



DYNACIATE Reg. No. 200601012544 (732294-W)

## NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that the Thirteenth ("13th") Annual General Meeting ("AGM") of Dynaciate Group Berhad ("DGB" or the "Company") will be held at Grand Ballroom 1 Level 11, DoubleTree by Hilton Hotel Johor Bahru, No. 12 Jalan Ngee Heng, Johor Bahru, 80000 Johor, Malaysia on Monday, 22 June 2020 at 11.00 am for the following purposes:

### AS ORDINARY BUSINESS:

- To receive the Audited Financial Statements for the 18-month financial period from 1 June 2018 to 30 November 2019 together with the Reports of the Directors and Auditors thereon. **Ordinary Resolution 1**
- To approve the shortfall of Directors' fees and benefits payable of RM53,078 for the period commencing 14 November 2018 through to 30 November 2019. **Ordinary Resolution 2**
- To approve the payment of Directors' Fees and benefits payable amounting to RM400,000 for the current financial year ending 30 November 2020 and further, to authorise the Directors to apportion the fees and make payment in the manner as the Directors may determine. **Ordinary Resolution 3**
- To re-elect Dato' Liang Chee Fong retiring pursuant to Clause 104 of the Company's Constitution and who, being eligible, offer himself for re-election. **Ordinary Resolution 4**
- To re-elect the following Directors who retire pursuant to Clause 111 of the Company's Constitution and who, being eligible, offer themselves for re-election: **Ordinary Resolution 5**
  - Mr. Khoo Song Heng **Ordinary Resolution 6**
  - Mr. Woon Kok Kee **Ordinary Resolution 7**
  - Mr. Lim Peng Tong **Ordinary Resolution 8**
  - Ms. Tan Siew Peng **Ordinary Resolution 9**
  - Mr. Tan Ooi Jin
- To re-appoint KPMG PLT as Auditors of the Company and to authorise the Directors to determine their remuneration. **Ordinary Resolution 9**

### AS SPECIAL BUSINESS:

To consider, and if thought fit, to pass the following as Ordinary Resolutions with or without modification:

- AUTHORITY TO ISSUE SHARES PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT 2016** **Ordinary Resolution 10**

"THAT pursuant to Sections 75 and 76 of the Companies Act 2016 ("**the Act**") and subject always to the approval of all the relevant regulatory authorities, the Board of Directors of the Company be and is hereby authorised to issue and allot from time to time such number of ordinary shares of the Company upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion, deem fit, PROVIDED ALWAYS THAT the aggregate number of ordinary shares to be issued pursuant to this resolution does not exceed 10% of the issued share capital of the Company for the time being AND THAT the Directors are also empowered to obtain the approval for the listing of and quotation for the additional shares so issued on the Bursa Malaysia Securities Berhad ("**Bursa Securities**") AND THAT such authority shall continue to be in force until the conclusion of the next Annual General Meeting ("AGM") of the Company or the expiration of the period within which the next AGM is required by law to be held or revoked/varied by resolution passed by the shareholders in general meeting whichever is the earlier."
- PROPOSED NEW AND RENEWAL OF SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE ("PROPOSED SHAREHOLDERS' MANDATE")** **Ordinary Resolution 11**

"THAT subject to the provision 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:

  - 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 authority is renewed;
  - 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 ("**the Act**") (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or
  - 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."
- To consider 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**)

Joint Company Secretaries

Pulau Pinang, 28 May 2020

### Notes:

- 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 and vote in his stead at the meeting, and that a proxy may but need not be a member. 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.
- 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.
- 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.
- 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. A proxy must be of full age. 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 mandate.
- For the proxy to be valid, the Form of Proxy duly completed must be deposited at the Company's Registered Office at 170-09-01, Livingston Tower, Jalan Argyll, 10050 George Town, Pulau Pinang at least forty-eight (48) hours before the time appointed for holding the meeting or any adjournment thereof.
- In respect of deposited securities, only a depositor whose name appears on the Record of Depositors on 16 June 2020 (General Meeting Record of Depositors) shall be eligible to attend the meeting or appoint proxies to attend and/or vote on his/her behalf.

### Explanatory Notes:

- On 17 April 2019, DGB changed its financial year end from 31 May to 30 November. Consequently, DGB would table audited financial statements for an 18-month financial period ended 30 November 2019 ("FPE 2019"). There were changes in the board composition during FPE 2019 for which the amount for payment of Directors' fees and benefits payable of up to RM300,000 as approved at the last AGM held on 14 November 2018 was insufficient. The proposed Ordinary Resolution 1, if passed, will facilitate the payment of the outstanding Directors' fees and benefits payable to the Directors for the period commencing 14 November 2018 (12th AGM) through to 30 November 2019. Details of the Directors' fees and benefits paid/payable to the Directors for FPE 2019 are enumerated under the Corporate Governance Report.
- The proposed Ordinary Resolution 2 is to facilitate payment of Directors' fees and benefits payable on current financial year basis, based on the current Board size and assuming that all Directors shall hold office until the end of the financial year. In the event the proposed Directors' fees and benefits payable is insufficient (due to the enlarged Board size), approval will be sought at the next AGM for additional fees to meet the shortfall. It will also authorised payment to be made by the Company on a monthly basis and/or as and when incurred. The Board is of the view that it is fair and equitable for the Directors to be paid on a monthly basis and/or as and when incurred particularly after they have discharged their responsibilities and rendered their services to the Company throughout the relevant period.
- The proposed Ordinary Resolution 10, is for the purpose of granting a renewed general mandate ("General Mandate") and if passed, will give authority to the Board of Directors to issued and allot ordinary shares at any time in their absolute discretion and that such authority shall continue in force until the conclusion of the next AGM of the Company or the expiration of the period within which the next AGM is required by law to be held or revoked/ varied by resolution passed by the shareholders in general meeting, whichever is the earlier.  
On 25 September 2019, the Company had announced a proposal to undertake a private placement exercise for which Bursa Securities had granted an extension of time of 6 months (from 6 April 2020 to 6 October 2020) for its completion. As at the date of this Notice, the private placement exercise is still ongoing and new shares in the Company have yet to be issued pursuant to the General Mandate granted to the Directors at the last AGM held on 14 November 2018 and which would lapse at the 13th AGM.  
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 proposed Ordinary Resolution 11, if approved by shareholders, will authorise the Proposed Shareholders' Mandate and allow the Company and its subsidiaries to enter into recurrent related party transactions of a revenue or trading nature as set out in Section 2.5 of the Circular to Shareholders dated 28 May 2020, with the related parties in the ordinary course of business which are necessary for the day-to-day operations based on terms which are not more favourable to the related parties than those generally available to the public and are not to the detriment of the minority shareholders of the Company. This approval shall continue to be in force until the conclusion of the next AGM of the Company at which time it will lapse unless the authority is renewed by a resolution passed at the meeting; or 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 Act (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or revoked/varied by resolutions passed by the shareholders of the Company in general meeting; whichever is the earlier. Further information on the Proposed Shareholders' Mandate is set out in the Circular to Shareholders dated 28 May 2020.