

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in any doubt as to the course of action to be taken, you should consult your stockbroker, bank manager, solicitor, accountant or other professional advisers immediately.

Bursa Malaysia Securities Berhad takes no responsibility for the contents of this Circular, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Circular. Shareholders are advised to make their own evaluation to assess the merits and risks of the Proposed Capital Reduction (as defined below).



SINARAN ADVANCE GROUP BERHAD

Registration No. 202001007513 (1363833-T)
(Incorporated in Malaysia)

CIRCULAR TO SHAREHOLDERS

IN RELATION TO THE

PROPOSED REDUCTION OF THE ISSUED SHARE CAPITAL OF SINARAN ADVANCE GROUP BERHAD ("SAG" OR THE "COMPANY") OF RM68.00 MILLION PURSUANT TO SECTION 116 OF THE COMPANIES ACT 2016

AND

NOTICE OF EXTRAORDINARY GENERAL MEETING

Principal Adviser



M&A SECURITIES SDN BHD

(Registration no: 197301001503 (15017-H))

(A Participating Organisation of Bursa Malaysia Securities Berhad)

Notice convening the Extraordinary General Meeting ("**EGM**") of the Company to be held 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/SinaranEGM> provided by Inshub Sdn. Bhd. in Malaysia on Tuesday, 19 March 2024 at 11:00 a.m. or any adjournment thereof, together with the Form of Proxy are enclosed with this Circular.

You are entitled to attend and vote at the EGM or appoint a proxy or proxies to attend and vote on your behalf. If you wish to do so, you may deposit the Form of Proxy at Sinaran Advance Group Berhad's Share Registrar, Workshire Share Registration Sdn. Bhd. at A3-3-8, Solaris Dutamas, No. 1, Jalan Dutamas 1, 50480 Kuala Lumpur, Wilayah Persekutuan, Malaysia or email to infosr@wscs.com.my in not less than 48 hours before the time and date stipulated for the EGM. The lodging of the Form of Proxy will not preclude you from attending and voting in person at the EGM should you subsequently wish to do so.

Last date and time to lodge the Form of Proxy : Sunday, 17 March 2024 at 11:00 a.m.

Date and time of EGM : Tuesday, 19 March 2024 at 11:00 a.m.

This Circular is dated 26 February 2024

DEFINITIONS

Except where the context otherwise requires, the following definitions shall apply throughout this Circular:

Act	: Companies Act 2016 of Malaysia, as amended from time to time and any re-enactment thereof
Board	: Board of Directors of SAG
Bursa Depository	: Bursa Malaysia Depository Sdn Bhd
Bursa Securities	: Bursa Malaysia Securities Berhad
Court	: High Court of Malaya
EGM	: Extraordinary general meeting
EPS	: Earnings per Share
FPE	: Financial period ended
FYE	: Financial year ended 31 December 2023
Listing Requirements	: Main Market Listing Requirements of Bursa Securities
LPD	: 6 February 2024, being the latest practicable date prior to the printing of this Circular
M&A Securities	: M & A Securities Sdn Bhd
Main Market	: Main Market of Bursa Securities
Market Day	: A day on which the stock market of Bursa Securities is open for trading in securities, which may include a Surprise Holiday
NA	: Net assets
Proposed Capital Reduction	: Proposed reduction of the issued share capital of SAG of RM68.00 million pursuant to Section 116 of the Act
RM and sen	: Ringgit Malaysia and sen, respectively
SAG or Company	: Sinaran Advance Group Berhad
SAG Group or Group	: SAG and its subsidiaries, collectively
SAG Share(s) or Share(s)	: Ordinary share(s) of SAG
Surprise Holiday	: A day that is declared as a public holiday in the Federal Territory of Kuala Lumpur that has not been gazetted as a public holiday at the beginning of the calendar year
Warrants	: 457,480,739 outstanding warrants 2022/2027 in SAG expiring on 6 April 2027

DEFINITIONS (*cont'd*)

All references to "you" in this Circular are references to shareholders of the Company.

Words denoting the singular shall, where applicable, include the plural and vice versa. Words denoting the masculine gender shall, where applicable, include the feminine and/or neuter genders and vice versa. References to persons shall include corporations.

Any reference in this Circular to any enactment, rules and regulations is a reference to that enactment, rules and regulations as for the time being amended or re-enacted.

Any reference to a time of day in this Circular is a reference to Malaysian time, unless otherwise specified.

Any discrepancy in the tables between the amounts listed, actual figures and the totals thereof in this Circular are due to rounding.

This Circular includes forward-looking statements. All statements other than statements of historical facts included in this Circular including, without limitation, those regarding our Group's financial position, business strategies, prospects, plans and objectives of our Company for future operations, are forward looking statements. There can be no assurance that such forward-looking statements will materialise, be fulfilled or be achieved.

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EXECUTIVE SUMMARY

THIS EXECUTIVE SUMMARY SETS OUT THE SALIENT INFORMATION OF THE PROPOSED CAPITAL REDUCTION. YOU ARE ADVISED TO READ AND CONSIDER CAREFULLY THE CONTENTS OF THIS CIRCULAR WITHOUT RELYING SOLELY ON THIS EXECUTIVE SUMMARY BEFORE VOTING ON THE SPECIAL RESOLUTION PERTAINING TO THE PROPOSED CAPITAL REDUCTION TO BE TABLED AT OUR FORTHCOMING EGM.

Key Information	Summary	Reference to Circular
Details of the Proposed Capital Reduction	The Proposed Capital Reduction entails the reduction of the issued share capital of our Company pursuant to Section 116 of the Act via the cancellation of our Company's issued share capital of RM68,000,000 which is substantially unrepresented by available assets. The corresponding credit of RM68,000,000 arising from such cancellation will be used to credited to the retained earnings of our Company.	Section 2
Rationale for the Proposed Capital Reduction	<ul style="list-style-type: none"> To accurately reflect our Group's financial position via the cancellation of our Company's issued share capital which is substantially unrepresented by available assets of our Group. To enhance our Group's ability to declare and pay dividends out of our retained earnings in the future and provide a better financial platform for the Group's future growth moving forward. 	Section 3
Effects of the Proposed Capital Reduction	<p>The Proposed Capital Reduction will:</p> <ul style="list-style-type: none"> reduce and cancel RM68,000,000 of the issued share capital of our Company but it will not have any effect on the total number of issued Shares. have no effect on the NA per Share and gearing of our Group. have no effect on the substantial shareholders' shareholdings in our Company. have no material effect on our Group's earnings and EPS for the FYE 31 December 2023 and FYE 31 December 2024. 	Section 4
Approvals Required and Conditionality	<p>The Proposed Capital Reduction is subject to the following approvals being obtained:</p> <p>(i) the shareholders of SAG at the forthcoming EGM; and</p> <p>(ii) the Order from the High Court of Malaya sanctioning the Proposed Capital Reduction pursuant to Section 116 of the Act.</p> <p>The Proposed Capital Reduction is not conditional upon any other corporate exercise to be implemented by the Company.</p>	Section 6



SINARAN
advance

SINARAN ADVANCE GROUP BERHAD

Registration No. 202001007513 (1363833-T)

(Incorporated in Malaysia)

Registered Office:

Level 7, Menara Milenium
Jalan Damanlela
Pusat Bandar Damansara
Damansara Heights
50490 Kuala Lumpur
Wilayah Persekutuan
Malaysia

26 February 2024

Board of Directors

Koo Kien Yoon (*Non-Independent Non-Executive Director*)

Chuah Hoon Hong (*Independent Non-Executive Director*)

Ahmad Nasirruddin Bin Harun (*Independent Non-Executive Director*)

Abdul Menon Bin Arsad @ Abdul Manan Bin Arshad (*Independent Non-Executive Director*)

Dear Shareholders,

PROPOSED CAPITAL REDUCTION

1. INTRODUCTION

On 4 January 2024, M & A Securities had, on behalf of the Board, announced that the Company proposes to undertake the Proposed Capital Reduction.

For avoidance of doubt, the Proposed Capital Reduction will not result in:

- (i) any adjustment to the share price of SAG Shares immediately after the Proposed Capital Reduction;
- (ii) any change in the total number of SAG Shares in issue or the number of SAG Shares held by our shareholders;
- (iii) any payment to our shareholders; and
- (iv) any cash outflow or change in the NA of the Group, save for the estimated expenses to be incurred in relation to the Proposed Capital Reduction.

THE PURPOSE OF THIS CIRCULAR IS TO PROVIDE YOU WITH DETAILS OF THE PROPOSED CAPITAL REDUCTION AND TO SEEK YOUR APPROVAL FOR THE SPECIAL RESOLUTION PERTAINING TO THE PROPOSED CAPITAL REDUCTION TO BE TABLED AT THE FORTHCOMING EGM. THE NOTICE OF EGM AND FORM OF PROXY ARE ENCLOSED WITH THIS CIRCULAR.

YOU ARE ADVISED TO READ AND CONSIDER CAREFULLY THE CONTENTS OF THIS CIRCULAR TOGETHER WITH THE APPENDIX BEFORE VOTING ON THE SPECIAL RESOLUTION PERTAINING TO THE PROPOSED CAPITAL REDUCTION TO BE TABLED AT THE FORTHCOMING EGM.

2. DETAILS OF THE PROPOSED CAPITAL REDUCTION

As at LPD, the share capital of our Company is RM110,741,000 represented by 914,961,482 SAG Shares.

The Proposed Capital Reduction entails the reduction of SAG's issued share capital by RM68,000,000 pursuant to Section 116 of the Act. The quantum of reduction of RM68.00 million was arrived at after taking into account the accumulated losses at Company level of RM67.92 million based on the latest audited statement of financial position as at 31 December 2022 at the time of the announcement of the Proposed Capital Reduction on 4 January 2024.

The Proposed Capital Reduction will result in the reduction of the issued share capital of SAG from RM110,741,000 to RM42,741,000 and give rise to a credit of RM68,000,000 which will be utilised to set off the accumulated losses of SAG and the remaining balance, if any, will be credited to the retained earnings of the Company which shall be used in a manner to be determined by the Board at a later date and in the best interest of the Company as permitted by the relevant and applicable laws as well as the Main Market of Bursa Securities.

For illustration purposes, the effects of the Proposed Capital Reduction on the accumulated losses of SAG are as follows:

	Audited		Unaudited	
	As at 31 December 2022		As at 30 September 2023	
	Company Level	Group Level	Company Level	Group Level
	RM'000	RM'000	RM'000	RM'000
(Accumulated losses) / retained earnings	⁽ⁱ⁾ (67,917)	26,106	⁽ⁱⁱ⁾ (69,205)	21,863
Add: Credit arising from the Proposed Capital Reduction	68,000	68,000	68,000	68,000
Less: Estimated expenses incurred for the Proposed Capital Reduction	(95)	(95)	(95)	(95)
Resultant (accumulated losses) / retained earnings	(12)	94,011	(1,300)	89,768

Notes:

- (i) The accumulated losses as at 31 December 2022 amounting to RM67.92 million was mainly attributable to impairment loss on investments in subsidiaries of approximately RM64.98 million and administrative expenses of RM1.77 million.
- (ii) The increase in accumulated losses as at 30 September 2023 from 31 December 2022 of RM1.29 million was mainly attributable to additional administrative expenses of RM1.28 million.

An order by the High Court of Malaya will be sought to confirm the Proposed Capital Reduction pursuant to Section 116 of the Act ("**Order**") after receipt of approval from the shareholders of the Company at the forthcoming EGM. The effective date of the Proposed Capital Reduction will be the date of the lodgement of a sealed copy of the Order with the Registrar of Companies.

The Proposed Capital Reduction will not result in any adjustment to the share price of SAG and the existing number of ordinary shares of SAG in issue.

3. RATIONALE FOR THE PROPOSED CAPITAL REDUCTION

The Proposed Capital Reduction will accurately reflect our Group's financial position by eliminating the accumulated losses of our Company via the cancellation of our Company's issued share capital which is substantially unrepresented by available assets of our Company. The Proposed Capital Reduction will also enhance our Company's ability to declare and pay dividends out of our retained earnings in the future and provide a better financial platform for the Group's future growth moving forward. The Proposed Capital Reduction will reduce the share capital to RM42.74 million which is more reflective of our NA position as at 31 December 2022 of RM41.05 million. With the restructured capital, it will provide a better platform to implement fund-raising exercises in future such as private placement or rights issue.

4. EFFECTS OF THE PROPOSED CAPITAL REDUCTION

4.1 Share capital

The effects of the Proposed Capital Reduction on the share capital of our Company is as follows:

	No. of shares	Share capital (RM'000)
Share capital as at LPD	914,961,482	110,741
Proposed Capital Reduction	-	(68,000)
After Proposed Capital Reduction	914,961,482	42,741

4.2 NA and gearing

The effect of the Proposed Capital Reduction on the NA and gearing of our Group based on the latest audited consolidated statement of financial position as at 31 December 2022 and on the assumption that the Proposed Capital Reduction had been effected on that date are as follows:

	Audited as at 31 December 2022 RM'000	After the Proposed Capital Reduction RM'000
Share capital	110,741	42,741
Statutory common reserve	15,225	15,225
Merger reserve ^(iv)	(107,297)	(107,297)
Translation reserve	(3,722)	(3,722)
Retained earnings	26,106	94,011 ⁽ⁱ⁾
Total equity	41,053	40,958
Number of SAG Shares	914,961,482	914,961,482
NA per Share (RM) ⁽ⁱⁱ⁾	0.04	0.04
Total borrowings	28,215	28,215
Gearing (times) ⁽ⁱⁱⁱ⁾	0.69	0.69

Notes:

- (i) After deducting the estimated expenses of RM95,000 for the Proposed Capital Reduction.
- (ii) Calculated as total equity divided by the total number of SAG Shares in issue.
- (iii) Calculated as total borrowings divided by total equity.
- (iv) The merger reserve represents the difference between the consideration paid and the paid-in capital of the subsidiaries when business combination of entities under common control was accounted for by applying the pooling-of interest method.

4.3 Substantial shareholders' shareholding

The Proposed Capital Reduction will not have any effect on the shareholdings of the substantial shareholders of SAG.

4.4 Earnings and EPS

The Proposed Capital Reduction will not have any material effect on the earnings of our Group and EPS for the FYE 31 December 2023 and FYE 31 December 2024.

4.5 Convertible securities

As at LPD, save for the 457,480,739 outstanding Warrants, which are exercisable into new SAG Shares at RM0.12 per SAG Share, the Company does not have any other existing convertible securities as at the date of this Circular.

The Proposed Capital Reduction will not result in the adjustment to the Warrants holders.

5. HISTORICAL SHARE PRICES

The monthly highest and lowest prices of SAG shares as traded on Bursa Securities for the past 12 calendar months preceding LPD are as follows:

	<u>High</u> <u>RM</u>	<u>Low</u> <u>RM</u>
2023		
February	0.080	0.060
March	0.070	0.055
April	0.070	0.055
May	0.080	0.055
June	0.070	0.055
July	0.060	0.045
August	0.075	0.045
September	0.085	0.060
October	0.110	0.070
November	0.080	0.065
December	0.095	0.065
2024		
January	0.095	0.065

Last transacted market price on 3 January 2024
(being the date immediately prior to the announcement of the Proposed Capital Reduction) 0.080

Last transacted market price on the LPD 0.065

(Source: Bloomberg)

6. APPROVALS REQUIRED

The Proposed Capital Reduction is subject to the following approvals being obtained:

- (i) the shareholders of SAG at the forthcoming EGM; and
- (ii) the Order from the High Court of Malaya confirming the Proposed Capital Reduction pursuant to Section 116 of the Act.

The Proposed Capital Reduction is not conditional upon any other corporate exercise to be implemented by the Company.

7. CORPORATE EXERCISES ANNOUNCED BUT PENDING COMPLETION

Save for the Proposed Capital Reduction, there are no other corporate exercises which have been announced but not yet completed as at the date of this Circular.

8. INTERESTS OF DIRECTORS, MAJOR SHAREHOLDERS, CHIEF EXECUTIVE AND/OR PERSONS CONNECTED WITH THEM

None of our Directors, major shareholders chief executive and/or persons connected with them has any interest, direct or indirect, in the Proposed Capital Reduction.

9. DIRECTORS' STATEMENT AND RECOMMENDATION

The Board, after having considered all aspects of the Proposed Capital Reduction including the rationale and financial effects, is of the opinion that the Proposed Capital Reduction are in the best interest of the Group. As such, the Board recommends that you vote in favour of the resolutions pertaining to the Proposed Capital Reduction to be tabled at the forthcoming EGM of the Company.

10. ESTIMATED TIMEFRAME FOR COMPLETION

The tentative timetable in relation to the Proposed Capital Reduction is as follows:

Date	Events
19 March 2024	EGM
May 2024	<ul style="list-style-type: none">• Lodgement of documents with the Registrar of Companies• Completion of the Proposed Capital Reduction

Barring any unforeseen circumstances and subject to all approvals being obtained, the Proposed Capital Reduction is expected to be completed in the second quarter of 2024.

11. EGM

The forthcoming EGM, the notice of which is enclosed with this Circular, will be held 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/SinaranEGM> provided by Inshub Sdn. Bhd. in Malaysia on Tuesday, 19 March 2024 at 11:00 a.m. and at any adjournment thereof for the purpose of considering and if thought fit, passing the resolutions to give effect to the Proposed Capital Reduction.

If you are unable to attend and vote in person at the forthcoming EGM, you are requested to complete, sign and return the enclosed Form of Proxy in accordance with the instructions contained therein as soon as possible and, in any event, so as to arrive at the Share Registrar of the Company, Workshire Share Registration Sdn. Bhd. at A3-3-8, Solaris Dutamas, No. 1, Jalan Dutamas 1, 50480 Kuala Lumpur, Wilayah Persekutuan, Malaysia or email to infosr@wscs.com.my not less than 48 hours before the time set for the EGM. The lodging of the Form Proxy does not preclude you from attending and voting in person at the forthcoming EGM should you subsequently wish to do so.

12. FURTHER INFORMATION

Please refer to the appendices of this Circular for further information.

Yours faithfully,
For and on behalf of the Board of
SINARAN ADVANCE GROUP BERHAD

Koo Kien Yoon
Non-Independent Non-Executive Director

APPENDIX I – HISTORICAL FINANCIAL INFORMATION

	Audited			Unaudited	
	FYE 2020 RM'000	FYE 2021 RM'000	FYE 2022 RM'000	9-month FPE 30 September 2022 RM'000	9-month FPE 30 September 2023 RM'000
Revenue	82,200	101,953	56,913	40,363	34,230
Gross Profit	7,933	5,659	3,810	3,576	1,743
Loss before tax	(3,714)	(5,754)	(8,266)	(3,972)	(4,324)
Loss after tax	(3,610)	(5,651)	(8,295)	(3,889)	(4,243)

Comparison between FYE 2022 and FYE 2021

Our Group's revenue reported at RM56.9 million in FYE 2022, as compared to RM102.0 million in FYE 2021, it showed a reduction of RM45.1 or 44.2%. The drop was derived from both construction and sports footwear business segments. The reduction in revenue from the construction business segment was largely attributed by the delay in completion of the Rumah Mampu Milik Wilayah Persekutuan ("**Rumawip**") Gombak construction contract, which was a significant revenue source of the Group. Ever since the outbreak of COVID-19 pandemic, Malaysia has restricted foreign workers from entering the country, which disrupted the supply of foreign workers.

This caused the delay of new projects and slow progress for existing projects. The on-going challenging business environment in China has contributed to a general decrease in consumer spending or shift in consumer preferences and behaviour. As a result of this, the Group experienced a decrease in orders from sports footwear distributors as well.

Despite the decrease in revenue of both business segments, the Group recorded a decrease of RM1.9 million or 33.3% in gross profit, to RM3.8 million in FYE 2022 as compared to RM5.7 million recorded in FYE 2021. Furthermore, loss before tax reported RM8.3 million in FYE 2022. As compared to RM5.8 million loss before tax in FYE 2021, it showed a reduction of RM2.5 million or 43.1%, which was mainly driven by the reduction in gross profit as well as increase in operating expenses particularly from the impairment loss on trade and other receivables of RM2.7 million recorded in FYE 2022.

Consistent with the above analysed loss before tax, the Group achieved a loss after tax of RM8.3 million in FYE 2022 which was higher than the loss after tax of RM5.7 million in FYE 2021 by RM2.6 million or 45.6%.

APPENDIX I – HISTORICAL FINANCIAL INFORMATION (cont'd)

Comparison between FYE 2021 and FYE 2020

Our Group's revenue increased from RM82.2 million in FYE 2020 to RM102.0 million in FYE 2021, representing an increase of RM19.8 million or 24.1%. Our increase in revenue was contributed by construction business segments, however the increase was offset by a RM10.5 million revenue drop in sports footwear business segment.

The growth in revenue from construction business segment is largely contributed by the construction contracts of the Rumah Mampu Milik Wilayah Persekutuan ("**Rumawip**") Gombak where the economic activities partially resumed with easing of containment measures as result of the acceleration of mass vaccination programmes and booster jabs by Malaysian Government during FYE 2021. On the other hand, the Group continued to face slowing down of orders from distributors of sports footwear due to the continuous challenging business environment in China.

In congruence with the decrease in sports footwear business segment, which was the main revenue contributor to SAG, the Group recorded a gross profit of RM5.7 million in FYE 2021 as compared to RM7.9 million recorded in FYE 2020, representing a decrease of RM2.2 million or 27.8%. In furtherance to the analysis, our Group has reported LBT of RM5.8 million in FYE 2021 as compared to RM3.7 million in FYE 2020, which was mainly driven by the reduction in gross profit.

Consistent with the above analysed LBT, the Group achieved a loss after tax of RM5.7 million in FYE 2021 which was higher than the loss after tax of RM3.6 million in FYE 2020 by RM2.1 million or 58.3%.

Comparison between 9-month FPE 30 September 2023 and 9-month FPE 30 September 2022

Our Group recorded a revenue of RM34.2 million for the 9-month FPE 30 September 2023, representing a decrease of RM6.2 million or 15.3% as compared to RM40.4 million in the 9-month FPE 30 September 2022. The decrease in revenue was mainly due to lower revenue generated from sports footwear business segment by RM11.7 million or 39.4% from RM29.7 million in the 9-month FPE 30 September 2022 to RM18.0 million in the 9-month FPE 30 September 2023. However, this was offset by the increase in revenue generated from the construction business segment by RM5.57 million.

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APPENDIX II – FURTHER INFORMATION

1. DIRECTORS' RESPONSIBILITY STATEMENT

This Circular has been seen and approved by the Board and they collectively and individually accept full responsibility for the accuracy, completeness and correctness of the information given herein and confirm that after making all reasonable enquiries and to the best of their knowledge and belief, there are no other facts the omission of which would make any statement herein misleading.

2. MATERIAL COMMITMENT

As at the LPD, there are no material commitments incurred or know to be incurred by the Group, which upon becoming due or enforceable, may have material impact on the financial position or business of the SAG Group.

3. CONTINGENT LIABILITIES

As at the LPD, the Board is not aware of any contingent liabilities incurred or known to be incurred at the Group level, which upon becoming enforceable, may have a material impact on the financial results or position of the Group.

4. LETTERS OF CONSENT**4.1 M&A Securities**

M&A Securities, being the Principal Adviser for the Proposed Capital Reduction, has given and has not subsequently withdrawn its written consent to the inclusion of its name and all references thereto in the form and context in which they appear in this Circular.

M&A Securities confirms that there is no conflict of interest that exists or is likely to exist in its capacity as the Principal Adviser to SAG in relation to the Proposed Capital Reduction.

4.2 Chengco PLT

Chengco PLT, being the reporting accountant for the Proposed Capital Reduction, has given and has not subsequently withdrawn its written consent to the inclusion of its name, extracts of its report on the pro forma consolidated statement of financial position as at 31 December 2022 and all references thereto in the form and context in which they appear in this Circular.

Chengco PLT confirms that there is no conflict of interest that exists or is likely to exist in its capacity as the reporting accountant to SAG in relation to the Proposed Capital Reduction.

5. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection by the Company's shareholders at its registered office at Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur, Wilayah Persekutuan, Malaysia during normal office hours from Mondays to Fridays (except public holidays) from the date of this Circular up to the date of the EGM:

- (i) SAG's Constitution;
- (ii) Audited financial statements of the SAG Group for FYE 31 December 2021 and FYE 31 December 2022 and latest unaudited results FPE 30 September 2023; and
- (iii) Letters of consent and conflict of interest referred to in Section 4.

APPENDIX III – PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2022 OF SAG TOGETHER WITH THE REPORTING ACCOUNTANT’S LETTER



CHENGCO PLT 201806002622 (LLP0017004-LCA) & AF0886

Wisma Cheng & Co

No. 8-2, 10-1 & 10-2, Jalan 2/114, Kuchai Business Centre, Off Jalan Klang Lama, 58200 Kuala Lumpur.

Tel: 03-7984 8988 Fax: 03-7984 4402

Email: enquiry@chengco.asia Website: www.chengco.asia

Date: 21 February 2024

The Board of Directors
Sinaran Advance Group Berhad
Persoft Tower, DF2-09-03A (Unit 1A),
Level 9, 6B, Persiaran Tropicana Golf & Country Resort,
47410 Petaling Jaya, Selangor.

Dear Sirs,

SINARAN ADVANCE GROUP BERHAD AND ITS SUBSIDIARIES (“SAG” OR THE “COMPANY”) REPORTING ACCOUNTANTS’ LETTER ON THE COMPILATION OF PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2022

We have completed our assurance engagement to report on the compilation of the pro forma consolidated statements of financial position of Sinaran Advance Group Berhad (“SAG” or “the Company”) and its subsidiaries (collectively referred to as the “Group”) as at 31 December 2022 together with the accompanying notes (which have been stamped by us for the purpose of identification) as set out in Appendix A. The pro forma consolidated statements of financial position have been prepared for the consumption of the Board of Directors of SAG (“the Board”) and the Company in relation to the Proposed Capital Reduction of SAG’s share capital by RM68,000,000, pursuant to Section 116 of the Companies Act, 2016 (“**Proposal**”).

The applicable criteria on the basis of which the Board has compiled the Pro Forma consolidated statements of financial position are as described in the accompanying Note 1 and Note 2 of Appendix A.

The pro forma consolidated statements of financial position have been compiled by the Board, taking into account adjustments made to the Company’s financial position subsequent to 31 December 2022, to illustrate the impact of the transactions on the audited consolidated statements of financial position of the Group as at 31 December 2022, had the Proposed Capital Reduction of SAG’s share capital been effected on that date.

As part of this process, information about the Group’s and the Company’s financial position has been extracted by the Board from the audited financial statements for the financial year ended 31 December 2023, which has been announced by the Company.

The Board’s Responsibility for the Pro forma Consolidated Statements of Financial Position

The Board is responsible for compiling the pro forma consolidated statements of financial position as at 31 December 2022 on the basis as described in the accompanying Note 1 and Note 2 of Appendix A.

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APPENDIX III – PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2022 OF SAG TOGETHER WITH THE REPORTING ACCOUNTANT’S LETTER (cont’d)

Reporting Accountants’ Independence and Quality Control

We have complied with the independence and other ethical requirements of the By-Laws (*on Professional Ethics, Conduct and Practice*) issued by the Malaysian Institute of Accountants and the *Code of Ethics for Professional Accountants* (including International Independence Standards) issued by the International Ethics Standards Board for Accountants, which is founded on the fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Our firm applies International Standard on Quality Management 1 (“ISQM 1”), *Quality Management for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements* and, accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Reporting Accountants’ Responsibilities

Our responsibility is to express an opinion about whether the pro forma consolidated statements of financial position have been compiled, in all material aspects, by the Board on the basis as described in the notes thereto.

We conducted our engagement in accordance with the International Standard on Assurance Engagements (“ISAE”) 3420, *Assurance Engagements to Report on the Compilation of Pro forma Financial Information included in a Prospectus*, issued by the International Auditing and Assurance Standards Board and adopted by the Malaysian Institute of Accountants. This standard requires that we comply with ethical requirements and plan and perform procedures to obtain reasonable assurance about whether the Board have compiled, in all material aspects, the pro forma consolidated statements of financial position on the basis as described in the notes thereto.

For the purpose of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the pro forma consolidated statements of financial position, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the pro forma consolidated statements of financial position.

The purpose of the pro forma consolidated statements of financial position is for the consumption of the Board and is solely to illustrate the impact of significant events or transactions on unadjusted financial information of the Group as if the events had occurred or the transactions had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the events or transactions would have been as presented.

A reasonable assurance engagement to report on whether the pro forma consolidated statements of financial position have been compiled, in all material aspects, on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the Board in the compilation of pro forma consolidated statements of financial position provide a reasonable basis for presenting the significant effects directly attributable to the events or transactions, and to obtain sufficient appropriate evidence about whether:

- The related pro forma adjustments give appropriate effect to those criteria; and
- The pro forma consolidated statements of financial position reflect the proper application of those adjustments to the audited consolidated statements of financial position of the Group as at 31 December 2022.

The procedures selected depend on our judgement, having regard to our understanding of the nature of the Group, the events or transactions in respect of which the pro forma consolidated statements of financial position have been compiled, and other relevant engagement circumstances.

APPENDIX III – PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2022 OF SAG TOGETHER WITH THE REPORTING ACCOUNTANT’S LETTER (cont’d)

Reporting Accountants’ Responsibilities (Cont’d)

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion,

- (i) the pro forma consolidated statements of financial position of the Group which were prepared for illustrative purpose only have been properly compiled on the basis set out in the accompanying notes to the pro forma consolidated statements of financial position using financial statements prepared by the Board in accordance with the Malaysian Financial Reporting Standards in Malaysia and in a manner consistent with both the format of the financial statements and accounting policies of the Group unless otherwise stated, and
- (ii) the adjustments made to the information used in the preparation of the pro forma consolidation statements of financial position are appropriate for the purposes of preparing the pro forma consolidation statements of financial position.

Other Matters

This letter has been prepared for the purposes stated above, in connection with the Proposed Capital Reduction of SAG’s share capital. As such, this letter should not be used for any other purpose without our prior written consents. Neither the firm nor any member or employee of the firm undertakes responsibility arising in any way whatsoever to any party in respect of this letter contrary to the aforesaid purpose.

Yours faithfully,



CHENGCO PLT
201806002622
(LLP0017004-LCA) & AF0886
Chartered Accountants

APPENDIX III – PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2022 OF SAG TOGETHER WITH THE REPORTING ACCOUNTANT’S LETTER (cont’d)

APPENDIX A

SINARAN ADVANCE GROUP BERHAD (“SAG” OR “THE COMPANY”) AND ITS SUBSIDIARIES (“THE GROUP”)

**PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 31 DECEMBER 2022**

The pro forma consolidated statements of financial position of the Group as at 31 December 2022 as set out below have been prepared solely for illustrative purposes only to show the effects of the Capital Reduction on the assumption that the transaction has been effected on 31 December 2022 and should be read in conjunction with the accompanying notes:

		Group		Company	
		Audited 31 December 2022 RM'000	Pro Forma I RM'000	Audited 31 December 2022 RM'000	Pro Forma I RM'000
	Note				
Assets					
Non-current Assets					
Property, plant and equipment		15,767	15,767	27	27
Right-of-use assets		23,504	23,504	6	6
Investment in subsidiaries		-	-	38,152	38,152
		<u>39,271</u>	<u>39,271</u>	<u>38,185</u>	<u>38,185</u>
Current assets					
Inventories		641	641	-	-
Right-of-use assets		677	677	-	-
Trade receivables		46,779	46,779	-	-
Other receivables		375	375	337	337
Amount due from subsidiaries		-	-	3,419	3,419
Tax recoverable		29	29	-	-
Other investments		1,508	1,508	1,508	1,508
Cash and bank balances	3.1	24,541	24,446	684	589
		<u>74,550</u>	<u>74,455</u>	<u>5,948</u>	<u>5,853</u>
Total Assets		<u>113,821</u>	<u>113,726</u>	<u>44,133</u>	<u>44,038</u>
Equity and Liabilities					
Equity					
Share capital	3.2	110,741	42,741	110,741	42,741
Retained earnings	3.2	26,106	94,011	(67,917)	(12)
Statutory common reserve	3.2	15,225	15,225	-	-
Merger deficits	3.2	(107,297)	(107,297)	-	-
Foreign currency translation reserve	3.2	(3,722)	(3,722)	-	-
Total Equity		<u>41,053</u>	<u>40,958</u>	<u>42,824</u>	<u>42,729</u>
Liability					
Non-Current Liabilities					
Borrowings		6,321	6,321	-	-
Deferred tax liabilities		2,819	2,819	-	-
		<u>9,140</u>	<u>9,140</u>	<u>-</u>	<u>-</u>

APPENDIX III – PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2022 OF SAG TOGETHER WITH THE REPORTING ACCOUNTANT’S LETTER (cont’d)

APPENDIX A

SINARAN ADVANCE GROUP BERHAD (“SAG” OR “THE COMPANY”) AND ITS SUBSIDIARIES (“THE GROUP”)

**PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 31 DECEMBER 2022**

		Group		Company	
		Audited 31 December 2022	Pro Forma I	Audited 31 December 2022	Pro Forma I
	Note	RM'000	RM'000	RM'000	RM'000
Current Liabilities					
Borrowings		21,894	21,894	-	-
Trade payables		29,351	29,351	-	-
Other payables		12,377	12,377	68	68
Amount due to subsidiaries		-	-	1,235	1,235
Lease liabilities		6	6	6	6
		<u>63,628</u>	<u>63,628</u>	<u>1,309</u>	<u>1,309</u>
Total Liabilities		<u>72,768</u>	<u>72,768</u>	<u>1,309</u>	<u>1,309</u>
Total Equity and Liabilities		<u>113,821</u>	<u>113,726</u>	<u>44,133</u>	<u>44,038</u>
Number of ordinary shares		914,961,482	914,961,482	914,961,482	914,961,482
Net Assets per share (RM)		0.04	0.04	0.04	0.04
Total borrowings		28,215	28,215	-	-
Gearing (times)		0.69	0.69	-	-

APPENDIX III – PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2022 OF SAG TOGETHER WITH THE REPORTING ACCOUNTANT’S LETTER (cont’d)

APPENDIX A**SINARAN ADVANCE GROUP BERHAD (“SAG” OR “THE COMPANY”) AND ITS SUBSIDIARIES (“THE GROUP”)****PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 31 DECEMBER 2022****1. BASIS OF PREPARATION**

The pro forma consolidated statements of financial position have been properly prepared in accordance to the basis stated below using the audited consolidated statements of financial position of the Group as at 31 December 2022 and in accordance with Malaysian Financial Reporting Standards and International Financial Reporting Standards, and in a manner consistent with both the format of the financial statements and the accounting policies of the Group.

The pro forma consolidated statements of financial position have been prepared for illustrative purposes only, to show the effects on the audited consolidated statements of financial position of the Group as at 31 December 2022, had the adjustments described in Note 2 been effected on that date, and should be read in conjunction with the notes thereto.

The Proposed Capital Reduction entails the cancellation of SAG share capital by RM68,000,000 pursuant to Section 116 of the Companies Act 2016. An order by the High Court of Malaya will be sought to sanction the Proposed Capital Reduction after receipt of approvals from the shareholders of the Company at an Extraordinary General Meeting (“EGM”) to be convened.

2. PRO FORMA ADJUSTMENTS**Pro Forma I**

Pro Forma I incorporate the effects of the Proposed Capital Reduction amounting to RM68,000,000 pursuant to the Companies Act 2016.

The estimated expenses in relation to the Proposed Capital Reduction is RM95,000.

The effects of the Proposed Capital Reduction are as follows:

	Increase/(Decrease)	
	Assets	Liabilities/Equity
	RM	RM
Cash and bank balances	(95,000)	-
Share capital	-	68,000,000
Retained earnings	-	(68,095,000)
	<u>(95,000)</u>	<u>(95,000)</u>

APPENDIX III – PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2022 OF SAG TOGETHER WITH THE REPORTING ACCOUNTANT’S LETTER (*cont’d*)

APPENDIX A

SINARAN ADVANCE GROUP BERHAD (“SAG” OR “THE COMPANY”) AND ITS SUBSIDIARIES (“THE GROUP”)

**PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 31 DECEMBER 2022**

3. EFFECTS OF THE PRO FORMA

3.1 The movements in the cash and cash equivalents of the Group are as follows:

	Group RM'000	Company RM'000
Audited as at 31 December 2022	24,541	684
Effects of Pro Forma I - Proposed capital reduction	(95)	(95)
As per Pro Forma I	<u>24,446</u>	<u>589</u>

3.2 The movements in the share capital, other reserves and retained earnings of the Group are as follows:

	Share capital RM'000	Retained earnings RM'000	Statutory common reserve RM'000	Merger deficits RM'000	Foreign currency translation reserve RM'000	Total equity RM'000
Group						
Audited as at 31 December 2022	110,741	26,106	15,225	(107,297)	(3,722)	41,053
Effects of Pro Forma I - Proposed capital reduction	(68,000)	67,905	-	-	-	(95)
As per Pro Forma I	<u>42,741</u>	<u>94,011</u>	<u>15,225</u>	<u>(107,297)</u>	<u>(3,722)</u>	<u>40,958</u>
Company						
Audited as at 31 December 2022	110,741	(67,917)	-	-	-	42,824
Effects of Pro Forma I - Proposed capital reduction	(68,000)	67,905	-	-	-	(95)
As per Pro Forma I	<u>42,741</u>	<u>(12)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>42,729</u>



SINARAN ADVANCE GROUP BERHAD

Registration No. 202001007513 (1363833-T)

(Incorporated in Malaysia)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT an Extraordinary General Meeting ("**EGM**") of Sinaran Advance Group Berhad ("**SAG**" or the "**Company**") will be held 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/SinaranEGM> provided by Inshub Sdn. Bhd. in Malaysia on Tuesday, 19 March 2024 at 11:00 a.m. or any adjournment thereof for the purpose of considering and, if thought fit, passing the following resolution:

SPECIAL RESOLUTION

PROPOSED REDUCTION OF THE ISSUED SHARE CAPITAL OF SAG BY RM68 MILLION PURSUANT TO SECTION 116 OF THE COMPANIES ACT 2016 ("PROPOSED CAPITAL REDUCTION")

"THAT subject to the approvals from the relevant authorities and parties being obtained, where necessary, approval be and is hereby given for the implementation of the Proposed Capital Reduction pursuant to Section 116 of the Companies Act 2016;

THAT the issued share capital of the Company be reduced and cancelled to the extent of and up to RM68,000,000 and that such reduction be effected and satisfied by the cancellation of the issued share capital of the Company that has been lost or is unrepresented by available assets;

AND THAT the Board of Directors of the Company ("**Board**") be and is hereby authorised with full power to make any modifications, variations and / or amendments in any manner as may be in the best interest of the Company or as may be required by the relevant authority / authorities to give effect to the Proposed Capital Reduction, and to take all such steps as they may deem necessary or expedient in the best interests of the Company to implement, finalise and give full effect to the Proposed Capital Reduction."

**BY ORDER OF THE BOARD OF
SINARAN ADVANCE GROUP BERHAD**

(duly signed)

Chua Siew Chuan (SSM PC NO. 201908002648 & MAICSA 0777689)

Cheng Chia Ping (SSM PC NO. 202008000730 & MAICSA 1032514)

Company Secretaries

Kuala Lumpur
26 February 2024

Notes:

(1) Information for Shareholders/Proxies

- a. 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 EGM in person at the venue of EGM on the day of the meeting.
- b. For the purpose of determining a member who shall be entitled to attend the EGM, 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 13 March 2024. Only a depositor whose name appears on the Record of Depositors as at 13 March 2024 shall be entitled to attend the said meeting or appoint proxies to attend and/or speak and/or vote on his/her behalf.
- c. A member entitled to attend and vote at the EGM 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.
- d. A member may, subject to Notes (e) and (f) below, appoint more than one (1) proxy to attend and vote at the EGM, to the extent permitted by the Companies Act 2016, SICDA, Main Market Listing Requirements of Bursa Malaysia Securities Berhad and the Rules of Bursa Malaysia Depository Sdn Bhd. Where a member appoints two (2) proxies to attend and vote at the EGM, such appointment shall be invalid unless the member specifies the proportion of his/her shareholding to be represented by each proxy.
- e. 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.
- f. 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.
- g. The instrument appointing a proxy shall be in writing under the hand of the appointer or his attorney duly authorised in writing or, in the event the appointer is a corporation, the instrument appointing a proxy must be either under the appointer's Common Seal or under the hand of an officer or attorney duly authorised.
- h. 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-eighth (48) hours before the time appointed for holding the meeting or adjourned meeting.
- i. Publication of Notice of EGM 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/>



SINARAN ADVANCE GROUP BERHAD
[Registration No. 202001007513 (1363833-T)]
(Incorporated in Malaysia)

FORM OF PROXY

Number of shares held	
CDS account no.	

I/We _____
[name of shareholder as per NRIC/Certificate of Incorporation, in capital letters]

NRIC No./ Passport (New) (Old)
No./ Company No. _____ of _____
[full address]

being a Member/Members of **Sinaran Advance Group Berhad**, hereby appoint(s):

Full Name (in block letters)	NRIC/ Passport No.	Proportion of shareholdings	
		No. of Shares	%
Address	Email address & contact number		

And/or* (*delete as appropriate)

Full Name (in block letters)	NRIC/ Passport No.	Proportion of shareholdings	
		No. of Shares	%
Address	Email address & contact number		

or failing him/her, the Chairman of the Meeting as *my/our proxy to vote for *me/us on *my/our behalf at the Extraordinary General Meeting ("**EGM**") of Sinaran Advance Group Berhad ("**Company**") will be held 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/SinaranEGM> provided by Inshub Sdn. Bhd. in Malaysia, on Tuesday, 19 March 2024 at 11:00 a.m., or at any adjournment thereof and to vote as indicated below:-

Please indicate with an "X" in the spaces below how you wish your votes to be cast. If no specific direction as to voting is give, the proxy will vote or abstain from voting at his/her discretion.

	For	Against
Special Resolution Proposed Capital Reduction		

*Delete if not applicable.

Dated this _____ day of _____, 2024

Signature of Shareholder(s)/ Common Seal of Corporate Shareholder

Tel No.: _____



Notes:

(1) Information for Shareholders/Proxies

- a. 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 EGM in person at the venue of EGM on the day of the meeting.
- b. For the purpose of determining a member who shall be entitled to attend the EGM, 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 13 March 2024. Only a depositor whose name appears on the Record of Depositors as at 13 March 2024 shall be entitled to attend the said meeting or appoint proxies to attend and/or speak and/or vote on his/her behalf.
- c. A member entitled to attend and vote at the EGM 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.
- d. A member may, subject to Notes (e) and (f) below, appoint more than one (1) proxy to attend and vote at the EGM, to the extent permitted by the Companies Act 2016, SICDA, Main Market Listing Requirements of Bursa Malaysia Securities Berhad and the Rules of Bursa Malaysia Depository Sdn. Bhd. Where a member appoints two (2) proxies to attend and vote at the EGM, such appointment shall be invalid unless the member specifies the proportion of his/her shareholding to be represented by each proxy.
- e. 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.
- f. 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.
- g. The instrument appointing a proxy shall be in writing under the hand of the appointer or his attorney duly authorised in writing or, in the event the appointer is a corporation, the instrument appointing a proxy must be either under the appointer's Common Seal or under the hand of an officer or attorney duly authorised.
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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/>

Fold this flap for sealing

Then fold here

AFFIX
STAMP

THE SHARE REGISTRAR
SINARAN ADVANCE GROUP BERHAD
(Registration No. 202001007513 (1363833-T))
(Incorporated in Malaysia)

c/o Workshire Share Registration Sdn. Bhd.
A3-3-8, Solaris Dutamas
No. 1, Jalan Dutamas 1
50480 Kuala Lumpur
Wilayah Persekutuan
Malaysia

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