

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in any doubt as to the course of action to be taken, you should consult your stockbroker, bank manager, solicitor, accountant or other professional advisers immediately.

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This Circular has been reviewed and approved by TA Securities Holdings Berhad as the Adviser to Nexgram Holdings Berhad for the Proposed Share Capital Reduction (as defined herein).



NEXGRAM HOLDINGS BERHAD

(Registration No. 200401021550 (660055-H))

(Incorporated in Malaysia)

CIRCULAR TO SHAREHOLDERS

IN RELATION TO THE

PROPOSED REDUCTION OF THE ISSUED SHARE CAPITAL OF NEXGRAM HOLDINGS BERHAD PURSUANT TO SECTION 117 OF THE COMPANIES ACT 2016

AND

NOTICE OF EXTRAORDINARY GENERAL MEETING

Adviser

TA SECURITIES

AN UNWAVERING COMMITMENT

TA SECURITIES HOLDINGS BERHAD (14948-M)

(A Participating Organisation of Bursa Malaysia Securities Berhad)

The Notice of Extraordinary General Meeting (“EGM”) of Nexgram to be held at Dewan Perdana, Bukit Kiara Equestrian & Country Resort, Jalan Bukit Kiara, Off Jalan Damansara, 60000 Kuala Lumpur on Wednesday, 21 April 2021 at 10.30 a.m. together with the accompanying Form of Proxy are enclosed in this Circular.

A member entitled to attend and vote at the EGM is entitled to appoint a proxy/proxies to attend and vote on his/her behalf. The Form of Proxy must be deposited at the Share Registrar of the Company at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur not less than 24 hours before the time set for holding the EGM. The lodging of the Form of Proxy will not preclude you from attending and voting in person at the EGM if you subsequently wish to do so.

Last date and time for lodging the Proxy Form : Tuesday, 20 April 2021 at 10.30 a.m.

Date and time of the EGM : Wednesday, 21 April 2021 at 10.30 a.m.

This Circular is dated 30 March 2021

DEFINITIONS

Except where the context otherwise requires, the following definitions shall apply throughout this Circular and the accompanying appendices:

COMPANIES:

“Blue Hill”	:	Blue Hill Development Sdn Bhd
“Bursa Securities”	:	Bursa Malaysia Securities Berhad
“Coconut Three”	:	Coconut Three Sdn Bhd
“Nexgram” or “Company”	:	Nexgram Holding Berhad
“Nexgram Group” or “Group”	:	Nexgram and our subsidiaries, collectively
“TA Securities”	:	TA Securities Holdings Berhad

GENERAL:

“3M-FPE”	:	3-month financial period ended 31 October
“Act”	:	Companies Act 2016, as amended from time to time
“Announcement”	:	Announcement of the Proposed Share Capital Reduction dated 3 March 2021
“Board”	:	Board of Directors of our Company
“Circular”	:	This circular to shareholders dated 30 March 2021 in relation to the Proposed Share Capital Reduction
“Director”	:	A natural person who holds a directorship in our Company, whether in an executive or non-executive capacity, and shall have the meaning given in Section 2(1) of the Act and Section 2(1) of the Capital Markets and Services Act 2007
“EGM”	:	Extraordinary general meeting
“EPS”	:	Earnings per share
“FYE”	:	Financial year ended/ending 31 July, as the case may be
“ICPS”	:	1,675,466,465 outstanding irredeemable convertible preference shares as at the LPD in Nexgram issued at RM0.01 each, which is expiring on 4 December 2024
“LAT”	:	Loss after taxation attributable to the owners of the Company
“LBT”	:	Loss before taxation
“Listing Requirements”	:	ACE Market Listing Requirements of Bursa Securities
“LPD”	:	2 March 2021, being the latest practicable date prior to the printing of this Circular
“LPS”	:	Loss per share
“NA”	:	Net assets attributable to the ordinary equity holders of the Company
“Nexgram Shares” or “Shares”	:	Ordinary shares in our Company
“PAT”	:	Profit after taxation attributable to the owners of the Company
“PBT”	:	Profit before taxation
“Proposed Share Capital Reduction”	:	Proposed reduction of the issued share capital of Nexgram pursuant to Section 117 of the Act
“RCPS”	:	Redeemable convertible preference shares
“RM” and “sen”	:	Ringgit Malaysia and sen, respectively
“Share Registrar”	:	Tricor Investor & Issuing House Services Sdn Bhd

DEFINITIONS (Cont'd)

“Warrants A 2012/2022”	:	335,382,607 warrants A 2012/2022 granted and outstanding as at the LPD and are exercisable into 335,382,607 new Nexgram Shares at an exercise price of RM0.10 each, which are expiring on 16 May 2022
“Warrants B 2013/2023”		159,999,752 warrants B 2013/2023 granted and outstanding as at the LPD and are exercisable into 159,999,752 new Nexgram Shares at an exercise price of RM0.26 each, which are expiring on 22 July 2023
“Warrants C 2014/2024”		281,684,356 warrants C 2014/2024 granted and outstanding as at the LPD and are exercisable into 281,684,356 new Nexgram Shares at an exercise price of RM0.10 each, which are expiring on 15 January 2024

All references to “our Company” in this Circular are to Nexgram, references to “our Group” are to our Company and our subsidiaries. All references to “we”, “us”, “our” and “ourselves” are to our Company, or where the context requires, our Group. All references to “you” in this Circular are references to the shareholders of our Company.

Words incorporating the singular shall, where applicable, include the plural and vice versa and words incorporating the masculine gender shall, where applicable, include the feminine and neuter genders and vice versa.

Reference to persons shall include a corporation, unless otherwise specified. Any reference in this Circular to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any reference to a time of day in this Circular shall be a reference to Malaysian time, unless otherwise specified.

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NOTICE OF EGM **ENCLOSED****ADMINISTRATIVE GUIDE** **ENCLOSED****FORM OF PROXY** **ENCLOSED**



NEXGRAM HOLDINGS BERHAD
(Registration No. 200401021550 (660055-H))
(Incorporated in Malaysia)

Registered Office:

Level 2, Tower 1, Avenue 5
Bangsar South City
59200 Kuala Lumpur

30 March 2021

Board of Directors

Dato' Sri Rusli Bin Ahmad (*Independent Non-Executive Chairman*)
Dato' Yek Siew Lee (*Managing Director*)
Haji Mazru Bin Mat Yusof (*Executive Director*)
Ong Tian Soon (*Independent Non-Executive Director*)
Zaharin Bin Ahmad Zamani (*Independent Non-Executive Director*)
Fu Lit Fung (*Non-Independent Non-Executive Director*)

To: Our Shareholders

Dear Sir/Madam,

PROPOSED SHARE CAPITAL REDUCTION OF NEXGRAM PURSUANT TO SECTION 117 OF THE ACT

1. INTRODUCTION

On 3 March 2021, TA Securities announced on behalf of our Board that we propose to undertake the Proposed Share Capital Reduction.

Further details of the Proposed Share Capital Reduction are set out in Section 2 below.

THE PURPOSE OF THIS CIRCULAR IS TO PROVIDE YOU WITH THE RELEVANT INFORMATION OF THE PROPOSED SHARE CAPITAL REDUCTION, TO SET OUT OUR BOARD'S RECOMMENDATION ON THE PROPOSED SHARE CAPITAL REDUCTION AND TO SEEK YOUR APPROVAL FOR THE RESOLUTION PERTAINING TO THE PROPOSED SHARE CAPITAL REDUCTION TO BE TABLED AT OUR FORTHCOMING EGM. THE NOTICE OF EGM TOGETHER WITH THE FORM OF PROXY ARE ENCLOSED IN THIS CIRCULAR.

YOU ARE ADVISED TO READ AND CONSIDER THE CONTENTS OF THIS CIRCULAR TOGETHER WITH THE APPENDICES CONTAINED HEREIN CAREFULLY BEFORE VOTING ON THE RESOLUTION PERTAINING TO THE PROPOSED SHARE CAPITAL REDUCTION TO BE TABLED AT OUR FORTHCOMING EGM.

2. DETAILS OF THE PROPOSED SHARE CAPITAL REDUCTION

The Proposed Share Capital Reduction entails the reduction of RM142,600,000 of our issued share capital pursuant to Section 117 of the Act. The corresponding credit of RM142,600,000 arising from such cancellation will be utilised to offset against the accumulated losses of our Company.

As at the LPD, the issued share capital of our Company was RM230,874,587.65 comprising 2,741,204,480 Nexgram Shares (including 2,430,000 treasury shares) and 1,675,466,465 ICPS expiring on 4 December 2024.

For illustration purpose, the Proposed Share Capital Reduction will have the following effects:

	(Audited)		(Unaudited)	
	As at 31 July 2020		As at 31 October 2020	
	Company level	Group level	Company level	Group level
	RM	RM	RM	RM
Accumulated losses	(142,669,670)	(138,228,210)	(142,803,044)	(140,893,108)
Add: Credit arising from the Proposed Share Capital Reduction	142,600,000	142,600,000	142,600,000	142,600,000
Less: Estimated expenses for the Proposed Share Capital Reduction	(125,000)	(125,000)	(125,000)	(125,000)
Resultant (accumulated losses) / retained earnings	(194,670)	4,246,790	(328,044)	1,581,892

The summary and commentaries of the financial information of our Group for the past 3 financial years and 3M-FPE 2020 are set out in **Appendix I** of this Circular.

Subject to and subsequent to the approval of the Proposed Share Capital Reduction by the shareholders of the Company at the forthcoming EGM, the Proposed Share Capital Reduction will be effective when the Registrar of Companies has recorded the information lodged in the appropriate register in accordance with Section 119 of the Act.

For the avoidance of doubt, the Proposed Share Capital Reduction will not result in any adjustment to the market price nor to the number of Nexgram Shares, ICPS, Warrants A 2012/2022, Warrants B 2013/2023 and Warrants C 2014/2024 held by our shareholders.

3. RATIONALE FOR THE PROPOSED SHARE CAPITAL REDUCTION

The Proposed Share Capital Reduction will enable our Company to reduce its accumulated losses via cancellation of the share capital which is lost or unrepresented by available assets of our Company. The Proposed Share Capital Reduction may also enhance our Group's credibility with our customers, suppliers and investors.

4. EFFECTS OF THE PROPOSED SHARE CAPITAL REDUCTION

4.1 EPS

The Proposed Share Capital Reduction will not have any material effect on the earnings and EPS of our Company for the FYE 2021.

4.2 Share Capital

The pro forma effects of the Proposed Share Capital Reduction on our Company's share capital are as follows:

	No. of Shares	RM
As at the LPD (including treasury shares)	2,741,204,480	230,874,588
Reduction of issued share capital pursuant to the Proposed Share Capital Reduction	-	(142,600,000)
After the Proposed Share Capital Reduction	2,741,204,480	88,274,588

4.3 NA and gearing

The pro forma effects of the Proposed Share Capital Reduction on the NA and gearing of Nexgram Group (assuming the Proposed Share Capital Reduction is effective from 31 July 2020) are illustrated below:

	(Audited) As at 31 July 2020 RM	(I) After subsequent events up to the LPD RM	(II) After (I) and Proposed Share Capital Reduction RM
Share capital	206,519,923	214,119,923 ⁽¹⁾	71,519,923
Warrants reserve	6,281,395	6,281,395	6,281,395
Fair value reserve	(3,944,998)	(3,944,998)	(3,944,998)
Revaluation reserve	558,701	558,701	558,701
Treasury shares	(245,000)	(245,000)	(245,000)
Translation reserves	(4,315,179)	(4,315,179)	(4,315,179)
ICPS	20,554,665	16,754,665 ⁽¹⁾	16,754,665
RCPS	2,040,000	21,540,000 ⁽²⁾	21,540,000
Accumulated losses	(138,228,210)	(138,228,210)	4,246,790 ⁽³⁾
Shareholders' funds / NA	89,221,297	112,521,297	112,396,297
No. of Shares in issue (excluding treasury shares)	2,359,474,480	2,738,774,480	2,738,774,480
NA per Share (sen)	3.78	4.11	4.10
Total borrowings (RM)	12,579,401	12,579,401	12,579,401
Gearing (times)	0.14	0.11	0.11

Notes:

- (1) After accounting for the conversion of 380,000,000 ICPS into 380,000,000 Shares at RM0.02 each between 17 August 2020 and the LPD.
- (2) RCPS consisting the following:
 - (i) 25,500 RCPS allotted on 28 April 2020 by a wholly-owned subsidiary of Nexgram, Nexgram Industries Sdn Bhd, at an issue price of RM80.00 each for the acquisition of a subsidiary, Tri-G Technologies Sdn Bhd, on the basis of 1 RCPS for 1 ordinary share of Nexgram Industries Sdn Bhd; and
 - (ii) 1,000,000 RCPS allotted on 13 October 2020 by a 65% owned subsidiary of Nexgram, NMED Industries Sdn Bhd, at an issue price of RM19.50 each for the acquisition of a subsidiary, Arita Holdings Sdn Bhd, on the basis of 1 RCPS for 1 ordinary share of NMED Industries Sdn Bhd.
- (3) After deducting estimated expenses of RM125,000 in relation to the Proposed Share Capital Reduction.

4.4 Substantial shareholders' shareholdings

The Proposed Share Capital Reduction will not have any effect on the substantial shareholders' shareholdings in our Company.

4.5 Convertible securities

Save for the ICPS, Warrants A 2012/2022, Warrants B 2013/2023 and Warrants C 2014/2024, our Company does not have any other existing convertible securities as at the LPD.

The Proposed Share Capital Reduction will not result in any adjustment to the conversion or exercise prices and numbers of ICPS, Warrants A 2012/2022, Warrants B 2013/2023 and Warrants C 2014/2024.

5. HISTORICAL SHARE PRICES

The monthly highest and lowest transacted prices of Nexgram Shares for the past 12 months are as follows:

	Highest (RM)	Lowest (RM)
<u>2020</u>		
March	0.015	0.005
April	0.020	0.005
May	0.015	0.010
June	0.035	0.010
July	0.070	0.020
August	0.080	0.045
September	0.060	0.035
October	0.050	0.030
November	0.070	0.030
December	0.065	0.045
<u>2021</u>		
January	0.050	0.040
February	0.065	0.040

The last transacted market price of Nexgram Shares on 2 March 2021 (being the LPD and the last trading date prior to the Announcement) was RM0.045 per Nexgram Share.

(Source: Bloomberg)

6. APPROVALS REQUIRED

The Proposed Share Capital Reduction is subject to and conditional upon the approval of our shareholders at our forthcoming EGM.

7. CONDITIONALITY OF THE PROPOSED SHARE CAPITAL REDUCTION

The Proposed Share Capital Reduction is not conditional upon any other corporate exercise of the Company.

There is no other corporate exercise which has been announced but not yet completed prior to the printing of this Circular.

8. INTERESTS OF DIRECTORS, MAJOR SHAREHOLDERS, CHIEF EXECUTIVE AND/OR PERSONS CONNECTED WITH THEM

None of our Directors, major shareholders, chief executive and/or persons connected with them has any interest, direct and indirect, in the Proposed Share Capital Reduction.

9. DIRECTORS' STATEMENT AND RECOMMENDATION

Our Board, after having considered all aspects of the Proposed Share Capital Reduction including but not limited to the rationale and effects of the Proposed Share Capital Reduction, is of the opinion that the Proposed Share Capital Reduction is in the best interest of our Company and accordingly recommends that you to vote **IN FAVOUR** of the resolution in respect of the Proposed Share Capital Reduction to be tabled at our forthcoming EGM.

10. ESTIMATED TIME FRAME FOR COMPLETION

Barring any unforeseen circumstances, our Board expects the Proposed Share Capital Reduction to be completed in the 2nd quarter of 2021.

The indicative timetable of events in relation to the Proposed Share Capital Reduction is set out below:

Tentative dates	Events
21 April 2021	• EGM
Early May 2021	• Lodgement of documents with the Registrar of Companies for the Proposed Share Capital Reduction
June 2021	• Effective date of the Proposed Share Capital Reduction

11. EGM

Our EGM, the notice of which is set out in this Circular, will be held at Dewan Perdana, Bukit Kiara Equestrian & Country Resort, Jalan Bukit Kiara, Off Jalan Damansara, 60000 Kuala Lumpur on Wednesday, 21 April 2021 at 10.30 a.m., for the purpose of considering and if thought fit, passing with or without modifications, the resolution to give effect to the Proposed Share Capital Reduction.

If you are unable to attend and vote in person at the EGM, you should complete, sign and return the enclosed Form of Proxy in accordance with the instructions provided thereon so as to arrive at our Share Registrar's office at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur Registered Office at Level 2, Tower 1, Avenue 5, Bangsar South City, 59200 Kuala Lumpur not less than 24 hours before the time set for holding the EGM or any adjournment thereof.

The lodging of the Form of Proxy will not, however, preclude you from attending our EGM and voting in person should you subsequently wish to do so.

12. FURTHER INFORMATION

You are advised to refer to the Appendices set out in this Circular for further information.

Yours faithfully,
For and on behalf of our Board
NEXGRAM HOLDINGS BERHAD

DATO' YEK SIEW LEE
Managing Director

HISTORICAL FINANCIAL INFORMATION OF OUR GROUP

The summary of the financial information of our Group for the past 3 audited FYEs 2018 to 2020 and 3M-FPEs 2019 and 2020 is as follows:

	(Audited)			(Unaudited)	
	FYE 2018 (RM'000)	FYE 2019 (RM'000)	FYE 2020 (RM'000)	3M-FPE 2019 (RM'000)	3M-FPE 2020 (RM'000)
Revenue	45,636	58,056	41,142	12,003	12,946
(LBT) / PBT	(61,270)	(19,328)	(63,320)	477	(2,838)
(LAT) / PAT	(61,581)	(21,010)	(61,891)	67	(2,665)
Shareholders' funds / NA	144,935	125,214	89,221	125,427	108,879
Share capital	98,051	200,720	206,520	200,720	212,520
Weighted average number of Shares in issue ('000)	1,896,877	2,053,145	2,084,657	2,071,204	2,230,081
No. of Shares in issue (including treasury shares) ('000)	1,949,134	2,071,204	2,361,204	2,071,204	2,661,204
NA per Share (sen) (LPS) / EPS (sen)*	7.64 (3.25)	6.10 (1.02)	4.28 (2.97)	6.06 <i>Negligible</i>	4.88 (0.12)
Current assets	33,418	114,586	51,355	114,468	113,486
Current liabilities	44,637	99,186	24,926	98,882	83,861
Current ratio	0.75	1.16	2.06	1.16	1.35
Total borrowings (RM)	60,190	59,001	12,579	58,952	68,110
Gearing (times)	0.42	0.47	0.14	0.47	0.63

Note:

* Based on the weighted average number of Nexgram Shares.

(i) 3M-FPE 2020 vs 3M-FPE 2019

Our Group's revenue for the 3M-FPE 2020 increased by 7.85% or RM0.95 million to RM12.95 million (3M-FPE 2019: RM12.00 million) mainly due to:

- (a) revenue contribution from our new division (i.e. healthcare), which started its operations in May 2020, of RM5.14 million (3M-FPE 2019: RM Nil) is mainly attributable to the revenue contribution from providing COVID-19-related services and distribution of COVID-19 test kits. The division is involved in the dealing of medical equipment and related products or services including sales and distribution of pharmaceutical products and medical instruments; and
- (b) partially off-set by the decrease in revenue from our Group's logistics division to RM1.86 million (3M-FPE 2019: RM4.88 million) due to lower demand for our dry bulk cargo services project in Batu Pahat, Johor.

Our Group recorded a LAT of RM2.67 million in the 3M-FPE 2020 (3M-FPE 2019: PAT of RM0.05 million) mainly due to the loss from operations of RM2.27 million (3M-FPE 2019: profit from operations of RM1.34 million) as our Group incurred costs from our new division (i.e. healthcare) of RM4.81 million from the purchase of COVID-19 test kits coupled with lower revenue contribution from our logistics division and information and communication technology ("ICT") division (i.e. security and video surveillance equipment).

HISTORICAL FINANCIAL INFORMATION OF OUR GROUP (CONT'D)

(ii) FYE 2020 vs FYE 2019

Our Group's revenue for the FYE 2020 decreased by 29.14% or RM16.92 million to RM41.14 million (FYE 2019: RM58.06 million) mainly due to:

- (a) decline in revenue from our Group's ICT division to RM21.20 million (FYE 2019: RM33.44 million) as a result of lower demand for our security and video surveillance equipment arising from the COVID-19 pandemic;
- (b) decline in revenue from our Group's property investment division to RM1.44 million (FYE 2019: RM3.96 million) due to the decrease in rental income following the disposal of Nexgram Tower which was completed on 25 June 2020; and
- (c) decline in revenue from our Group's logistics division to RM14.46 million (FYE 2019: RM20.66 million) as a result of lower demand for dry bulk cargo services arising from the COVID-19 pandemic.

However, our Group's decline in revenue during the financial year was partially offset by the new revenue stream from our Group's healthcare division of RM4.05 million (FYE 2019: RM Nil).

Our Group's LAT for the FYE 2020 increased by 194.57% or RM40.88 million to RM61.89 million (FYE 2019: RM21.01 million) mainly due to:

- (a) one-off loss on disposal of investment property (i.e. Nexgram Tower) of RM12.54 million which was completed on 25 June 2020;
- (b) one-off loss on impairment of goodwill arose from logistics division and ICT division of RM15.30 million and RM2.50 million, respectively;
- (c) impairment on other receivables of RM4.12 million (FYE 2019: RM2.13 million) in relation to the amount owing by a former wholly-owned subsidiary, Nextnation Network Sdn Bhd; and
- (d) write-off of land held for property development of RM23.99 million (FYE 2019: RM17.55 million) which is located in Cyberjaya.

(iii) FYE 2019 vs FYE 2018

Our Group's revenue for the FYE 2019 increased by 27.2% or RM12.42 million to RM58.06 million (FYE 2018: RM45.64 million) mainly due to the higher revenue from our Group's logistics division of RM20.66 million (FYE 2018: RM9.52 million) as a result of the revenue contribution from the dry bulk cargo services project in Batu Pahat, Johor which was secured in November 2018.

Our Group's LAT for the FYE 2019 decreased by 65.88% or RM40.57 million to RM21.01 million in FYE 2019 (FYE 2018: RM61.58 million) mainly due to:

- (a) one-off loss on disposal of investment in Nextnation Network Sdn. Bhd. and its subsidiaries of RM16.33 million in FYE 2018;
- (b) one-off expenses on other investments written off of RM19.24 million in FYE 2018 arising from the disposal of unquoted investments; and
- (c) write-off of lands held for property development of RM17.55 million (FYE 2018: RM12.40 million) which are located in Cyberjaya, Selayang and Kemaman.

HISTORICAL FINANCIAL INFORMATION OF OUR GROUP (CONT'D)

(iv) FYE 2018 vs FYE 2017

Our Group's revenue for the FYE 2018 decreased by 14.05% or RM7.46 million (FYE 2017: RM53.10 million) due to:

- (a) decline in revenue for our Group's ICT division to RM32.30 million during the financial year (FYE 2017: RM36.52 million) as our Group was no longer providing mobile application solutions under the ICT division as our Group's main focus in the ICT division was towards the trading and distribution of security and surveillance services; and
- (b) decline in revenue in our Group's property investment division to RM4.10 million during the financial year (FYE 2017: RM8.26 million) attributable to lesser income stream for the division due the disposal of Blue Hill during the FYE 2018.

However, our Group's decline in revenue during the financial year was partially offset by the increase in revenue from our Group's logistics division to RM9.52 million during the financial year (FYE 2017: RM8.32 million) due to the revenue contribution from the dry bulk cargo services project in Batu Pahat, Johor which was secured during the financial year.

In line with the decreased revenue, our Group's LAT increased by 392.14% to RM61.37 million for the FYE 2018 (FYE 2017: LAT of RM12.47 million) due to:

- (a) decrease in other income to RM0.65 million during the financial year (FYE 2017: RM4.88 million) as our Group has accounted for the profit guarantee of RM3.70 million from the acquisition of Sensorlink Group during the FYE 2017; and
- (b) increase in administration expenses to RM71.07 million during the financial year (FYE 2017: RM13.27 million) due to:
 - (i) loss on write-off of other investments by subsidiary of RM19.24 million during the financial period;
 - (ii) loss on disposal of investment in subsidiaries of RM16.33 million during the financial period;
 - (iii) write-off of development cost for property development in Putrajaya of RM12.40 million; and
 - (iv) write-off of intangible assets of RM2.78 million.

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ADDITIONAL INFORMATION

1. DIRECTORS' RESPONSIBILITY STATEMENT

This Circular has been seen and approved by our Board and they collectively and individually accept full responsibility for the accuracy of the information given and confirm that, after having made all reasonable enquiries and to the best of their knowledge and belief, there are no false or misleading statements or information contained in this Circular, or other facts and information, the omission of which would make any statement in this Circular false or misleading.

2. CONSENTS

TA Securities, being the adviser for the Proposed Share Capital Reduction, has given and has not subsequently withdrawn its written consent to the inclusion in this Circular of its name and all references thereto in the form and context in which they appear in this Circular.

3. CONFLICT OF INTEREST

TA Securities has confirmed that it is not aware of any conflict of interest which exists or is likely to exist in its capacity as the adviser for the Proposed Share Capital Reduction.

4. MATERIAL CONTRACTS

Save as disclosed below, as at the LPD, our Group has not entered into any contracts which are or may be material (not being contracts entered into in the ordinary course of business of our Group) during the 2 years immediately preceding the date of this Circular.

- (i) On 29 April 2019, Nexgram had entered into a corporate guarantee agreement with TC Capital Resources Sdn Bhd to irrevocably and unconditionally guarantee the repayment of the judgement sum obtained against Kontrek Anugerah Sdn Bhd and Coconut Three pursuant to 10 judgement orders all dated 3 December 2018 amounting to the principal sum of RM1,047,603.03 together with interest of 8% commencing from 24 February 2018 to 1 March 2019 and legal costs of RM8,000.00 ("**Judgement Sum**"), to TC Capital Resources Sdn Bhd from the disposal consideration arising from the Proposed Disposal or before 31 December 2019. The Judgement Sum arose from the default by Kontrek Anugerah Sdn Bhd and Coconut Three under the 10 hire purchase agreements and guarantees respectively. As at the LPD, the amount has been fully settled.
- (ii) On 30 August 2019, Nexgram had entered into 3 separate settlement agreements with Haji Mazru bin Mat Yusof, Ozura Firstlogix Sdn Bhd and Capital Day Holdings Sdn Bhd for the settlement of debts owing to them in the aggregate sum of RM23,454,664.65 to be satisfied through the issuance of 2,345,466,465 ICPS at an issue price of RM0.01 each. On 6 December 2019, the debt settlement was completed by the allotment and issuance of ICPS on 4 December 2019 to Haji Mazru bin Mat Yusof, Ozura Firstlogix Sdn Bhd and Capital Day Holdings Sdn Bhd.
- (iii) On 14 October 2019, TCIM Sdn Bhd, Kontrek Anugerah Sdn Bhd, Nexgram and Coconut Three, had entered into a settlement agreement with TCIM Sdn Bhd to settle the outstanding sum of RM540,790.66 (comprising RM460,048.00 as principal sum, RM11,149.84 as service charge and RM69,592.82 as interest accrued on the outstanding sum) in respect of the hire purchase facilities obtained by Kontrek Anugerah Sdn Bhd. As at the LPD, the amount has been fully settled.
- (iv) On 28 April 2020, Nexgram Industries Sdn Bhd (a wholly-owned subsidiary of our Company) had entered into 2 separate share sale agreements with Nor Haila binti Yunos @ Yunus and Nor Halim bin Ahmad Sayuni respectively to acquire a combined 255,000 ordinary shares representing a total of 51% equity interest in Tri-G Technologies Sdn Bhd for a total consideration of RM2,040,000.00. The consideration was fully settled via the issuance of 25,500 RCPS of RM80.00 per RCPS in Nexgram Industries Sdn Bhd. The acquisition was completed on 28 April 2020.

ADDITIONAL INFORMATION (CONT'D)

- (v) On 12 August 2020, NMED Industries Sdn Bhd (an indirect wholly-owned subsidiary of our Company) had entered into a memorandum of understanding with Arita Holdings Sdn Bhd with the intention to acquire 60% of Arita Plastics Industries (M) Sdn Bhd from Arita Holdings Sdn Bhd which shall be subject to the due diligence to be conducted on Arita Plastics Industries (M) Sdn Bhd. The memorandum of understanding was subsequently superseded by the execution of share sale agreements dated 13 October 2020, details as set out in paragraph (vii) below.
- (vi) On 14 August 2020, Intra Binaraya Sdn Bhd (a wholly-owned subsidiary of our Company) had entered into a joint venture agreement with Faldze Holdings Sdn Bhd with the purpose of undertaking an unincorporated joint venture arrangement to administer, procure, construct, provide project funding and to establish strategic partnership pertaining to Central Spine Road Pakej 3: Gua Musang, Kelantan ke Kg Relong, Pahang Seksyen 3D: Bulatan Gua Musang ke Mentara with the contract sum of RM118,414,000.
- (vii) On 13 October 2020, NMED Industries Sdn Bhd (an indirect wholly-owned subsidiary of our Company) had entered into 2 separate share sale agreements with Elite Plastics Ventures Sdn Bhd and Datin Khoo Phaik Ee, respectively, to acquire an aggregate 2,925,000 ordinary shares of the company representing a total of 65% equity interest in Arita Holdings Sdn Bhd for a total consideration of RM19.50 million. The consideration was fully settled by way of issuance of 1,000,000 RCPS of RM19.50 per RCPS in NMED Industries Sdn Bhd. The acquisition was completed on 13 October 2020.

5. MATERIAL LITIGATION, CLAIMS AND ARBITRATION

Save as disclosed below, as at the LPD, our Company and our subsidiary companies are not engaged in any material litigation, claims or arbitration either as plaintiff or defendant, which has a material effect on the financial position of our Company and our Group and our Board is not aware of any proceedings pending or threatened, or of any facts likely to give rise to any proceedings, which might materially and adversely affect the business or financial position of our Group:

(i) Coconut Three (“Plaintiff”) against Lau Tian Kit (“Defendant”)

The Plaintiff had on 11 August 2018 filed a Writ and Statement of Claim dated 9 August 2018 in Kuala Terengganu High Court against the Defendant to claim for compensation for breach of Profit Guarantee Agreement dated 14 April 2016 (“**Profit Guarantee Agreement**”) given by the Defendant to the Plaintiff in which Blue Hill had failed to achieve RM2,000,000.00 post-tax profit and instead incurring loss of RM5,250,311 as at 31 July 2017. In the Statement of Claim, the Plaintiff is claiming from the Defendant the following (“**Claim**”):

- (a) the sum of RM7,250,311 be paid by the Defendant to the Plaintiff;
- (b) interest at the rate of 5% per annum on the sum of RM7,250,311 to be calculated from 30 September 2017 up to the date of the full settlement by the Defendant to the Plaintiff;
- (c) costs of the action on solicitors-client basis be paid by the Defendant to the Plaintiff; and
- (d) further and/or other relief that the Court deems just and/or suitable and/or fair.

On 20 September 2018, the Plaintiff had filed a Notice of Application for Summary Judgment against the Defendant. The Plaintiff had then served the unsealed Notice of Application and Affidavit in Support dated 19 September 2018 and the sealed Notice of Application on 24 September 2018.

Subsequently, by the consent of both the Plaintiff and the Defendant, the Plaintiff had withdrawn its application for Summary Judgment and the Defendant had withdrawn its application for striking out and the full trial took place on 14 January 2019. Oral clarification before the Honourable Judicial Commissioner was fixed on 31 May 2019, before the decision to be pronounced by the Court.

ADDITIONAL INFORMATION (CONT'D)

On 19 June 2019 the Court dismissed Plaintiff's Claim with cost on the basis that the audited financial statement used by the Plaintiff to refer to the post-tax profit under the Profit Guarantee Agreement of Blue Hill is the audited financial statement dated 31 July 2017 and not the audited financial statement dated 30 September 2017 which should be the basis of the Claim.

The Plaintiff has on 16 July 2019 filed an appeal in the Court of Appeal and fixed 5 September 2019 for e-review and on 4 October 2019 for case management.

During the case management held on 4 October 2019, the Court of Appeal has fixed 30 June 2020 for hearing of the appeal but it was vacated and converted to e-review to enable the Plaintiff to fix a hearing date of its Notice of Motion for Extension of Time. The Defendant has indicated that he is not objecting to the application for extension of time by the Plaintiff. Subsequently, the Court has fixed the date of the hearing of the appeal on 9 November 2020 which was adjourned to 2 February 2021. The hearing date is now extended to 3 May 2021.

The Plaintiff's solicitors are of the view that the Plaintiff may have a chance to win the appeal on the basis that the Court has erred in facts and in law in finding that the Plaintiff had unilaterally amended the Profit Guarantee Agreement when the Plaintiff had no control of the Board of Directors of Blue Hill at all material times.

(ii) **Spacious Glory Sdn Bhd ("Plaintiff") against Nexgram Land Sdn Bhd (now known as Coconut Three) ("Defendant")**

Coconut Three ("Appellant") against Spacious Glory Sdn Bhd and Lau Tian Kit (collectively the "Respondent")

Coconut Three had on 18 July 2017 received a sealed Writ of Summons dated 13 July 2017 and the Statement of Claim dated 12 July 2017 from Spacious Glory Sdn Bhd's solicitors claiming the sum of RM12,500,000 from Coconut Three, being the purchase consideration for the sale and purchase of 770,000 ordinary shares, representing 70% equity interest in Blue Hill by Coconut Three from the Plaintiff pursuant to the Sale and Purchase Agreement dated 14 April 2016 ("**Blue Hill SPA**").

On 21 August 2017, Coconut Three filed a counter-claim against the Respondent for inter alia misrepresentations made by the Respondent to Coconut Three prior to the execution of the Blue Hill SPA.

The High Court had on 20 July 2018 allowed the claim in the original action by the Plaintiff and ordered Coconut Three to pay RM12,500,000 plus interest. As for the counterclaim, the High Court allowed the counterclaim in part by finding that there was representation but did not grant an order to rescind the Blue Hill SPA.

Pending the hearing of the appeal at the High Court, an application by the intended intervener to intervene on the case, the case is fixed for hearing on 9 October 2019 which was postponed to 7 November 2019.

On 17 January 2020, the Court of Appeal dismissed the Appellant's 2nd Motion for a stay of appeal. On 27 March 2020, the Court of Appeal has fixed on 28 August 2020 as the hearing of the appeal proper which was subsequently adjourned by the court to 26 April 2021.

The Appellant's solicitors are of the view that the Appellant has a chance of success in defending the Respondent's claim and establishing its counterclaim against the Respondents.

(iii) **Winding Up Petition served on Coconut Three ("Respondent") by Justin Faye & Partners ("Petitioner")**

On 7 February 2020, the Respondent, a wholly-owned subsidiary of the Company, has been served with a winding-up petition ("**Petition**") by the Petitioner for failure to pay the total amount due and owing to the Petitioner. The hearing of the winding-up petition was fixed on 30 September 2020.

ADDITIONAL INFORMATION (CONT'D)

Subsequently on 11 February 2021, the Petitioner has obtained an Order for Winding-up from the Court stating the below:

- (a) that the Respondent be wound up by the Court under the provisions of the Companies Act, 2016;
- (b) that the Official Receiver be appointed as the provisional liquidator of the Respondent pending the determination of the Petitioner's Summons in Chambers dated 18 February 2020 and Spacious Glory Sdn Bhd's Summons in Chambers dated 27 July 2020 to respectively appoint a private liquidator; and
- (c) costs of RM5,000.00 subject to allocator fee be paid out of the assets of the Respondent.

As at to date, the Respondent is in the midst of negotiating for settlement with the Petitioner. In the meantime, the Respondent has made necessary steps to obtain sanction from the Director General of Insolvency to continue with other pending court cases involving Coconut Three.

6. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at our Registered Office at Level 2, Tower 1, Avenue 5, Bangsar South City, 59200 Kuala Lumpur during normal business hours from 9.00 a.m. to 5.00 p.m. from Monday to Friday (excluding public holidays) for the period commencing from the date of this Circular up to and including the date of our Company's forthcoming EGM:

- (i) the Constitution of our Company;
- (ii) our Group's audited financial statements for the past 2 FYEs 2019 and 2020 and unaudited results for the 3M-FPE 31 October 2020;
- (iii) the letter of consent and conflict of interest as referred to in Sections 2 and 3 of this Appendix;
- (iv) the material contracts referred to in Section 4 of this Appendix; and
- (v) the relevant cause papers in respect of the material litigation as referred to in Section 5 of this Appendix.

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NEXGRAM HOLDINGS BERHAD
(Registration No. 200401021550 (660055-H))
(Incorporated in Malaysia)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT an Extraordinary General Meeting of Nexgram Holdings Berhad (“Nexgram” or “Company”) will be held at Dewan Perdana, Bukit Kiara Equestrian & Country Resort, Jalan Bukit Kiara, Off Jalan Damansara, 60000 Kuala Lumpur on Wednesday, 21 April 2021 at 10.30 a.m., for the purpose of considering and if thought fit, passing with or without modifications, the following resolution:

SPECIAL RESOLUTION

PROPOSED REDUCTION OF THE ISSUED SHARE CAPITAL OF NEXGRAM PURSUANT TO SECTION 117 OF THE COMPANIES ACT 2016 (“PROPOSED SHARE CAPITAL REDUCTION”)

“THAT subject to the approvals of all relevant regulatory authorities and/or parties (where applicable) pursuant to Section 117 of the Companies Act, 2016 being obtained, the Board of Directors of Nexgram (“Board”) be and is hereby given the authority and approval to reduce the share capital of the Company via the cancellation of the issued share capital by RM142,600,000 and for the credit arising from such share capital reduction to be utilised towards offsetting the accumulated losses of the Company;

AND THAT the Board be and is hereby empowered and authorised to 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 Share Capital Reduction 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.”

By Order of the Board

WONG YOUN KIM (MAICSA 7018778) (SSM PC No. 201908000410)
Company Secretary

Kuala Lumpur
Date: 30 March 2021

Notes:

- 1. In respect of deposited securities, only members whose names appear in the Record of Depositors on 15 April 2021 (General Meeting Record of Depositors) shall be eligible to attend, speak and vote at this meeting.*
- 2. Any member of the Company entitled to attend and vote is entitled to appoint one (1) or more proxies to attend and vote instead of him, and that a proxy need not be a member of the Company and where a member appoints more than one (1) proxy, the member must specify the proportion of his shareholdings to be represented by each proxy respectively, failing which the appointment shall be invalid.*
- 3. If you wish to appoint as your proxy any person other than “the Chairman of the Meeting”, please insert the full name of the proxy (in block letters) in the space provided and delete the words “the Chairman of the Meeting”.*
- 4. Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one (1) 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. A corporation may complete the proxy form under its common seal or under the hand of an officer or attorney duly authorised.*
- 6. The appointment of a proxy may be made in a hard copy form in the following manner and must be received by the Company not less than twenty-four (24) hours before the time appointed for holding the General Meeting at which the person named in the appointment proposes to vote:*

- i. *In hard copy form*
In the case of an appointment made in hard copy form, the proxy form must be deposited at the office of the Share Registrar, Tricor Investor & Issuing House Services Sdn Bhd at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur or its Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur.

- ii. *By electronic form*
*The Proxy Form can be electronically lodged via **TIIH Online** website at <https://tiih.online> (applicable to individual member only). Kindly refer to the Administrative Guide on the procedure for electronic lodgement of proxy form via TIIH Online.*



NEXGRAM HOLDINGS BERHAD
(Registration No. 200401021550 (660055-H))

ADMINISTRATIVE GUIDE
EXTRAORDINARY GENERAL MEETING (“EGM”)

Day and Date : Wednesday, 21 April 2021
Time : 10:30 a.m.
Venue : Dewan Perdana, Bukit Kiara Equestrian & Country Resort, Jalan Bukit Kiara,
Off Jalan Damansara, 60000 Kuala Lumpur

In view of the evolving development of COVID-19 situation in Malaysia and following the issuance of Guidance and FAQs on the Conduct of General Meetings for Listed Issuers by the Securities Commission Malaysia on 5 March 2021, the Company issues this Administrative Guide as below.

Shareholders are advised to visit the Company’s website and Bursa Malaysia Securities Berhad’s website from time to time for any changes or updated information on the Company’s EGM that may be necessitated by changes to the directives, safety and precautionary requirements and guidelines prescribed by the Government of Malaysia, the Ministry of Health, the Malaysian National Security Council, the Securities Commission Malaysia and/or other relevant authorities.

PRECAUTIONS AND PREVENTIVE MEASURES IN VIEW OF COVID-19

For the conduct of the EGM, the Company wishes to advise the shareholders that the Company shall be taking precautionary measures in line with the Standard Operating Procedures (“SOP”) issued by Majlis Keselamatan Negara (“MKN”) dated 30 June 2020 and any revisions that may be made from time to time by MKN and/or the relevant authorities.

All attendees are advised to download the MySejahtera application in advance at their phone for registration of their attendance for the meeting.

All attendees will be required to wear face mask, sanitize their hands, undergo temperature check and make a health declaration prior to entering the meeting venue. The Company reserves the right to deny entry to anyone with a temperature of 37.5 degrees Celsius or higher and/or showing symptoms of respiratory illness such as coughing and sneezing.

The capacity of the meeting venue must be sufficient to allow seating arrangement with physical distancing of one metre.

If you are unwell, you are strongly advised to appoint a proxy or the Chairman of the Meeting to attend and vote on your behalf at the EGM.

PRE-REGISTRATION TO ATTEND THE EGM

Shareholders are required to register ahead to attend the EGM in order to allow the Company to make the necessary arrangements in relation to the meeting i.e. infrastructure, logistics and meeting venue(s) to accommodate the meeting participants.

Please do read and follow the following procedures to pre-register your physical attendance at the EGM via the TIIH Online website at <https://tiih.online> :

1. Login in to TIIH Online website with your user name (i.e. email address) and password under the “e-Services”. If you have not registered as a user of TIIH Online, please refer to the tutorial guide posted on the homepage for assistance to sign up.

2. Select the corporate event: “**(REGISTRATION) NEXGRAM 2021 EGM**”.
3. Read and agree to the Terms & Conditions and confirm the Declaration.
4. Select “**Register for Physical Attendance at Meeting Venue**”.
5. Review your registration and proceed to register.
6. System will send an email to notify that your registration for Physical Attendance at Meeting Venue is received and will be verified.
7. After verification of your registration against the General Meeting Record of Depositors, the system will send you an e-mail **after 20 April 2021** to approve or reject your registration to attend physically at the Meeting Venue.

REGISTRATION ON THE DAY OF EGM

1. Registration will commence at 9:30 a.m.
2. Please present your original National Registration Identity Card (NRIC) or Passport to the registration staff for verification.
3. A voting slip and an identification wristband will be given to you thereafter. No one will be allowed to enter the meeting room without an identification wristband.
4. Registration must be done in person. No person is allowed to register on behalf of another.
5. The registration counter will handle verification of identity, registration and revocation of proxy/proxies.

APPOINTMENT OF PROXY

Only a depositor whose name appears on the Record of Depositors as at 15 April 2021 shall be entitled to attend or appoint proxies to attend and/or vote on his/her behalf at the EGM.

If you wish to participate in the EGM yourself, please do not submit any Form of Proxy for the EGM. You will not be allowed to participate in the EGM together with a proxy appointed by you.

Accordingly, proxy forms and/or documents relating to the appointment of proxy/corporate representative/attorney for the EGM whether in hard copy or by electronic means shall be deposited or submitted in the following manner **not later than Tuesday, 20 April 2021 at 10.30 a.m.**:

- (i) In Hard copy:

By hand or post to the office of the Share Registrar, Tricor Investor & Issuing House Services Sdn Bhd at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur or its Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur; or

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(ii) By Electronic form:

All shareholders can have the option to submit proxy forms electronically via TIIH Online and the steps to submit are summarised below:

Procedure	Action
STEPS FOR INDIVIDUAL SHAREHOLDERS	
Register as a User with TIIH Online	<ul style="list-style-type: none"> Using your computer, access the website at https://tiih.online. Register as a user under “e-Services”. Select “Sign Up” and followed by “Create Account by Individual Holder”. You may refer to the tutorial guide posted on the homepage if you need assistance. Registration as a user will be approved by Tricor within one (1) working day and you will be notified of the approval via email. Proceed to activate the account with the temporary password given in the email and re-set own password. If you are already a user with TIIH Online, you are not required to register again.
Submission of Form of Proxy	<ul style="list-style-type: none"> After the publication of the notice of meeting by the Company, login to TIIH Online at https://tiih.online with your user ID (i.e. email address) and password. Select corporate event: “NEXGRAM 2021 EGM - SUBMISSION OF PROXY FORM”. Read and agree to the Terms and Conditions and confirm the Declaration. Insert your CDS account number and indicate the number of shares for your proxy(s) to vote on your behalf. Appoint your proxy/proxies and insert the required details of your proxy/proxies or appoint the Chairman as your proxy. Indicate your voting instructions – FOR or AGAINST, otherwise your proxy will decide on your votes. Review and confirm your proxy/proxies appointment. Print the Form of Proxy for your record.
FOR CORPORATE OR INSTITUTIONAL SHAREHOLDERS	
Register as a User with TIIH Online	<ul style="list-style-type: none"> Using your computer, access the Tricor’s TIIH Online website at https://tiih.online. Under e-Services, the authorised or nominated representative of the corporate or institutional shareholder selects “Sign Up” and followed by “Create Account by Representative of Corporate Holder”. Complete the registration form and upload the required documents. Registration will be verified and the authorised or nominated representative will be notified by email within one (1) to two (2) working days. Proceed to activate the account with the temporary password given in the email and re-set own password. <p><i>(Note: The representative of a corporate or institutional shareholder must register as a user in accordance with the steps above before he/she can subscribe to this corporate holder electronic proxy submission. Please contact Tricor if you need any assistance on the user registration.)</i></p>
Submission of Form of Proxy	<ul style="list-style-type: none"> After the publication of the notice of meeting by the Company, login to TIIH Online at https://tiih.online with your user name (i.e. email address) and password. Select corporate event: “NEXGRAM 2021 EGM - SUBMISSION OF PROXY FORM” Read and agree to the Terms & Conditions and Declaration. Proceed to download the file format for “Submission of Proxy Form” in accordance with the Guidance Note set therein. Prepare the file for the appointment of proxies by inserting the required information. Login to TIIH Online, select corporate event: “NEXGRAM 2021 EGM - SUBMISSION OF PROXY FORM”. Proceed to upload the duly completed proxy appointment file. Select “Submit” to complete your submission. Print the confirmation report of your submission for your record.

REFRESHMENT AND DOOR GIFT

There will be no distribution of door gift and refreshments will not be provided during the EGM.

ENQUIRIES

If you have any enquiries prior to the meeting, please call our Share Registrar, Tricor at +603-2783 9299 during office hours i.e. from 8.30 a.m. to 5.30 p.m. (Monday to Friday).

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NEXGRAM HOLDINGS BERHAD

(Registration No. 200401021550 (660055-H))
(Incorporated in Malaysia)

FORM OF PROXY

CDS Account No.	
Total number of ordinary shares held	

I/We _____ NRIC/Passport/Company No/Registration No _____
(Full name in block letters)

of _____
(Full address)

being a member/members of **Nexgram Holdings Berhad**, do hereby appoint _____

(Full name in block letters and NRIC/Passport No.)

of _____
(Full address)

or failing him/her _____
(Full name in block letters and NRIC/Passport No.)

of _____
(Full address)

or failing him/her, the Chairman of the meeting as my/our proxy(ies) to vote for me/us on my/our behalf at the Extraordinary General Meeting of the Company to be held at Dewan Perdana, Bukit Kiara Equestrian & Country Resort, Jalan Bukit Kiara, Off Jalan Damansara, 60000 Kuala Lumpur on Wednesday, 21 April 2021 at 10.30 a.m., or at any adjournment thereof on the following resolution referred to in the Notice of Extraordinary General Meeting.

The proportion of *my/our holdings to be represented by *my/our proxy(ies) are as follows:

First Proxy: _____ %	Second Proxy: _____ %
----------------------	-----------------------

My/our proxy(ies) is to vote as indicated below:

Resolution	Agenda	FOR	AGAINST
Special Resolution	Proposed Share Capital Reduction		

Please indicate with an "X" in the space provided how you wish your vote to be cast. If you do not do so, the Proxy will vote or abstain from voting at his/her discretion.

Dated this _____ day of _____ 2021.

Signature of Member / Common Seal

Contact Number (during office hour)

Notes:

1. In respect of deposited securities, only members whose names appear in the Record of Depositors on 15 April 2021 (General Meeting Record of Depositors) shall be eligible to attend, speak and vote at this meeting.
2. Any member of the Company entitled to attend and vote is entitled to appoint one (1) or more proxies to attend and vote instead of him, and that a proxy need not be a member of the Company and where a member appoints more than one (1) proxy, the member must specify the proportion of his shareholdings to be represented by each proxy respectively, failing which the appointment shall be invalid.
3. If you wish to appoint as your proxy any person other than "the Chairman of the Meeting", please insert the full name of the proxy (in block letters) in the space provided and delete the words "the Chairman of the Meeting".



Notes (cont'd):

4. *Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one (1) 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. *A corporation may complete the proxy form under its common seal or under the hand of an officer or attorney duly authorised.*
6. *Please indicate with and "X" either "For" or "Against". If neither "For" or "Against" is indicated, the proxy will vote as he thinks fit or abstain from voting.*
7. *The appointment of a proxy may be made in a hard copy form in the following manner and must be received by the Company not less than twenty-four (24) hours before the time appointed for holding the General Meeting at which the person named in the appointment proposes to vote:*
 - i. *In hard copy form*
In the case of an appointment made in hard copy form, the proxy form must be deposited at the office of the Share Registrar, Tricor Investor & Issuing House Services Sdn Bhd at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur or its Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur.
 - ii. *By electronic form*
*The Proxy Form can be electronically lodged via **TIIH Online** website at <https://tiih.online> (applicable to individual member only). Kindly refer to the Administrative Guide on the procedure for electronic lodgement of proxy form via TIIH Online.*

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AFFIX
STAMP

The Share Registrar of
NEXGRAM HOLDINGS BERHAD
Tricor Investor & Issuing House Services Sdn Bhd
Unit 32-01, Level 32, Tower A, Vertical Business Suite
Avenue 3, Bangsar South, No. 8, Jalan Kerinchi
59200 Kuala Lumpur, Malaysia

2nd Fold Here

Fold This Flap For Sealing