

**NOTICE OF THIRD ANNUAL GENERAL MEETING**

**NOTICE IS HEREBY GIVEN** THAT the Third Annual General Meeting ("Third AGM") of Sinaran Advance Group Berhad ("SAG" or the "Company") will be conducted on a virtual basis and entirely via remote participation and voting from the Broadcast Venue at 4th Floor, Menara Lien Hoe, No. 8, Persiaran Tropicana, Tropicana Golf & Country Resort, 47410 Petaling Jaya, Selangor Darul Ehsan via an online meeting platform at <https://rebrand.ly/SinaranAGM> provided by Mlabs Research Sdn. Bhd. in Malaysia on Tuesday, 6 June 2023 at 10:30 a.m. for the following purposes:-

**AGENDA**

- To receive the Audited Financial Statements for the financial year ended 31 December 2022 together with the Reports of the Directors and the Auditors thereon.
- To approve the Directors' Fees payable to the Directors of the Company of up to RM280,000/- for the financial year ending 31 December 2023 and to be made payable on monthly basis.
- To approve an amount of up to RM15,000/- as benefits payable to the Non-Executive Directors of the Company with effect from 7 June 2023, a day after the Third AGM until the next Annual General Meeting of the Company in year 2024 pursuant to Section 230(1)(b) of the Companies Act 2016.
- To re-elect the following Directors, who retire pursuant to Clause 21.7 of the Constitution of the Company and being eligible, offered themselves for re-election:-
  - Mr. Koo Kien Yoon; and
  - Ms. Xiao LuXi.
- To re-appoint Messrs. ChengCo PLT as the Auditors of the Company for the financial year ending 31 December 2023 and to hold office until the conclusion of the next Annual General Meeting of the Company at a remuneration to be determined by the Directors.

As Special Business:-

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

**6. AUTHORITY TO ISSUE SHARES PURSUANT TO THE COMPANIES ACT 2016**

**(Please refer to Explanatory Note (2))**

**Ordinary Resolution 1**

**Ordinary Resolution 2**

**(Please refer to Explanatory Note (5))**

**Ordinary Resolution 3**  
**Ordinary Resolution 4**

**Ordinary Resolution 5**  
**(Please refer to Explanatory Note (6))**

**Ordinary Resolution 6**

"THAT pursuant to Sections 75 and 76 of the Companies Act 2016, Main Market Listing Requirements ("Main LR") of Bursa Malaysia Securities Berhad ("Bursa Securities"), the Constitution of the Company, and subject to the approvals of the relevant governmental/regulatory authorities, the Directors be and are hereby empowered 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 issued pursuant to this resolution does not exceed ten per centum (10%) of the total number of issued shares of the Company for the time being;

THAT pursuant to Section 85 of the Companies Act 2016 to be read together with Clause 7.2 of the Constitution of the Company, approval be and is hereby given to waive the statutory pre-emptive rights of the shareholders of the Company to be offered new shares of the Company ranking equally to the existing issued shares arising from any issuance of new shares in the Company pursuant to Sections 75 and 76 of the Companies Act 2016;

AND THAT the Directors be and are empowered to obtain 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."

**7. PROPOSED GRANTING OF EMPLOYEES' SHARE OPTION SCHEME ("ESOS") OPTIONS TO MR. CHUAH HOON HONG**

**Ordinary Resolution 7**

"THAT pursuant to the ESOS of up to 15% of the total number of issued shares of the Company (excluding treasury shares, if any) for the eligible employees and directors of the Company and its subsidiaries (excluding dormant subsidiaries) as approved by the shareholders at the Extraordinary General Meeting held on 1 March 2021 ("Proposed ESOS"), approval be and is hereby given to the Board to authorise the ESOS Committee, to offer and to grant to at any time and from time to time throughout the duration of the Proposed ESOS, Mr. Chuah Hoon Hong, being the Independent Non-Executive Director of the Company, Options to subscribe for up to such number of new ordinary shares in the Company ("SAG Shares") under the Proposed ESOS PROVIDED THAT:-

- no allocation of more than 10% of the new SAG Shares available under the Proposed ESOS shall be made to any individual Eligible Employee who, either singly or collectively through persons connected with him/her, holds 20% or more of the total number of issued SAG Shares (excluding treasury shares, if any); and
- no allocation of more than 70% of the total number of new SAG Shares available under the Proposed ESOS shall be allocated in aggregate to the Directors and/or senior management of the Company and its subsidiaries (excluding dormant subsidiaries) who are Eligible Employees

AND subject always to such terms and conditions of the By-Laws and/or adjustments which may be made in accordance with the provisions of the By-Laws and Main LR, or any prevailing guidelines issued by Bursa Securities or any other relevant authorities, as amended from time to time."

**8. PROPOSED GRANTING OF ESOS OPTIONS TO ENCIK AHMAD NASIRRUDDIN BIN HARUN**

**Ordinary Resolution 8**

"THAT pursuant to the Proposed ESOS, approval be and is hereby given to the Board to authorise the ESOS Committee, to offer and to grant to at any time and from time to time throughout the duration of the Proposed ESOS, Encik Ahmad Nasirruddin Bin Harun, being the Independent Non-Executive Director of the Company, Options to subscribe for up to such number of new SAG Shares under the Proposed ESOS PROVIDED THAT:-

- no allocation of more than 10% of the new SAG Shares available under the Proposed ESOS shall be made to any individual Eligible Employee who, either singly or collectively through persons connected with him/her, holds 20% or more of the total number of issued SAG Shares (excluding treasury shares, if any); and
- no allocation of more than 70% of the total number of new SAG Shares available under the Proposed ESOS shall be allocated in aggregate to the Directors and/or senior management of the Company and its subsidiaries (excluding dormant subsidiaries) who are Eligible Employees

AND subject always to such terms and conditions of the By-Laws and/or adjustments which may be made in accordance with the provisions of the By-Laws and Main LR, or any prevailing guidelines issued by Bursa Securities or any other relevant authorities, as amended from time to time."

**9. WAIVER OF PRE-EMPTIVE RIGHTS FOR ISSUANCE OF NEW SHARES UNDER ESOS**

**Ordinary Resolution 9**

"THAT further to the shareholders' approval obtained on 1 March 2021 and pursuant to Section 85(1) of the Companies Act 2016 and Clause 7.2 of the Constitution of the Company, shareholders hereby waive their pre-emptive rights over all options and/or grants offered/to be offered pursuant to the ESOS and/or any new shares to be issued pursuant to the exercise of such options and/or the vesting of such grants by eligible employees and directors of the Company and its subsidiaries (excluding dormant subsidiaries), such new shares, when issued, shall rank pari passu with the existing shares."

To transact any other business that may be transacted at an AGM, due notice of which shall have been given in accordance with the Companies Act 2016 and the Constitution of the Company.

**BY ORDER OF THE BOARD**

(duly signed)  
**CHUA SIEW CHUAN** (SSM PC NO. 201908002648 & MAICSA 0777689)  
**CHENG CHIA PING** (SSM PC NO. 202008000730 & MAICSA 1032514)  
 Company Secretaries

28 April 2023

**Notes:-**

**(1) Information for Shareholders/Proxies**

- Please refer to the **Administrative Guide** for the procedures to register and participate in the virtual meeting. Shareholders will not be allowed to attend the Third AGM in person at the venue of Third AGM on the day of the meeting.
- For the purpose of determining a member who shall be entitled to attend the AGM, the Company shall be requesting from Bursa Malaysia Depository Sdn. Bhd. in accordance with Clause 18.7(b) of the Constitution of the Company and Section 34(1) of Securities Industry (Central Depositories) Act 1991 ("SICDA") to issue a General Meeting Record of Depositors as at 30 May 2023. Only a depositor whose name appears on the Record of Depositors as at 30 May 2023 shall be entitled to attend the said meeting or appoint proxies to attend and/or speak and/or vote on his/her behalf.
- A member entitled to attend and vote at the AGM is entitled to appoint a proxy/proxies to attend, speak and vote instead of him. A proxy may but need not be a member of the Company and a member may appoint any person to be his proxy. There shall be no restriction as to the qualification of the proxy. A proxy appointed to attend and vote at a meeting of the Company shall have the same rights as the member to speak and vote at the meeting.
- A member may, subject to Notes (e) and (f) below, appoint more than one (1) proxy to attend and vote at the AGM, to the extent permitted by the Companies Act 2016, SICDA, Main LR of Bursa Securities and the Rules of Bursa Malaysia Depository Sdn Bhd. Where a member appoints two (2) proxies to attend and vote at the AGM, such appointment shall be invalid unless the member specifies the proportion of his/her shareholding to be represented by each proxy.
- Where a member of the Company is an authorised nominee as defined under SICDA, it may appoint at least one (1) proxy but not more than two (2) proxies in respect of each securities account it holds to which shares in the Company standing to the credit of the said account.
- Where a member of the Company is an exempt authorised nominee which hold 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 instrument appointing a proxy shall be in writing under the hand of the appointor or his attorney duly authorised in writing or, in the event the appointor is a corporation, the instrument appointing a proxy must be either under the appointor's Common Seal or under the hand of an officer or attorney duly authorised.
- An instrument appointing a proxy must be left at the Share Registrar of the Company at Workshire Share Registration Sdn. Bhd., A3-3-8, Solaris Dutamas, No. 1, Jalan Dutamas 1, 50480 Kuala Lumpur, Wilayah Persekutuan, Malaysia not less than forty-eight (48) hours before the time appointed for holding the meeting or adjourned meeting.
- Publication of Notice of Third AGM on corporate website  
 Pursuant to Section 320(2) of the Companies Act 2016, a copy of this Notice together with the proxy form are available at the corporate website of Sinaran Advance Group Berhad at <https://sinaranadvance.com.my/>.

**Explanatory Notes to Ordinary Business:-**

**(2) Audited Financial Statements for the financial year ended 31 December 2022**

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 is not put forward for voting.

**(3) Ordinary Resolution 1 – Payment of Directors' Fees**

The Remuneration Committee and the Board have reviewed the Directors' fees payable to the Non-Executive Directors amounting to RM280,000/- for the financial year ending 31 December 2023. The payment of Directors' fees for the financial year ending 31 December 2023, if approved by the shareholders, shall be payable on a monthly basis.

**(4) Ordinary Resolution 2 – Benefits payable to the Directors**

The Remuneration Committee and the Board have reviewed the benefits payable to the Non-Executive Directors of the Company with effect from a day after the Third AGM until the next Annual General Meeting of the Company in year 2024 pursuant to Section 230(1)(b) of the Companies Act 2016. The estimated total amount of the Directors' benefits is mainly on meeting allowance at RM500/- per meeting day and it is calculated based on the estimated number of scheduled meetings to be held a day after the Third AGM until the next Annual General Meeting of the Company in year 2024 and assuming that all Non-Executive Directors will hold office until the next Fourth Annual General Meeting of the Company.

**(5) Ordinary Resolutions 3 and 4 – Re-election of Directors**

Clause 21.7 of the Company's Constitution states that an election of Directors shall take place each year at the annual general meeting of the Company where one-third (1/3) of the Directors for the time being, or, if their number is not three (3) or a multiple of three (3), then the number nearest to one-third (1/3) shall retire from office and be eligible for re-election PROVIDED ALWAYS that all Directors shall retire from office once at least in each three (3) years and shall be eligible for re-election. A retiring Director shall retain office until the close of the meeting at which he retires.

In determining the eligibility of the Directors stand for re-election at the forthcoming Third AGM, the NC has considered the following:-

- the requirements under Paragraph 2.20A of the Main LR;
- evaluation on the effectiveness of the Individual Directors, the Board as a whole and all Board committees;
- for independent Non-Executive Director ("INED") only, the level of independence demonstrated by the INED and their ability to act in the best interest of the Company; and
- Director's Fit and Proper Policy.

The Board has conducted separate assessments and satisfied with the independence of Ms. Xiao LuXi, the INED, therefore, the Board had recommended the same be tabled to the shareholders for approval at the forthcoming Third AGM of the Company under Ordinary Resolution 4.

The Board approved the NC's recommendation for the retiring Directors pursuant to Clause 21.7 of the Company's Constitution. All the retiring Directors have consented to their re-election, and abstained from deliberation as well as decision on their own eligibility to stand for re-election at the relevant NC and Board meetings, where applicable.

**(6) Ordinary Resolution 5 – Re-appointment of Auditors**

The Audit Committee ("AC") had recommended the re-appointment of Messrs. ChengCo PLT as the Auditors of the Company for the financial year ending 31 December 2023.

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 Third AGM of the Company under Ordinary 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 Overview Statement of the Annual Report 2022 of the Company.

**Explanatory Notes to Special Business:-**

**(7) Ordinary Resolution 6 – Authority to issue Shares pursuant to the Companies Act 2016**

The Company had been granted a general mandate by its shareholders at the Second AGM of the Company held on 27 May 2022 to issue and allot shares not exceed twenty per centum (20%) of the total number of issued shares of the Company (hereinafter referred to as the "Previous Mandate"). The Previous Mandate granted by the shareholders had not been utilised hence no proceed was raised therefrom.

The Company wishes to obtain the mandate on the authority to issue shares pursuant to the Companies Act 2016 at the forthcoming Third AGM of the Company (hereinafter referred to as the "General Mandate").

The proposed adoption of Ordinary Resolution 6 is for the purpose of waiving the statutory pre-emptive rights of shareholders of the Company ("Waiver of Pre-Emptive Rights") and granting a new General Mandate and empowering the Directors of the Company, pursuant to the Companies Act 2016, to issue and allot new shares in the Company from time to time provided that the aggregate number of shares issued pursuant to the General Mandate does not exceed ten per centum (10%) of the total number of issued shares of the Company for the time being. The General Mandate, unless revoked or varied by the Company in general meeting, will expire at the conclusion of the next AGM of the Company.

The Waiver of Pre-Emptive Rights will allow the Directors of the Company to issue new shares of the Company which rank equally to existing issued shares of the Company, to any person without having to offer the new shares to all existing shareholders of the Company prior to issuance of new shares in the Company under the General Mandate.

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 solely for such issuance and allotment of shares. This authority unless revoked or varied by the Company in a 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.

**(8) Ordinary Resolutions 7 and 8 – Proposed Granting of Employees' Share Option Scheme ("ESOS") Options to Mr. Chuah Hoon Hong and Encik Ahmad Nasirruddin Bin Harun**

The shareholders had at the Extraordinary General Meeting held on 1 March 2021, approved the establishment of an ESOS of up to 15% of the total number of issued shares of the Company (excluding treasury shares, if any) at any point in time during the duration of the ESOS for the eligible employees and directors of the Company and its subsidiaries (excluding dormant subsidiaries) ("Proposed ESOS"). The proposed Ordinary Resolutions 7 and 8, if passed, will enable Mr. Chuah Hoon Hong ("Mr. Chuah") and Encik Ahmad Nasirruddin Bin Harun ("Encik Ahmad"), the Independent Non-Executive Directors of the Company, to participate in the ESOS.

Mr. Chuah and Encik Ahmad being the interested Directors, will abstain and have also undertaken to ensure that persons connected to them will abstain from voting on these resolutions. Both have also abstained from the deliberations and voting on these resolutions at the Board of Directors' Meeting.

**(9) Ordinary Resolution 9 – Waiver of Pre-Emptive Rights of New Shares under ESOS**

The Proposed ESOS was approved by the shareholders on 1 March 2021. Subsequent to the approval, the Company now seeks for waiver of the pre-emptive rights pursuant to Section 85(1) of the Companies Act 2016 read together with Clause 7.2 of the Constitution of the Company from shareholders.