

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Fiftieth Annual General Meeting ("50th AGM") of Dagang NeXchange Berhad ("DNeX" or the "Company") will be conducted fully virtual at the broadcast venue at the Multipurpose Hall, Level 3A, Dagang Net Tower, Block 10 (A & B) Corporate Park, Star Central, Lingkaran Cyberpoint Timur, Cyber 12, 63000 Cyberjaya, Selangor, Malaysia on Monday, 29 June 2020 at 9.30 a.m. for the following purposes:

AGENDA**AS ORDINARY BUSINESS**

- To receive the Audited Financial Statements for the financial year ended 31 December 2019 together with the reports of the Directors and Auditors thereon.
- To re-elect the following Directors who retire by rotation pursuant to Rule 131 of the Company's Constitution and who being eligible offer themselves for re-election:
 - Datuk Samsul Husin **Resolution 1**
 - Rosli Abdullah **Resolution 2**
- To re-elect Mohd Azhar Mohd Yusof who retires pursuant to Rule 116 of the Company's Constitution and who being eligible offers himself for re-election. **Resolution 3**
- To re-elect Zainal 'Abidin Abd Jalil who retires pursuant to Rule 116 of the Company's Constitution and who being eligible offers himself for re-election. **Resolution 4**
- To approve the following Directors' fees and benefits payable in respect of the financial year ending 31 December 2020:
 - Directors' fees of RM10,000 per month for the Non-Executive Chairman and RM5,000 per month for each of the Non-Executive Directors of which payments shall be made on a quarterly basis after the end of each quarter;
 - Directors' fees of RM4,000 per month for the Non-Executive Chairman of the Board Audit Committee and RM2,000 per month for each of the Non-Executive Directors who are members of the Board Audit Committee of which payments shall be made on a quarterly basis after the end of each quarter; and
 - the payment of Directors' remuneration to Non-Executive Directors which include meeting attendance allowance, medical and hospitalisation coverage, business travel and other claimable benefits as and when incurred. **Resolution 5**
- To re-appoint Crowe Malaysia PLT as auditors of the Company until the conclusion of the next Annual General Meeting and to authorise the Directors to determine their remuneration. **Resolution 6**

AS SPECIAL BUSINESS

To consider and if thought fit, to pass the following Ordinary Resolution, with or without modifications:

7. AUTHORITY TO ISSUE SHARES PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT 2016

"THAT subject always to the Companies Act 2016, the Constitution of the Company, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("MMLR") and the approvals from the relevant governmental and/or regulatory authorities, the Directors be and are hereby empowered pursuant to Sections 75 and 76 of the Companies Act 2016 to issue and allot shares in the Company from time to time 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 issued pursuant to this resolution does not exceed twenty (20) percent of the total number of issued shares of the Company for the time being AND THAT the Directors be and are also hereby empowered to obtain the approval from Bursa Malaysia Securities Berhad for the listing and quotation of the additional shares so issued AND THAT such authority shall continue in force until the conclusion of the next Annual General Meeting of the Company." **Resolution 7**

- To transact any other business of which due notice shall have been given in accordance with the Companies Act 2016 and the Company's Constitution.

FURTHER NOTICE IS HEREBY GIVEN THAT for the purpose of determining a member who shall be entitled to attend this 50th AGM, the Company shall be requesting Bursa Malaysia Depository Sdn. Bhd. in accordance with Rule 88.1 of the Company's Constitution and Section 34(1) of the Securities Industry (Central Depositories) Act 1991, to issue a General Meeting Record of Depositors as at 18 June 2020. Only a depositor whose name appears on the Record of Depositors as at 18 June 2020 shall be entitled to attend the said meeting or appoint proxy/proxies to attend and/or vote on his/her behalf.

BY ORDER OF THE BOARD

Keh Ching Tyng (MAICSA 7050134)
SSM Practising Certificate No. 202008002616
Company Secretary

Selangor
5 June 2020

NOTES:-

- As part of the initiatives to curb the spread of Coronavirus Disease 2019 ("COVID-19"), the 50th AGM of the Company will be conducted fully virtual and broadcasted from the Multipurpose Hall, Level 3A, Dagang Net Tower, Block 10 (A & B) Corporate Park, Star Central, Lingkaran Cyberpoint Timur, Cyber 12, 63000 Cyberjaya, Selangor, Malaysia.
- The broadcast venue is strictly for the purpose of complying with Section 327(2) of the Companies Act 2016 which requires the Chairman of the meeting to be present at the main venue of the meeting. No members shall be physically present at the broadcast venue on the day of the meeting. Members who wish to attend the fully virtual 50th AGM will have to register online at <https://shorturl.at/crzBC> and attend remotely. Please follow the procedures provided in the Administrative Guide for the 50th AGM in order to register, participate and vote remotely via Digital Ballot Form ("DBF") provided by Mega Corporate Services Sdn. Bhd. ("Mega").
- In respect of deposited securities, only members whose names appear on the Record of Depositors on 18 June 2020 (General Meeting Record of Depositors) shall be eligible to attend the meeting or appoint proxy/proxies to attend and/or vote on his/her behalf.
- A member entitled to attend and vote at the meeting is entitled to appoint proxy/proxies to attend, participate, speak and vote in his/her stead. A proxy may but need not be a member of the Company.
- In the case of corporate member, the instrument appointing a proxy ("Form of Proxy") shall be either (a) under its Common Seal or (b) under the hand of duly authorised officer or attorney and in the case of (b), be supported by a certified true copy of the resolution appointing such officer or certified true copy of the power of attorney.
- Where a member appoints more than one (1) proxy, the appointment shall be invalid unless the member specifies the proportion of his/her shareholding to be represented by each proxy.
- Where a member is an authorised nominee, as defined under the Securities Industry (Central Depositories) Act 1991, it may appoint at least one (1) proxy in respect of each securities account it holds which is credited with ordinary shares of the Company. Where an authorised nominee appoints more than one (1) proxy, the appointment shall be invalid unless the authorised nominee specifies the proportion of its shareholding to be represented by each proxy.
- Where a member is an exempt authorised nominee (EAN) as defined under the Securities Industry (Central Depositories) Act 1991 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 EAN may appoint in respect of each omnibus account it holds. EAN is advised to list down the name of proxies and the particulars of their NRIC No. (both new and old) and attach it to the Form of Proxy.
- The Form of Proxy in a hardcopy form duly completed shall be deposited at the office of the Share Registrar, Mega at Level 15-2, Bangunan Faber Imperial Court, Jalan Sultan Ismail, 50250 Kuala Lumpur not less than twenty four (24) hours before the time appointed for holding the meeting or any adjournment thereof. Alternatively, member may submit the Form of Proxy by e-mail to our Share Registrar at agm-support.dnex@megacorp.com.my not later than Sunday, 28 June 2020 at 9.30 a.m. Please refer to the Administrative Guide for the 50th AGM for further details.
- Pursuant to paragraph 8.29A(1) of the MMLR, voting at the 50th AGM will be conducted by poll. The Company has appointed Mega as Poll Administrator to conduct the poll by way of electronic voting and Cygnus IT Solutions PLT as Scrutineers to verify the poll results.

11. EXPLANATORY NOTES ON ORDINARY BUSINESS

- Audited Financial Statements for the financial year ended 31 December 2019**

The audited financial statements are laid in accordance with Section 340(1)(a)

of the Companies Act 2016 for discussion only under Agenda 1. They do not require shareholders' approval and hence, will not be put for voting.

- Re-election of Directors who retire in accordance with Rule 131 and Rule 116 of the Company's Constitution**

Rule 131 of the Company's Constitution provides that an election of Directors shall take place each year. At each annual general meeting one-third of the Directors for the time being, or, if their number is not three (3) or a multiple of three (3), then the number nearest to one-third, shall retire from office PROVIDED ALWAYS that all Directors including Managing Director and Executive Directors shall retire from office once at least in each three (3) years as required by the MMLR but shall be eligible for re-election. With the current Board size, two (2) Directors are to retire in accordance with Rule 131 of the Company's Constitution. The shareholders' approval is sought under Resolutions 1 and 2.

Rule 116 of the Company's Constitution provides that where a person has been appointed as Director either to fill a casual vacancy or as an additional Director, he shall hold office only until the next annual general meeting and shall then be eligible for re-election, but shall not be taken into account in determining the number of Directors who are to retire by rotation at such meeting.

Datuk Samsul Husin and Rosli Abdullah are standing for re-election as Directors of the Company. The Nomination and Remuneration Committee ("NRC") and the Board have considered the assessment of the two (2) Directors and collectively agree that they meet the criteria of character, experience, integrity, competence and time commitment to effectively discharge their respective roles as Directors, as prescribed by paragraph 2.20A of the MMLR. The profiles of these Directors are set out on pages 35 and 36 of the Company's Annual Report for the financial year ended 31 December 2019. The Board, through the NRC had carried out an assessment of the independence of Rosli Abdullah pursuant to the criteria as prescribed by the MMLR and Malaysian Code on Corporate Governance and are satisfied that he meets the criteria for independence. Rosli Abdullah was appointed as Director of the Company on 12 December 2013 and does not exceed the tenure of nine (9) years.

The retiring Directors had abstained from deliberation and decision on their own eligibility to stand for re-election at the relevant NRC and Board meetings, where applicable.

Dato' Rosnah Abd Majid who was appointed as Independent Non-Executive Director of the Company on 1 August 2019 will retire pursuant to Rule 116 of the Company's Constitution. Dato' Rosnah Abd Majid has informed the Board of her intention to retire as a Director and therefore would not be seeking for a re-election at the 50th AGM. Hence, she will retain office until the conclusion of the 50th AGM pursuant to Rule 116 of the Company's Constitution.

- Directors' fees and benefits payable to Non-Executive Directors**

The proposed Resolution 5 is intended to seek mandate from the shareholders to allow the Company to pay Directors' fees to the Non-Executive Directors on a quarterly basis after the end of each quarter. The Directors' fees and benefits payable to the Non-Executive Directors for the financial year ending 31 December 2020 are based on the existing rates as approved by the shareholders during the 49th Annual General Meeting ("49th AGM") held on 19 June 2019.

The Directors' remuneration (excluding Directors' fees) comprises the allowances and other emoluments payable to Non-Executive Directors, details of which are as follows:

- Meeting attendance allowance (per meeting)
 - Chairman of the Board – RM1,500
 - Member of the Board – RM1,500
 - Chairman of Board Committees – RM1,000
 - Member of Board Committees – RM750
- Other benefits
 - Medical and hospitalisation coverage, business travel and other claimable benefits.

Payment of the Directors' remuneration (excluding Directors' fees) to Non-Executive Directors will be made by the Company as and when incurred if the proposed Resolution 5 has been passed at the 50th AGM.

12. EXPLANATORY NOTES ON SPECIAL BUSINESS**Authority to Issue Shares pursuant to Sections 75 and 76 of the Companies Act 2016**

The Company has not issued any new shares under the general mandate for allotment and issuance of shares up to 10% of the issued share capital of the Company, which was approved at the 49th AGM held on 19 June 2019 and which shall lapse at the conclusion of the 50th AGM.

The proposed Resolution 7 is intended to renew the above authority granted to the Directors of the Company at the 49th AGM but at a higher general mandate of not more than 20% of the total number of issued shares.

Bursa Malaysia Securities Berhad had, on 16 April 2020, announced additional relief measures for listed issuers to ease compliance and facilitate their capital raising in a timely and cost-effective manner. In this regard, as an interim measure, listed issuer is allowed to seek a higher general mandate under paragraph 6.03 of the MMLR of not more than 20% of the total number of issued shares (excluding treasury shares) for issue of new securities ("20% General Mandate") provided that the following are being complied with:

- procure shareholders' approval for the 20% General Mandate at a general meeting; and
- complies with all the relevant applicable legal requirements, including its Constitution or relevant constituent document.

The 20% General Mandate may be utilised by listed issuer to issue new securities until 31 December 2021. After that, the 10% limit under paragraph 6.03(1) of the MMLR will be reinstated.

The proposed Resolution 7, if approved pursuant to the 20% General Mandate allowed by Bursa Malaysia Securities Berhad to issue new securities until 31 December 2021 ("Extended Utilisation Period") will give the Directors of the Company the mandate to issue and allot shares in the Company up to an amount not exceeding in total 20% of the total number of issued shares of the Company up to the next Annual General Meeting of the Company, for such purposes as the Directors consider will be in the best interest of the Company without convening a general meeting subsequent to the 50th AGM. This authority, unless revoked or varied by the shareholders of the Company in general meeting will expire at the conclusion of the next Annual General Meeting.

The 20% General Mandate will provide flexibility to the Company for any possible fundraising activities, including but not limited to further placing of shares for the purpose of funding future investment, working capital and/or acquisition. After having considered all aspects of the 20% General Mandate, the Board is of the opinion that the adoption of the 20% General Mandate (up to the next Annual General Meeting notwithstanding the Extended Utilisation Period) is in the best interest of the Company and its shareholders, on the following basis:

- the additional fundraising flexibility through the 20% General Mandate will enable the Company, should it be required to do so, to meet its funding requirements for working capital and operational expenditure, expeditiously and efficiently; and
- it will ease the cash flow planning of the Company should the Company requires additional funding for the execution of its business plan or the business contingency plans to mitigate against the financial impact of COVID-19 pandemic.

13. ABSTENTION FROM VOTING

- Any Director referred to in Resolutions 1, 2, 3 and 4, who is a shareholder of the Company will abstain from voting on the resolution in respect of his re-election at the 50th AGM.
- All the Non-Executive Directors of the Company who are shareholders of the Company will abstain from voting on Resolution 5 concerning remuneration to the Non-Executive Directors at the 50th AGM.

ADMINISTRATIVE GUIDE

Date	: 29 June 2020 (Monday)
Time	: 9.30 a.m.
Broadcast venue	: Multipurpose Hall, Level 3A, Dagang Net Tower, Block 10 (A & B) Corporate Park, Star Central, Lingkaran Cyberpoint Timur, Cyber 12, 63000 Cyberjaya, Selangor, Malaysia.
Mode of meeting	: Fully virtual

DIGITAL BALLOT FORM (“DBF”) VOTING PROCEDURES AT THE FULLY VIRTUAL 50TH AGM OF DAGANG NeXCHANGE BERHAD (“DNeX” OR “COMPANY”)

1. In view of the Coronavirus Disease 2019 (“COVID-19”) pandemic and the Company’s initiative to curb the spread of COVID-19, the 50th AGM of the Company will be conducted fully virtual and broadcasted from the Multipurpose Hall, Level 3A, Dagang Net Tower, Block 10 (A & B) Corporate Park, Star Central, Lingkaran Cyberpoint Timur, Cyber 12, 63000 Cyberjaya, Selangor, Malaysia. This is in line with the Guidance Note on the Conduct of General Meetings for Listed Issuers issued by the Securities Commission Malaysia on 18 April 2020.
2. The broadcast venue is strictly for the purpose of complying with Section 327(2) of the Companies Act 2016 which requires the Chairman of the meeting to be present at the main venue of the meeting.
3. No members shall be physically present at the broadcast venue on the day of the meeting. Members who wish to attend the fully virtual 50th AGM will have to register online at <https://shorturl.at/crzBC> (kindly refer to Note 15 below for further details) and attend remotely.
4. Only members are allowed to register online. Please ensure that your personal particulars and the information required are accurate as non-compliance may result in you not being able to receive your DBF.
5. After the registration is validated and accepted, the Poll Administrator, Mega Corporate Services Sdn. Bhd. (“Mega”) will issue your DBF to you via e-mail or WhatsApp.
6. With the DBF, you may exercise your rights as a member of the Company to participate (including to pose questions to the Board/Management of the Company) and vote during the 50th AGM, at the comfort of your home or from any location.
7. Members may use the Questions’ Pane to submit questions in real time during the meeting via the Webinar solution. Kindly read through the Webinar and Voting Guide document, which will be sent together with your DBF via e-mail or WhatsApp.

GENERAL MEETING RECORD OF DEPOSITORS

8. For the purpose of determining a member who shall be entitled to attend the 50th AGM, the Company shall be requesting Bursa Malaysia Depository Sdn. Bhd. in accordance with Rule 88.1 of the Company’s Constitution and Section 34(1) of the Securities Industry (Central Depositories) Act, 1991 to issue a General Meeting Record of Depositors as at 18 June 2020. Only the depositor/member whose name appears in the Record of Depositors as at 18 June 2020 shall be entitled to attend the said meeting or appoint proxy/proxies to attend and/or vote on his/her behalf.

PROXY/CORPORATE MEMBER/NOMINEE ACCOUNTS

9. If you as a member of the Company are not able to attend the fully virtual 50th AGM on 29 June 2020, you may appoint the Chairman of the meeting as your proxy and indicate the voting instructions in the Form of Proxy or e-mail the Form of Proxy with the proxy’s email address and mobile phone number to the Poll Administrator, Mega via email at agm-support.dnex@megacorp.com.my not later than Sunday, 28 June 2020 at 9.30 a.m.
10. Alternatively, you may submit your Form of Proxy to the office of our Share Registrar, Mega at Level 15-2, Bangunan Faber Imperial Court, Jalan Sultan Ismail, 50250 Kuala Lumpur, Malaysia. The Form of Proxy must be received by the Share Registrar not later than Sunday, 28 June 2020 at 9.30 a.m. in order for the Poll Administrator to process and send you the DBF to participate and vote at the meeting.

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11. A corporate member who wishes to participate and vote remotely at the 50th AGM will be required to provide the documents to the Share Registrar as stated in Note 9 above. Alternatively, the corporate member may e-mail the same to agm-support.dnex@megacorp.com.my. The documents must be received by the Poll Administrator not later than Sunday, 28 June 2020 at 9.30 a.m. failing which the corporate representative will not be allowed to participate and vote at the 50th AGM. The Form of Proxy shall be either (a) under the Common Seal of the corporation or (b) under the hand of duly authorised officer or attorney and in the case of (b), be supported by a certified true copy of the resolution appointing such officer or certified true copy of the power of attorney. Kindly provide the corporate representative's NRIC number, e-mail address and mobile phone number.

The information provided must be complete before the request can be processed. Subject to the specified timeline, upon receipt and verification of such documents, the corporate representative will be sent an email providing a link to generate the DBF which will allow the corporate representative to participate at the 50th AGM.

If you wish to submit your Form of Proxy by fax, please fax to the Company's Share Registrar's office, Mega at fax no. (03) 2732 5388. Please also ensure that the original Form of Proxy is deposited at the Company's Share Registrar's office not less than twenty-four (24) hours before the time appointed for holding the meeting.

12. A beneficiary who holds shares of the Company under a nominee company's Central Depository System (CDS) account, and who wishes to participate in the 50th AGM must request his/her nominee company to appoint him/her as a proxy. In this respect, the nominee company will be required to execute the Form of Proxy to appoint the beneficiary as its proxy and the Form of Proxy must be sent to the Share Registrar as stated in Note 9 above or e-mail the same to agm-support.dnex@megacorp.com.my not later than Sunday, 28 June 2020 at 9.30 a.m. failing which the appointment shall be considered as invalid and the beneficiary will not be allowed to participate at the 50th AGM.

Subject to the specified timeline, upon receipt and successful verification of the Form of Proxy, the Form of Proxy will be sent via an email providing a link to generate the DBF which will allow the proxy to participate in the 50th AGM.

13. If you have submitted your Form of Proxy prior to the meeting and subsequently decided to attend the meeting yourself, please contact Mega at telephone number (03) 2692 4271 not later than Sunday, 28 June 2020 at 9.30 a.m. to request for revocation. Should you require any clarification and assistance on revocation of proxy, you can e-mail to agm-support.dnex@megacorp.com.my.

POLL VOTING

14. Voting at the 50th AGM will be conducted by poll in accordance with paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. The Company has appointed Mega as Poll Administrator to conduct the poll by way of electronic voting and Cygnus IT Solutions PLT as Scrutineers to verify the poll results.

For the purpose of this AGM, e-voting will be carried out via your internet-enabled device (e.g. computer/mobile phone). The guide to e-voting is available in the same email that is sent to the member/proxy/corporate representative with the link on the DBF. Please read the instructions carefully and familiarise yourself with the steps needed to exercise your rights at the 50th AGM.

15. Member can proceed to vote on the resolutions and submit his/her votes during the voting period as stipulated in the DBF. Upon completion of the voting session at the 50th AGM, the Scrutineers will verify the poll results after which the Chairman will announce the results of the resolutions.

ADMINISTRATIVE GUIDE

16. The procedures for members to register and to obtain the DBF are as follows:

- **Step 1**

Open this link <https://shorturl.at/crzBC> and submit all details requested at least twenty four (24) hours before the meeting day, i.e. no later than 9.30 a.m. on 28 June 2020. Only depositor/member is allowed to register his/her details online. Kindly ensure that the details are accurate and match the details on the General Meeting Record of Depositors or the Form of Proxy. Any discrepancy in details may result in the depositor/member in you not receiving the DBF to access to the 50th AGM and to vote.

- **Step 2**

A member who has successfully registered himself/herself via the link in Step 1 will receive an email from the Poll Administrator, Mega, who will email the DBF to the respective member/proxy. If your registration is successful and you do not receive an email from the Poll Administrator within 24 hours, please contact the hotline of Mega at telephone number (03) 2692 4271. Alternatively, you may email to agm-support.dnex@megacorp.com.my with your details.

The DBF will contain instructions on how the member or his/her proxy or nominee can participate at the 50th AGM and the access link to the 50th AGM and to participate in voting. You are strongly encouraged to familiarise yourself with the steps necessary for you to participate and exercise your rights at the 50th AGM. If you are unsure, please reach out to Mega at their hotline number (03) 2692 4271. Alternatively, you may email your queries, with full details of your particulars to: agm-support.dnex@megacorp.com.my.

NO REFRESHMENTS AND NO DOOR GIFTS

There will be no distribution of refreshment and door gifts during the 50th AGM of the Company as the meeting will be conducted on fully virtual basis.

ANNUAL REPORT 2019

1. The Annual Report 2019 is available on the Company's website at www.dnex.com.my under Investor Relations and Bursa Malaysia's website at www.bursamalaysia.com under Company Announcements.
2. If you wish to request for printed copy of the Annual Report 2019, please forward your request to our Share Registrar by completing the Annual Report Requisition Form provided by us. The Share Registrar will send it to you by ordinary post as soon as possible upon receipt of your request.

ENQUIRY

If you have any general enquiry prior to the meeting, please contact the Poll Administrator during office hours (Monday to Friday):

1. **Mega Corporate Services Sdn. Bhd.**

Level 15-2, Bangunan Faber Imperial Court
Jalan Sultan Ismail
50250 Kuala Lumpur

Telephone Number (03) 2692 4271

Fax Number (03) 2732 5388

Email agm-support.dnex@megacorp.com.my

(i) Norhisham Abdul Hamid

(ii) Alfred John