

DPS RESOURCES BERHAD

Registration No. 200301028458 (630878-X)
(Incorporated in Malaysia)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Seventeenth Annual General Meeting of the Company will be held at the Conference Room, Lot 76, Kawasan Perindustrian Bukit Rambai, Bukit Rambai, 75250 Melaka on Tuesday, 22 September 2020 at 11.00 a.m. for the following purposes:

AGENDA

AS ORDINARY BUSINESS

1. To receive the Audited Financial Statements for the financial year ended 31 March 2020 together with the Reports of the Directors and the Auditors thereon. (Please refer to explanatory Note 1)
2. To approve the payment of Directors' fees and benefits of up to RM37,800 from 23 September 2020 until the conclusion of the next Annual General Meeting of the Company. (Resolution 1)
3. To re-elect the following Directors who retire by rotation in accordance with Clause 120 of the Company's Constitution:
 - (a) Datuk Wira Haji Jaafar Bin Haji Lajis (Resolution 2)
 - (b) Mr. Mea Fatt Leong (Resolution 3)
4. To re-appoint Messrs. UHY as Auditors of the Company and to authorise the Directors to fix their remuneration. (Resolution 4)

AS SPECIAL BUSINESS

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

ORDINARY RESOLUTIONS

5. **Retention of Independent Non-Executive Director pursuant to Practice 4.2 of the Malaysian Code on Corporate Governance 2017**

“THAT subject to the passing of Resolution 2, Datuk Wira Haji Jaafar Bin Haji Lajis who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than twelve years be and is hereby retained as an Independent Non-Executive Director of the Company pursuant to Practice 4.2 of the Malaysian Code on Corporate Governance 2017.” (Resolution 5)
6. **Authority to Allot Shares pursuant to Sections 75 and 76 of the Companies Act 2016**

“THAT pursuant to Sections 75 and 76 of the Companies Act 2016 and subject to the approvals of the relevant governmental/regulatory authorities, the Directors be and are hereby authorised to issue and allot shares in the capital of the Company from time to time, at such price and upon such terms and conditions and for such purposes and to such person or persons whomsoever as the Directors may in their absolute discretion deem fit provided that the aggregate number of shares to be issued does not exceed 20% of the issued share capital of the Company for the time being and that the Directors be and are hereby also empowered to obtain approval from the Bursa Malaysia Securities Berhad for the listing and quotation of the additional shares so issued and that such authority shall continue to be in force until the conclusion of the next Annual General Meeting.” (Resolution 6)

7. Proposed Authority to Enable the Company to Purchase and/or Hold Up to Ten Percent (10%) of Its Own Shares in the Issued and Paid-Up Share Capital (“Proposed Authority For Share Buy-Back”)

“THAT subject always to the Companies Act 2016, the provisions of the Constitution of the Company, the Main Market Listing Requirements of Bursa Securities and all other applicable laws, guidelines, rules and regulations, the Company be and is hereby authorised to purchase such amount of ordinary shares of the Company as determined by the Directors from time to time through Bursa Securities, as the Directors may deem fit and expedient in the interest of the Company provided that:

- (i) the aggregate number of shares purchased does not exceed 10% of the total number of issued shares of the Company as quoted on Bursa Securities at the point of purchase(s);
- (ii) the maximum fund to be allocated by the Company for the purpose of purchasing the shares shall not exceed the aggregate of retained profits of the Company based on the latest audited financial statements and/or the latest management accounts of the Company (where applicable) available at the time of the purchase(s); and
- (iii) the Directors of the Company may decide either to retain the shares purchased as treasury shares or cancel the shares or retain part of the shares so purchased as treasury shares and cancel the remainder or to resell the shares or distribute the shares as dividends;

THAT the authority conferred by this resolution shall commence immediately and shall continue to be in force until the conclusion of the next annual general meeting of the Company following the passing of this ordinary resolution, unless earlier revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting.

AND THAT the authority be and is hereby given to the Directors of the Company to act and take all such steps and do all things as are necessary or expedient to implement, finalise and give full effect to the aforesaid purchase.”

(Resolution 7)

8. Proposed Renewal of Existing Shareholders’ Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature (“Proposed Shareholders’ Mandate”)

“THAT subject to the provisions of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, (“Bursa Securities”), approval be and is hereby be given to the Company and/or its subsidiaries (“DPS Group”) to enter into recurrent related party transactions of a revenue or trading nature with those related parties as set out in Section 2.5 of Part B of the Circular to Shareholders dated 28 August 2020 which are necessary for the DPS Group’s day-to-day operations.

AND THAT the aforesaid recurrent transactions of a revenue or trading nature are subject to the following:

- (i) the transactions are in the ordinary course of business and are on terms not more favourable to the related parties than those generally available to the public and not to the detriment of minority shareholders; and
- (ii) disclosure of the aggregate value of recurrent transactions conducted pursuant to the Proposed Shareholders’ Mandate will be disclosed in the Annual Report for the said financial year AND THAT such approval shall continue to be in force until:
 - (a) the conclusion of the next Annual General Meeting (“AGM”) of the Company following the forthcoming AGM at which time it will lapse, unless by a resolution passed at the meeting the

authority is renewed; or

- (b) the expiration of the period within which the next AGM of the Company subsequent to 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 in a general meeting,

whichever is earlier.

AND THAT the Directors and/or any of them be and are hereby authorised to complete and do all such acts and things including executing such documents as may be required as they may consider expedient or necessary to give effect to the Proposed Shareholders’ Mandate.”

(Resolution 8)

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

By Order of the Board,

Lim Li Fang
SSM Practising Certificate No. 201908001228
MAICSA 7012923
Company Secretary

Melaka,

Date: 28 August 2020

Notes:

- 1. Every Member including Authorised Nominee and an Exempt Authorised Nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account (“Omnibus Account”) is entitled to appoint another person as his proxy to exercise all or any of his rights to attend, participate, speak and vote instead of him at the Annual General Meeting and that such proxy need not be a Member.
- 2. Where a Member appoints more than one (1) proxy, the appointment shall be invalid unless he specifies the proportion of his holdings to be represented by each proxy.
- 3. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, either under the corporation’s Seal or under the hand of an officer or attorney duly authorized.
- 4. The Proxy Form must be deposited at the registered office of the Company at 50-1, 52-1 & 54-1, Jalan BPM 2, Taman Bukit Piatu Mutiara, 75150 Melaka not less than 24 hours before the time appointed for holding the Meeting or any adjournment thereof.
- 5. Depositors who appear in the Record of Depositors as at 15 September 2020 shall be regarded as Member of the Company entitled to attend the Seventeenth Annual General Meeting or appoint a proxy to attend and vote on his behalf.

Explanatory Notes:

Audited Financial Statements for the financial year ended 31 March 2020.

Item 1 of the Agenda is meant for discussion only as the provision of Section 340(1)(a) of the Companies Act 2016 does not require a formal approval of the shareholders for the audited financial statements. Hence, this Agenda will not be put forward for voting.

Resolution 5

Retention as Independent Non-Executive Director pursuant to Practice 4.2 of the Malaysian Code on Corporate Governance 2017

The Independent Non-Executive Director of the Company, Datuk Wira Haji Jaafar Bin Haji Lajis was appointed on 18 December 2003 and therefore, he has served the Board for a cumulative term of more than twelve (12) years. The Board of Directors of the Company through the Nomination Committee, after having assessed the independence of Datuk Wira Haji Jaafar Bin Haji Lajis, regards him to be independent based amongst others, the following justifications and recommends that Datuk Wira Haji Jaafar Bin Haji Lajis be retained as Independent Director of the Company subject to the approval from the shareholders of the Company through a two-tier voting process as described in Practice 4.2 of the Malaysian Code on Corporate Governance 2017:

- (a) he has fulfilled the criteria under the definition of Independent Director as set out under Paragraph 1.01 of the Bursa Malaysia Securities Berhad Main Market Listing Requirements and thus, he would be able to function as check and balance and bring an element of objectivity to the Board of Directors.
- (b) he was able to exercise independent judgement and act in the best interests of the Company.
- (c) he does not has any conflict of interest with the Company and has not been entering/is not expected to enter into contract(s) especially material contract(s) with the Company and/or its subsidiary companies.

Resolution 6

Authority to Allot Shares pursuant to Sections 75 and 76 of the Companies Act 2016

The proposed Resolution 6 which is an Ordinary Resolution, if passed, will grant a renewed general mandate and give the Directors of the Company authority to issue and allot shares up to an amount not exceeding in total 20% of the issued share capital of the Company for such purposes as the Directors consider would be in the interest of the Company (“20% General Mandate”). This would avoid any delay and cost involved in convening a general meeting to specifically approve such an issue of shares. This authority, unless revoked or varied at a general meeting, will expire at the next Annual General Meeting of the Company.

The 20% General Mandate is pursuant to an interim relief measures introduced by Bursa Malaysia Securities Berhad vide their letter dated 16 April 2020 for listed issuers to seek a higher general mandate of not more than 20% of the total number of the Company’s issued shares (excluding treasury shares) for the issuance of new securities.

The Board is of the view that the 20% General Mandate is in the best interest of the Company and its shareholders due to the current rising risks and global economy turmoil from the Covid-19 impact and the 20% General Mandate will enable the Company to raise higher fund quickly and efficiently during this challenging period to ensure sustainability of the Company’s existing activities as well as funding for future investment activities.

The 20% General Mandate will provide flexibility to the Company to issue new securities for any possible fund raising activities, including but not limited to further placing of shares, for the purpose of funding future investment(s), acquisition(s) and/or working capital.

As at the date of this Notice, the Company did not issue any shares pursuant to the mandate granted to the Directors at the Sixteenth Annual General Meeting.

Resolution 7

Proposed Authority for the Company to Purchase its own shares

The proposed Resolution 7, which is an Ordinary Resolution, if passed, will allow the Company to purchase its own shares through Bursa Securities up to ten per centum (10%) of the total number of issued shares of the Company. This authority, unless revoke or varies at a general meeting, will expire at the next Annual General Meeting. Further information on the Proposed Share Buy-Back is

set out in Part A of the Circular to Shareholders dated 28 August 2020 which is sent out together with the Company's Annual Report 2020.

Resolution 8

Proposed Renewal of Existing Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature

The proposed Resolution 8 which is an Ordinary Resolution, if passed, will allow the Company and/or its subsidiaries to enter into recurrent transactions of a revenue or trading nature with those related parties as specified in Section 2.5 of Part B of the Circular to Shareholders dated 28 August 2020, which is sent out together with the Company's Annual Report 2020. The mandates shall continue to be in force until the date of the next Annual General Meeting of the Company unless earlier revoked or varied by ordinary resolution of the Company in a general meeting and is subject to annual renewal.