeting of the Company pursuant to Section 230(1)(b) of the Companies Act 2016 be and is hereby approved for payment."

**ORDINARY RESOLUTION NO. 5 (Resolution 10)**

**AUTHORITY TO ISSUE SHARES PURSUANT TO THE COMPANIES ACT 2016**  
 THAT subject always to the Companies Act 2016 ("the Act"), the Articles of Association/Constitution of the Company and the approvals from Bursa Malaysia Securities Berhad ("Bursa Securities") and any other relevant governmental and/or regulatory authorities, the Directors be and are hereby empowered pursuant to the Act, to issue and allot shares in the capital of the Company from time to time at such price and upon such terms and conditions, for such purposes and to such person or persons whomsoever the Directors may in their absolute discretion deem fit provided always that the aggregate number of shares issued pursuant to this resolution does not exceed ten percent (10%) of the total number of issued shares of the Company for the time being;

AND THAT the Directors be and are so empowered to obtain the approval for the listing of and quotation for the additional shares so issued on Bursa Securities;

AND FURTHER THAT such authority shall commence immediately upon the passing of this resolution and continue to be in force until the conclusion of the next Annual General Meeting of the Company."

**ORDINARY RESOLUTION NO. 6 (Resolution 11)**

**PROPOSED RENEWAL OF AUTHORITY FOR THE COMPANY TO PURCHASE ITS OWN SHARES ("PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY")**  
 THAT subject to Section 127 of the Act, the Articles of Association/Constitution of the Company, Main Market Listing Requirements ("Main LR") of Bursa Securities and all other applicable laws, rules and regulations and guidelines for the time being in force and the approvals of all relevant governmental and/or regulatory authority, approval be and is hereby given to the Company, to purchase such number of ordinary shares in the Company as may be determined by the Directors of the Company from time to time through Bursa Securities as the Directors may deem fit and expedient in the interest of the Company, provided that:-

- the aggregate number of ordinary shares to be purchased and/or held by the Company does not exceed ten per centum (10%) of the total number of issued shares of the Company as quoted on Bursa Securities as at the point of purchase; and
- the maximum funds to be allocated by the Company for the purpose of purchasing its own shares shall not exceed the aggregate of the retained profits of the Company based on the latest audited financial statements and/or the latest management accounts of the Company (where applicable) available at the time of the purchase.

THAT upon completion of the purchase by the Company of its own shares, the Directors of the Company be authorised to deal with the shares purchased in their absolute discretion in the following manner:-

- cancel all the shares so purchased; and/or
- retain the shares so purchased in treasury for distribution as dividend to the shareholders and/or resale on the market of Bursa Securities; and/or
- retain part thereof as treasury shares and cancel the remainder; and/or

in any other manner as prescribed by the Act, rules, regulations and orders made pursuant to the Act and the requirements of Bursa Securities and any other relevant authority for the time being in force.

THAT such authority conferred by this resolution shall commence upon the passing of this resolution and shall continue to be in force until:-

- the conclusion of the next AGM of the Company following this AGM at which such resolution was passed, at which time it will lapse, unless by an ordinary resolution passed at that meeting, the authority is renewed, either unconditionally or subject to conditions; or
- the expiration of the period within which the next AGM of the Company after that date is required by law to be held; or
- revoked or varied by an ordinary resolution passed by the shareholders of the Company at a general meeting;

whichever occurs first.

AND THAT the Directors of the Company be authorised to do all acts, deeds and things as they may consider expedient or necessary in the best interest of the Company to give full effect to the Proposed Renewal of Share Buy-Back Authority with full powers to assent to any conditions, modifications, variations and/or amendments as may be imposed by the relevant authorities and to take all such steps, and do all such acts and things as they may deem fit and expedient in the best interest of the Company."

**SPECIAL RESOLUTION (Resolution 12)**

**PROPOSED ADOPTION OF A NEW CONSTITUTION OF THE COMPANY ("PROPOSED ADOPTION")**  
 THAT approval be and is hereby given to revoke the existing Memorandum and Articles of Association of the Company in its entirety and in place thereof, a new constitution as set out in Part B of Appendix II of the Circular Statement to Shareholders dated 16 April 2019 accompanying the Company's Annual Report 2018 for the financial year ended 31 December 2018 be and is hereby adopted as the Constitution of the Company with immediate effect;

AND THAT the Directors of the Company be and are hereby authorised to do all such acts, deeds and things as are necessary and/or expedient in order to give full effect to the Proposed Adoption with the full power to assent to any conditions, modification, and/or amendments as may be required by any relevant authorities to give effect to the Proposed Adoption."

12. To transact any other business of which due notice shall have been given.

**NOTICE OF DIVIDEND ENTITLEMENT**

**NOTICE IS HEREBY GIVEN** that a single-tier final dividend of 2.5 sen per ordinary share for the financial year ended 31 December 2018 will be payable to the holders of the Record of Depositors at the close of business on 27 May 2019 if approved by the members at the Twenty-Third Annual General Meeting of the Company.

A Depositor shall qualify for entitlement only in respect of:-

- Shares transferred into the Depositor's Securities Account before 4:00 p.m. on 27 May 2019 in respect of ordinary transfers; and

(b) Shares bought on Bursa Securities on a cum entitlement basis according to the Rules of Bursa Securities.

**By Order of the Board**

CHUA SIEW CHUAN (MCA/CS 0777689)

CHEN CHIA PING (MCA/CS 1032514)

Company Secretaries

Kuala Lumpur

Dated: 16 April 2019

**Notes:-**
**(A) Information for Shareholders/ Proxies**

- In respect of deposited securities, only members whose names appear in the Record of Depositors on 8 May 2019 ("General Meeting Record of Depositors") shall be eligible to attend the Meeting.
- A member entitled to attend and vote at the Meeting is entitled to appoint not more than two (2) proxies in respect of each securities account the member holds in the ordinary shares of the Company standing to the credit of the said securities account to attend and vote instead of him/her. Where a member appoints more than one (1) proxy, the appointments shall be invalid unless he specifies the proportions of his shareholdings to be represented by each proxy.
- Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
- The instrument appointing a proxy shall be in writing under the hand of the appointor or of his/her attorney duly authorised in writing and must be deposited at the Company's Registered Office at Level 7, Menara Milenium, Jalan Damansara, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur, Malaysia, not less than forty-eight (48) hours before the time for holding the Meeting or any adjournment thereof.
- In the case of a corporate member, the instrument appointing a proxy must be either under its common seal or under the hand of its officer or attorney duly authorised.
- Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
- The instrument appointing a proxy shall be in writing under the hand of the appointor or of his/her attorney duly authorised in writing and must be deposited at the Company's Registered Office at Level 7, Menara Milenium, Jalan Damansara, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur, Malaysia, not less than forty-eight (48) hours before the time for holding the Meeting or any adjournment thereof.

**(B) Audited Financial Statements for the financial year ended 31 December 2018**

This Agenda item is meant for discussion only, as the provision of Section 340(1)(a) of the Companies Act 2016 does not require a formal approval for the Audited Financial Statements from the shareholders. Therefore, this Agenda item is not put forward for voting.

**(C) Re-election of Directors**

In determining the eligibility of the Directors to stand for re-election at the forthcoming Twenty-Third AGM, the Nominating Committee ("NC"), guided by the Directors' Assessment Policy has considered the criteria as stated in the said Policy as well as the requirements of Paragraphs 2.20A of the Main LR of Bursa Securities and recommended Mr. Soong Jan Hsung, Ms. Ho Chee Kit ("Ms. Ho") and Enck Ahmad Subri Bin Abdullah ("En. Subri"), for re-election as Directors pursuant to Article 102 of the Articles of Association of the Company ("Retiring Directors"). The Board has conducted a separate assessment and being satisfied with the performance/contribution of the Retiring Directors, they have recommended the same be tabled to the shareholders for approval at the forthcoming Twenty-Third AGM of the Company under Resolutions 2, 3 and 4 respectively. The evaluation criteria adopted as well as the process of assessment by the Board have been duly elaborated in the Corporate Governance Statement of the Annual Report 2018 of the Company. All the retiring Directors have consented to their re-election, and abstained from deliberation and voting in relation to their individual re-election at the NC and Board Meeting, respectively.

**(D) Re-appointment of Auditors**

The Audit Committee ("AC") has assessed the suitability and independence of the External Auditors and recommended the re-appointment of KPMG PLT as External Auditors of the Company for the financial year ending 31 December 2019. The Board has in turn reviewed the recommendation of the AC and recommended the same be tabled to the shareholders for approval at the forthcoming Twenty-Third AGM of the Company under Resolution 5. The evaluation criteria adopted as well as the process of assessment by the AC and Board, respectively, have been duly elaborated in the Corporate Governance Statement of the Annual Report 2018 of the Company.

**Explanatory Notes to Special Business:**
**(E) Retention as Independent Directors**

- Ms. Ho and En. Subri were the Independent Non-Executive Directors of the Company since the Company listed on 15 April 2010 and have served the Board for a cumulative term of nine (9) years. The Board through the NC of the Company, after having assessed the collective skills, experience and independence of Ms. Ho and En. Subri, regarded them to be independent based amongst others, the following justifications and recommendations that Ms. Ho and En. Subri be retained as an Independent Non-Executive Director of the Company, subject to the approval from the shareholders of the Company under Resolutions 6 and 7 respectively:-
  - Ms. Ho and En. Subri have met the independent guidelines set out in Chapter 1 of Main LR of Bursa Securities.
  - Ms. Ho and En. Subri have been with the Company for more than nine (9) years therefore understand the business operations of the Company and appreciate the emerging trends and challenges faced by The Group.
  - Drawing on their respective diverse expertise/experience, Ms. Ho and En. Subri actively participate and contribute to the discussions and deliberations of the Board and Board Committees meetings. They have diligently attended all of the meetings held for the Board and Board Committees for the financial year ended 31 December 2018.
  - Ms. Ho and En. Subri have exercised due care and diligence during their tenure as an Independent Non-Executive Director of the Company.

**(F) Payment of Directors' Fees**

10. The Proposed Directors' Fees for the financial year ended 31 December 2018 was RM444,675.00 (2017: RM401,795.40). The Resolution 8, if approved, will authorise the payment of Directors' Fees pursuant to Article 110 of the Articles of Association of the Company.

**(G) Payment of Benefits Payable**

12. Under proposed Resolution 9, the benefits payable to the Directors has been reviewed by the Remuneration Committee and the Board of Directors of the Company, which recognises that the benefits payable is in the best interest of the Company. The benefits concern comprised the meeting allowances, insurance premium and other benefits payable in favour of the Directors.

**(H) Authority to Issue Shares pursuant to the Companies Act 2016**

13. The Company wishes to renew the mandate on the authority to issue shares pursuant to the Companies Act 2016 at the Twenty-Third AGM of the Company (hereinafter referred to as the "General Mandate"). This authority will, unless revoked or varied by the Company at a general meeting, shall continue to be in full force until the conclusion of the next AGM of the Company. The Company had been granted a general mandate by its shareholders at the Twenty-Second AGM of the Company held on 16 May 2018 (hereinafter referred to as the "Previous Mandate"). The Previous Mandate granted by the shareholders had not been utilised and hence no proceed was raised therefrom.

The purpose to seek the General Mandate is to enable the Directors of the Company to issue and allot shares at any time to such persons in their absolute discretion without convening a general meeting as it would be both time and cost-consuming to organise a general meeting. This authority unless revoked or varied by the Company in general meeting, will expire at the next AGM. The proceeds raised from the General Mandate will provide flexibility to the Company for any possible fund raising activities, including but not limited to further placing of shares, for purpose of funding future investment project(s), working capital and/or acquisitions.

**(I) Proposed Renewal of Share Buy-Back Authority**

The proposed Resolution 11, if passed, will renew the authority given to the Company to purchase its own shares of up to ten per centum (10%) of the total number of issued shares of the Company at any time within the time period stipulated in the Main LR of Bursa Securities (hereinafter referred to as the "Share Buy-Back"). This authority will, unless revoked or varied by the Company at a general meeting, shall continue to be in full force until the conclusion of the next AGM of the Company.

As the Company's ESM held on 8 November 2018, the Company had been granted an authority by its shareholders for Share Buy-Back. This authority for Share Buy-Back would expire upon the conclusion of the forthcoming Twenty-Third AGM of the Company and the Company intends to seek for a renewal of authority for Share Buy-Back.

Further details are set out in the Part A of the Circular Statement to Shareholders dated 16 April 2019 circulated together with this Annual Report.

**(J) Proposed Adoption of a New Constitution of the Company**

The proposed Special Resolution, if passed, will bring the Company's Constitution in line with the Companies Act 2016 and the amended Main LR of Bursa Securities as well as to enhance administrative efficiency.

The proposed new Constitution is set out in Part B of Appendix II of the Circular Statement to Shareholders dated 16 April 2019 circulated together with this Annual Report.