



NOTICE OF 51ST ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Fifty First Annual General Meeting ("51st AGM") of Dagang NeXchange Berhad ("DNeX" or the "Company") will be conducted virtually 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 Thursday, 2 December 2021 at 10.00 a.m. for the following purposes:

AGENDA

AS ORDINARY BUSINESS

- To receive the Audited Financial Statements for the financial period ended 30 June 2021 together with the reports of the Directors and Auditors thereon. **Resolution 1**
- 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: **Resolution 2**
 - Tan Sri Abd Rahman Mamat
 - Datuk Johar Che Mat
- To re-elect Dr. Chen, Wei-Ming 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 Dato' Robert Fisher who retires pursuant to Rule 116 of the Company's Constitution and who being eligible offers himself for re-election. **Resolution 4**
- To re-elect Tan Sri Dato' Sri Syed Zainal Abidin Syed Mohamed Tahir who retires pursuant to Rule 116 of the Company's Constitution and who being eligible offers himself for re-election. **Resolution 5**
- To approve the payment of Directors' fees and benefits to the Non-Executive Directors of the Company and its subsidiaries up to an aggregate amount of RM3,000,000 for the period from 3 December 2021 until the next Annual General Meeting of the Company. **Resolution 6**
- 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 7**

AS SPECIAL BUSINESS

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

- AUTHORITY TO ISSUE SHARES PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT 2016** **Resolution 8**
 "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 ten (10) 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."
- 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 51st 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 25 November 2021. Only a depositor whose name appears on the Record of Depositors as at 25 November 2021 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

Chin Wai Yi (MAICSA 7069783)
SSM Practicing Certificate No. 202008004409

Keh Ching Tyng (MAICSA 7050134)
SSM Practicing Certificate No. 202008002616
Company Secretaries

Selangor
29 October 2021

NOTES:

- 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 Poll Administrator, Mega Corporate Services Sdn. Bhd. at Level 15-2, Bangunan Faber Imperial Court, Jalan Sultan Ismail, 50250 Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur, Malaysia not less than forty-eight (48) 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 Poll Administrator at AGM-support.DNeX@megacorp.com.my not later than Tuesday, 30 November 2021 at 10.00 a.m. Please refer to the Administrative Notes for the 51st AGM for further details.
- Pursuant to paragraph 8.29A(1) of the MMLR, voting at the 51st AGM will be conducted by poll. The Company has appointed Mega Corporate Services Sdn. Bhd. as the Poll Administrator to conduct the polling process by way of e-voting, and Cygnus Technology Solutions Sdn. Bhd. as Scrutineers to verify the poll results.

8. EXPLANATORY NOTES ON ORDINARY BUSINESS

(i) Audited Financial Statements for the financial period ended 30 June 2021

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.

(ii) 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. The Nomination and Remuneration Committee ("NRC") and the Board have considered the assessment of the retiring 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 Board, through the NRC had carried out an assessment of the independence of Tan Sri Abd Rahman Mamat, Datuk Johar Che Mat and Dato' Robert Fisher pursuant to the criteria as prescribed by the MMLR and Malaysian Code on Corporate Governance and are satisfied that they meet the criteria for independence. Tan Sri Abd Rahman Mamat, Datuk Johar Che Mat and Dato' Robert Fisher were appointed as Directors of the Company on 12 December 2013, 28 February 2018 and 22 June 2021, respectively 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.

(iii) Directors' fees and benefits payable to Non-Executive Directors

The Company had, during its Extraordinary General Meeting held on 23 June 2021, obtained shareholders' approval in relation to the Directors' fees and benefits payable to the Non-Executive Directors of the Company and its subsidiaries for the period from 1 January 2021 until the 51st AGM of the Company.

The proposed Resolution 6, if passed, will give authority to the Company and its subsidiaries to pay Directors' fees and benefits to our Non-Executive Directors, on a monthly basis and after each month of completed service of our Non-Executive Directors. The benefits payable to the Non-Executive Directors comprise allowances and other emolument payable to the Chairman and members of the Board, Board of subsidiaries, Board Committees and such other committees as may be established by the Board.

The payment of Directors' fees and benefits to the Non-Executive Directors of the Company and its subsidiaries are based on among others, the following rates:

Description	The Company	
	Chairman	Non-Executive Directors
Monthly Directors' Fee		
(a) Board	RM18,000.00	RM12,000.00
(b) Audit Committee	RM6,000.00	RM3,000.00
(c) Other Committees	RM1,000.00	RM800.00
Meeting Allowances		
(a) Board	RM2,250.00	RM2,250.00
(b) Board Committees	RM1,500.00	RM1,500.00
Benefits	Medical and hospitalisation	

Description	Company's subsidiary	
	Chairman	Non-Executive Directors
Directors' Fee		
(a) Dagang Net Technologies Sdn. Bhd.	RM48,000.00 per annum	RM24,000.00 per annum
(b) SitTerra Malaysia Sdn. Bhd.	RM72,000.00 per annum	RM54,000.00 per annum
(c) PING Petroleum Limited	USD30,000.00 per annum	USD20,000.00 per annum
(d) Innovation Associates Consulting Sdn. Bhd.	RM60,000.00 per annum	RM60,000.00 per annum

The rapid growth of the Company has resulted in greater responsibilities, risk and time taken by the Non-Executive Directors to contribute their expertise to the Company. The Board is of the view that the proposed payment of Directors' fees and benefits to the Non-Executive Directors commensurate with the level of responsibility and accountability of the Non-Executive Directors and the amount of time that they are expected to devote in discharging their roles.

In determining the estimated total amount of Directors' fees and benefits for the Non-Executive Directors, the Board has conducted a benchmarking exercise on the Directors' fees and benefits against other companies of similar industry and market capitalisation. The Board had also considered various factors including the number of scheduled and special meetings for the Board, Board Committees and Boards of the Company's subsidiaries and the number of Non-Executive Directors involved in these meetings based on the current number of Non-Executive Directors as well as inclusion of provisional sum as a contingency for future appointment of Non-Executive Directors on the Boards of the Company's subsidiaries and increase in the number of Board and Board Committees meetings.

The Board is of the view that it is just and equitable for the Non-Executive Directors to be paid the Directors' fees and benefits on a monthly basis and/or as and when they are incurred, particularly after the Directors have discharged their responsibilities and rendered their services to the Company and its subsidiaries throughout their tenure as Directors.

9. EXPLANATORY NOTES ON SPECIAL BUSINESS

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

The proposed Ordinary Resolution 8 is for the purpose of granting a renewed general mandate ("General Mandate") and empowering the Directors of the Company, pursuant to Sections 75 and 76 of the Companies Act 2016 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 ten percent (10%) of the total number of issued shares (excluding treasury shares) of the Company for the time being, for such purposes as the Directors consider will be in the best interest of the Company without convening a general meeting subsequent to the 51st AGM. The General Mandate, unless revoked or varied by the Company in general meeting will expire at the conclusion of the next Annual General Meeting of the Company.

As at the date of this Notice, no new shares in the Company were issued pursuant to the mandate granted to the Directors at the 50th AGM held on 29 June 2020 and which will lapse at the conclusion of the 50th AGM.

The 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.

10. ABSTENTION FROM VOTING

- Any Director referred to in Resolutions 1, 2, 3, 4 and 5, who is a shareholder of the Company will abstain from voting on the resolution in respect of his/her re-election at the 51st AGM.
- All the Non-Executive Directors of the Company who are shareholders of the Company will abstain from voting on Resolution 6 concerning remuneration to the Non-Executive Directors at the 51st AGM.

ADMINISTRATIVE NOTES FOR THE 51ST ANNUAL GENERAL MEETING



DAGANG NeXCHANGE BERHAD
Registration No. 197001000738 (10039-P)
(Incorporated in Malaysia under the Companies Act 1965 and
deemed registered under the Companies Act 2016)



Date : **Thursday, 2 December 2021**
Time : **10.00 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**

VOTING VIA DIGITAL BALLOT FORM AT A VIRTUAL 51ST AGM

1. In view of the Coronavirus Disease 2019 (“COVID-19”) pandemic and as part of our safety measures, the 51st AGM of Dagang NeXchange Berhad (“Company”) will be conducted on a virtual basis through remote participation and electronic voting from the Broadcast Venue. This is in line with the Guidance Notes on the Conduct of General Meetings for Listed Issuers issued by the Securities Commission Malaysia (“SC”) on 18 April 2020 and subsequently revised on 16 July 2021.
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. Members will not be allowed to physically present at the 51st AGM in person at the Broadcast Venue on the day of the meeting.
3. This is a virtual Meeting in adherence to the SC Meeting’s Guideline to curb the spiking of COVID-19. Shareholders who wish to participate at the 51st AGM will therefore have to do so remotely. Pre-registration of attendance is required via the link at <https://vps.megacorp.com.my/cAOgcV> (please refer to paragraph 6 for further details). After the registration is validated and accepted, shareholders will receive an email with a link to grant access to the **Digital Ballot Form (“DBF”)**.
4. With the DBF, you may exercise your right as a shareholder of the Company to participate (including to pose questions to the Board/Management of the Company) and vote during the 51st AGM, at the comfort of your home or from any location.
5. Shareholders may use the *Questions’ Pane* facility (located at the top right corner of the screen) to submit questions in real time during the meeting via the Live-Streaming solution. Shareholders may also submit questions before the meeting via email to the following e-mail address in relation to the agenda items for the 51st AGM:

AGM-support.DNEX@megacorp.com.my

ADMINISTRATIVE NOTES FOR THE 51ST ANNUAL GENERAL MEETING

REGISTRATION PROCEDURE

6. Kindly follow the steps below to ensure that you are able to obtain your DBF and details to log in to the Live-Streaming session to participate and vote remotely during the 51st AGM online:

- a. Open this link: <https://vps.megacorp.com.my/cAOgcV>, or scan the QR code at the top right corner of this document, and submit all requisite details at least forty-eight (48) hours before the date of the 51st AGM.
- b. Only shareholders are allowed to register their details online. Shareholders can also appoint proxies or Chairman of the meeting as proxy via online, as in step (a) above. Please ensure that your details are accurate as non-compliance would result in you not being able to participate in the 51st AGM.
- c. Alternatively, you may deposit your Form of Proxy, duly completed with the proxy's email address and mobile phone number, at the office of the Poll Administrator at least forty-eight (48) hours before the date of the 51st AGM at:

Mega Corporate Services Sdn. Bhd.

Level 15-2, Bangunan Faber Imperial Court, Jalan Sultan Ismail,
50250 Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur; **or**

Submit via e-mail to: AGM-support.DNEX@megacorp.com.my

- d. For corporate shareholders/nominee accounts, please complete the Form of Proxy as per step (c) above.
- e. Upon verification on your registration, the Poll Administrator, Mega Corporate Services Sdn. Bhd., will send the following to you via email:
 - i. **Meeting Link** – for the Live-Streaming Session; and
 - ii. **DBF** – for Voting Purposes

RECORD OF DEPOSITORS ("ROD") FOR THE 51ST AGM

7. The date of the ROD for the 51st AGM is Thursday, 25 November 2021. As such, only shareholders whose name appear in the ROD shall be entitled to participate, speak and vote at the 51st AGM or appoint proxy(ies)/corporate representative(s) to participate, speak and vote on his/her behalf.

POLL VOTING

8. The voting at the 51st AGM will be conducted by poll. The Company has appointed Mega Corporate Services Sdn. Bhd. as the Poll Administrator to conduct the polling process by way of e-voting, and Cygnus Technology Solutions Sdn. Bhd. as Scrutineers to verify the poll results.

9. Shareholders/proxies can proceed to vote on the resolutions and submit your votes during the voting period as stipulated in the DBF. Upon completion of the voting session for the 51st AGM, the Scrutineers will verify the poll results after which the Chairman will announce the poll results of the resolutions.

ENQUIRY

If you have any enquiries on the above, please contact the Poll Administrator during office hours (Monday to Friday):

Mega Corporate Services Sdn. Bhd.

Email : AGM-support.DNEX@megacorp.com.my
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