

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.

This Circular has been reviewed by M & A Securities Sdn Bhd, being the Principal Adviser to our Company for the Proposed Share Capital Reduction (as defined herein).

Bursa Malaysia Securities Berhad takes no responsibility for the contents of this Circular, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Circular. Shareholders are advised to make their own evaluation to assess the merits and risks of the Proposed Share Capital Reduction.



ADVANCE INFORMATION MARKETING BERHAD

(Registration No. 200401006266 (644769-D))

(Incorporated in Malaysia)

CIRCULAR TO SHAREHOLDERS IN RELATION TO THE

PROPOSED REDUCTION OF THE ISSUED SHARE CAPITAL OF ADVANCE INFORMATION MARKETING BERHAD ("AIM" OR THE "COMPANY") OF RM32.00 MILLION PURSUANT TO SECTION 116 OF THE COMPANIES ACT 2016 ("PROPOSED SHARE CAPITAL REDUCTION")

AND

NOTICE OF EXTRAORDINARY GENERAL MEETING

Principal Adviser



M & A SECURITIES SDN BHD

(Registration No. 197301001503 (15017-H))

(A Participating Organisation of Bursa Malaysia Securities Berhad)

The Notice convening the Extraordinary General Meeting ("**EGM**") in respect of the Proposed Share Capital Reduction will be conducted on a hybrid mode held at Lot 4.1, 4th Floor, Menara Lien Hoe, No. 8, Persiaran Tropicana, Tropicana Golf & Country Resort, 47410 Petaling Jaya, Selangor Darul Ehsan ("**Main Venue**") and virtual basis through live streaming and online remote participation and voting facilities operated by InsHub Sdn Bhd via <https://rebrand.ly/AIM-EGM> ("**Online Meeting Platform**") on Thursday, 3 April 2025 at 11:00 a.m. or at any adjournment thereof, together with the Form of Proxy are enclosed in this Circular.

You are requested to complete the Form of Proxy in accordance with the instructions printed therein and deposit it to the share registrar's office at A3-3-8, Solaris Dutamas, No. 1, Jalan Dutamas 1, 50480 Kuala Lumpur, Wilayah Persekutuan not less than forty-eight (48) hours before the time for holding the meeting or any adjournment thereof. The lodging of the Form of Proxy will not preclude a shareholder from attending and voting in person at the EGM should the shareholder subsequently wish to do so.

Last date and time for lodging the Form of Proxy : Tuesday, 1 April 2025 at 11:00 a.m.

Day, date and time of EGM : Thursday, 3 April 2025 at 11.00 a.m. or at any adjournment thereof

This Circular is dated 12 March 2025

DEFINITIONS

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

5D-VWAMP	:	Five-day volume-weighted average market price
Act	:	Companies Act 2016 of Malaysia, as amended from time to time and any re-enactment thereof
AIM Group or Group	:	AIM and its subsidiary companies
AIM or Company	:	Advance Information Marketing Berhad [Registration No. 200401006266 (644769-D)]
AIM Share(s) or Share(s)	:	Ordinary share(s) of AIM
Board	:	Board of Directors of AIM
Bursa Securities	:	Bursa Malaysia Securities Berhad
Circular	:	This circular to our shareholders in relation to the Proposed Share Capital Reduction dated 12 March 2025
Court	:	High Court of Malaya
EGM	:	Extraordinary general meeting
EPS	:	Earnings per Share
ESOS	:	Employee share option scheme of AIM, where the effective date for implementation was on 22 July 2022
ESOS Options	:	Options granted or which may be granted under the ESOS pursuant to the by-laws, where each holder of the ESOS Options can subscribe for 1 new Share for every 1 ESOS Option held
FYE	:	Financial year ended/ending, as the case may be
Listing Requirements	:	ACE Market Listing Requirements of Bursa Securities
LPD	:	3 March 2025, being the latest practicable date prior to the printing and despatch of this Circular
M & A Securities or Principal Adviser	:	M & A Securities Sdn Bhd [Registration No. 197301001503 (15017-H)]
Maximum Scenario	:	Assuming all outstanding 195,108,290 Warrants A are exercised into new Shares and all ESOS Options are fully granted and exercised prior to the completion of the Proposed Share Capital Reduction
Minimum Scenario	:	Assuming no outstanding Warrants A are exercised into new Shares and no ESOS Options are granted prior to the completion of the Proposed Share Capital Reduction
NA	:	Net assets

DEFINITIONS (Cont'd)

Order	:	An order by the Court which will be sought to confirm the Proposed Share Capital Reduction
Proposed Share Capital Reduction	:	Proposed reduction of the issued share capital of AIM of RM32.00 million pursuant to Section 116 of the Act
RM and sen	:	Ringgit Malaysia and sen, respectively
Warrant(s) A	:	Warrants 2023/2028 issued by our Company pursuant to the deed poll constituting Warrants A which will expire on 19 December 2028, whereby each warrant holder is entitled the right to subscribe for 1 new Share for every 1 Warrant A held, at an exercise price of RM0.08 per Warrant A

All references to "we", "us", "our" and "ourselves" are to AIM or AIM Group. All references to "you" in this Circular are references to shareholders of our Company.

Words denoting the singular shall, where applicable, include the plural and vice versa. Words denoting the masculine gender shall, where applicable, include the feminine and/or neuter genders and vice versa. Any reference to persons shall include a corporation, unless otherwise specified.

Any reference in this Circular to any enactment, rules and regulations is a reference to that enactment, rules and regulations as for the time being amended or re-enacted. Any reference to a time of day in this Circular is a reference to Malaysian time, unless otherwise specified.

Any discrepancy in the tables between the amounts listed, actual figures and the totals thereof in this Circular are due to rounding.

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EXECUTIVE SUMMARY

THIS EXECUTIVE SUMMARY SETS OUT THE SALIENT INFORMATION OF THE PROPOSED SHARE CAPITAL REDUCTION. YOU ARE ADVISED TO READ AND CONSIDER CAREFULLY THE CONTENTS OF THIS CIRCULAR WITHOUT RELYING SOLELY ON THIS EXECUTIVE SUMMARY BEFORE VOTING ON THE SPECIAL RESOLUTION PERTAINING TO THE PROPOSED SHARE CAPITAL REDUCTION TO BE TABLED AT OUR FORTHCOMING EGM.

Our Board is recommending the shareholders of our Company to vote **IN FAVOUR** of the special resolution pertaining to the Proposed Share Capital Reduction to be tabled at our forthcoming EGM.

Key information	Description	Reference to Circular
Summary	: The Proposed Share Capital Reduction entails the reduction and cancellation of RM32.00 million of the issued share capital of our Company pursuant to Section 116 of the Act. The Proposed Share Capital Reduction will give rise to a credit of RM32.00 million, which will be utilised to set off the accumulated losses of our Company and the remaining balance, if any, will be credited to the retained earnings of our Company, which shall be used in a manner to be determined by our Board at a later date and in the best interest of our Company as permitted by the relevant and applicable laws as well as the Listing Requirements.	Section 2
Rationale	: The Proposed Share Capital Reduction will accurately reflect our Group's financial position by eliminating the accumulated losses of our Company via the cancellation of our Company's issued share capital which is lost and unrepresented by available assets of our Company. The Proposed Share Capital Reduction will also enhance our Company's ability to declare and pay dividends out of the retained earnings in the future and provide a better financial platform for our Group's future growth moving forward.	Section 3
Effects	: The Proposed Share Capital Reduction will: (a) reduce and cancel RM32.00 million of the issued share capital of our Company but it will not have any effect on the total number of issued Shares; (b) not have material effects on the NA per Share, gearing, earnings and EPS of our Group; and (c) have no effects on the substantial shareholders' shareholdings.	Section 4
Approvals	: The Proposed Share Capital Reduction is subject to the following approvals being obtained: (a) the shareholders of our Company at our forthcoming EGM; (b) the Order from Court confirming the Proposed Share Capital Reduction pursuant to Section 116 of the Act; and (c) any other relevant authorities or parties, if required.	Section 6



ADVANCE INFORMATION MARKETING BERHAD
(Registration No. 200401006266 (644769-D))
(Incorporated in Malaysia)

Registered Office:

1-10, Medan Perniagaan Pauh Jaya
Jalan Baru
13700 Perai
Pulau Pinang

12 March 2025

Board of Directors:

Dato' Ir. Lim Siang Chai (Non-Independent Non-Executive Chairman)
Datuk Chong Loong Men (Executive Director)
Mejar Dato' Ismail Bin Ahmad (Independent Non-Executive Director)
Choong Mun Kit (Independent Non-Executive Director)
Kang Teik Yih (Independent Non-Executive Director)
Datin Ong Poh Lin Abdullah (Independent Non-Executive Director)

To: Our shareholders

PROPOSED SHARE CAPITAL REDUCTION

1. INTRODUCTION

On 24 January 2025, M & A Securities had, on behalf of our Board, announced that our Company proposes to undertake the Proposed Share Capital Reduction.

Further details of the Proposed Share Capital Reduction are set out in the ensuing sections of this Circular.

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

YOU ARE ADVISED TO READ AND CAREFULLY CONSIDER THE CONTENTS OF THIS CIRCULAR TOGETHER WITH THE APPENDIX CONTAINED HEREIN BEFORE VOTING ON THE SPECIAL 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 and cancellation of RM32.00 million of the issued share capital of our Company pursuant to Section 116 of the Act.

The Proposed Share Capital Reduction will give rise to a credit of RM32.00 million, which will be utilised to set off the accumulated losses of our Company and the remaining balance, if any, will be credited to the retained earnings of our Company, which shall be used in a manner to be determined by our Board at a later date and in the best interest of our Company as permitted by the relevant and applicable laws as well as the Listing Requirements.

As at the LPD, our Company has:

- (a) an issued share capital of RM53,510,924 comprising 390,216,722 Shares; and
- (b) 195,108,290 outstanding Warrants A.

As at the LPD, our Company does not hold any treasury shares.

On 22 July 2022, our Company established an ESOS whereby the maximum number of new Shares to be issued pursuant to the exercise of the ESOS Options shall not in aggregate exceed 30% of the total issued Shares during the duration of the ESOS. As at the LPD, our Company has not granted any ESOS Options to the eligible Directors and employees and there are no ESOS Options which have been granted but yet to be exercised.

For illustrative purposes, the pro forma effects of the Proposed Share Capital Reduction on the accumulated losses of our Company and our Group are set out as follows:

	Audited		Unaudited	
	As at 31 December 2023		As at 31 December 2024	
	Company	Group	Company	Group
	RM'000	RM'000	RM'000	RM'000
Accumulated losses	(27,265)	(22,387)	(30,304)	(28,934)
Add : Credit arising from the Proposed Share Capital Reduction	32,000	32,000	32,000	32,000
Less : Estimated expenses incurred for the Proposed Share Capital Reduction	(180)	(180)	(180)	(180)
Resultant retained earnings	4,555	9,433	1,516	2,886

An Order by the Court will be sought to confirm the Proposed Share Capital Reduction pursuant to Section 116 of the Act after receipt of approvals from the shareholders of our Company at an EGM to be convened. The effective date of the Proposed Share Capital Reduction will be the date of the lodgement of a sealed copy of the Order of the Court with the Registrar of Companies.

For avoidance of doubt, the Proposed Share Capital Reduction will not result in:

- (a) any adjustment to the share price of AIM;

- (b) any change in the total number of AIM Shares in issue or number of AIM Shares held by shareholders of AIM;
- (c) any payment to AIM shareholders; and
- (d) any cash outflows or change in the NA of AIM Group, save for the estimated expenses to be incurred in relation to the Proposed Share Capital Reduction.

3. RATIONALE FOR THE PROPOSED SHARE CAPITAL REDUCTION

The Proposed Share Capital Reduction will accurately reflect our Group's financial position by eliminating the accumulated losses of our Company via the cancellation of our Company's issued share capital which is lost and unrepresented by available assets of our Company. The Proposed Share Capital Reduction will also enhance our Company's ability to declare and pay dividends out of the retained earnings in the future and provide a better financial platform for our Group's future growth moving forward.

4. EFFECTS OF THE PROPOSED SHARE CAPITAL REDUCTION

For illustration purposes, the pro forma effects of the Proposed Share Capital Reduction are presented based on the following scenarios:

- Minimum Scenario : Assuming no outstanding Warrants A are exercised into new Shares and no ESOS Options are granted prior to the completion of the Proposed Share Capital Reduction
- Maximum Scenario : Assuming all outstanding 195,108,290 Warrants A are exercised into new Shares and all ESOS Options are fully granted and exercised prior to the completion of the Proposed Share Capital Reduction

4.1 Share capital

The pro forma effects of the Proposed Share Capital Reduction on the issued share capital of our Company are set out below:

	Minimum Scenario		Maximum Scenario	
	No. of Shares	RM'000	No. of Shares	RM'000
Issued share capital as at the LPD	390,216,722	53,511	390,216,722	53,511
To be issued assuming full exercise of Warrants A	-	-	⁽¹⁾ 195,108,290	⁽¹⁾ 15,609
To be issued assuming full grant and exercise of the ESOS Options	-	-	⁽¹⁾ 175,597,503	⁽¹⁾ 10,272
	390,216,722	53,511	760,922,515	79,392
Reduction of the issued share capital pursuant to the Proposed Share Capital Reduction	-	(32,000)	-	(32,000)
After the Proposed Share Capital Reduction	390,216,722	21,511	760,922,515	47,392

Note:

- (1) Assuming:
- (a) full exercise of 195,108,290 outstanding Warrants A at the exercise price of RM0.08 each; and
- (b) full grant and exercise of 175,597,503 ESOS Options under the ESOS (being the maximum allowable amount not exceeding 30.00% of the total issued Shares after full exercise of Warrants A) at the illustrative exercise price of RM0.0585 each. The illustrative exercise price of RM0.0585 represents a discount of approximately 10.00% to RM0.0650 being the 5D-VWAMP of AIM Shares as at the LPD.

For the avoidance of doubt, the impact of the granting of ESOS Options on the accumulated losses/retained earnings of our Group, which depends on, amongst others, the fair value of the ESOS Options at the point of granting, has not been taken into account in this illustration.

4.2 NA and gearing

The pro forma effects of the Proposed Share Capital Reduction on the NA, NA per Share and gearing of our Group based on the latest audited consolidated statement of financial position as at 31 December 2023 are as follows:

Minimum Scenario

	Audited as at 31 December 2023	(1) After the Proposed Share Capital Reduction
	RM'000	RM'000
Share capital	53,511	21,511
Warrant reserves	14,770	14,770
Other reserve	(14,770)	(14,770)
Revaluation reserve	1,199	1,199
Foreign currency translation reserve	(709)	(709)
Fair value reserve	(1,737)	(1,737)
(Accumulated losses)/Retained earnings	(22,387)	(1)9,433
Equity attributable to owners of our Company	29,877	29,697
Non-controlling interests	(13)	(13)
Total equity	29,864	29,684
No. of ordinary shares ('000)	390,217	390,217
NA per Share (RM)	0.08	0.08
Borrowings (RM'000)	2,006	2,006
Gearing (times)	0.07	0.07

Note:

- (1) After deducting estimated expenses of approximately RM0.18 million to be incurred pursuant to the Proposed Share Capital Reduction.

Maximum Scenario

		(I)	(II)
	Audited as at 31 December 2023	⁽¹⁾Assuming full exercise of Warrants A and full grant and exercise of the ESOS Options	After (I) and the Proposed Share Capital Reduction
	RM'000	RM'000	RM'000
Share capital	53,511	⁽¹⁾ 79,392	47,392
Warrant reserve	14,770	-	-
Other reserve	(14,770)	-	-
Revaluation reserve	1,199	1,199	1,199
Foreign currency translation reserve	(709)	(709)	(709)
Fair value reserve	(1,737)	(1,737)	(1,737)
(Accumulated losses)/Retained earnings	(22,387)	(22,387)	⁽²⁾ 9,433
Equity attributable to owners of our Company	29,877	55,758	55,578
Non-controlling interests	(13)	(13)	(13)
Total equity	29,864	55,745	55,565
No. of ordinary shares ('000)	390,217	760,923	760,923
NA per Share (RM)	0.08	0.07	0.07
Borrowings (RM'000)	2,006	2,006	2,006
Gearing (times)	0.07	0.04	0.04

Notes:

(1) Assuming:

- (a) full exercise of 195,108,290 outstanding Warrants A at the exercise price of RM0.08 each and after accounting for reversal of warrant reserve; and
- (b) full grant and exercise of 175,597,503 ESOS Options under the ESOS (being the maximum allowable amount not exceeding 30.00% of the total issued Shares after full exercise of Warrants A) at the illustrative exercise price of RM0.0585 each. The illustrative exercise price of RM0.0585 represents a discount of approximately 10.00% to RM0.0650 being the 5D-VWAMP of AIM Shares as at the LPD.

For the avoidance of doubt, the impact of the granting of ESOS Options on the accumulated losses/retained earnings of our Group, which depends on, amongst others, the fair value of the ESOS Options at the point of granting, has not been taken into account in this illustration.

(2) After deducting estimated expenses of approximately RM0.18 million to be incurred pursuant to the Proposed Share Capital Reduction.

4.3 Substantial shareholders' shareholding

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

4.4 Earnings and EPS

The Proposed Share Capital Reduction will not have any material effect on the earnings and EPS of our Group for the financial year ended 31 December 2024.

4.5 Convertible securities

As at the LPD, save for the Warrants A, our Company does not have any other outstanding convertible securities.

The Proposed Share Capital Reduction will not result in any adjustment to the exercise price and number of outstanding Warrants A.

5. HISTORICAL SHARE PRICES

The monthly highest and lowest prices of AIM Shares as traded on Bursa Securities for the past 12 months up to January 2025 are as follows:

	<u>High</u> <u>RM</u>	<u>Low</u> <u>RM</u>
2024		
March	0.095	0.065
April	0.075	0.065
May	0.125	0.065
June	0.085	0.065
July	0.095	0.075
August	0.085	0.065
September	0.090	0.065
October	0.085	0.070
November	0.075	0.065
December	0.095	0.060
2025		
January	0.085	0.065
February	0.075	0.065
Last transacted market price on 20 January 2025 ⁽¹⁾		0.070
Last transacted price of AIM as at the LPD		0.065

(Source: Bloomberg)

Note:

- (1) There were no transactions made on AIM Shares on 21 January 2025, 22 January 2025 and 23 January 2025, being the dates immediately prior to the announcement of the Proposed Share Capital Reduction on 24 January 2025. As such, the last transacted market price is based on the last transacted market price of AIM Shares on 20 January 2025.

6. APPROVALS REQUIRED

The Proposed Share Capital Reduction is subject to the following approvals being obtained:

- (a) the shareholders of our Company at our forthcoming EGM;
- (b) the Order from the Court confirming the Proposed Share Capital Reduction pursuant to Section 116 of the Act; and
- (c) any other relevant authorities or parties, if required.

7. INTER-CONDITIONALITY

The Proposed Share Capital Reduction is not conditional upon any other corporate proposals undertaken or to be undertaken by our Company.

8. CORPORATE EXERCISES ANNOUNCED BUT PENDING COMPLETION

Save for the Proposed Share Capital Reduction, there are no other corporate exercises which have been announced but not yet completed as at the date of this Circular.

9. 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 have any interest, directly or indirectly, in the Proposed Share Capital Reduction.

10. 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 financial effects of the Proposed Share Capital Reduction, is of the opinion that the Proposed Share Capital Reduction is in the best interest of our Group and shareholders.

As such, our Board recommends the shareholders of our Company to **VOTE IN FAVOUR** of the special resolution pertaining to the Proposed Share Capital Reduction to be tabled at our forthcoming EGM.

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11. ESTIMATED TIMEFRAME FOR COMPLETION

Barring any unforeseen circumstances and subject to all approvals being obtained, the Proposed Share Capital Reduction is expected to be completed in the second quarter of 2025. The tentative timetable in relation to the completion of the Proposed Share Capital Reduction is as follows:

<u>Tentative timeline</u>	<u>Events</u>
3 April 2025	EGM for the Proposed Share Capital Reduction
Mid June 2025	Court order granted
End June 2025	<ul style="list-style-type: none">• Lodgement of documents with the Registrar of Companies• Completion of the Proposed Share Capital Reduction

12. EGM

An EGM, the notice of which is enclosed together with this Circular, will be conducted on a hybrid mode held at Lot 4.1, 4th Floor, Menara Lien Hoe, No. 8, Persiaran Tropicana, Tropicana Golf & Country Resort, 47410 Petaling Jaya, Selangor Darul Ehsan ("**Main Venue**") and virtual basis through live streaming and online remote participation and voting facilities operated by InsHub Sdn Bhd via <https://rebrand.ly/AIM-EGM> ("**Online Meeting Platform**") on Thursday, 3 April 2025 at 11:00 a.m. or at any adjournment thereof, for the purpose of considering and, if thought fit, passing the special resolution so as to give effect to the Proposed Share Capital Reduction.

If you are unable to attend and vote in person at the EGM, you may complete and return the relevant Form of Proxy in accordance with the instructions printed thereon as soon as possible and in any event so as to arrive at the share registrar's office at A3-3-8, Solaris Dutamas, No. 1, Jalan Dutamas 1, 50480 Kuala Lumpur, Wilayah Persekutuan not less than forty-eight (48) hours before the time for convening our forthcoming EGM. The lodging of the Form of Proxy will not preclude you from attending and voting in person at the EGM should you subsequently wish to do so.

13. FURTHER INFORMATION

Please refer to **Appendix I** of this Circular for further information.

Yours faithfully,
For and on behalf of the Board of
ADVANCE INFORMATION MARKETING BERHAD

DATO' IR. LIM SIANG CHAI
Non-Independent Non-Executive Chairman

APPENDIX I – HISTORICAL FINANCIAL INFORMATION OF OUR GROUP

	Audited			Unaudited
	FYE 31 December 2021	FYE 31 December 2022	FYE 31 December 2023	FYE 31 December 2024
	RM'000	RM'000	RM'000	RM'000
Revenue	7,752	3,438	3,529	4,030
Gross profit ("GP")	953	362	430	611
Loss before tax ("LBT")	(5,187)	(4,434)	(4,747)	(6,559)
Loss after tax ("LAT")	(5,162)	(4,443)	(4,743)	(6,562)

Financial commentaries:
(a) Comparison between FYE 31 December 2021 and FYE 31 December 2022

Our Group's revenue for the FYE 31 December 2022 recorded at RM3.44 million, representing a decrease of RM4.31 million or approximately 55.61%, compared to FYE 31 December 2021 of RM7.75 million. The decrease was mainly due to the decrease in revenue from the provision of customer loyalty services in FYE 31 December 2022 of RM4.32 million.

Our Group reported LAT of RM4.44 million in FYE 31 December 2022, representing a decrease in LAT of RM0.72 million or approximately 13.95% from LAT of RM5.16 million in FYE 31 December 2021. The decrease in LAT was mainly due to the decrease in administrative expenses of RM1.53 million in FYE 31 December 2022 as a result of a decrease in professional fees incurred by our Group in relation to legal suits which have been discontinued or concluded during the year. The decrease in administrative expenses was partially offset by the decrease in gross profit of RM0.59 million during FYE 31 December 2022.

(b) Comparison between FYE 31 December 2022 and FYE 31 December 2023

Our Group recorded revenue of RM3.53 million for FYE 31 December 2023, representing an increase of RM0.09 million or approximately 2.62%, compared to FYE 31 December 2022 of RM3.44 million. The increase was mainly due to an increase in revenue of RM0.66 million from the retail of pharmaceutical products, a new business segment which has commenced operations in late FYE 2022. The increase was offset by the decrease in revenue from the provision of customer loyalty services of RM0.57 million in FYE 31 December 2023.

Our Group reported a LAT of RM4.74 million in FYE 31 December 2023, representing an increase in LAT of RM0.30 million compared to the LAT of RM4.44 million in FYE 31 December 2022. The increase was mainly attributable to the increase in administrative expenses in FYE 31 December 2023 of RM0.35 million due to increase in staff costs and rental expenses following the commencement of the retail of pharmaceutical products.

(c) Comparison between FYE 31 December 2023 and FYE 31 December 2024

Our Group recorded a revenue of RM4.03 million for FYE 31 December 2024, representing an increase of RM0.50 million or approximately 14.20% from the revenue of RM3.53 million in FYE 31 December 2023. The increase was mainly due to the increase in revenue of RM0.65 million from the retail of pharmaceutical products.

Our Group recorded LAT of RM6.56 million in FYE 31 December 2024, representing an increase in LAT of RM1.82 million compared to the LAT of RM4.74 million in FYE 31 December 2023. The increase was mainly attributable to the increase in administrative expenses in FYE 31 December 2024 of RM2.20 million due to additional expenses incurred for new pharmaceutical retail outlets during the year as well as high rental expenses for our retail outlets.

APPENDIX II – FURTHER INFORMATION

1. DIRECTORS' RESPONSIBILITY STATEMENT

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

2. CONSENT AND DECLARATION

M & A Securities being the Principal Adviser for the Proposed Share Capital Reduction, has given and has not subsequently withdrawn its written consent to the inclusion of its name and all references thereon in the form and context in which they appear in this Circular.

M & A Securities do hereby confirm that no conflict of interests exists or is likely to exist in its capacity to act as the Principal Adviser of our Company for the Proposed Share Capital Reduction.

3. MATERIAL CONTRACTS

Save as disclosed below, as at the LPD, there are no material contracts (not being contracts entered into the ordinary course of business) which have been entered into by our Group within 2 years immediately preceding the date of this Circular:

- (a) sale and purchase agreement dated 1 January 2025 entered into between Botanical Distribution Sdn Bhd and Advance Health Solutions Sdn Bhd in relation to the acquisition of the total issued and paid-up share capital of Mediconstant Holding Sdn Bhd for a purchase consideration of RM180,000.00 in cash, which was deemed completed on even date.

4. MATERIAL LITIGATION, CLAIMS AND ABRITATION

Save as disclosed below, as at the LPD, our Group is 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 confirms that there are no 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:

- (a) **Originating summons by our Company under suit no. WA-24NCC-279-05/2023**
Bankruptcy notice by our Company under notice no. WA-29NCC-946-06/2024

Our Company had, on 18 May 2023, filed an originating summons at Kuala Lumpur High Court against a former executive director of our Company, Chean Meng Hee ("**Chean**") for the following reliefs:

- (i) a declaration that Chean has breached his fiduciary duties, duty of care and statutory duties to our Company;
- (ii) a declaration that Chean has breached the terms of the directors' circular resolution dated 1 October 2021 ("**DCR**");
- (iii) special damages of RM2,597,665.71;

APPENDIX II – FURTHER INFORMATION (Cont'd)

- (iv) interest at 5% per annum on RM2,597,665.71 from the judgment date to the date of full payment;
- (v) an order that Chean to indemnify our Company against any and/or all liability, costs and damages in respect of the breach of the Listing Requirements, if any;
- (vi) general damages to be assessed by the Kuala Lumpur High Court;
- (vii) interest;
- (viii) the cost of the originating summons application and all subsequent and incidental costs shall be paid by Chean to our Company; and
- (ix) any further or other reliefs which is deemed just and expedient by the Kuala Lumpur High Court.

Pursuant to the DCR, the board of directors of our Company has resolved:

- (i) to give approval for our Company to resell or transfer the treasury shares of our Company at:
 - (a) a price which is not less than the weighted average market price for the 5 market days immediately before the resale/ transfer; or
 - (b) a discounted price of not more than 5% to the weighted average market price for the Shares for the 5 market days immediately before the resale/transfer provided that the resale/transfer does not take place earlier than 30 days from the date of purchase and the resale/transfer price is not less than the cost of purchase of the shares;
- (ii) to give authority to Chean as the executive director of our Company at that material time to, amongst others, give orders or instructions for the purchase or sale of securities in all transactions including to manage and handle the sale of the treasury shares of our Company.

The originating summons was filed on the grounds that Chean has, amongst others:

- (i) failed or neglected or refused to comply with the terms of the DCR wherein the treasury shares of our Company were sold at a price significantly lower than the minimum price as provided by the terms set out in the DCR; and/or
- (ii) failed or neglected or refused to ensure that all reasonable steps or actions were taken to examine or make inquiries in respect of the weighted average market price prior to his instructions for the sale of the said treasury shares.

On 6 February 2024, the Kuala Lumpur High Court had granted an order in favour of our Company and, inter alia, granted damages amounting to RM2,597,665.71 against Chean ("**Court Order**").

Following from the Court Order, on 5 June 2024, our Company has proceeded to file a bankruptcy action in the Kuala Lumpur High Court against Chean.

On 6 November 2024, Chean filed an application to set aside the bankruptcy notice. The bankruptcy case is fixed for decision on 14 February 2025 for Chean's application to set aside the bankruptcy notice. On 14 February 2025, the Kuala Lumpur High Court further adjourned the decision on Chean's application to set aside the bankruptcy notice to 28 February 2025. On 28 February 2025, the Kuala Lumpur High Court further adjourned the decision on Chean's application to set aside the bankruptcy notice to 14 March 2025. The solicitors in charge are of the opinion that our Company has a good chance of recording a bankruptcy order against Chean pursuant to the bankruptcy proceedings.

5. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at our registered office at 1-10, Medan Perniagaan Pauh Jaya, Jalan Baru, 13700 Perai, Pulau Pinang during normal office hours from Mondays to Fridays (except public holidays) from the date of this Circular up to and including the date of the forthcoming EGM:

- (a) the constitution of our Company;
- (b) audited financial statements of our Group for FYE 31 December 2022 and FYE 31 December 2023, and the latest unaudited consolidated financial statements for the FYE 31 December 2024;
- (c) letters of consent and declaration of conflict of interests referred to in Section 2 above;
- (d) the material contract referred to in Section 3 above; and
- (e) the cause papers in respect of the material litigation referred to in Section 4 above.

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ADVANCE INFORMATION MARKETING BERHAD

Registration No. 200401006266 (644769-D)
(Incorporated in Malaysia)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Extraordinary General Meeting ("**EGM**") of Advance Information Marketing Berhad ("**AIM**" or the "**Company**") will be conducted on a hybrid mode held at Lot 4.1, 4th Floor, Menara Lien Hoe, No. 8, Persiaran Tropicana, Tropicana Golf & Country Resort, 47410 Petaling Jaya, Selangor Darul Ehsan ("**Main Venue**") and virtual basis through live streaming and online remote participation and voting facilities operated by InsHub Sdn Bhd via <https://rebrand.ly/AIM-EGM> ("**Online Meeting Platform**") on Thursday, 3 April 2025 at 11:00 a.m. or at any adjournment thereof, 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 AIM OF RM32.00 MILLION PURSUANT TO SECTION 116 OF THE COMPANIES ACT 2016 ("PROPOSED SHARE CAPITAL REDUCTION")

"THAT subject to the approvals being obtained from the relevant authorities and parties pursuant to Section 116 of the Companies Act 2016 being obtained, approval be and is hereby given to the Company to implement the Proposed Share Capital Reduction and reduce RM32.00 million of the issued share capital of the Company and that the corresponding credit of RM32.00 million arising from such cancellation shall be utilised to set off the accumulated losses of the Company and the remaining balance, if any, will be credited to the retained earnings of the Company which shall be used in a manner to be determined by the board of directors of AIM ("**Board**") at a later date and in the best interest of the Company as permitted by the relevant and applicable laws as well as the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad;

AND THAT the Board be and is hereby authorised with full power to make any modifications, variations and/or amendments in any manner as may be in the best interest of the Company or as may be required by the relevant authority/authorities to give effect to the Proposed Share Capital Reduction, and to take all such steps as they may deem necessary or expedient in the best interests of the Company to implement, finalise and give full effect to the Proposed Share Capital Reduction."

BY ORDER OF THE BOARD

ADELINE TANG KOON LING (LS 0009611)
(SSM PC NO. 202008002271)

WONG YUET CHYN (MAICSA 7047163)
(SSM PC NO. 202008002451)
Company Secretaries

Pulau Pinang
12 March 2025

Notes:

1. For the purpose of determining who shall be entitled to participate this EGM, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd to make available to the Company, a Record of Depositors as at 24 March 2025. Only a member whose name appears on this Record of Depositors shall be entitled to participate in this EGM.
2. A member entitled to participate in this EGM is entitled to appoint a proxy or attorney or in the case of a corporation, to appoint a duly authorised representative to participate and vote in his/ her place. A proxy may but need not be a member of the Company.
3. A member of the Company who is entitled to participate and vote at a general meeting of the Company may appoint not more than two (2) proxies to participate and vote instead of the member at the EGM.
4. If two (2) proxies are appointed, the entitlement of those proxies to vote on a show of hands shall be in accordance with the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad.
5. Where a member of the Company is an authorised nominee as defined in the Securities Industry (Central Depositories) Act 1991 ("**Central Depositories Act**"), it may appoint not more than two (2) proxies in respect of each securities account it holds in ordinary shares of the Company standing to the credit of the said securities account.
6. Where a member of the Company 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. An exempt authorised nominee refers to an authorised nominee defined under the Central Depositories Act which is exempted from compliance with the provisions of Section 25A(1) of the Central Depositories Act.
7. Where a member appoints more than one (1) proxy, the proportion of shareholdings to be represented by each proxy must be specified in the instrument appointing the proxies.
8. The instrument appointing a proxy and any authority pursuant to which such an appointment is made by a power of attorney must be deposited at the share registrar's office at A3-3-8, Solaris Dutamas, No. 1, Jalan Dutamas 1, 50480 Kuala Lumpur, Wilayah Persekutuan not less than forty-eight (48) hours before the time appointed for holding the EGM or adjourned EGM at which the person named in the appointment proposes to vote. A copy of the power of attorney may be accepted provided that it is certified notarially and/or in accordance with the applicable legal requirements in the relevant jurisdiction in which it is executed.
9. Please ensure ALL the particulars as required in the form of proxy is completed, signed and dated accordingly.
10. Last date and time for lodging the form of proxy is Tuesday, 1 April 2025 at 11:00 a.m..
11. For a corporate member who has appointed an authorised representative, please deposit the ORIGINAL certificate of appointment of authorised representative executed in the manner as stated in the form of proxy at the share registrar's office at A3-3-8, Solaris Dutamas, No. 1, Jalan Dutamas 1, 50480 Kuala Lumpur, Wilayah Persekutuan.
12. Pursuant to Paragraph 8.31A of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad, the resolution set out above will be put to vote by way of poll.
13. The members are advised to refer to the Administrative Guide on the registration and voting process for the EGM.

Personal Data Privacy

By registering for the meeting and/or submitting an instrument appointing proxy(ies) and/or representatives to attend, speak and vote at the EGM and/or any adjournment thereof, a member of the Company: (i) consents to the processing of the member's personal data by the Company (or its agents): (a) for processing and administration of proxies and representatives appointed for the EGM; (b) for preparation and compilation of the attendance lists, minutes and other documents relating to the EGM (which includes any adjournments thereof); and (c) for the Company's (or its agents') compliance with any applicable laws, listing rules, regulations and/or guidelines (collectively "**the Purpose**"); (ii) warrants that he/she has obtained such proxy(ies)' and/or representative(s)' prior consent for the Company's (or its agents') processing of such proxy(ies)' and/or representative(s)' personal data for the Purposes; and (iii) agrees that the member will indemnify the Company for any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

Note: The term "processing" and "personal data" shall have the meaning as defined in the Personal Data Protection Act, 2010.

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ADVANCE INFORMATION MARKETING BERHAD

Registration No. 200401006266 (644769-D)
(Incorporated in Malaysia)

FORM OF PROXY

CDS Account No.				-											
No. of Shares Held															

I/We NRIC No./Passport No./Registration No.
(FULL NAME IN BLOCK LETTERS)

of
(FULL ADDRESS)

Email Address Contact No.

being a member/members of **Advance Information Marketing Berhad**, hereby appoint:

Name of Proxy	NRIC/Passport No.	% of Shareholdings to be Represented
Address		
Email Address	Contact No.	

and/or failing him/her and/or*

Name of Proxy	NRIC/Passport No.	% of Shareholdings to be Represented
Address		
Email Address	Contact No.	

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 Extraordinary General Meeting ("EGM") of the Company to be conducted on a hybrid mode held at Lot 4.1, 4th Floor, Menara Lien Hoe, No. 8, Persiaran Tropicana, Tropicana Golf & Country Resort, 47410 Petaling Jaya, Selangor Darul Ehsan ("**Main Venue**") and virtual basis through live streaming and online remote participation and voting facilities operated by InsHub Sdn Bhd via <https://rebrand.ly/AIM-EGM> ("**Online Meeting Platform**") on Thursday, 3 April 2025 at 11:00 a.m. or at any adjournment thereof to vote as indicated below:

* My/our proxy is to vote on the ordinary resolution as indicated by an "X" in the appropriate spaces below. If this Form of Proxy is returned without any indications as to how the proxy shall vote, *my/our proxy shall vote or abstain as he/she thinks fit.

No.	Special Resolution	For	Against
1.	Proposed Share Capital Reduction		

* Strike out whichever is not desired.

Dated this _____ day of _____, 2025

*Signature(s) of member(s) / Common seal



Notes:-

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8. The instrument appointing a proxy and any authority pursuant to which such an appointment is made by a power of attorney must be deposited at the share registrar's office at A3-3-8, Solaris Dutamas, No. 1, Jalan Dutamas 1, 50480 Kuala Lumpur, Wilayah Persekutuan not less than forty-eight (48) hours before the time appointed for holding the EGM or adjourned EGM at which the person named in the appointment proposes to vote. A copy of the power of attorney may be accepted provided that it is certified notarially and/or in accordance with the applicable legal requirements in the relevant jurisdiction in which it is executed.
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AFFIX
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THE SHARE REGISTRAR OF
ADVANCE INFORMATION MARKETING BERHAD
Registration No. 200401006266 (644769-D)

C/O WORKSHIRE SHARE REGISTRATION SDN. BHD.
A3-3-8, Solaris Dutamas
No. 1, Jalan Dutamas 1
50480 Kuala Lumpur
Wilayah Persekutuan

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