

NOTICE OF TWENTY-THIRD (23RD) ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Twenty-Third (23rd) Annual General Meeting ("AGM") of Advancecon Holdings Berhad ("the Company") will be held at Green III (Sports Wing), Tropicana Golf & Country Resort, Jalan Kelab Tropicana, 47410 Petaling Jaya, Selangor Darul Ehsan on Thursday, 30 July 2020 at 10.00 a.m. for the following purposes:

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.
- To approve the payment of Directors' fees and other benefits of up to RM305,400 in respect of the period from 31 July 2020 until the conclusion of the next AGM of the Company.
- To re-elect the following Directors, who retire by rotation in accordance with Clause 125 of the Company's Constitution and being eligible, have offered themselves for re-election:
 - Yeoh Chong Keat
 - Lim Swee Chai
 - Ir. Yeo An Thai
- To re-appoint Messrs. Crowe Malaysia PLT as auditors of the Company and to authorise the Directors to fix their remuneration.

*Please refer to
Explanatory Note 1*
Ordinary Resolution 1

Ordinary Resolution 2
Ordinary Resolution 3
Ordinary Resolution 4
Ordinary Resolution 5

AS SPECIAL BUSINESS

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

5. AUTHORITY TO ISSUE AND ALLOT SHARES PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT 2016

Ordinary Resolution 6

"THAT subject to the Companies Act, 2016 ("the Act"), the Constitution of the Company, the Main Market Listing Requirements ("Listing Requirements") of Bursa Malaysia Securities Berhad ("Bursa Securities"), Additional Temporary Relief Measures to Listed Corporations for COVID-19, issued by Bursa Securities on 16 April 2020 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 ("20% General Mandate") 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 commence immediately upon the passing of this Resolution and continue to be in force until 31 December 2021, as empowered by Bursa Securities pursuant to their letter dated 16 April 2020 to grant additional temporary relief measures to listed corporations, notwithstanding Section 76(3) of the Act, duly varied and adopted by the Directors of the Company pursuant to Section 76(4) of the Act."

6. PROPOSED RENEWAL OF AUTHORITY FOR THE COMPANY TO PURCHASE ITS OWN ORDINARY SHARES

Ordinary Resolution 7

"THAT, subject always to the Act, the provisions of the Constitution of the Company, the Listing Requirements and the approvals of all relevant authorities (if any), the Board of Directors of the Company be and is hereby unconditionally and generally authorised, to purchase such number of issued shares in the Company as may be determined by the Directors of the Company from time to time through Bursa Securities upon such terms and conditions as the Directors may deem fit and expedient in the interest of the Company provided that:

- the maximum aggregate number of shares which may be purchased and held by the Company must not exceed 10% of the total number of issued shares of the Company at any point in time ("Proposed Share Buy-Back");
- the maximum amount to be allocated for the Proposed Share Buy-Back shall not exceed the aggregate of the Company's retained profits based on the latest audited financial statements and/or the latest management accounts (where applicable) available at the time of purchase of the Proposed Share Buy-Back; and
- the shares of the Company so purchased may be cancelled, retained as treasury shares, distributed as dividends or resold on Bursa Securities, or a combination of any of the above, or be dealt with in such manner allowed by the Act and Listing Requirements from time to time.

THAT the authority conferred by this resolution will commence immediately upon the passing of this resolution and will continue to be in force until:

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

whichever occurs first, but shall not prejudice the completion of the purchase by the Company before the aforesaid expiry date and, in any event, in accordance with the provisions of the Act, the rules and regulations made pursuant thereto and the guidelines issued by Bursa Securities and/ or any other relevant authority.

AND THAT authority be and is hereby unconditionally and generally given to the Directors to take all such steps as are necessary or expedient (including without limitation, the opening and maintaining of central depository account(s) under the Securities Industry (Central Depositories) Act 1991, and the entering into all agreements, arrangements and guarantees with any party or parties) to implement, finalise and give full effect to the Proposed Share Buy-Back with full powers to assent to any conditions, modifications, variations and/or amendments (if any) as may be imposed by the relevant authorities and with full power to do all such acts and things thereafter in accordance with the Act, the provisions of the Constitution of the Company, the Listing Requirements and all other relevant governmental and/ or regulatory authorities."

- To transact any other ordinary business for which due notice have been given.

BY ORDER OF THE BOARD

Tan Tong Lang (MAICSA 7045482 / SSM PC No. 201908002253)

Thien Lee Mee (LS0009760 / SSM PC No. 201908002254)

Company Secretaries

Kuala Lumpur

Dated: 30 June 2020

Notes:

- In respect of deposited securities, only members whose names appear in the Company's Record of Depositors as at 14 July 2020 shall be eligible to attend, participate, speak and vote at this meeting or appoint proxy(ies) to attend, participate, speak and vote on his/ her behalf.
- A member shall not be entitled to appoint more than two (2) proxies. Where a member appoints two (2) proxies, he/she shall specify the proportion of his shareholdings to be represented by each proxy.
- A proxy may but need not be a shareholder of the Company and a shareholder may appoint any person to be his proxy without limitation. There shall be no restriction as to the qualification of the proxy. A proxy appointed to attend and vote at the meeting shall have the same rights as the shareholder to speak at the meeting.
- Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories) Act, 1991 ("Central Depositories Act"), it may appoint at least one proxy in respect of each securities account it holds with ordinary shares 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 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 his/her attorney duly authorised in writing, or if the appointer is a corporation, either under seal or under the hand of an officer/ attorney duly authorised.
- The original instrument appointing a proxy be deposited at the Company's Share Registrar Office, Boardroom Share Registrars Sdn Bhd, situated at 11th Floor, Menara Symphony, No. 5, Jalan Professor Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor, at least 48 hours before the time set for holding this meeting.
- Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all resolutions set out in this Notice will be put to vote by way of poll.

Personal data privacy:-

By submitting an instrument appointing a proxy(ies) and/ or representative(s) to attend, participate, speak and vote at this meeting, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for this meeting and the preparation and compilation of the attendance lists, minutes and other documents relating to this meeting, and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/ or guidelines (collectively, the "Purposes"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/ or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/ or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/ or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

COVID-19 Outbreak Measure Notes

The health and safety of our members and staff who will attend the 23rd AGM are the top priority of the Company. Hence, the following precautionary measures will be taken for the conduct of the 23rd AGM:-

- Members or proxies are encouraged to abide by the most current regulations in place and enforced by the Ministry of Health and Government of Malaysia at the time deciding on whether or not to attend the 23rd AGM in person.
- Securities Commission Malaysia had on 18 April 2020 (revised on 18 June 2020) issued a Guidance and FAQs on the Conduct of General Meetings for Listed Issuers ("SC Guidance"). The Malaysian National Security Council had on 16 June 2020 issued a Standard Operating Procedures ("SOP") for government and private events, including meetings.
- Pursuant to the SOP, only members/proxies aged between 18 to 60 years old are allowed to enter the venue and Patient under Investigation (PU) and Person under Surveillance (PUS) are not allowed to enter the venue.
- Members are encouraged to appoint the Chairman of the Meeting (or any other person) to act as proxy to attend and vote at the 23rd AGM on their behalf by submitting the 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 23rd AGM in person.
- Members or proxies who had been in physical contact with a person infected with COVID-19 are advised to refrain from attending the 23rd AGM 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 23rd AGM 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.
- NO refreshment will be served at the Meeting venue.

Explanatory Notes to Ordinary and Special Business:

1. Item 1 of the Agenda - Audited financial statements for the Financial Year Ended 31 December 2019

This Agenda item is meant for discussion only as the provisions of Sections 248(2) and 340(1)(a) of the Act do not require a formal approval of the shareholders for the Audited Financial Statements. Hence, this Agenda item is not put forward to the shareholders for voting.

2. Item 2 of the Agenda - Payment of Directors' fees and other benefits payable

Pursuant to Section 230(1) of the Act, fees and benefits payable to the Directors of a listed company and its subsidiaries shall be approved by shareholders at a general meeting. The Company is requesting for the shareholders' approval for the payment of fees in accordance with the proposed remuneration structure set out below:

	Director's fee (RM)	Meeting allowance (RM)	Business travel, accommodation and etc. (RM)
Independent Non-Executive Chairman	8,100 per month	500.00 per meeting	20,000 per annum
Independent Non-Executive Director	5,800 per month	500.00 per meeting	20,000 per annum

3. Item 3 of the Agenda - Re-election of retiring Directors

Clause 125 of the Company's Constitution provides that one-third of the Directors of the Company for the time being shall retire by rotation at the AGM of the Company. All the Directors shall retire from office once at least in each three years but shall be eligible for re-election. Mr. Yeoh Chong Keat, Mr. Lim Swee Chai and Ir. Yeo An Thai are standing for re-election as Directors of the Company. Mr. Yeoh Chong Keat, who is the Independent Non-Executive Chairman, has reaffirmed his independence based on independence criteria applied by the Company which is also used in the yearly assessment of Independent Non-Executive Director's independence and fulfilled the independence definitions as prescribed under the Listing Requirements.

For the purpose of determining the eligibility of the Directors to stand for re-election at this meeting and in line with Practice 5.1 of the Malaysian Code on Corporate Governance, the Nomination Committee has assessed each of the retiring Directors under Ordinary Resolutions 2.3 and 4, and considered the following:

- The Directors performance and contribution based on the results of the annual evaluation of board;
- The Director's level of contribution to the Board deliberations through his skills, experience and strength in qualities; and
- Their abilities to act in the best interests of the Company in decision-making.

Based on the results of the annual evaluation of board, the individual Directors met the performance criteria required of an effective Board. Hence, the Board has recommended the re-election of Mr. Yeoh Chong Keat, Mr. Lim Swee Chai and Ir. Yeo An Thai as Directors of the Company.

4. Item 4 of the Agenda - Re-appointment of Auditors

The Audit Committee and the Board have considered the re-appointment of Messrs. Crowe Malaysia PLT as auditors of the Company and collectively agreed that they have met the relevant criteria prescribed by Paragraph 15.21 of Listing Requirements.

5. Item 5 of the Agenda - Authority to issue and allot shares pursuant to Sections 75 and 76 of the Act

The proposed Ordinary Resolution 6, the Company wishes to renew the mandate on the authority to allot and issue shares pursuant to Sections 75 and 76 of the Act at the forthcoming 23rd AGM of the Company.

The Company had at its 22nd AGM held on 20 June 2019, obtained a general mandate pursuant to Sections 75 and 76 of the Act from the shareholders of the Company ("Previous Mandate"). As at the date of this Notice, no new shares in the Company were issued pursuant to the Previous Mandate and no proceeds were raised.

Bursa Securities has via their letter dated 16 April 2020 granted several additional temporary relief measures to listed corporations, amongst others, an increase in general mandate limit for new issues of securities to not more than 20% of the total number of issued shares of the Company for the time being ("20% General Mandate"). Pursuant to the 20% General Mandate, Bursa Securities has also mandated that the 20% General Mandate may be utilised by a listed corporation to issue new securities until 31 December 2021 and thereafter, the 10% General Mandate will be reinstated ("Extended Utilisation Period").

Having considered the current economic climate arising from the global Covid-19 pandemic and future financial needs of the Group, the Board would like to seek the approval for the 20% General Mandate, inclusive of the Extended Utilisation Period, pursuant to Section 76(4) of the Act, from its shareholders at the forthcoming 23rd AGM of the Company.

The Board is of the opinion that this 20% General Mandate is in the best interest of the Company and its shareholders. The 20% General Mandate will provided flexibility to the Company for any possible fund raising activities, including but not limited to further placing of shares, for the purpose of funding its business plans, future investment project(s), working capital and/or acquisitions.

The 20% General Mandate, unless revoked or varied by the Company in general meeting, will expire at the end of the Extended Utilisation Period, i.e. by 31 December 2021.

At this juncture, there is no decision to issue new shares. If there should be a decision to issue new shares after the general mandate is sought, the Company will make an announcement in respect thereof.

6. Item 6 of the Agenda - Proposed Renewal of Authority for the Company to purchase its own ordinary shares

The proposed Ordinary Resolution 7, if passed, will provide the mandate for the Company to purchase up to 10% of the total number of issued ordinary shares of the Company. This authority, unless revoked or varied at a general meeting, will expire at the conclusion of the next AGM of the Company.

Please refer to the Share Buy-Back Statement dated 30 June 2020 for further details of the Proposed Renewal of Authority for the Company to purchase its own ordinary shares.