



**NOTICE IS HEREBY GIVEN** that the Nineteenth Annual General Meeting of AE MULTI HOLDINGS BERHAD ("AEM" or "the Company") will be held at Istana Melaka, Level 02, Park Avenue Hotel, E-1, Jalan Indah Dua, Taman Sehati Indah, 08000 Sungai Petani, Kedah on Thursday, 25 June 2020 at 11:00 a.m. to transact the following business:-

**A G E N D A**

**AS ORDINARY BUSINESS:**

- To receive the Audited Financial Statements for the financial year ended 31 December 2019 together with the Reports of the Directors and Auditors thereon. *Please refer to Explanatory Note 1*
- To approve the payment of Directors' fees and benefits of RM 3,178.00 for the financial year ended 31 December 2019. *(Ordinary Resolution 1)*
- To approve the payment of Directors' fees and benefits of up to RM200,000.00 for the financial year ending 31 December 2020. *(Ordinary Resolution 2)*
- To re-elect the following Directors who retire pursuant to Clause 95 of the Company's Constitution:- *(Ordinary Resolution 3)*
  - Mr. Yang Chao-Tung *(Ordinary Resolution 4)*
  - Mr. Oon Hock Chye *(Ordinary Resolution 5)*
- To re-elect Mr. Lew Lip Ping as Director who retires in accordance with Clause 102 of the Company's Constitution. *(Ordinary Resolution 6)*
- To re-appoint STYL Associates PLT as Auditors of the Company until the conclusion of the next Annual General Meeting and to authorise the Directors to fix their remuneration. *(Ordinary Resolution 6)*

**AS SPECIAL BUSINESS:**

- To consider and if thought fit, pass with or without any modifications, the following resolutions:-
- RETENTION OF AN INDEPENDENT NON-EXECUTIVE DIRECTOR** *(Ordinary Resolution 7)*  
"THAT En. Saffie Bin Bakar, who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than twelve (12) years, be and is hereby retained as an Independent Non-Executive Director of the Company."
  - RETENTION OF AN INDEPENDENT NON-EXECUTIVE DIRECTOR** *(Ordinary Resolution 8)*  
"THAT subject to passing of Ordinary Resolution 4, Mr. Oon Hock Chye, who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine (9) years, be and is hereby retained as an Independent Non-Executive Director of the Company."
  - GENERAL AUTHORITY FOR THE DIRECTORS TO ALLOT AND ISSUE SHARES PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT 2016** *(Ordinary Resolution 9)*  
THAT subject always to the Constitution of the Company, the Companies Act 2016 ("Act"), the Main Market Listing Requirements ("Listing Requirements") of Bursa Malaysia Securities Berhad ("Bursa Securities") and the approvals of the relevant governmental/regulatory authorities, where required, the Directors of the Company, be and are hereby authorised and empowered pursuant to Sections 75 and 76 of the Act, to issue and allot shares in the Company to such persons, at any time, and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion, deem fit, provided that the aggregate number of shares to be issued does not exceed twenty per centum (20%) of the total number of issued shares of the Company (excluding treasury shares) at any point of time AND THAT the Directors be and also empowered to obtain the approval for the listing of and quotation for the additional shares so issued on Bursa Securities AND THAT such authority shall continue in force until the conclusion of the next AGM.
  - PROPOSED AMENDMENTS TO THE CONSTITUTION OF THE COMPANY** *(Special Resolution)*  
"THAT the proposed amendments to the Constitution of the Company as set out in "Appendix A", be approved and adopted AND THAT the Directors and/or Secretary of the Company be authorised to take all steps as are necessary and expedient in order to implement, finalise and give full effect to the said proposed amendment for and on behalf of the Company.
  - To transact any other business of which due notice shall have been given.

By order of the Board

**TEA SOR HUA (MACS 01324) (SSM PC No.: 201908001272)**

Company Secretary  
Petaling Jaya, Selangor Darul Ehsan  
22 May 2020

**Notes:**

- A member who is entitled to attend, participate, speak and vote at the Nineteenth Annual General Meeting ("Meeting" or "AGM") shall be entitled to appoint up to two (2) proxies to attend, participate, speak and vote at the Meeting in his/her stead. Where a member appoints up to two (2) proxies, he/she shall specify the proportion of his/her shareholdings to be represented by each proxy.
  - A proxy may but need not be a member of the Company. A proxy appointed to attend and vote at the Meeting shall have the same rights as the member to speak at the Meeting.
  - The instrument appointing a proxy shall be in writing under the hand of the appointor or of his/her attorney duly authorised in writing or, if the appointor is a corporation, either under the seal or under the hand of an officer or attorney duly authorised.
  - Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, it may appoint one (1) proxy in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.
  - 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. The appointment of multiple proxies shall not be valid unless the proportion of its shareholdings represented by each proxy is specified.
  - To be valid, the instrument appointing a proxy must be deposited at the Share Registrar of the Company situated at 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor, not less than forty-eight (48) hours before the time for holding the Meeting or adjourned meeting at which the person named in the instrument proposes to vote.
- For the purpose of determining a member who shall be entitled to attend the Meeting, the Company will be requesting Bursa Malaysia Depository Sdn. Bhd. in accordance with Article 69(2) of the Company's Constitution to issue a General Meeting Record of Depositors as at 19 June 2020. Only members whose names appear in the General Meeting Record of Depositors as at 19 June 2020 shall be entitled to attend, participate, speak and vote at the Meeting.
  - All the resolutions set out in this Notice of Meeting will be put to vote by poll.
- COVID-19 Outbreak**  
The health and safety of our members and staff who will attend the Meeting are the top priority of the Company. Hence, the following precautionary measures will be taken for the conduct of the Meeting:
- Members are encouraged to appoint the Chairman of the Meeting (or any other person) to act as proxy to attend and vote at the Meeting on their behalf by submitting proxy form with predetermined voting instruction.
  - Members or proxies who are feeling unwell or have been placed on quarantine orders or stay-at-home notices, you are advised to refrain from attending the Meeting in person.
  - Members or proxies who had been in physical contact with and/or exposed to any persons suspected to demonstrate symptoms and/or in touch with any persons confirmed with COVID-19 are advised to refrain from attending the Meeting in person.
  - In the interest of the public health including the well-being of our members, members must cooperate with the precautionary measures put in place by the Company should members (or your proxies) wish to attend the Meeting in person.
  - Members/proxies must sanitise their hands and are strongly advised to wear a face mask if they are attending the Meeting in person.
  - Members or proxies are advised to observe/maintain social distancing throughout the Meeting.
  - NO door gift will be provided to the Members or proxies.

**EXPLANATORY NOTES TO ORDINARY BUSINESS AND SPECIAL BUSINESS**

- Item 1 of the Agenda – Audited Financial Statements for the financial year ended 31 December 2019 ("FYE 2019")**  
The Agenda is meant for discussion only as the provision of Section 340(1)(a) of the Companies Act 2016 does not require a formal approval of the shareholders for the audited financial statements. Hence, this Agenda is not put forward for voting.
- Item 2 of the Agenda – Directors' Fees and Benefits for the FYE 2019**  
The shareholders had on the Eighteenth Annual General Meeting held on 21 June 2019 approved the Directors' fees and benefits of RM193,000 for the FYE 2019. The amount of RM3,178.00 represents the shortfall of the amount approved by the shareholders due to the additional Director who was appointed during the FYE 2019.
- Item 3 of the Agenda – Directors' Fees and Benefits**  
Pursuant to Section 230(1) of the Companies Act 2016 which came into force on 31 January 2017, the fee of the directors and any benefits payable to the directors of a listed company and its subsidiaries shall be approved by the shareholders at a general meeting. This resolution is to facilitate payment of Directors' fees and benefits on a current financial year basis. In the event the proposed amount is insufficient due to more meetings or enlarged Board size, approval will be sought at the next AGM for the shortfall.
- Items 7 and 8 of the Agenda – Retention of Independent Non-Executive Directors**  
The Board had assessed the independence of En. Saffie Bin Bakar and Mr. Oon Hock Chye, who have served as Independent Non-Executive Directors of the Company for a cumulative term of more than twelve (12) years and nine (9) years respectively. The Board is satisfied that they have met the independence and recommended them to continue to act as Independent Non-Executive Directors of the Company based on the following reasons:
  - they have declared and confirmed that they fulfilled the criteria under the definition of Independent Director as set out in Paragraph 1 of the Main Market Listing Requirements of Bursa Securities;
  - they have vast experience in their respective industries which could provide the Board with a diverse set of experience, expertise and independent judgement;
  - they have devoted sufficient time and attention to their responsibilities as Independent Director of the Company; and
  - they have exercised due care during their tenure as Independent Non-Executive Director of the Company and carried out their duties in the best interest of the Company and shareholders of the Company.

Pursuant to Practice 4.2 of the Malaysian Code on Corporate Governance, the retention of En. Saffie Bin Bakar who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than twelve (12) years, the approval of the shareholders at the Meeting will be sought through a two-tier voting process.

**Item 9 of the Agenda – General Authority for the Directors to allot and issue shares pursuant to Sections 75 and 76 of the Companies Act 2016**

The Company had at its Eighteenth AGM held on 21 June 2019 ("18th AGM"), obtained a general mandate pursuant to Sections 75 and 76 of the Act from its shareholders, to empower the Directors to issue and allot shares in the Company to such persons, at any time, and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion, deem fit, provided that the aggregate number of shares to be issued does not exceed 10% of the total number of issued shares of the Company (excluding treasury shares) at any point of time ("10% General Mandate"). This 10% General Mandate will expire at the conclusion of this AGM.

As at the date of this Notice, no new shares in the Company were issued and allotted pursuant to the general mandate granted to the Directors at the Eighteenth AGM held on 21 June 2019 which will lapse at the conclusion of the Meeting.

However, pursuant to the general mandate granted to the Directors at the Seventeenth AGM held on 22 June 2018, the Company had undertaken a private placement exercise where the Company had placed out 29,940,400 new ordinary shares which raised a total proceeds of RM2,994,040.00. The details of utilisation of proceeds from the said private placement exercise were as follows:

Purpose	Status of utilisation		Amount utilised		Amount unutilised	
		RM	RM	RM	RM	RM
Repayment of bank borrowings	Fully Utilised		2,500,000.00		-	
Working capital	Fully Utilised		414,412.00		-	
Expenses on Private Placement	Fully Utilised		79,628.00		-	
<b>Total</b>			<b>2,994,040.00</b>		<b>-</b>	

The Ordinary Resolution 9 proposed under item 9 of the Agenda, is to seek a general mandate to empower the Directors of the Company pursuant to Sections 75 and 76 of the Act, to issue and allot ordinary shares at any time to such persons in their absolute discretion without convening a general meeting provided that the aggregate number of the shares issued does not exceed 20% of the total number of issued shares of the Company (excluding treasury shares) at any point of time ("20% General Mandate"). This 20% General Mandate, unless revoked or varied at general meeting, will expire at the next AGM.

In view of the challenging time due to the COVID-19 pandemic, Bursa Securities had on 16 April 2020 introduced this 20% General Mandate as an interim relief measure to allow a listed issuer to seek a higher general mandate under Paragraph 6.03 of the Listing Requirements of Bursa Securities of not more than twenty per centum (20%) of the total number of issued shares (excluding treasury shares) for issue of new securities.

**The Board of Directors' Statement**

The Board of Directors of AEM ("Board"), after due consideration, is of the opinion that in the face of unprecedented challenges brought by the COVID-19, this 20% General Mandate is the most appropriate avenue of fund raising at this juncture. This 20% General Mandate will enable the Company to raise funds expeditiously without having to incur interest costs as compared to bank borrowings, thereby allowing the Company to preserve its cash flow. The funds raised will be used to finance the day-to-day operational expenses, working capital for the on-going projects or future projects/investments to ensure the long-term sustainability of the Company.

The Board, having considered the current and prospective financial position, needs and capacity of the Company, is of the opinion that the 20% General Mandate is in the best interest of the Company and its shareholders.

**Item 10 of the Agenda – Proposed Amendments to the Constitution of the Company**

The Special Resolution proposed under item 10 of the Agenda if approved, will streamline the Company's Constitution and enhance administrative efficiency. The details of the proposed amendments on the Company's Constitution are set out in Appendix A of this Notice of Meeting. The proposed amendments to the Constitution of the Company shall take effect once the special resolution has been passed by a majority of not less than seventy-five per centum (75%) of such members who are entitled to vote and do vote in person or by proxy at the Meeting.