

ADVANCECON HOLDINGS BERHAD

[Registration No. 199701011469 (426965-M)]

(Incorporated in Malaysia)

MINUTES OF THE TWENTY-FOURTH ANNUAL GENERAL MEETING (24TH AGM) OF ADVANCECON HOLDINGS BERHAD (“ADVANCECON” OR “THE COMPANY”) CONDUCTED ON A FULLY VIRTUAL BASIS THROUGH ONLINE MEETING PLATFORM OF TRICOR’S TIIH ONLINE WEBSITE AT [HTTPS://TIIH.ONLINE](https://tiih.online) ON THURSDAY, 17 JUNE 2021 AT 10.00 A.M.

- PRESENT** : **Board of Directors**
- REMOTELY** : Mr. Yeoh Chong Keat – Independent Non-Executive Chairman (“the Chairman” or “Mr. Yeoh”)
Dato’ Phum Ang Kia – Executive Director
Mr. Lim Swee Chai – Executive Director
Ir. Yeo An Thai – Executive Director
Mr. Tung Kai Hung – Executive Director
Encik Mohd Zaky Bin Othman – Independent Non-Executive Director
Encik Fathi bin Ridzuan – Independent Non-Executive Director
- IN ATTENDANCE** : Ms. Thien Lee Mee (Company Secretary)
- INVITEES** : Mr. Chin Kit Seong (External Auditors, Messrs. Crowe Malaysia PLT)
Mr. Lau Kent Lit (General Manager-Finance and Corporate Services)

The shareholders and proxyholders (collectively referred to as “Members”) who attended and participated at the AGM remotely were set out in the Attendance Listing attached and shall form an integral part of these Minutes.

1. CHAIRMAN

The Chairman, Mr. Yeoh extended a warm welcome to all Members and attendees present at the Company’s 24th AGM remotely from their respective locations and called the Meeting to order at 10.00 a.m.

Mr. Yeoh informed that in view of the current COVID-19 outbreak in Malaysia and for the safety of all concerned, the Board had decided that 24th AGM be held via live streaming and online remote voting using the remote participating and voting facilities (“RPV”) which was in compliance with the latest *Guidance Note on the Conduct of General Meetings for Listed Issuers issued by the Securities Commission Malaysia dated 1 June 2021* and Section 327 of the Companies Act, 2016.

The Chairman the proceeded to introduce the Directors, Company Secretary and General Manager-Finance and Corporate Services to the Members and attendees present at the Meeting.

2. QUORUM

Upon confirming the presence of a requisite quorum with the Company Secretary, the Chairman called the Meeting to order.

3. NOTICE

With the consent of the Meeting, the Notice convening the Meeting having been circulated within the prescribed period was taken as read.

4. POLLING AND ADMINISTRATIVE MATTERS

The Chairman explained the procedures of the meeting and informed the Meeting that all resolutions as set out in the Notice of 24th AGM would be put to vote by way of poll pursuant to Paragraph 8.29A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

He also informed that the Company had appointed Tricor Investor & Issuing House Services Sdn. Bhd. ("Tricor") as the Poll Administrator to conduct the online voting process and Asia Securities Sdn. Bhd. as the Scrutineers to validate the votes cast and verify the poll results.

Mr. Yeoh then informed the Meeting that the online voting would be conducted via the RPV provided by Tricor after all the agenda items as set out in the Notice of 24th AGM had been dealt with, which was to be followed by a question and answer ("Q&A") session. Members were given the opportunity to ask questions on each agenda item, which would be responded during the Q&A session. The responses to questions not addressed during the Q&A session would be e-mailed at the earliest possible, after the Meeting.

The Meeting was informed that the online voting session had commenced at the start of the meeting and would close when announced later.

The Chairman then invited Tricor to brief the meeting on the electronic and remote voting process via a video presentation.

After the video presentation, the Chairman proceeded with the business on the agenda.

5. AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020 TOGETHER WITH THE REPORTS OF THE DIRECTORS AND AUDITORS THEREON

The first item on the Agenda was to receive the Audited Financial Statements for the financial year ended 31 December 2020, together with the Reports of the Directors and Auditors thereon ("Audited Financial Statements").

The Chairman explained that the agenda item was meant for discussion only as Section 340(1) of the Companies Act, 2016 does not require a formal approval of the members for the Audited Financial Statements. Hence, this agenda item would not be put to vote.

Members were invited to submit their questions if any, to the Board via the query box for reply during the Q&A session later.

The Chairman then declared that the Audited Financial Statements had been laid and received by the meeting.

6. ORDINARY RESOLUTION 1 APPROVAL OF PAYMENT OF DIRECTORS' FEES AND OTHER BENEFITS OF UP TO RM305,400.00 IN RESPECT OF THE PERIOD FROM 18 JUNE 2021 UNTIL THE CONCLUSION OF THE NEXT AGM OF THE COMPANY

The Chairman informed the Meeting that Ordinary Resolution 1 was to approve the payment of Directors' fees and other benefits payable up to RM305,400 in respect of the period from 18 June 2021 until the conclusion of the next AGM of the Company.

Members were invited to submit their questions on this agenda item via the query box.

7. ORDINARY RESOLUTION 2
RE-ELECTION OF DATO' PHUM ANG KIA

Ordinary Resolution 2 was to approve the re-election of Dato' Phum Ang Kia, who was retiring by rotation in accordance with the Clause 125 of the Company's Constitution and being eligible, had offered himself for re-election.

The Chairman invited the Members to submit their questions via the query box for reply during the Q&A session later.

8. ORDINARY RESOLUTION 3
RE-ELECTION OF EN. FATHI RIDZUAN BIN AHMAD FAUZI

Ordinary Resolution 3 was to approve the re-election of En. Fathi Ridzuan bin Ahmad Fauzi, who was retiring by rotation in accordance with Clause 125 of the Company's Constitution and being eligible, had offered himself for re-election.

Members were invited to submit their questions on this agenda item via the query box.

9. ORDINARY RESOLUTION 4
RE-APPOINTMENT OF MESSRS. CROWE MALAYSIA PLT AS AUDITORS

The Chairman moved on to Ordinary Resolution 4 which was to re-appoint Messrs. Crowe Malaysia PLT as Auditors of the Company and to authorise the Directors to fix their remuneration.

The Meeting was informed that Messrs. Crowe Malaysia PLT had indicated their willingness to accept their re-appointment as Auditors of the Company.

Members were informed that they could submit their questions on this agenda item to the Board via the query box.

10. SPECIAL BUSINESS - ORDINARY RESOLUTION 5
AUTHORITY TO ALLOT SHARES PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT 2016

Special Business, Ordinary Resolution 5 was to seek shareholders' approval for the Directors to issue and allot shares pursuant to Sections 75 and 76 of the Companies Act, 2016, and if passed, would give the Directors flexibility to allot and issue shares from time to time for such purposes as the Directors in their absolute discretion consider to be in the best interest of the Company, without having to convene separate general meetings, subject to the limitation that the shares to be allotted and issued do not exceed 20% of the issued share capital of the Company for the time being.

The meeting was informed that this proposal of 20% mandate is in line with Listing Requirements of Bursa Malaysia Securities Berhad.

If approved, this authority unless revoked or varied by the Company in general meeting, will expire at the end of the Extended Utilisation Period, i.e. by 31 December 2021 and thereafter, the 10% General Mandate will be reinstated with effect from 1 January 2022 and will expire at the conclusion of next Annual General Meeting of the Company.

The Chairman invited the Members to submit their questions, if any to the Board via the query box for reply during the Q&A session later.

**11. SPECIAL BUSINESS - ORDINARY RESOLUTION 6
PROPOSED RENEWAL OF AUTHORITY FOR THE COMPANY TO PURCHASE
ITS OWN ORDINARY SHARES (“PROPOSED RENEWAL OF SHARE BUY-BACK
AUTHORITY”)**

The Chairman informed the Meeting that Ordinary Resolution 6 under special business was to seek shareholders’ approval for the Proposed Renewal of Share Buy-Back Authority. Details and Rationale of the Proposed Renewal of Share Buy-Back Authority were set out in the Statement to Shareholders dated 27 April 2021.

Members can submit their questions, if any to the Board via the query box for reply at the Q & A session.

12. Q & A SESSION

Following the presentation of all resolutions in the agenda, and before moving to vote by poll, the meeting moved on to the Q&A session. The questions received in the query box were grouped where applicable to avoid repetition. Responses to any questions not addressed during this Q&A session would be e-mailed to the shareholders at earliest possible after the Meeting, as annexed as “Appendix I”.

For the benefit of the Members participating remotely, the Chairman read out the question submitted by shareholders via Tricor’s online TIIH platform at the 24th AGM and the response to the question as set out below:

Question	Answer
Whether the Company can provide e-voucher to the participants of this AGM in view of the Covid-19 pandemic.	The Chairman replied that the Management is working hard despite the challenges posed by the Covid-19 pandemic in order to provide satisfactory results for the shareholders. The Company would not provide any e-voucher for this meeting and would look to reward shareholders through dividends.

13. ANY OTHER BUSINESS

The Chairman informed that no notice was received to transact any other business pursuant to the Companies Act, 2016 and the Company’s Constitution.

14. VOTING SESSION

Upon closing the Q&A session, the Chairman informed the Members to proceed to submit their votes via the RPV Facility as the polling process would conclude after another 10 minutes, followed by a 20-minute recess for the verification process and thereafter the declaration of the poll results. It was noted that Chairman was appointed to be the proxy for a number of shareholders, and he would vote according to their instructions given.

The meeting was then adjourned at 10.18 a.m. for approximately 20 minutes for the votes to be counted and to enable the Scrutineers to verify and tabulate the poll results.

15. ANNOUNCEMENT OF POLL RESULTS

The Meeting resumed at 10.48 a.m. for the declaration of poll results. The Chairman informed that the Scrutineers had verified the poll results and that the said results were as projected on the screen, as follows:

Resolution(s)	Voted For		Voted Against		Result
	No. of Units	%	No. of Units	%	
Ordinary Resolution 1	63,940,511	99.9172	53,000	0.0828	Carried
Ordinary Resolution 2	63,951,501	99.9281	46,010	0.0719	Carried
Ordinary Resolution 3	63,951,501	99.9281	46,010	0.0719	Carried
Ordinary Resolution 4	63,951,501	99.9281	46,010	0.0719	Carried
Ordinary Resolution 5	60,483,101	94.5085	3,514,410	5.4915	Carried
Ordinary Resolution 6	63,871,511	99.8031	126,000	0.1969	Carried

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Based on the poll results shown on the screen, the Chairman declared that Ordinary Resolutions 1 to 6 tabled at the 24th AGM were carried.

16. CLOSURE OF MEETING

There being no other matters, the Meeting closed at 10.53 a.m with a vote of thanks to the Chairman.

Confirmed as a correct record by:

Yeoh Chong Keat

Chairman of the Meeting

Dated: 26 July 2021

RESPONSES TO QUESTIONS FROM SHAREHOLDERS BY EMAIL

Question	Answer
What is the outlook for Advancecon Holdings Berhad in the next 3 years?	<p>We are optimistic about our future prospects because of 3 factors:</p> <ul style="list-style-type: none"> • We have a strong order book of RM831.8 million; • We are actively tendering for major infrastructure and property development projects; and • The Green Energy Segment will begin contributing revenue in the near future.
What are the future plans of the Company to compete and increase market share?	<p>Our future plans are as follows:</p> <ul style="list-style-type: none"> • We are aiming to expand our order book towards the RM1 billion mark. • To date, we have successfully obtained new contracts totalling RM248.9 million. We will continually seek to ensure growth in our order book to enhance earnings. • We are also constantly looking at potential M&A opportunities to increase our competitiveness and market share.
How much does the Company spend to hold this virtual AGM and online remote voting using the remote participating and voting facilities (“RPV”)?	The costs to hold a virtual AGM ranges from RM10,000 to RM20,000.
<p>Referring to Note 29(b) on page 113 of the annual report for the financial year ended 31 December 2020 (“FY2020 annual report”), it mentioned that the remaining performance obligation within 1 year is at RM447 million:</p> <p>a) Does this suggest that the Company will have to deliver RM447 million worth of jobs in FY2021, and this amount will be recognised as revenue?</p> <p>b) Is this achievable, considering the revenue in financial year ended 2020 is only RM250 million?</p> <p>c) Are there penalties if the obligations are delayed?</p>	<p>RkM447 million was estimated from best-case scenario where all projects are operating according to scheduled plans, barring any unforeseen circumstances.</p> <p>There should be no penalty for the delay if it is due to unforeseen circumstances such as MCO, EOT, land possession issues and floods.</p> <p>The expected margin differs for each project and ranges from high single-digit to mid-teens.</p>

d) What is the expected margin for these jobs?	
<p>Referring to Note 16 on page 103 of the FY 2020 annual report, it mentioned that deposits with licensed banks have been pledged to licensed banks as security for banking facilities granted as disclosed in Notes 23, 27, and 28.</p> <p>a) Is the whole RM50 million in bank deposits pledged?</p> <p>b) If so, why it is required to pledge such a large amount, considering the total of bank facilities is only around RM80 million (overdraft and borrowings)?</p>	<p>The amounts disclosed in Note 23, 27 and 28 are for banking facilities utilised during the financial year.</p> <p>The bank deposits of RM50 million were pledged for total banking facilities extended to the Group, which is more than RM80 million.</p>