



XINGHE HOLDINGS BERHAD
Registration No. 200401004611 (643114-X)
(Incorporated in Malaysia)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting ("EGM") of XingHe Holdings Berhad ("XingHe" or "Company") will be held at Balai Tunku Abdul Rahman, The Royal Commonwealth Society, No. 4, Jalan Birah, Damansara Heights, 50490 Kuala Lumpur on Friday, 7 August 2020 at 9:00 a.m. or at any adjournment thereof to consider and if thought fit, to pass the following resolutions with or without modifications:

ORDINARY RESOLUTION 1

PROPOSED ISSUANCE OF UP TO 460,887,432 FREE WARRANTS IN THE COMPANY ("WARRANTS") ON THE BASIS OF ONE (1) WARRANT FOR EVERY TWO (2) ORDINARY SHARES IN XINGHE ("XINGHE SHARES" OR "SHARES") HELD ON AN ENTITLEMENT DATE TO BE DETERMINED AND ANNOUNCED LATER ("ENTITLEMENT DATE") ("PROPOSED FREE WARRANTS ISSUE")

"THAT, subject to the approval of Bursa Malaysia Securities Berhad ("Bursa Securities") for the admission of the Warrants to the Official List of Bursa Securities and the listing and quotation of the Warrants and new XingHe Shares to be issued arising from the exercise of the Warrants on the ACE Market of Bursa Securities and approvals of all relevant authorities (if required) being obtained, approval be and is hereby granted to the Board of Directors ("Board") to allot and issue up to 460,887,432 Warrants, in registered form and constituted by a deed poll constituting the Warrants ("Deed Poll") to the shareholders of the Company whose names appear in the Record of Depositors of the Company as at the close of business at 5:00 p.m. on the Entitlement Date on the basis of one (1) Warrant for every two (2) existing XingHe Shares held;

AND THAT the Board be and is hereby authorised to determine the exercise price of the Warrants after taking into consideration the following:

- the Warrants will be issued at no cost to the Entitled Shareholders;
- the 5-day volume weighted average market price ("VWAMP") of XingHe Shares immediately preceding the price-fixing date, subject to a discount of not more than 10% to the 5-day VWAMP;
- the historical price movement of XingHe Shares;
- the prevailing market conditions; and
- the future working capital requirements of XingHe and its subsidiaries;

AND THAT the Board be and is hereby authorised to allot and issue such appropriate number of Warrants in accordance with the provisions of the Deed Poll and where required, to adjust the exercise price and/or the number of Warrants to be issued (including, without limitation, any additional Warrants as may be required or permitted to be issued) in consequences of any adjustments in accordance with the provisions of the Deed Poll ("Additional Warrants");

AND THAT the Board be and is hereby authorised to allot such appropriate number of new XingHe Shares arising from the exercise of the Warrants by the holders of the Warrants of their rights in accordance with the provisions of the Deed Poll, including such appropriate number of new XingHe Shares arising from the exercise of subscription rights represented by the Additional Warrants;

AND THAT fractional entitlements of the Warrants arising from the Proposed Free Warrants Issue, if any, shall be disregarded and dealt with in such manner as the Board may in its absolute discretion deem fit and expedient, and to be in the best interest of the Company;

AND THAT the Board be and is hereby authorised to enter into and execute the Deed Poll on behalf of the Company with full powers to assent to any conditions, variations, modifications and/or amendments in any manner as may be required or imposed by the relevant authorities or deemed necessary by the Board, and subject to all provisions and adjustments contained in the Deed Poll, to assent to any modifications and/or amendments to the exercise price, exercise period and/or number of Warrants as may be required or permitted to be revised as a consequence of any adjustments under the provisions of the Deed Poll with full powers to implement and give effects to the terms and conditions of the Deed Poll, and to take all steps as the Board deems fit or expedient and/or appropriate to implement, finalise and give full effect to the terms and conditions of the Deed Poll;

AND THAT the new XingHe Shares to be issued arising from the exercise of the Warrants and/or Additional Warrants shall, upon allotment and issuance, rank *pari-passu* in all respects with the then existing XingHe Shares, save and except that such new XingHe Shares will not be entitled to any dividends, rights, allotments and/or any other form of distributions where the entitlement date of such dividends, rights, allotments and/or any other form of distributions precedes the relevant date of allotment and issuance of such new XingHe Shares;

AND THAT the proceeds raised from the exercise of the Warrants, if any, be utilised for the purposes set out in Section 2.6 of Part A of the Circular to Shareholders of the Company dated 16 July 2020 and the Board be and is hereby authorised with full power to vary the manner and/or purposes of utilisation of such proceeds in such manner as the Board may deem fit, necessary and/or expedient, subject (if required) to the approval of the relevant authorities;

AND THAT the Board be and is hereby authorised to do all acts, things and to execute, sign and deliver or caused to be delivered for and on behalf of the Company, all such documents and/or agreements, including without limitation, the affixation of the common seal of the Company, where necessary, as it may consider necessary, expedient and/or relevant in the best interest of the Company in order to implement, finalise and give full effect to the Proposed Free Warrants Issue with full power to assent to any terms, conditions, modifications, variations and/or amendments in any manner as may be required or imposed by the relevant authorities or deemed by the Board to be necessary, expedient and/or relevant in the best interest of the Company."

ORDINARY RESOLUTION 2

PROPOSED SHAREHOLDERS' RATIFICATION FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE ("PROPOSED SHAREHOLDERS' RATIFICATION")

"THAT subject always to the provisions of the ACE Market Listing Requirements of Bursa Securities ("Listing Requirements") and the Companies Act 2016 ("Act"), the recurrent related party transactions of a revenue or trading nature entered or to be entered into during the period from 1 December 2019 to the date of this EGM, the particulars of which are set out in Section 2.2 of Part B of the Circular to Shareholders of the Company dated 16 July 2020, which were necessary for the day-to-day operations of the Company's subsidiary, XW Aquaculture Sdn Bhd ("XW Aquaculture"), undertaken in the ordinary course of business at arm's length basis and on normal commercial terms which are not detrimental to the interest of the minority shareholders of the Company, be and are hereby approved, confirmed and ratified."

ORDINARY RESOLUTION 3

PROPOSED SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE ("PROPOSED SHAREHOLDERS' MANDATE")

"THAT subject always to the provisions of the Listing Requirements and the Act, approval be and is hereby granted to XW Aquaculture to enter into and to give effect to the recurrent related party transactions of a revenue or trading nature with the related party as specified in Section 2.2 of Part B of the Circular to Shareholders of the Company dated 16 July 2020, provided that such transactions are:

- necessary for the day-to-day operations of XW Aquaculture;
- undertaken in the ordinary course of business at arms' length basis and on normal commercial terms which are not more favourable to the related party than those generally available to the public; and
- not detrimental to the interest of the minority shareholders of the Company ("Mandate").

THAT such approval and authority conferred shall continue to be in force until:

- the conclusion of the next Annual General Meeting ("AGM") following this EGM at which the Mandate is passed, at which time it shall lapse, unless by a resolution passed at such AGM whereby the Mandate is renewed;
- the expiration of the period within which the next AGM after that date 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 or varied by an ordinary resolution passed by the shareholders of the Company in a general meeting,

whichever is the earlier.

AND THAT the Board be and is hereby authorised to do all such acts, deeds and things and to execute, sign and deliver or caused to be delivered for and on behalf of the Company in order to implement, finalise and give full effect to the Mandate with full powers to assent to any terms, conditions, modifications, variations and/or amendments in any manner as the Board may deem necessary and/or expedient in the best interest of the Company to give effect to this resolution."

SPECIAL RESOLUTION

PROPOSED CHANGE OF NAME OF THE COMPANY FROM "XINGHE HOLDINGS BERHAD" TO "MAG HOLDINGS BERHAD" ("PROPOSED CHANGE OF NAME")

"THAT, the name of the Company be changed from "XingHe Holdings Berhad" to "MAG Holdings Berhad" effective from the date of issuance of the Notice of Registration of New Name by the Companies Commission of Malaysia of the Company and that the Constitution of the Company be hereby amended accordingly, wherever the name of the Company appears;

AND THAT the Board be and is hereby authorised to do all acts, deeds and things and to execute, sign and deliver or caused to be delivered for and on behalf of the Company, all such documents as it may consider necessary and/or expedient in the best interest of the Company in order to implement, finalise and give full effect to the Proposed Change of Name with full power to assent to any terms, conditions, modifications, variations and/or amendments in any manner as the Board may deem necessary and/or expedient in the best interest of the Company."

By Order of the Board

WONG YUET CHYN (MAICSA 7047163)
(SSM PC 202008002451)
Company Secretary

Kuala Lumpur
16 July 2020

Notes:

- A depositor shall not be regarded as a member entitled to attend this Extraordinary General Meeting ("EGM") or at any adjournment thereof and to speak and vote thereat unless his/her/its name appears on the Record of Depositors as at 29 July 2020 (which is not less than three clear market days before the date of this EGM) issued by Bursa Malaysia Depository Sdn Bhd ("Bursa Depository") in accordance with the rules of Bursa Depository.
- A member who is a holder of 2 or more shares shall be entitled to appoint up to 2 proxies to attend and vote at this EGM. Where a member appoints 2 proxies, the appointments shall be invalid unless he/she/it specifies the proportions of his/her/its holdings to be represented by each proxy. Provided that having appointed a proxy to attend in his/her/its stead, if such member personally attends this EGM, his/her/its proxy shall be precluded from the meeting.
- A proxy may but need not be a member of the Company and there shall be no restriction as to the qualification of the proxy.
- Where a member is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991 ("SICDA"), it may appoint at least 1 proxy in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.
- Where a member is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account") as defined under SICDA, there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
- The instrument appointing a proxy shall be in writing under the hand of the appointor or his/her attorney duly authorised in writing or, if the appointor is a corporation, either under its common seal or signed by an officer or attorney so authorised.
- The Form of Proxy and the duly completed instrument appointing a proxy or the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority must be lodged at the Company's Registered Office at No. 2-1, Jalan Sri Hartamas 8, Sri Hartamas, 50480 Kuala Lumpur not less than 48 hours before the time appointed for holding this EGM or at any adjournment thereof.
- Pursuant to Rule 8.31A(1) of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad, all resolutions set out in the Notice of this EGM shall be put to vote by poll.