



ACN: 600 238 444

**NOTICE OF
ANNUAL GENERAL MEETING
EXPLANATORY STATEMENT
AND PROXY FORM**

Date

Tuesday, 31 May 2016

Time

2.00pm (local Malaysian Time)

Venue

ADVTC; Malaysia Office

G-01, Emerald Plaza North, Jalan PJU 8/3A, Damansara Perdana, 47820, Petaling Jaya, Selangor Darul Ehsan

Your vote is important

The business of the Annual General Meeting affects your shareholding and your vote is important.

Voting in person

To vote in person, attend the Annual General Meeting on the date and at the place set out above.

Voting by proxy

To vote by proxy, please complete and sign the enclosed Proxy Form and return by the time and in accordance with the instructions set out on the Proxy Form.

NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the Second Annual General Meeting of Shareholders of AdvanceTC Limited will be held at **2.00pm** (local Malaysian time) on **Tuesday, 31 May 2016** at **ADVTC; Malaysia Office, G-01, Emerald Plaza North, Jalan PJU 8/3A, Damansara Perdana, 47820, Petaling Jaya, Selangor Darul Ehsan** for the purpose of transacting the following business:

AGENDA

Annual Report

To consider and receive the Financial Report and the Reports of the Directors and Auditor for the year ended 31 December 2015.

Resolution 1. Remuneration Report

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

"That, the Remuneration Report for the year ended 31 December 2015 is adopted."

Voting Exclusion: The Company will, in accordance with the requirements of the Corporations Act, disregard any votes cast on Item 1 by or on behalf of a member of the Key Management Personnel (KMP's) named in AdvanceTC's Remuneration Report or that KMP's closely related parties, unless the vote is cast by a person as Proxy for a person entitled to vote in accordance with a direction on the Proxy Form.

Resolution 2. Re-election of Cheng Pheng Loi

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

"That Cheng Pheng Loi, who retires in accordance with Clause 20.2 of the Company's Constitution and, being eligible offers himself for re-election, is appointed a Director of the Company."

Resolution 3. Re-election of William Keng Yaw Tan

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

"That William Keng Yaw Tan, who retires in accordance with Clause 20.2 of the Company's Constitution and, being eligible offers himself for re-election, is appointed a Director of the Company."

A Proxy Form is attached.

To be valid, properly completed forms must be received by the Company no later than 2.00pm on 29 May 2016.



CP Loi
Executive Chairman
28 April 2016

The Explanatory Statement provides additional information on matters to be considered at the Annual General Meeting. The Explanatory Statement and the Proxy Form are part of this Notice of Meeting.

Entitlement to Vote

The Directors have determined that the persons eligible to vote at the Annual General Meeting are those who are registered Shareholders of the Company at 2.00pm on 29 May 2016.

Terms and abbreviations used in this Notice of Meeting are defined in the Glossary.

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared for the information of Shareholders in connection with the business to be conducted at the Annual General Meeting to be held on **2.00pm** (local Malaysian time) on **Tuesday, 31 May 2016** at **ADVTC; Malaysia Office, G-01, Emerald Plaza North, Jalan PJU 8/3A, Damansara Perdana, 47820, Petaling Jaya, Selangor Darul Ehsan.**

The purpose of this Explanatory Statement is to provide information which the Directors believe to be material to Shareholders in deciding whether to vote for or against the Resolutions in the Notice of Meeting.

Terms used in this Explanatory Statement will, unless the context otherwise requires, have the same meaning as given to them in the Glossary as contained in this Explanatory Statement.

Resolution 1. Remuneration Report

The Corporations Act requires that at a listed Company's annual general meeting, a resolution that the Remuneration Report be adopted must be put to the Shareholders. However, such a resolution is advisory only and does not bind the Directors of the Company.

The Remuneration Report sets out the Company's remuneration arrangements for Key Management Personnel of the Company. The Remuneration Report is part of the Directors' Report contained in the annual financial report of the Company for the financial year ending 31 December 2015. A reasonable opportunity will be provided for discussion of the Remuneration Report at the Annual General Meeting.

Voting consequences

Under the Corporations Act, if at least 25% of the votes cast on a Remuneration Report resolution are voted against the adoption of the Remuneration Report in two consecutive annual general meetings, the Company will be required to put to Shareholders a resolution proposing the calling of an extraordinary general meeting to consider the appointment of Directors of the Company at the second annual general meeting (Spill Resolution).

If more than 50% of Shareholders vote in favour of the Spill Resolution, the Company must convene the extraordinary general meeting (Spill Meeting) within 90 days of the second annual general meeting. All of the Directors of the Company who were in office when the Directors' Report (as included in the Company's annual financial report for the financial year ended immediately before the second annual general meeting) was approved, other than the Executive Directors of the Company, will cease to hold office immediately before the end of the Spill Meeting but may stand for re-election at the Spill Meeting.

Following the Spill Meeting those persons whose election or re-election as Directors of the Company is approved by the Shareholders will be the Directors of the Company.

A Spill Resolution is not relevant for this meeting as the vote in favour of the Resolution to adopt the Remuneration Report at the Company's 2015 annual general meeting was unanimous.

Voting Restrictions

Members of the Key Management Personnel and their proxies and Closely Related Parties are restricted from voting on a resolution put to Shareholders that the Remuneration Report of the Company be adopted. Key Management Personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any Director (whether executive or otherwise) of that entity.

The Voting Restriction does not apply where:

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- (a) The Chairman or any other member of the Key Management Personnel is appointed in writing (by a Shareholder who is not a member of the Key Management Personnel or a Closely Related Party of Key Management Personnel) as a proxy with specific instructions on how to vote on a resolution to adopt the Remuneration Report of the Company; or
- (b) the Chairman is appointed in writing (by a Shareholder who is not Key Management Personnel or a Closely Related Party of Key Management Personnel) as a proxy with no specific instructions on how to vote on a non-binding shareholder vote on remuneration, where the Shareholder provides express authorisation for the Chairman to do so.

Shareholders should be aware that any undirected proxies given to the Chairman will be cast by the Chairman and counted in favour of the resolutions of this Meeting, including this Resolution 1, subject to compliance with the Corporations Act.

Resolution 2. Re-election of Cheng Pheng Loi

Cheng Pheng Loi is Executive Chairman and Chief Executive Officer. Mr Loi was appointed as an Executive Director on 20 June 2014, retires by rotation in accordance with Clause 20.2 of the Company's Constitution and, being eligible, wishes to stand for re-election as Director of the Company.

Mr Loi holds a Bachelor of Economics, majoring in Business Administration, from the University of Malaya. He is one of the founding members of the Company since its inception in 2005. Mr Loi has more than 30 years of experience in sales and marketing and business dealing in the telecommunications sector. He was one of the pioneers to start the VoIP business in Malaysia.

Resolution 3. Re-election of William Keng Yaw Tan

William Keng Yaw Tan, who was appointed as an Independent Non-executive Director on 20 June 2014, retires by rotation in accordance with Clause 20.2 of the Company's Constitution and, being eligible, wishes to stand for re-election as Director of the Company.

Mr Tan holds a Bachelor of Commerce from University of New South Wales. He is an associate member of the Australian Institute of Chartered Accountants.

Mr Tan has been in Chartered Accounting practice for 25 years. He was a legal representative of an Australian company, Signay Pty Ltd in China for liaison with that company's agent and manufacturer. Mr Tan was also a consultant to Hokay Fitness and Ice Group in Beijing which operated the largest chain of fitness clubs and recreational ice rinks in China.

GLOSSARY

"**Annual General Meeting**" means the meeting convened by the Notice of Meeting;

"**ASIC**" means the Australian Securities & Investments Commission;

"**Board**" means the board of Directors of the Company;

"**Chairman**" means chairman of the general meeting;

"**Closely Related Party**" of a member of the Key Management Personnel means:

- (a) A spouse or child of the member;
- (b) A child of the member's spouse;

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- (c) A dependant of the member or the member's spouse;
- (d) Anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;
- (e) A company the member controls; or
- (f) A person prescribed by the Corporation Regulations 2001 (Cth).

"Company" means AdvanceTC Limited ACN 600 238 444;

"Constitution" means the Company's constitution;

"Corporations Act" means the *Corporations Act 2001* (Cth);

"Corporations Regulation" means the *Corporations Regulation 2001* (Cth)

"Directors" mean the current Directors of the Company;

"Explanatory Statement" means this Explanatory Statement as modified or varied by any supplementary Statement issued by the Company from time to time;

"Key Management Personnel" has the same meaning as in the accounting standards and broadly includes those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise) of the Company;

"Management" or **"Board"** means the management of the Company;

"Meeting" or **"Annual General Meeting"** means the annual general meeting convened by this Notice;

"Notice" or **"Notice of Meeting"** means the notice convening the annual general meeting of the Company to be held on Tuesday, 31 May 2016 which accompanies this Explanatory Memorandum;

"Proxy Form" means the proxy form that is enclosed with and forms part of this Notice;

"Resolution" means a resolution in the form proposed in the Notice of Meeting;

"Share" means a fully paid ordinary share in the capital of the Company;

"Shareholder" means a registered holder of a Share in the Company.