

NOTICE OF ADJOURNED 31ST ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Adjourned 31st Annual General Meeting of Apex Equity Holdings Berhad ("the Company") will be held at the Conference Room, 10th Floor, Menara Apex, Off Jalan Semenyih, Bukit Mewah, 43000 Kajang, Selangor Darul Ehsan on Thursday, 11 November 2021 at 10:30 a.m. to transact the following businesses:

AGENDA

As Ordinary Business

1. To receive the Audited Financial Statements of the Company and of the Group for the financial year ended 31 December 2020 together with the Reports of the Directors and Auditors thereon. Please refer to Explanatory Note 1
2. To approve the payment of Directors' fees and benefits to the Non-Executive Directors of the Company from the conclusion of this Annual General Meeting up till the conclusion of the next Annual General Meeting of the Company to be held in 2022. Resolution 1
3. To re-elect Mr. Choong Chee Meng who retires pursuant to Article 102 of the Company's Articles of Association, and being eligible, has offered himself for re-election. Resolution 2
4. To re-elect the following Directors who retire pursuant to Article 109 of the Company's Articles of Association and being eligible, have offered themselves for re-election:
 - (i) Mr. Chin Kok Sang Resolution 3
 - (ii) Mr. Yeoh Hong Hwang Resolution 4
5. To re-appoint Crowe Malaysia PLT as Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting to be held in 2022 and to authorise the Directors to fix their remuneration. Resolution 5

As Special Business

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

6. **ORDINARY RESOLUTION 1**
RETENTION OF LEE CHEOW FUI AS AN INDEPENDENT NON-EXECUTIVE DIRECTOR FROM 8 OCTOBER 2021 TO 7 OCTOBER 2022
Resolution 6

THAT Mr. Lee Cheow Fui who has served the Board as an Independent Non-Executive Director of the Company for a cumulative term of nine (9) years be and is hereby retained as an Independent Non-Executive Director of the Company from 8 October 2021 to 7 October 2022.
7. **ORDINARY RESOLUTION 2**
AUTHORITY TO ISSUE AND ALLOT SHARES PURSUANT TO THE COMPANIES ACT 2016
Resolution 7

THAT subject always to the Companies Act 2016 ("the Act"), Articles of Association of the Company and approvals from Bursa Malaysia Securities Berhad ("Bursa Securities") and any other governmental/ regulatory bodies, where such approval is necessary, the Directors of the Company be and are hereby empowered pursuant to Sections 75 and 76 of the Act, to issue and allot shares in the capital of the Company from time to 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 issued pursuant to this resolution does not exceed 10% of the total number of issued shares of the Company for the time being AND THAT the Directors be and are 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 Annual General Meeting of the Company.
8. **SPECIAL RESOLUTION**
PROPOSED ADOPTION OF NEW CONSTITUTION OF THE COMPANY
Resolution 8

THAT approval be and is hereby given to the Company to revoke its existing Memorandum and Articles of Association in its entirety with immediate effect and in place thereof, the new Constitution as set out in Appendix I be and is hereby adopted as the new Constitution of the Company.

AND THAT the Board of Directors of the Company ("Board") be and is hereby authorised and empowered to sign, execute, deliver and cause to be delivered on behalf of the Company, all documents as the Board may consider necessary, with full powers to assent to any conditions, variations, modifications and/or amendments in any manner as may be required or permitted by any relevant authorities and to deal with all matters relating thereto and to take all such steps and do all such things in any manner as the Board may deem fit, necessary and/ or expedient to implement, finalise and give full effect to the Proposed Adoption of the New Constitution of the Company.
9. To transact any other business that may be transacted at the 31st Annual General Meeting of which due notice shall have been given in accordance with the Companies Act 2016 and the Articles of Association of the Company.

By Order of the Board

Tan Cheng Han (MIA 11280 / SSM PC No. 202008000103)

Low Kim Heow (MAICSA 7007682 / SSM PC No. 201908002950)

Mak Chooi Peng (MAICSA 7017931 / SSM PC No. 201908000889)

Company Secretaries

Kajang

12 October 2021

EXPLANATORY NOTES

1. **Item 1 of the Agenda – Receipt of Reports and Audited Financial Statements**

Item 1 of the Agenda is meant for discussion only as the provision of Section 340(1) (a) of the Companies Act 2016 ("the Act") does not require a formal approval from the shareholders for the audited financial statements. Hence, this Agenda item will not be put forward for voting.
2. **Item 2 of the Agenda – Payment of Directors' Fees and Benefits**

Item 2 of the Agenda is to approve the increase in the total amount of Directors' Fees and Benefits payable to the Non-Executive Directors from RM550,000/- to RM750,000/- to be divided amongst the Directors in such manner as the Board of Directors of the Company ("Board") may determine, for the period from the conclusion of this Adjourned 31st Annual General Meeting ("AGM") up till the conclusion of the next AGM of the Company to be held in 2022.

 - (a) Directors' Fees of about RM690,000/- (2019: RM500,000/-) are inclusive of Board Committee Fees of about RM90,000/- (2019: nil).
 - (b) Directors' Benefits refer to the Meeting allowances of about RM60,000/- (2019: RM50,000/-).

The Remuneration Committee and the Board had deliberated, and had collectively recommended the proposed fee increment based on the justifications of new appointments to the Board, increase in meetings of the Board and Board Committees, increase in Directors' Fees (which have not been revised since 2017) and additional fees for Chairmen of the Board and Board Committees and Members of the Board Committees.

In the event that the proposed Directors' Fees and Benefits are insufficient, approval will be sought at the next AGM for additional Directors' Fees and benefits to meet the shortfall.

3. **Item 6 of the Agenda – Retention of Lee Cheow Fui as an Independent Non-Executive Director of the Company**

The Nominating Committee and the Board had assessed the independence of Mr. Lee Cheow Fui, who has served as an Independent Non-Executive Director ("INED") of the Company for a cumulative term of nine (9) years, and with his consent, had collectively recommended for him to continue to act as an INED of the Company based on the following justifications:-

 - (a) he fulfilled the criteria of the definition of Independent Director as stated in the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("MMLR") and had expressed his willingness to continue in office as an INED of the Company;
 - (b) he met the criteria of character, experience, integrity, competence and time required to effectively discharge his role as a Director, as prescribed by Paragraph 2.20A of the MMLR;
 - (c) his vast experience which enables him to provide the Board with a diverse set of experience, expertise and independent judgement to better manage and run the Group;
 - (d) he has served the Company as an INED for a cumulative term of nine (9) years during which he had acted in good faith and in the best interests of the Company, exercising his independent judgement during deliberations and decision making during the Company's meetings; and
 - (e) he has proven to be a reliable INED with his professionalism aptitude and outlook of business perspective, devoted sufficient time and attention to his professional obligations for informed and balance decision making and had also exercised due care during his tenure in the best interests of the Company and the shareholders.
4. **Item 7 of the Agenda – Authority to Issue and Allot Shares Pursuant to the Companies Act 2016**

The Ordinary Resolution 2 proposed under Resolution 7 of the Agenda is for the purpose of renewing the general mandate for issuance of shares by the Company pursuant to Sections 75 and 76 of the Act.

The Company did not issue any shares pursuant to Sections 75 and 76 of the Act under the general mandate sought at the Adjourned 30th Annual General Meeting ("AGM") held on 2 September 2020, which had lapsed in accordance with Section 76 of the Act.

The proposed Ordinary Resolution 2, if passed, will give authority to the Directors of the Company, from the date of the Adjourned 31st AGM, to allot and issue shares or to make or grant offers, agreements or options in respect of shares to such persons, in their absolute discretion including to make or grant offers, agreements or options which would or might require shares in the Company to be issued after the expiration of the approval, without having to convene a general meeting, provided that the aggregate number of shares issued does not exceed 10% of the total number of issued shares of the Company for the time being.

This authority, unless revoked or varied at a general meeting, will expire at the conclusion of the next AGM of the Company in accordance with Section 76 of the Act. The general mandate sought will enable the Directors of the Company to allot and issue shares, including but not limited to making a placement of shares for the purposes of raising funding for investment(s), working capital and general corporate purposes as deemed necessary.
5. **Item 8 of the Agenda – Proposed Adoption of New Constitution of the Company**

The proposed Special Resolution on the adoption of the new Constitution of the Company, if passed, will streamline the Company's Constitution with the new provisions of the Act and amendments made to the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The Board has again proposed that the existing Memorandum and Articles of Association of the Company ("M&A") be replaced in its entirety with the proposed new Constitution as set out in Appendix I of the Annual Report as the new Constitution of the Company. The proposed adoption shall take effect once it has been passed by a majority of not less than 75% of such members who are entitled to attend and vote in person or by proxy at a general meeting.

To re-cap, this Special Resolution had been tabled twice at the Company's Extraordinary General Meetings held on 19 June 2019 and 18 November 2019 ("EGMs"), and once at the Adjourned 30th AGM held on 2 September 2020 ("Adjourned AGM") with a new version of the Constitution which is more structured and provides better clarity and eases understanding for the readers.

By way of information for the benefit of shareholders, no queries were raised at the EGMs on the proposed amendments and yet the Special Resolution was not carried. At the Adjourned AGM, a shareholder raised queries on a few clauses in the proposed constitution which were addressed at the said meeting. All the same, the Special Resolution was not carried.

The Company had made three (3) attempts to seek its shareholders' approval for the Special Resolution but to no avail. This Adjourned 31st AGM will be the fourth attempt. Bursa Malaysia Securities Berhad had, vide its letter dated 13 August 2021, granted the Company a further extension of time until its Adjourned 31st AGM or 31 December 2021, whichever is earlier, to adopt a new Constitution.

NOTES:

Entitlement to Attend/Participate, Speak and Vote

Only members whose names appear in the Record of Depositors on 3 November 2021 shall be entitled to attend, speak and vote at this Adjourned 31st Annual General Meeting ("Meeting").

Proxy

1. A member entitled to attend and vote at this Meeting is entitled to appoint one (1) or more proxies to attend and vote in his stead. If a member wishes to personally participate in this Meeting, please do not appoint any proxies.
 2. Where a member appoints two (2) or more proxies, the appointments shall be invalid unless he specifies the proportion of his holdings to be represented by each proxy.
 3. There shall be no restriction as to the qualification of the proxy.
 4. The instrument appointing the proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing. If the appointor is a corporation, the instrument appointing a proxy shall be given under the corporation's common seal or under the hand of an officer or attorney of the corporation duly authorised to do that behalf.
 5. Where a member is an authorized nominee, as defined under the Securities Industry (Central Depositories) Act 1991, it may appoint at least 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.
 6. Where a member is an exempt authorised nominee ("EAN"), as defined under the Securities Industry (Central Depositories) Act 1991 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 EAN may appoint in respect of each omnibus account it holds.
 7. All Proxy Forms must be deposited at the Company's Registered Office at 6th Floor, Menara Apex, Off Jalan Semenyih, Bukit Mewah, 43000 Kajang, Selangor Darul Ehsan not less than 48 hours before the time appointed for holding this Meeting or any adjournment thereof i.e. latest by 9 November 2021 at 10:30 a.m.
- The Proxy Form for the Adjourned 31st AGM ("Revised Proxy Form") DOES NOT INVALIDATE the Proxy Form which was circulated together with the Notice of the 31st AGM dated 28 May 2021 ("Original Proxy Form"). All Original Proxy Forms and Revised Proxy Forms deposited at the Registered Office not less than 48 hours (latest by 9 November 2021 at 10:30 a.m.) before the time appointed for holding the meeting or any adjournment thereof shall be valid and acceptable.
- If the Company receives both the Original Proxy Form and the Revised Proxy Form from the same member, THE LATTER SHALL SUPERSEDE THE FORMER.

Voting

1. Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all resolutions set out in this Notice of the 31st AGM shall be put to vote by way of poll.