

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN THAT the Seventeenth (“17th”) Annual General Meeting (“AGM”) of YgI Convergence Berhad (“YgI” or “the Company”) will be held at Salon 3 & 4, Level 2, G Hotel Gurney, 168A Persiaran Gurney, 10250 George Town, Penang on Thursday, 23 December 2021 at 10.30 a.m. for the following purposes:-

As Ordinary Business:-

- To receive the Audited Financial Statements for the financial year ended 31 March 2021 together with the Reports of the Directors and Auditors thereon.
- To re-elect the following Directors who retire in accordance with Clause 76(3) of the Constitution of the Company and being eligible, have offered themselves for re-election: -
 - Mr. Yeap Kong Chean; and
 - Dato’ Lee Wai Mun, *D.I.M.P., J.P.*
- To re-elect Mr. Muhamed Ali Bin Hajah Mydin, who is retiring in accordance with Clause 78 of the Constitution of the Company and being eligible, has offered himself for re-election.
- To approve the payment of Directors’ fees of RM80,000.00 for the financial year ended 31 March 2021.
- To approve the payment of benefits payable to the Directors up to an amount of RM20,000.00 for the period commencing from 24 December 2021 until the date of the next AGM of the Company to be held in year 2022.
- To re-appoint Messrs. Moore Stephens Associates PLT as the Company’s Auditors for the ensuing year and to authorise the Directors to fix their remuneration.
- To transact any other business of which due notice shall have been given in accordance with the Companies Act 2016 and the Company’s Constitution.

(Please refer to Explanatory Note 1)

Resolution 1

Resolution 2

Resolution 3

Resolution 4

Resolution 5

Resolution 6

As Special Business:-

- Ordinary Resolution:-**
Authority to issue shares pursuant to the Companies Act 2016

Resolution 7

“THAT subject always to the Companies Act 2016 (the “Act”), the Company’s Constitution, Bursa Malaysia Securities Berhad (“Bursa Securities”) ACE Market Listing Requirements (“AMLR”) and any relevant governmental and/or regulatory authorities, the Directors be and are hereby empowered pursuant to the Act, to issue and allot shares in the Company, at any time to such persons 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 pursuant to this Resolution does not exceed ten per centum (10%) of the total number of issued share (excluding treasury shares) of the Company for the time being and 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 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 (“AGM”) of the Company or the expiration of the period within which the next AGM is required to be held, whichever is earlier, unless such authority is revoked or varied by resolution passed by the shareholders in general meeting.”

By Order of the Board,
YEOW SZE MIN (SSM PC No. 201908003120, MAICSA 7065735)
LOW SEOW WEI (SSM PC No. 202008000437, MAICSA 7053500)
Company Secretaries

Penang
Date: 24 November 2021

(A) Notes:

- For the purpose of determining who shall be entitled to attend the 17th AGM, the Company shall be requesting Bursa Malaysia Depository Sdn. Bhd. to make available to the Company, a Record of Depositors as at **16 December 2021**. Only a depositor whose name appears on this Record of Depositors shall be entitled to attend the 17th AGM or appoint a proxy to attend, speak and vote on his/her/its behalf.
- A member entitled to attend and vote at the 17th AGM is entitled to appoint a proxy or attorney or in the case of a corporation, to appoint a duly authorised representative to attend, participate, speak and vote in his place. A proxy may but need not be a member of the Company.
- A member of the Company who is entitled to attend and vote at the 17th AGM of the Company may appoint not more than two (2) proxies to attend, participate, speak and vote instead of the member at the 17th AGM.
- Where a member of the Company is an authorised nominee, as defined in the Central Depositories Act 1991, it may appoint not more than two (2) proxies in respect of each securities account it holds which is credited with ordinary shares of the Company.
- 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. An exempt authorised nominee refers to an authorised nominee defined under the Securities Industry (Central Depositories) Act 1991 (“Central Depositories Act”) which is exempted from compliance with the provisions of Section 25A(1) of the Central Depositories Act.
- Where a member appoints more than one (1) proxy, the proportion of shareholdings to be represented by each proxy must be specified in the instrument appointing the proxies.
- The instrument appointing a proxy must be deposited at the registered office of the Company at No. 35, Scotland Road, 10450 Penang, not less than forty-eight (48) hours before the time fixed for holding the 17th AGM or any adjournment at which the person named in the appointment proposes to vote or, in the case of a poll, not less than twenty-four (24) hours before the time appointed for taking of the poll. A copy of the power of attorney may be accepted provided that it is certified notariarily and/or in accordance with the applicable legal requirements in the relevant jurisdiction in which it is executed.
- Pursuant to Rule 8.31A of the AMLR of Bursa Securities, all resolutions set out in this notice will be put to vote by way of a poll.
- Precautionary Measure at the 17th AGM in view of COVID-19**
- In line with the COVID-19 measures, the Company reserves the right to take such precautionary measures as may be appropriate at the 17th AGM, including any precautionary measures as may be required or recommended by government agencies, in order to minimise the risk of community spread of COVID-19.
- Participants are NOT ALLOWED to attend the 17th AGM if:
 - they are not fully vaccinated (as defined by Majlis Keselamatan Negara); or
 - they are unwell with sore throat, flu, cough, fever, diarrhea and/or shortness of breath; or
 - they have travel history to high-risk countries affected by COVID-19 in the past 14 days; or
 - they have been in contact with a person who is confirmed with COVID-19 infection in the past 14 days.

In view of this, we encourage that you appoint a proxy or the Chairman of the meeting as proxy in the event you are not able to attend and vote on the date of the meeting.

- All participants are required to undergo a temperature check at the entrance of the 17th AGM venue and to show their fully vaccinated status through their MySejahtera App.
- The Company requires all participants to sanitise their hands before entering the 17th AGM venue and adhere to social distancing rules of at least one (1) meter between each participant and a face mask must be worn at all times throughout the 17th AGM. All participants are advised to arrive at the Meeting venue early given that the above measures may cause a delay in the registration process.
- The Company seeks the understanding and cooperation of all shareholders and other attendees to minimise the risk of community spread of COVID-19. As the COVID-19 situation continues to evolve, the Company seek Shareholders’ understanding that further measures and/or changes to the 17th AGM arrangement may be made in the ensuing days up to the day of the 17th AGM. Updates will be posted on the Company’s corporate website at <https://www.ygIworld.com> or Bursa Securities’ website at <https://www.bursamalaysia.com>.

(B) Explanatory Notes:

- Item 1 of the Agenda: Audited Financial Statements for financial year ended 31 March 2021**
The first agenda of this meeting is meant for discussion only, as Section 304(1) of the Companies Act 2016 (“Act”) does not require a formal approval for the Audited Financial Statements from the shareholders. Therefore, this Agenda is not put forward to shareholders for voting.
- Resolutions 1 - 3: Re-election of Directors**
Clause 76(3) of the Company’s Constitution states that one-third (1/3) of the Directors shall retire from office and shall be eligible for re-election at each AGM. All Directors shall retire from office at least once in each three (3) years but shall be eligible for re-election.
In determining the eligibility of the Directors to stand for re-election at the forthcoming AGM, the Nominating Committee (“NC”) has considered the following: -
 - Evaluation on the effectiveness of the Individual Directors, the Board as a whole and all Board Committees; and
 - For Independent Non-Executive Directors (“INEDs”) only, the level of independence demonstrated by the INEDs and their ability to act in the best interest of the Company.

In line with Practice 5.1 of the Malaysian Code on Corporate Governance 2017 (“MCCG”), the Board has conducted a separate assessment of independence of the INEDs, the evaluation criteria adopted as well as the process of assessment by the Board have been duly elaborated in the Corporate Governance Overview Statement of the Annual Report 2021 and the Corporate Governance Report (“CG Report”) of the Company.

Mr. Yeap Kong Chean and Dato’ Lee Wai Mun, *D.I.M.P., J.P.*, who retire in accordance with Clause 76(3) of the Company’s Constitution, has offered themselves for re-election at the 17th AGM.

Clause 78 of the Company’s Constitution provides that any Director appointed during the year to fill a casual vacancy shall hold office until the next AGM and shall be eligible for re-election.

Mr. Muhamed Ali Bin Hajah Mydin whose appointment effective on 12 July 2021 shall hold office until 17th AGM and shall then be eligible for re-election pursuant to Clause 78 of the Company’s Constitution.

- Resolutions 4 and 5: Payment of Directors’ fees and benefits made payable to the Directors**

Clause 93 of the Company’s Constitution provides that any fees and benefits payable to Directors shall be subject to annual shareholders’ approval at a General Meeting. Pursuant thereto, shareholders’ approval is sought for the payment of fees and benefits payable to Directors, in separate resolutions as follows:-

Resolution 4 on the payment of Directors’ fees for the financial year ended 31 March 2021;

Resolution 5 on the payment of benefits to the Directors of the Company for the period commencing from 24 September 2021 until the date of the next AGM of the Company.

The proposed Directors’ fees of RM80,000.00 to be paid to all Directors (except for the Chief Executive Officer who is also a Director of the Company) for the financial year ended 31 March 2021 are based on the annual fee of RM20,000.00 for each Director.

Section 230(1) of the Act provides amongst others, that the fees of the Directors and any benefits payable to the Directors of a listed company and its subsidiaries shall be approved at a general meeting.

Under Resolution 5, the benefits payable to the Executive and Non-Executive Directors pursuant to Section 230(1)(b) of the Act have been reviewed by the Board of Directors of the Company, which recognises that the benefits payable is in the best interest of the Company for the ensuing period up to the conclusion of next AGM. The benefits comprise of customary benefits such as business travel and accommodation, communication, insurance, medical coverage and other claimable benefits.

The remuneration for each Director is set out in the Corporate Governance Overview Statement.

- Resolution 6: Re-appointment of Auditors**

The Board and the Audit and Risk Management Committee having considered the re-appointment of Messrs. Moore Stephens Associates PLT as auditors of the Company and collectively agreed that Messrs. Moore Stephens Associates PLT has met the relevant criteria prescribed by Rule 15.21 of AMLR of Bursa Securities.

- Resolution 7: Authority to issue shares**

The Ordinary Resolution proposed under Resolution 7 is primarily to seek for renewal of a Previous Mandate (as defined herein) to give flexibility to the Board of Directors to issue and allot shares up to 10% of the total number of issued share (excluding treasury shares) of the Company for the time being, at anytime in its absolute discretion without convening a general meeting (hereinafter referred to as the “General Mandate”). The General Mandate will enable the Directors to take swift action for allotment of shares for any possible fundraising activities, including but not limited to further placing of shares, for purpose of funding future investment project(s), acquisitions, working capital and/or extension of banking facilities, and avoid delay and cost in convening general meetings to approve such issue of shares. This General Mandate, unless revoked or varied by the Company in a general meeting, will expire at the conclusion of the next AGM of the Company.

The Company has been granted a General Mandate by its shareholders at the last AGM held on 24 August 2020 (hereinafter referred to as the “Previous Mandate”). As at the date of this Notice, the Company did not implement its proposal for new allotment of shares under the Previous Mandate and hence, no proceeds were raised therefrom.

Personal data privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the 17th AGM and/or any adjournment thereof, a member of the Company:-

- 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 the 17th AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the 17th AGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the “Purposes”);
- 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
- 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.

STATEMENT ACCOMPANYING NOTICE OF ANNUAL GENERAL MEETING

(Pursuant to Rule 8.29(2) of the AMLR of Bursa Securities)

- As at date of this notice, there are no individuals who are standing for election as Directors (excluding the above Directors who are standing for re-election) at this forthcoming AGM.
- General Mandate for issue of securities in accordance with Rule 6.04(3) of the AMLR of Bursa Securities.

Details of the General Mandate to issue securities in the Company pursuant to Sections 75 and 76 of the Act are set out in Note 5 of the Explanatory Notes of the Notice of the 17th AGM.