



N2N CONNECT BERHAD

(523137-K)

(Incorporated in Malaysia)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Eighteenth Annual General Meeting of the Company will be held at Wisma N2N, Level 9, Tower 2, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur on Wednesday, 12 June 2019 at 10:00 a.m. to transact the following business:

Agenda

Ordinary Business

1. To lay before the Meeting the Audited Financial Statements for the financial year ended 31 December 2018 and the Reports of the Directors and Auditors thereon.
Please refer to Notes (i).
2. To approve the payment of Directors' fees of RM436,527 for the financial year ended 31 December 2018 (2017: RM382,032). *(Ordinary Resolution 1)*
3. To approve the payment of Directors' fees of RM571,500 for the financial year ending 31 December 2019, to be made payable on monthly basis.
Please refer to Notes (ii). *(Ordinary Resolution 2)*
4. To approve the payment of Directors' benefits (excluding Directors' Fees) up to an amount of RM20,000 payable from 1 January 2019 until the next Annual General Meeting of the Company.
Please refer to Notes (iii). *(Ordinary Resolution 3)*
5. To re-elect the following Directors retiring in accordance with Clause 103(1) of the Company's Constitution:
 - 5.1 Ms Elaine Foong Sooi Jade *(Ordinary Resolution 4)*
 - 5.2 Mr Masashi Shindo *(Ordinary Resolution 5)*
6. To re-elect the following Director retiring in accordance with Clause 110 of the Company's Constitution:
 - 6.1 En. Fathi Ridzuan Bin Ahmad Fauzi *(Ordinary Resolution 6)*
7. To re-appoint Messrs Morison Anuarul Azizan Chew as Auditors of the Company and to authorise the Board of Directors to determine their remuneration. *(Ordinary Resolution 7)*

Special Business

8. To consider and if thought fit, to pass the following as an ordinary resolution:

AUTHORITY PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT 2016

“THAT, pursuant to Sections 75 and 76 of the Companies Act 2016 and subject to the approvals of the relevant government and/or regulatory authorities, where necessary, the Directors be and are hereby empowered to issue ordinary shares in the Company at any time until the conclusion of the next Annual General Meeting 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 ordinary shares to be issued does not exceed 10% of the total issued share capital of the Company at the time of issue, and that the Directors be and are also empowered to obtain the approval of Bursa Malaysia Securities Berhad for the listing of and quotation for the additional shares so issued.”

*(Ordinary
Resolution 8)*

9. To consider and if thought fit, to pass the following as an ordinary resolution:

PROPOSED RENEWAL OF THE AUTHORITY FOR THE COMPANY TO PURCHASE UP TO TEN PERCENT (10%) OF ITS TOTAL NUMBER OF ISSUED SHARES (“PROPOSED SHARE BUY-BACK”)

“THAT, subject to the Companies Act, 2016, the Constitution of the Company, the Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”) for the ACE Market (“ACE LR”) and the approval of such relevant government and/or regulatory authorities where necessary, the Company be and is hereby authorised to purchase its own ordinary shares (“Shares”) on the ACE Market of Bursa Securities (“Proposed Share Buy-Back”) at any time, upon such terms and conditions as the Directors shall in their discretion deem fit and expedient in the best interest of the Company provided that:-

*(Ordinary
Resolution 9)*

- (a) The aggregate number of Shares in the Company which may be purchased and/or held by the Company shall not exceed ten percent (10%) of the prevailing total number of issued shares of the Company at the time of purchase and the compliance with the public shareholding spread requirements as stipulated in Rule 8.02(1) of the ACE LR or such other requirements as may be determined by Bursa Securities from time to time;
- (b) The maximum funds to be allocated by the Company for the purpose of purchasing the Shares shall not exceed the aggregate of the retained profit of the Company based on the latest Audited Financial Statements and/or the latest management accounts of the Company (where applicable) available at the time of purchase(s);
- (c) The authority conferred by this resolution will commence after the passing of this ordinary resolution and will continue to be in force until:-
 - (i) the conclusion of the next Annual General Meeting (“AGM”) at which time it shall lapse unless by ordinary resolution passed at the meeting, the authority is renewed, either unconditionally or subject to conditions; or
 - (ii) the expiration of the period within which the next AGM after that date is required by law to be held; or
 - (iii) revoked or varied by ordinary resolution passed by the shareholders of the Company in a general meeting;

whichever occurs first; and

- (d) Upon the purchase by the Company of its own Shares, the Board of Directors of the Company ("Board") be and is hereby authorised to:-
- (i) cancel all or part of the Shares purchased pursuant to the Proposed Share Buy-Back ("Purchased Shares"); and/or
 - (ii) retain all or part of the Purchased Shares as treasury shares; and/or
 - (iii) distribute the treasury shares as share dividends to the Company's shareholders for the time being; and/or
 - (iv) resell all or part of the treasury shares on Bursa Securities; and/or
 - (v) transfer all or part of the treasury shares for the purposes of or under an employees' share scheme; and/or
 - (vi) transfer all or part of the treasury shares as purchase consideration; and/or
 - (vii) sell, transfer or otherwise use the treasury shares for such other purposes as the Minister may by order prescribe.

AND THAT authority be and is hereby given to the Board to take all such steps as are necessary or expedient to implement, finalise and give full effect to the Proposed Share Buy-Back with full powers to assent to any conditions, modifications, revaluations, variations and/or amendments (if any) as may be required or imposed by the relevant authorities from time to time and to do all such acts and things as the Board may deem fit and expedient in the best interest of the Company."

10. To consider and if thought fit, to pass the following as an ordinary resolution:

RETENTION OF INDEPENDENT DIRECTOR

"That Dato' Tan Boon Leng who has served the Board for more than nine years be retained as Independent Non-Executive Director of the Company."

(Ordinary Resolution 10)

11. To transact any other business of which due notice shall have been given.

FURTHER NOTICE IS HEREBY GIVEN THAT for the purpose of determining a member who shall be entitled to attend this Eighteenth Annual General Meeting, the Company shall be requesting Bursa Malaysia Depository Sdn. Bhd. ("Bursa Depository") in accordance with Clause 71 of the Company's Constitution and Section 34 (1) of the Securities Industry (Central Depositories) Act 1991 to issue a General Meeting Record of Depositors as at 4 June 2019. Only a depositor whose name appears on the Record of Depositors as at 4 June 2019 shall be entitled to attend the said meeting or appoint proxy/proxies to attend and/or vote on his behalf.

By order of the Board

HO MUN YEE (MAICSA 0877877)
TAM FONG YING (MAICSA 7007857)
Company Secretaries

Kuala Lumpur
30 April 2019

NOTES:

1. *A proxy may but need not be a member of the Company.*
2. *A member shall be entitled to appoint not more than two (2) proxies to attend and vote at the same meeting. Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he specifies the proportions of his holdings to be represented by each proxy. If the appointor is a corporation, this form must be executed under its Common Seal or under the hand of its attorney.*
3. *The instrument appointing a proxy must be deposited at the Company's Registered Office at 3rd Floor, No. 17 Jalan Ipoh Kecil, 50350 Kuala Lumpur not less than 48 hours before the time appointed for holding the Meeting or any adjournment thereof.*

Notes:

- (i) The Audited Financial Statements are for discussion only as they do not require shareholders' approval pursuant to Section 340(1) of the Companies Act 2016. Hence this matter will not be put for voting.
- (ii) The Company is seeking shareholders' approval for the payment of Directors' Fees for the financial year ending 31 December 2019 because moving forward the company wishes to seek shareholders' approval on a prospective basis instead of a retrospective basis. A prospective basis provides a forward looking approach to setting the remuneration of Directors and is expected to be more meaningful in reflecting the ongoing contributions of Directors to the Board. The proposed Directors' Fees for the current Directors are as follows:

Category	RM (per Director, per annum)
Executive Director	102,600
Chairman of Audit Committee	102,600
Non-Executive Director	87,900

- (iii) The benefits payable to the Directors (excluding Directors' Fees) comprises meeting allowances. The estimated meeting allowances payable to the Directors from 1 January 2019 until the next Annual General Meeting are calculated based on the number of scheduled meetings for Board of Directors, Board Committees and general meetings of the Company.

EXPLANATORY NOTES ON SPECIAL BUSINESS

A. Authority pursuant to Sections 75 and 76 of the Companies Act 2016

The Ordinary Resolution, if passed, will give authority to the Directors of the Company, from the date of the above Annual General Meeting, to issue ordinary shares in the Company up to and not exceeding in total 10% of the issued capital of the Company at the time of issue. This authority, unless revoked or varied at a general meeting, will expire at the next Annual General Meeting.

Pursuant to the mandate granted to the Directors at the last Annual General Meeting held on 25 May 2018, the Company had issued 52,041,431 new ordinary shares at an issue price of RM1.25 per share to SBI Holdings Inc ("SBI"), via a private placement on 13 June 2018. The proceeds raised from the issue was RM65,051,788.75. The proceeds raised from the private placement are expected to be utilised by N2N and its subsidiaries for business alliances with SBI and its group of companies. N2N and SBI have been exploring various business alliance opportunities which may include acquisitions of strategic investments, strategic collaborations, joint ventures or alliances. However, discussions are still ongoing. Thus, the proceeds from the private placement have been deposited in an interest bearing 3.7% per annum pending its intended utilization.

The Renewed 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, acquisitions and/or such other applications that the Directors may in their absolute discretion deem fit.

B. Proposed Renewal of Authority To Buy-Back Shares

The Ordinary Resolution, if passed, will provide mandate for the Company to buy-back its own shares up to a limit of 10% of the prevailing total number of issued shares of the Company. Further explanatory notes on Ordinary Resolution 9 is set out in the Share Buy-Back Statement to Shareholders dated 30 April 2019 despatched together with the Annual Report.

C. Retention of Independent Director

The Board of Directors has vide the Nomination and Remuneration Committee conducted an assessment of independence on Dato' Tan Boon Leng who has served as an Independent Non-Executive Director for a cumulative term of more than nine years and recommended him to continue to act as an Independent Non-Executive Director based on the following justifications :

Justifications

- a) He has met the independence guidelines as set out in Chapter 1 of the Bursa Malaysia Securities Berhad ACE Market Listing Requirements and is therefore able to give independent opinion to the Board;
- b) Being director for more than nine years has enabled him to contribute positively during deliberations/discussions at meetings as he is familiar with the operations of the Company and possess knowledge of the Company's operations;
- c) He has contributed sufficient time and exercised due care during his tenure as an Independent Non-Executive Director;
- d) He has discharged his professional duties in good faith and also in the best interest of the Company and shareholders;
- e) He has the calibre, qualifications, experiences and personal qualities to challenge management in an effective and constructive manner; and
- f) He has never compromised on his independent judgement.

STATEMENT ACCOMPANYING THE NOTICE OF ANNUAL GENERAL MEETING

A. Further Details of the Directors who are standing for re-election as Directors

The details of the Directors who are standing for re-election at the Eighteenth Annual General Meeting are set out in the Directors' Profile of the Company's 2018 Annual Report. No individual other than the retiring Directors are seeking election as Directors at the Eighteenth Annual General Meeting.

The retiring Directors have been assessed by the Nomination and Remuneration Committee and the Board of Directors and are recommended for re-election at the Eighteenth Annual General Meeting.

B. Mandate for Issuance of Shares

Further details of the authority to Directors to issue ordinary shares in the Company pursuant to Sections 75 and 76 of the Companies Act, 2016 are as stated above in the Explanatory Notes on Special Business.



N2N CONNECT BERHAD

(523137-K)

(Incorporated in Malaysia)

PROXY FORM

CDS Account No. :		No. of Shares held :		Tel No :	
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I/We, _____
(Full name in Block Letters and NRIC/Passport/Company No.)

of _____
(Address)

being a member(s) of N2N CONNECT BERHAD, hereby appoint

Full Name (in Block Letters) and address	NRIC/Passport No.	% of Shareholding

or failing him/her

Full Name (in Block Letters) and address	NRIC/Passport No.	% of Shareholding

or failing him/her, the CHAIRMAN OF THE MEETING, as my/our proxy, to vote for me/us and on my/our behalf at the Eighteenth Annual General Meeting of the Company to be held at Wisma N2N, Level 9, Tower 2, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur on Wednesday, 12 June 2019 at 10:00 a.m. or at any adjournment thereof.

		FOR	AGAINST
Ordinary Resolution 1	Directors' fees for the year ended 31 December 2018		
Ordinary Resolution 2	Directors' fees for the year ending 31 December 2019		
Ordinary Resolution 3	Directors' benefits		
Ordinary Resolution 4	Re-election of Ms Elaine Foong Sooi Jade		
Ordinary Resolution 5	Re-election of Mr Masashi Shindo		
Ordinary Resolution 6	Re-election of En Fathi Ridzuan Bin Mohd Fauzi		
Ordinary Resolution 7	Re-appointment of Auditors		
Ordinary Resolution 8	Authority to issue shares pursuant to Sections 75 and 76		
Ordinary Resolution 9	Proposed Share Buy-Back		
Ordinary Resolution 10	Retention of Independent Director - Dato' Tan Boon Leng		

Subject to any voting instructions so given, the proxy will vote, or may abstain from voting on any resolution as he/she may think fit.

Signature(s)/Common Seal of Shareholder

Dated this _____ day of _____ 2019

NOTES

1. A proxy may but need not be a member of the Company.
2. A member shall be entitled to appoint not more than two (2) proxies to attend and vote at the same meeting. Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he specifies the proportions of his holdings to be represented by each proxy. If the appointor is a corporation, this form must be executed under its Common Seal or under the hand of its attorney.
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AFFIX
STAMP

The Company Secretary
N2N CONNECT BERHAD (523137-K)
3rd Floor
No. 17, Jalan Ipoh Kecil
50350 Kuala Lumpur

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