

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT an Extraordinary General Meeting ("EGM") of Asdion Berhad ("Asdion" or "Company") will be conducted via an online meeting platform at <https://bit.ly/36tN5Px> provided by HMC Corporate Services Sdn Bhd on Wednesday, 11 August 2021 at 10.00 a.m., for the purpose of considering and if thought fit, passing with or without modifications, the following resolutions:

ORDINARY RESOLUTION 1

PROPOSED SETTLEMENT OF DEBT OWING TO MILLION SAINT CREDIT SDN BHD ("MILLION SAINT") IN THE SUM OF RM2,650,355.50 TO BE FULLY SATISFIED THROUGH THE ISSUANCE OF 40,774,700 IRREDEEMABLE CONVERTIBLE PREFERENCE SHARES ("ICPS") AT AN ISSUE PRICE OF RM0.065 EACH ("PROPOSED DEBT SETTLEMENT WITH MILLION SAINT")

"THAT subject to the passing of the Special Resolution as well as the approvals of all relevant parties and/or authorities being obtained (where required), approval be and is hereby given to the Board of Directors of the Company (the "Board") for the following:

- (i) the issuance by Asdion of 40,774,700 ICPS to Million Saint at an issue price of RM0.065 per ICPS, as settlement of the amount totalling RM2,650,355.50 owing by Asdion and its subsidiaries ("Group") to Million Saint;
- (ii) to allot and issue such number of new ordinary shares in Asdion ("Conversion Shares") to Million Saint upon its conversion of the ICPS to Conversion Shares during the tenure of the ICPS;
- (iii) the Conversion Shares to be issued pursuant to the conversion of the ICPS shall be listed on the ACE Market of Bursa Malaysia Securities Berhad; and
- (iv) such Conversion Shares shall, upon issuance and allotment, rank equally in all respects with the then existing ordinary shares in Asdion, save and except that the Conversion Shares shall not be entitled to any dividends, rights, allotments and/or other distributions, the entitlement date of which is prior to the date of issuance and allotment of such Conversion Shares;

AND THAT the Board be and is hereby empowered and authorised to do all acts and things and execute all necessary documents as they may consider necessary or expedient in the best interest of the Company, with full power to assent to any conditions, variations, modifications and/or amendments in any manner as may be required or permitted by any relevant authorities in order to finalise, implement and/or give full effect to the Proposed Debt Settlement with Million Saint."

ORDINARY RESOLUTION 2

PROPOSED SETTLEMENT OF DEBT OWING TO ASAS MERDEKA SDN BHD ("ASAS MERDEKA") IN THE SUM OF RM728,008.19 TO BE FULLY SATISFIED THROUGH THE ISSUANCE OF 11,200,126 ICPS AT AN ISSUE PRICE OF RM0.065 EACH ("PROPOSED DEBT SETTLEMENT WITH ASAS MERDEKA")

"THAT subject to the passing of the Special Resolution as well as the approvals of all relevant parties and/or authorities being obtained (where required), approval be and is hereby given to the Board for the following:

- (i) the issuance by Asdion of 11,200,126 ICPS to Asas Merdeka at an issue price of RM0.065 per ICPS, as full settlement of the amounts totalling RM728,008.19 owing by the Group to Asas Merdeka;
- (ii) to allot and issue such number of Conversion Shares to Asas Merdeka upon its conversion of the ICPS to Conversion Shares during the tenure of the ICPS;
- (iii) the Conversion Shares to be issued pursuant to the conversion of the ICPS shall be listed on the ACE Market of Bursa Malaysia Securities Berhad; and
- (iv) such Conversion Shares shall, upon issuance and allotment, rank equally in all respects with the then existing ordinary shares in Asdion, save and except that the Conversion Shares shall not be entitled to any dividends, rights, allotments and/or other distributions, the entitlement date of which is prior to the date of issuance and allotment of such Conversion Shares;

AND THAT the Board be and is hereby empowered and authorised to do all acts and things and execute all necessary documents as they may consider necessary or expedient in the best interest of the Company, with full power to assent to any conditions, variations, modifications and/or amendments in any manner as may be required or permitted by any relevant authorities in order to finalise, implement and/or give full effect to the Proposed Debt Settlement with Asas Merdeka."

ORDINARY RESOLUTION 3

PROPOSED SETTLEMENT OF DEBT OWING TO NEXGRAM HOLDINGS BERHAD ("NEXGRAM") IN THE SUM OF RM513,754.15 TO BE FULLY SATISFIED THROUGH THE ISSUANCE OF 7,903,910 ICPS AT AN ISSUE PRICE OF RM0.065 EACH ("PROPOSED DEBT SETTLEMENT WITH NEXGRAM")

"THAT subject to the passing of the Special Resolution as well as the approvals of all relevant parties and/or authorities being obtained (where required), approval be and is hereby given to the Board for the following:

- (i) the issuance by Asdion of 7,903,910 ICPS to Nexgram at an issue price of RM0.065 per ICPS, as full settlement of the amounts totalling RM513,754.15 owing by the Group to Nexgram;
- (ii) to allot and issue such number of Conversion Shares to Nexgram upon its conversion of the ICPS to Conversion Shares during the tenure of the ICPS;
- (iii) the Conversion Shares to be issued pursuant to the conversion of the ICPS shall be listed on the ACE Market of Bursa Malaysia Securities Berhad; and
- (iv) such Conversion Shares shall, upon issuance and allotment, rank equally in all respects with the then existing ordinary shares in Asdion, save and except that the Conversion Shares shall not be entitled to any dividends, rights, allotments and/or other distributions, the entitlement date of which is prior to the date of issuance and allotment of such Conversion Shares;

AND THAT the Board be and is hereby empowered and authorised to do all acts and things and execute all necessary documents as they may consider necessary or expedient in the best interest of the Company, with full power to assent to any conditions, variations, modifications and/or amendments in any manner as may be required or permitted by any relevant authorities in order to finalise, implement and/or give full effect to the Proposed Debt Settlement with Nexgram."

ORDINARY RESOLUTION 4

PROPOSED PLACEMENT OF NOT MORE THAN 20% OF ASDION'S TOTAL NUMBER OF ISSUED SHARES ("SHARES") ("PLACEMENT SHARES") ("PROPOSED PLACEMENT")

"THAT subject to the approval of all relevant authorities and/or parties being obtained, where required, approval be and is hereby given to the Board to allot and issue up to 37,550,000 Placement Shares, representing not more than 20% of Asdion's total number of issued shares, to be implemented in one or more tranches within 6 months from the date of approval from Bursa Malaysia Securities Berhad ("Bursa Securities") for the Proposed Placement or any extended period as may be approved by Bursa Securities;

THAT approval be and is hereby given to the Board to determine the issue price of the Placement Shares at a later date after receipt of all relevant approvals for the Proposed Placement and the issue price of the Placement Shares shall be priced at not more than 10% discount to the 5-day volume weighted average market price of the Shares immediately preceding the price fixing date;

THAT the Board be and is hereby authorised to utilise the proceeds of the Proposed Placement for such purposes and in such manner as set out in the circular to shareholders of the Company dated 16 July 2021 ("Circular") and the Board be and is hereby authorised with full powers to vary the manner and/or purpose of utilisation of such proceeds in such manner as the Board may deem fit, necessary and/or expedient subject to the approval of the relevant authorities, where required, and in the best interest of the Company;

THAT such Placement Shares shall, upon allotment and issuance, rank equally in all respects with the existing issued Shares, except that the holders of the Placement Shares will not be entitled to any dividends, rights, allotments and/or other distributions that may be declared, made or paid to the shareholders of the Company, the entitlement date of which is prior to the date of allotment and issuance of the Placement Shares;

THAT the Board be and is hereby empowered and authorised to do all acts, deeds and things and to execute, sign, deliver and cause to be delivered on behalf of the Company all such documents and/or arrangement as may be necessary to give effect and complete the Proposed Placement and to assent to any conditions, modifications, variations and/or amendments in any manner as may be required by the relevant authorities or as the Board may deem necessary in the best interest of the Company and to take such steps as they may deem necessary or expedient in order to implement, finalise and give full effect and to complete the Proposed Placement;

AND THAT this resolution constitutes a specific approval for the issuance of securities in the Company contemplated herein and shall continue in full force and effect until all Placement Shares to be issued pursuant to or in connection with the Proposed Placement have been duly allotted and issued in accordance with the terms of the Proposed Placement."

SPECIAL RESOLUTION

PROPOSED AMENDMENTS TO THE CONSTITUTION OF THE COMPANY ("PROPOSED AMENDMENTS")

"THAT subject to the passing of either or all of the Ordinary Resolution 1, Ordinary Resolution 2 and Ordinary Resolution 3 as well as all approvals and consents being obtained from all relevant authorities and/or parties (where applicable), approval be and is hereby given for the Company to amend its Constitution by inserting a new Clause 8A to reflect and incorporate the terms of the ICPS, of which the salient terms are as set out in Appendix II of the Circular;

AND THAT the Board be and is hereby authorised to approve, sign and execute all documents, do all things and acts as the Board may consider necessary or expedient to implement, finalise and give full effect to the Proposed Amendments in the best interest of the Company with full power to assent to any conditions, variations, modifications and/or amendments in any manner as may be required by any relevant authorities, the relevant and applicable laws or deemed necessary or desirable by the Board."

INFORMATION ON CONDITIONAL VOLUNTARY GENERAL OFFER

On 11 March 2021, the Board received a notice of conditional voluntary take-over offer from AT Engineering Solution Sdn Bhd ("Offeror"), a wholly-owned subsidiary of AT Systematization Berhad (as the ultimate offeror), in accordance with Paragraph 9.10(1)(b)(i) of the Rules on Take-overs, Mergers and Compulsory Acquisitions ("Rules"), wherein the Board was notified of the Offeror's intention to undertake a conditional voluntary take-over offer to acquire all the ordinary shares in the Company which are not held by the Offeror ("Offer Shares") for a cash offer price of RM0.50 per Offer Share ("Offer").

On 27 April 2021, the Board informed the Offeror that the Company intends to proceed with obtaining its shareholders' approval for the Proposed Debt Settlement and Proposed Placement. On 28 April 2021, the Offeror replied to the Board that if the Company's shareholders approve either the Proposed Debt Settlement and/or the Proposed Placement, the Offeror will make an application to the Securities Commission Malaysia ("SC") for its consent to withdraw the Offer. The Company's shareholders' approval for the Proposed Debt Settlement and/or the Proposed Placement will not automatically result in the Offer being withdrawn by the Offeror. Pursuant to Note 9 of paragraph 16.01 of the Rules however, the SC may allow the Offeror to withdraw the Offer if the Company's shareholders' approval for either the Proposed Debt Settlement and/or the Proposed Placement is obtained at the EGM prior to the posting of the offer document in relation to the Offer. The Board is unable to determine the expected posting date of the offer document in relation to the Offer as it may depend on the outcome of the shareholders' approval for either the Proposed Debt Settlement and/or the Proposed Placement.

In summary:

(A) The Offeror has indicated that it will make an application to the SC for its consent to withdraw the Offer, if the shareholders of the Company:

- (i) approve the Proposed Debt Settlement but do not approve the Proposed Placement; or
- (ii) approve the Proposed Placement but do not approve the Proposed Debt Settlement; or
- (iii) approve both the Proposed Debt Settlement and the Proposed Placement.

(B) The Offer will proceed in accordance with the Rules, if the shareholders of the Company do not approve both the Proposed Debt Settlement and the Proposed Placement.

(C) The offer price of RM0.50 per Offer Share is at a premium of RM0.215 (or 75.4%) to the closing market price of the Shares of RM0.285 on 14 July 2021. If both the Proposed Debt Settlement and the Proposed Placement are not approved by the shareholders, it is likely that the Offer Document will be despatched to the shareholders upon SC's notification that they have no further comments on the Offer Document. However, the certainty of shareholders receiving RM0.50 per Offer Share if they accept the Offer is dependent on whether the Offeror would be able to achieve the acceptance condition (i.e. the Offeror holding more than 50% of the voting shares of the Company).

The outcome of the Offer is not expected to have any implications on the Proposed Debt Settlement with Million Saint, the Proposed Debt Settlement with Asas Merdeka, the Proposed Debt Settlement with Nexgram, the Proposed Placement and the Proposed Amendments, all of which are not inter-conditional with the Offer.

By Order of the Board

WONG YOUN KIM (MAICSA 7018778)
SSM PRACTISING CERTIFICATE NO. 201908000410
Company Secretary

Kuala Lumpur
Date: 16 July 2021

Notes:

1. In respect of deposited securities, only members whose names appear in the Record of Depositors on 4 August 2021 (General Meeting Record of Depositors) shall be eligible to attend, speak and vote at this meeting.
2. A member shall be entitled to appoint not more than two (2) proxies to attend, speak and vote at this meeting. A proxy may but need not be a member of the Company.
3. Where a member appoints two (2) proxies, the member shall specify the proportions of his/her shareholdings to be represented by each proxy failing which, the appointment shall be invalid.
4. Where a member 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.
5. To be valid, the original proxy form, duly completed must be deposited at the Registered Office of the Company at Level 2, Tower 1, Avenue 5, Bangsar South City, 59200 Kuala Lumpur less than twenty-four (24) hours before the time appointed for holding the meeting or at any adjournment thereof. In view of the National Recovery Plan, you may email your Form of Proxy to office36support@hmc.my.
6. If the appointor is a corporation the proxy form must be executed under its common seal or under the hand of an officer or attorney duly authorised.
7. By submitting the duly executed proxy form, the member and his/her proxy consent to the Company (and/or its agents/service providers) collecting, processing, using and disclosing the personal data therein in accordance with the Personal Data Protection Act 2010 for the purpose of this meeting and at any adjournment thereof.