

# NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN THAT** the Twenty-Seventh (27<sup>th</sup>) Annual General Meeting (“**AGM**”) of the shareholders of DXN HOLDINGS BHD. (“**DXNH**” or the “**Company**”) will be convened and held at DXN Cyberville, Jalan Teknokrat 1, Cyberjaya, 63000 Cyberjaya, Selangor on **Monday, 21 August 2023** at 10:00 am or at any adjournment thereof, for the purpose of considering and, if thought fit, passing the following resolutions, with or without any modifications:

## AGENDA

### Ordinary Business

1. To receive the Audited Financial Statements for the financial year ended 28 February 2023 and the Reports of the Directors and Auditors thereon.
2. To re-elect the following Directors retiring pursuant to Clause 188 of the Company’s Constitution and who, being eligible, offer themselves for re-election:
  - 2.1 Abraham Verghese A/L T V Abraham Ordinary Resolution 1
  - 2.2 Yang Mulia Tunku Afwida Binti Tunku A. Malek Ordinary Resolution 2
  - 2.3 Stefan Heitmann Ordinary Resolution 3
3. To approve the payment of Directors’ fees and benefits payable of up to RM800,000 for the period commencing one day after this AGM through to the next AGM of the Company in 2024. Ordinary Resolution 4
4. To re-appoint KPMG PLT as Auditors of the Company for the financial year ending 28 February 2024 and to authorise the Directors to fix their remuneration. Ordinary Resolution 5

### As Special Business

5. **AUTHORITY UNDER SECTIONS 75 AND 76 OF THE COMPANIES ACT 2016 FOR THE DIRECTORS TO ALLOT AND ISSUE SHARES** Ordinary Resolution 6

“THAT, subject always to the Companies Act 2016 (“**Act**”), the Constitution of the Company, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“**Bursa Securities**”) and the approvals of the relevant governmental or regulatory authorities, where such approval is required, the Directors be and are hereby authorised and empowered pursuant to Sections 75 and 76 of the Act to issue and allot shares in the Company to such persons, at any time until the conclusion of the next Annual General Meeting (“**AGM**”) and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion, deem fit provided that the aggregate number of shares to be issued does not exceed ten per centum (10%) of the total number of issued shares of the Company for the time being.

THAT, the Directors are also empowered to obtain the approval from the Bursa Securities for the listing and quotation for the additional shares to be issued and THAT such authority shall continue to be in force until the conclusion of the next AGM of the Company.

THAT, pursuant to Section 85(1) of the Act to be read together with Clause 37(a) of the Constitution of the Company, all new shares or other convertible securities in the Company shall, before they are issued, be first offered to such persons who are entitled to receive notices from the Company of general meetings as at the date of the offer in proportion as nearly as the circumstances admit, to the amount of the existing shares or securities to which they are entitled (“**Pre-emptive Rights**”).

AND THAT, should this resolution be passed by the shareholders, this resolution shall have the effect of the shareholders having agreed to irrevocably waive their Pre-emptive Rights pursuant to Section 85(1) of the Act and Clause 37(a) of the Constitution of the Company in respect of the new shares to be allotted and issued by the Company and the issuance of such new shares of the Company will result in a dilution to their shareholding percentage in the Company. Subsequent to the passing of this resolution, if this paragraph is or is found to be in any way void, invalid or unenforceable, then this paragraph shall be ineffective to the extent of such voidness, invalidity or unenforceability and the remaining provisions of this resolution shall remain in full force and effect.

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AND THAT, the new shares to be issued shall, upon allotment and issuance, rank equally in all respects with the existing shares of the Company, save and except that they shall not be entitled to any dividends, rights, allotments and/or any other forms of distribution that which may be declared, made or paid before the date of allotment of such new shares."

6. **PROPOSED SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE AND/OR TRADING IN NATURE ("Proposed Shareholders' Mandate")**

Ordinary Resolution 7

"THAT, subject to the provisions of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, approval be and is hereby given to the Company and its subsidiaries ("**Group**") to enter into any of the transactions falling within the types of recurrent related party transactions of a revenue or trading nature with specified classes of related parties ("**Recurrent Related Party Transactions**") which are necessary for the day to day operations and are in the ordinary course of business and are carried out at arms' length basis on normal commercial terms of the Group on terms not more favourable to the related parties than those generally available to the public and are not, in the Company's opinion, detrimental to minority shareholders of the Company and that such approval shall continue to be in force until:

- (a) the conclusion of the next Annual General Meeting ("**AGM**") of the Company at which time it will lapse, unless by a resolution passed at the next AGM, the mandate is renewed;
- (b) the expiration of the period within which the next AGM after the date it is required to be held pursuant to Section 340(2) of the Companies Act 2016 ("**Act**") (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or
- (c) revoked or varied by resolution passed by the shareholders of the Company in a general meeting, whichever is earlier.

AND THAT, the Directors of the Company be and are hereby authorised to do all acts, deeds, things and execute all necessary documents as they may consider necessary or expedient in the best interest of the Company with full powers to assent to any conditions, variations, modifications and/or amendments in any manner as may be required or permitted under relevant authorities to give full effect to the Proposed Shareholders' Mandate."

7. **PROPOSED AUTHORITY FOR THE COMPANY TO PURCHASE ITS OWN SHARES ("PROPOSED SHARE BUY-BACK AUTHORITY")**

Ordinary Resolution 8

"THAT, subject to the Companies Act 2016 ("**Act**") (as may be amended, modified or re-enacted from time to time), the Company's Constitution, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("**Bursa Securities**") and approvals of all relevant governmental and/or regulatory authorities, where applicable, the Company be and is hereby authorised to purchase and/or hold such amount of ordinary shares in the Company (Proposed Share Buy-Back) as may be determined by the Directors of the Company from time to time and upon such terms and conditions as the Directors may deem fit and expedient in the interest of the Company provided that the aggregate number of ordinary shares purchased and/or held pursuant to this resolution shall not exceed ten per centum (10%) of the total number of issued shares of the Company at any given point in time and an amount of funds not exceeding the total retained profits of the Company based on the audited financial statements for the financial year ended 28 February 2023 be utilised by the Company for the Proposed Share Buy-Back.

AND THAT, at the discretion of the Directors of the Company, the ordinary shares of the Company to be purchased may be cancelled; and/or retained as treasury shares and subsequently distributed as dividends or resold on Bursa Securities or transfer for the purpose of or under an employee share option scheme ("**ESOS**") or as part of purchase consideration; or be cancelled.

AND THAT, the Directors of the Company be and are hereby empowered to take all such steps as necessary to implement, finalise and give full effect to the Proposed Share Buy-Back with full powers to assent to any conditions, modifications, variations and/or amendments (if any) as may be required or imposed by the relevant authorities from time to time and to do all such acts and things as the Board may deem fit and expedient in the best interest of the company.

- (a) the conclusion of the next Annual General Meeting (“**AGM**”) of the Company in 2024 at which time it will lapse, unless by a resolution passed at the meeting, the authority is renewed, either unconditionally or subject to conditions; or
- (b) the expiration of the period within which the next AGM is required to be held pursuant to Section 340(2) of the Act (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or
- (c) revoked or varied by resolution passed by the shareholders in general meeting,

whichever is earlier; but not so as to prejudice the completion of purchase(s) by the Company before the aforesaid date and in any event, in accordance with the provisions in the guidelines issued by Bursa Securities and/or by any other relevant authorities.”

8. To transact any other business of which due notice shall have been given.

By Order of the Board

Tai Yit Chan, MAICSA 7009143 | SSM PC No. 202008001023  
Ong Tze-En, MAICSA 7026537 | SSM PC No. 202008003397  
Lim Yew Lin, MIA 20906 | SSM PC No. 202008001679  
Joint Company Secretaries  
Penang, 30 June 2023

**Notes:**

1. A member of the Company entitled to attend and vote at a meeting of the Company, or at a meeting of any class of members of the Company, shall be entitled to appoint not more than two (2) proxies to attend, speak and vote in his stead at the meeting, and that a proxy may but need not be a member. A proxy must be of full age. There shall be no restriction as to the qualification of the proxy. Where a member appoints more than one (1) proxy, he shall specify the proportion of his holdings to be represented by each proxy, failing which the appointment shall be invalid. A proxy appointed to attend and vote at a meeting of the Company shall have the same rights as the member to speak at the meeting.
2. Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991 (“**SICDA**”), it may appoint not more than two (2) proxies in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account. The appointment of two (2) proxies in respect of any particular securities account shall be invalid unless the authorised nominee specifies the proportion of its shareholding to be represented by each proxy.
3. 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. Where an Exempt Authorised Nominee appoints more than one (1) proxy in respect of each Omnibus Account, the appointment shall be invalid unless the Exempt Authorised Nominee specifies the proportion of its shareholding to be represented by each proxy. An Exempt Authorised Nominee refers to an authorised nominee defined under the SICDA which is exempted from compliance with the provisions of subsection 25A(1) of SICDA.
4. The instrument appointing a proxy shall be in writing under the hand of the appointer or of his attorney duly authorised in writing, or, if the appointer is a corporation, either under its Common Seal, or under the hand of an officer or attorney duly authorised. An instrument appointing a proxy to vote shall be deemed to include the power to demand or concur in demanding a poll on behalf of the appointer. Members not resident in Malaysia may appoint and revoke proxies by cable.
5. For the proxy to be valid, the proxy form duly completed must be deposited at Boardroom Share Registrars Sdn. Bhd. at 11<sup>th</sup> Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor at least forty-eight (48) hours before the time appointed for holding the meeting or any adjournment thereof.
6. Please ensure ALL the particulars as required in this proxy form are completed, signed and dated accordingly.
7. In respect of deposited securities, only a depositor whose name appears on the Record of Depositors on 14 August 2023 (General Meeting Record of Depositors) shall be eligible to attend the meeting or appoint proxy(ies) to attend and/or vote on his/her behalf.

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## Explanatory Notes:

1. The profiles of the Directors who are standing for re-election under item 2 of this Agenda are set out under the Board of Directors' profile of the Annual Report 2023. Based on the recommendation of the Nomination Committee, the Board of Directors ("**Board**") is satisfied with the performance and contributions of the retiring Directors, namely, Abraham Verghese A/L T V Abraham, Yang Mulia Tunku Afwida Binti Tunku A. Malek and Stefan Heitmann and supports their re-election. The retiring Directors are Independent Non-Executive Directors ("**INEDs**") and fulfil the requirements of independence set out in the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. All of them have demonstrated objectivity and commitment through proactive engagements at meetings of the Board and Board Committees (as applicable) held during the financial year by sharing valuable, relevant, independent and impartial (as applicable) insights, views and opinions on issues tabled for discussion. They have exercised due care and carried out their professional duties proficiently and effectively throughout their tenure as INEDs of the Company. The retiring Directors had abstained from deliberation and decision making on their own eligibility to stand for re-election at the meetings of the Nomination Committee and the Board.

2. The proposed Ordinary Resolution 4, if passed, will facilitate the payment of the Directors' fees and benefits payable to the Directors for the period commencing one day after the 27<sup>th</sup> AGM through to the next AGM in 2024. Details of the Directors' fees and benefits payable to the Directors for the financial year ended 28 February 2023 are tabulated under the Corporate Governance Overview Statement in the Annual Report 2023.

The benefits payable is calculated based on the number of days scheduled for meetings of Board and Board Committees. Board Committees refer to, in a collective sense, the Audit Committee, Remuneration Committee, Nomination Committee and the Risk Management Committee. Directors' fees payable include fees payable to Directors as members of Board and Board Committees. The amount also includes a contingency sum to cater to unforeseen circumstances such as the appointment of additional Director(s), additional unscheduled meetings of the Board and Board Committees and/or for the formation of additional Board Committees.

3. The proposed Ordinary Resolution 6, if passed, is for the purpose of granting a renewed general mandate ("**General Mandate**") empowering the Directors of the Company, pursuant to Sections 75 and 76 of the Act to issue and allot new shares in the Company from time to time provided that the aggregate number of shares issued pursuant to the General Mandate does not exceed 10% of the total number of issued shares of the Company for the time being. The General Mandate, unless revoked or varied by the Company in general meeting, will expire at the next AGM of the Company.

The General Mandate will provide flexibility to the Company for any possible fund-raising activities, including but not limited to further placing of shares, for purpose of funding future investment projects, working capital and/or acquisitions as well as to avoid any delay and cost in convening general meeting to specifically approve such an issuance of shares.

The waiver of pre-emptive rights pursuant to Section 85 of the Act and Clause 37(a) of the Constitution will allow the Directors of the Company to issue new shares of the Company which rank equally to existing issued shares of the Company, to any person without having to offer the new shares to all existing shareholders of the Company prior to issuance of new shares in the Company under the General Mandate.

At this juncture, there is no decision to issue new shares but the Directors consider it desirable to have the flexibility permitted to respond to market developments and to enable allotments to take place to finance business opportunities without making a pre-emptive offer to existing shareholders. If there should be a decision to issue new shares after the general mandate is obtained, the Company will make the needful announcements in respect thereof.

4. The proposed Ordinary Resolution 7, if passed, will obtain the Shareholders' Mandate for the Company and its subsidiaries ("**the Group**") to enter into recurrent related party transactions of a revenue or trading nature with its related parties as set out in Section 2.4 of the Circular to Shareholders dated 30 June 2023 ("**Circular**") which are necessary for the Group's day to day operations and are carried out in the ordinary course of business and are on normal commercial terms which are not more favourable to the related parties than those generally available to the public and not detrimental to the minority shareholders. Further information on the Proposed Shareholders' Mandate is set out in the Circular.

5. The proposed Ordinary Resolution 8, if passed, will allow the Company to purchase its own shares. The total number of ordinary shares purchased shall not exceed ten per centum (10%) of the total number of issued share (excluding treasury shares) of the Company. This authority will, unless revoked or varied by the Company in general meeting, expire at the next AGM in 2024. For further information, please refer to Part B of the Circular.