

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN THAT the Eighteenth (18th) Annual General Meeting of YgI Convergence Berhad ("YgI" or "the Company") will be held at Bayu 1, Level 2, Ascott Gurney Penang, No. 18, Gurney Drive, 10250 George Town, Penang on Thursday, 25 August 2022, 10.30 a.m. for the following purposes:-

As Ordinary Business:-

- To receive the Audited Financial Statements for the financial year ended 31 March 2022 together with the Reports of the Directors and Auditors thereon.
- To re-elect the following Directors who retire by rotation in accordance with Clause 76(3) of the Constitution of the Company and being eligible, have offered themselves for re-election:-
 - Madam Tan Hoay Leng; and
 - Mr. Wong Khai Meng.
- To approve the payment of Directors' fees of RM90,000.00 for the financial year ended 31 March 2022.
- To approve the payment of benefits payable to the Directors up to an amount RM20,000.00 for the period commencing from 26 August 2022 until the next Annual General Meeting of the Company to be held in year 2023.
- 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)

Ordinary Resolution 1
Ordinary Resolution 2
Ordinary Resolution 3
Ordinary Resolution 4
Ordinary Resolution 5

As Special Business:-

7. Ordinary Resolution:-

Authority to issue shares pursuant to the Companies Act 2016

"THAT subject always to the Companies Act 2016 (the "Act"), the Company's Constitution, Bursa Malaysia Securities Berhad ("Bursa Securities") ACE Market Listing Requirements 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."

Ordinary Resolution 6

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: 27 July 2022

(A) Notes:

- For the purpose of determining who shall be entitled to attend this General Meeting, the Company shall be requesting Bursa Malaysia Depository Sdn. Bhd. to make available to the Company, a Record of Depositors as at **19 August 2022**. Only a depositor whose name appears on this Record of Depositors shall be entitled to attend this General Meeting or appoint a proxy to attend, speak and vote on his/her/its behalf.
- A member entitled to attend and vote at this General Meeting 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 this General Meeting of the Company may appoint not more than two (2) proxies to attend, participate, speak and vote instead of the member at the General Meeting.
- If two (2) proxies are appointed, the proportion of shareholdings to be represented by each proxy must be specified in the instrument appointing the proxies.
- Where a member of the Company is an authorised nominee, as defined in the Securities Industry (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.
- 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 Meeting 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 notariately 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 ACE Market Listing Requirements ("AMLR") of Bursa Malaysia Securities Berhad ("Bursa Securities"), all resolutions set out in this notice will be put to vote by way of a poll.

(B) Explanatory Notes:

- Item 1 of the Agenda: Audited Financial Statements for the financial year ended 31 March 2022**

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.

- Ordinary Resolutions 1 and 2: 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 and 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 6.1 of the Malaysian Code on Corporate Governance ("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 2022 and the Corporate Governance Report of the Company.

Madam Tan Hoay Leng and Mr. Wong Khai Meng, who retire in accordance with Clause 76(3) of the Company's Constitution, have offered themselves for re-election at the 18th AGM and abstained from deliberation as well as decision on their own eligibility to stand for re-election.

- Ordinary Resolutions 3 and 4: Payment of Directors' fee 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:-

Ordinary Resolution 3 on the payment of Directors' fees for the financial year ended 31 March 2022;

Ordinary Resolution 4 on the payment of benefits to the Directors of the Company for the period commencing from 26 August 2022 until the date of the next AGM of the Company.

The proposed Directors' fees of RM90,000.00 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 2022 are based on the annual fee of RM20,000.00 for each Director.

Under Ordinary Resolution 4, 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 of the Annual Report 2022 and the Corporate Governance Report of the Company.

- Ordinary Resolution 5: Re-appointment of Auditors**

The Board and the Audit and Risk Management Committee have considered the re-appointment of Messrs. Moore Stephens Associates PLT as auditors of the Company, are satisfied with the performance, competency, audit approach and independence of Messrs. Moore Stephens Associates PLT and viewed that they have met the relevant criteria prescribed by Rule 15.21 of AMLR of Bursa Securities.

- Ordinary Resolution 6: Authority to issue shares pursuant to Companies Act 2016**

The Ordinary Resolution 6 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 any time 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 fund-raising activities, including but not limited to further placing of shares, for purpose of funding future investment project(s), acquisitions, working capital and/or settlement 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 23 December 2021 (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 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 AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the 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.

Important Notes on Precautionary Measures:-

The Board of Directors of the Company is cognisant of the outbreak Coronavirus Disease ("COVID-19"). Despite Malaysia transitioning into endemic phase of COVID-19, the health and safety of the Company's shareholders, Directors, staff and other stakeholders are of paramount concern for the Company.

The Company will be closely monitoring the COVID-19 situation and reserves the right to take further measures or short-notice arrangements as and when appropriate in order to minimise any risk to the 18th AGM and/or its stakeholders. Any material developments will be announced on the Bursa Securities and members are advised to check the Company's announcement(s) made via Bursa Securities regularly for updates in respect of the 18th AGM and/or material developments.