

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT an Extraordinary General Meeting of Yi-Lai Berhad ("Yi-Lai" or the "Company") ("EGM") will be held and conducted by way of virtual meeting entirely through live streaming via Remote Participation and Voting ("RPV") facilities from the broadcast venue at 1st Floor, Meeting Room, Lot 8, Jalan 51A/241, Seksyen 51A, 46100 Petaling Jaya, Selangor ("Broadcast Venue"), on Friday, 30 October 2020 at 10.00 a.m., or at any adjournment thereof, for the purpose of transacting the following businesses:-

ORDINARY RESOLUTION 1

PROPOSED DIVERSIFICATION OF THE EXISTING PRINCIPAL ACTIVITIES OF YI-LAI AND ITS SUBSIDIARIES ("YI-LAI GROUP") TO INCLUDE THE PROVISION OF INFORMATION TECHNOLOGY SOLUTIONS ("IT SOLUTIONS")

"THAT, subject to the approvals of the relevant authorities and/ or parties being obtained, approval be and is hereby given to Yi-Lai Group to diversify into the provision of IT Solutions as described in the Circular to the shareholders dated 15 October 2020 ("Circular");

AND THAT the Directors of the Company be and are hereby authorised to take all steps as are necessary or expedient to implement or to give effect to the Proposed Diversification with full powers to amend and/ or assent to any conditions, modifications, variations or amendments (if any) as may be imposed by the relevant governmental/regulatory authorities from time to time and with full power to do all such acts and things thereafter in accordance with the Companies Act 2016, the provisions of the Company's Constitution and the requirements of the Bursa Securities and all other relevant governmental/ regulatory authorities."

ORDINARY RESOLUTION 2

PROPOSED ESTABLISHMENT OF AN EMPLOYEES' SHARE OPTION SCHEME ("ESOS") OF UP TO 15% OF THE TOTAL NUMBER OF ISSUED SHARES OF YI-LAI (EXCLUDING TREASURY SHARES, IF ANY) AT ANY POINT IN TIME OVER THE DURATION OF THE ESOS ("PROPOSED ESOS")

"THAT subject to the approvals of all relevant regulatory authorities and/ or parties being obtained, including the approval of Bursa Malaysia Securities Berhad ("Bursa Securities") for the listing of and quotation for the new Yi-Lai Shares to be issued arising from the exercise of the options granted under the Proposed ESOS ("ESOS Option(s)"), approval be and is hereby given for the Board to:-

- i. establish, implement and administer the Proposed ESOS in accordance with the bylaws of the Proposed ESOS ("Bylaws"), a draft of which is set out in **Appendix I** of the Circular, to approve and adopt the Bylaws and to give effect to the Proposed ESOS with full power to assent to any conditions, variations, modifications and/ or amendments as may be required by the relevant authorities;
- ii. make the necessary applications and do all things necessary at the appropriate time or times to Bursa Securities for the listing of and quotation for the new Yi-Lai Shares, which may from time to time be allotted and issued arising from the exercise of the ESOS Options;
- iii. allot and issue such number of new Yi-Lai Shares from time to time as may be required arising from the exercise of the ESOS Options, **PROVIDED THAT** the total number of new Yi-Lai Shares, which may be made available under the Proposed ESOS, shall not in aggregate exceed 15% of the total number of issued shares of the Company (excluding treasury shares) at any point in time during the duration of the Proposed ESOS **AND THAT** the new Yi-Lai Shares to be allotted and issued upon the exercise of the ESOS Options will, upon allotment, issuance and full payment, rank equally in all respects with the existing Yi-Lai Shares, save and except that the new Yi-Lai Shares will not be entitled to any dividends, rights, allotments and/ or any other forms of distributions declared, made or paid to shareholders where the entitlement date of such distributions precedes the relevant date of allotment and issuance of the new Yi-Lai Shares. The new Yi-Lai Shares allotted will be subject to all provisions in the Constitution of the Company and Main Market Listing Requirements of Bursa Securities ("Listing Requirements"), if any;
- iv. modify and/ or amend the Proposed ESOS and/ or the Bylaws from time to time provided that such modifications and/ or amendments are permitted and effected in accordance with the provisions of the Bylaws relating to modifications and/ or amendments; and
- v. do all such acts and things, take such steps, execute all such documents and enter into all such arrangements, agreements, deeds and/ or undertakings with any party(ies) as they may deem fit, necessary, expedient and/ or appropriate in order to finalise, implement and/ or give full effect to the Proposed ESOS and terms of the Bylaws with full power to assent to any terms, conditions, modifications, variations and/ or amendments as may be agreed to or required by any relevant authorities or as a consequence of any such requirement as may be deemed necessary and/ or expedient and in the best interest of the Company."

ORDINARY RESOLUTIONS 3 TO 7

PROPOSED ALLOCATION OF ESOS OPTIONS TO THE DIRECTORS OF YI-LAI

"THAT, subject to the passing of the Ordinary Resolution 2 and the approvals of the relevant authorities for the Proposed ESOS, including the approval from Bursa Securities for the listing and quotation for the Yi-Lai Shares to be issued arising from the exercise of the ESOS Options, having been obtained, approval be and is hereby given to the Board to authorise the ESOS Committee, at any time and from time to time throughout the duration of the Proposed ESOS, to offer and grant to the following Directors, ESOS Options to subscribe for Yi-Lai Shares under the Proposed ESOS:-

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|---------------------------|-----------------------|
| i. Dato' Wong Gian Kui | Ordinary Resolution 3 |
| ii. Au Yee Boon | Ordinary Resolution 4 |
| iii. Tan Jian Hong, Aaron | Ordinary Resolution 5 |
| iv. Wendy Kang Hui Lin | Ordinary Resolution 6 |
| v. Lee Boon Siong | Ordinary Resolution 7 |

Provided always that:-

- i. he/ she must not participate in the deliberation or discussion of his/ her own allocation;
- ii. the allocation to him/ her, who either singly or collectively, through person(s) connected to him/ her, holds 20% or more of the total number of issued shares of Yi-Lai (excluding treasury shares), must not exceed 10% of the total number of Yi-Lai Shares to be issued under the Proposed ESOS; and
- iii. subject always to such terms and conditions and/ or any adjustments which may be made in accordance with the provisions of the Bylaws, the Listing Requirements, or any prevailing guidelines issued by Bursa Securities or any other relevant authority, as amended from time to time.

AND THAT the Board is also authorised to allot and issue the corresponding number of new Yi-Lai Shares arising from the exercise of the ESOS Options that may be granted to him under the Proposed ESOS."

By Order of the Board
YI-LAI BERHAD

TAN TONG LANG (MAICSA 7045482)(SSM PC No.: 201908002253)
Company Secretary
Kuala Lumpur
15 October 2020

Notes:-

Participation and Appointment of Proxy

1. The EGM of the Company will be held as a virtual meeting through live streaming and online remote voting using the RPV facilities via Vote2U at <https://web.vote2u.app>. Please refer to the Administrative Guide for the procedures to register, participate and vote remotely at the EGM through the RPV facilities.
2. A member of the Company entitled to participate, speak and vote at the meeting is entitled to appoint not more than two (2) proxies to participate, speak and vote in his/ her stead. A proxy need not be a member of the Company. There shall be no restriction as to the qualification of the proxy.
3. Where a member of the Company is an 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 authorized nominee may appoint in respect of each Omnibus Account it holds.
4. Where a member or authorized nominee appoints two (2) proxies, or when an exempt authorized nominee appoints two (2) or more proxies, the appointments shall be invalid unless he specifies the proportions of his holdings to be represented by each proxy.
5. The instrument appointing a proxy shall be in writing under the hand of the appointor or his/ her attorney duly authorised in writing or, if the appointor is a corporation, either under its common seal or the hand of an office or attorney duly authorised.
6. The form of proxy must be deposited at the registered office of Yi-Lai's Share Registrar at Suite 10.02, Level 10, The Gardens South Tower, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur, Wilayah Persekutuan not less than 48 hours before the time appointed for the holding of the meeting or any adjournment thereof.
7. Only members registered in the Record of Depositors as at 23 October 2020 shall be eligible to participate, speak and vote at the meeting or appoint a proxy to participate, speak and/ or vote on his/ her behalf.

Personal data privacy:

By submitting an instrument appointing a proxy(ies) and/ or representative(s) to participate, speak and vote at the EGM and/ or any adjournment thereof, a member of the Company (i) 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 EGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the EGM (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"), (ii) 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 (iii) 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