

13. ACCOUNTANTS' REPORT (Cont'd)

15. Trade and other receivables, including derivatives (continued)

15.3 Other receivables

Included in other receivables are :

- insurance claim of Nil (28.2.2022: Nil; 28.2.2021: RM10,121,000; 29.2.2020: Nil);
- indirect taxes receivable of RM17,172,000 (28.2.2022: RM15,791,000; 28.2.2021: RM18,494,000; 29.2.2020: RM11,901,000); and
- RM4,542,000 (28.2.2022: RM5,308,000; 28.2.2021: RM6,184,000; 29.2.2020: RM11,186,000) comprising mainly advances to suppliers and a customer which earns interest at rates ranging from 5.00% to 10.00% (28.2.2022: 5.00% to 10.00%; 28.2.2021: 5.00% to 10.00%; 29.2.2020: 5.00% to 12.00%) per annum.

16. Short term investments and cash and cash equivalents

16.1 Short term investments

Short term investments comprise investments in fixed income trusts/funds which can be redeemed within a period of less than 31 days.

16.2 Cash and cash equivalents

	Note	31.10.2022 RM'000	28.2.2022 RM'000	28.2.2021 RM'000	29.2.2020 RM'000
Short term deposits	a	31,997	8,331	44,993	5,478
Cash and bank balances	b	469,502	401,241	280,985	247,011
		501,499	409,572	325,978	252,489

a. Short term deposits

Short term deposits amounting to RM2,869,000 (28.2.2022: RM2,878,000; 28.2.2021: RM2,625,000; 29.2.2020: RM1,354,000) are held in lien for loans and borrowings and bank guarantees granted to the Group as disclosed in Note 19.1.

b. Cash and bank balances held in trust by a Director

Included in cash and bank balances is Nil (28.2.2022: Nil; 28.2.2021: RM6,339,000; 29.2.2020: RM6,629,000) which is placed in the name of a Director and held in trust for the Group.

13. ACCOUNTANTS' REPORT (Cont'd)

17. Assets/(Liabilities) classified as held for sale

	31.10.2022 RM'000	28.2.2022 RM'000	28.2.2021 RM'000	29.2.2020 RM'000
Assets classified as held for sale				
Property, plant and equipment	-	23,010	-	-
Right-of-use assets	-	3,832	-	-
Intangible assets	-	4	-	-
Deferred tax asset	-	2	-	-
Trade and other receivables	-	1,050	-	-
Inventories	-	4,200	-	-
Cash and cash equivalents	-	327	-	-
	-	32,425	-	-
Liabilities classified as held for sale				
Trade and other payables	-	3,306	-	-
Lease liabilities	-	270	-	-
	-	3,576	-	-

During the financial year ended 28 February 2022, the Board of Directors of the Company approved the disposal of Florin (Fujian) Integrated Agricultural Science and Technology Co., Ltd.. On 17 May 2022, a Share Sale Agreement ("SSA") was entered into by the Group to effect the said disposal and the disposal was expected to be completed within 6 months from the date of the SSA.

During the current financial period, the Directors and Management of the Company have collectively assessed and noted that the SSA may be terminated due to inability of the purchaser to fulfil certain conditions of the SSA. Accordingly, the assets and liabilities of Florin Fujian are no longer presented as held for sale as at 31 October 2022.

13. ACCOUNTANTS' REPORT (Cont'd)

18. Share capital

	31.10.2022	28.2.2022	28.2.2021	29.2.2020
	Amount RM'000	Number of shares '000	Amount RM'000	Number of shares '000
Issued and fully paid ordinary shares with no par value classified as equity instruments	60,191	240,764	60,191	240,764

18.1 Ordinary shares

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company.

19. Loans and borrowings

	31.10.2022	28.2.2022	28.2.2021	29.2.2020
	RM'000	RM'000	RM'000	RM'000
Non-current				
Hire purchase liabilities	2,480	1,363	2,004	1,927
Term loans, secured	43,756	31,257	14,399	12,862
	<u>46,236</u>	<u>32,620</u>	<u>16,403</u>	<u>14,789</u>
Current				
Hire purchase liabilities	1,140	905	916	834
Term loans, secured	12,280	10,997	5,413	2,187
Revolving credits, secured	168,332	196,642	212,372	137,679
Revolving credits, unsecured	5,634	5,021	22,759	830
	<u>187,386</u>	<u>213,565</u>	<u>241,460</u>	<u>141,530</u>
Total loans and borrowings	<u>233,622</u>	<u>246,185</u>	<u>257,863</u>	<u>156,319</u>

13. ACCOUNTANTS' REPORT (Cont'd)

19. Loans and borrowings (continued)

19.1 Securities

The term loans and revolving credits are secured by way of legal charges over lands and buildings (see Note 3.2), inventories (see Note 10.2) and short term deposits (see Note 16.2a) of the Group, land held for property development of a related party (formerly a subsidiary of the Company) and are jointly and severally guaranteed by certain Directors of the Company. Subsequent to the end of the reporting period, the land held for property development of a related party was discharged and substituted with lands owned by the Group.

19.2 Reconciliation of movements of liabilities to cash flows arising from financing activities

	At 1.3.2019 RM'000	New hire purchase/ lease RM'000	Net changes from financing cash flows RM'000	Changes arising from business combination (Note 34.3) RM'000	Effect of movement in exchange rates RM'000	At 29.2.2020 RM'000
Hire purchase liabilities	2,425	1,173	(840)	-	3	2,761
Term loans	18,242	-	(20,690)	17,533	(36)	15,049
Revolving credits	53,265	-	85,244	-	-	138,509
Lease liabilities	20,190	3,714	(7,106)	-	77	16,875
	94,122	4,887	56,608	17,533	44	173,194

	At 1.3.2020 RM'000	New hire purchase/ lease RM'000	Net changes from financing cash flows RM'000	Derecognised due to termination of lease RM'000	Disposal of subsidiaries (Note 35.1) RM'000	Effect of movement in exchange rates RM'000	At 28.2.2021 RM'000
Hire purchase liabilities	2,761	1,415	(1,054)	-	(202)	-	2,920
Term loans	15,049	-	4,896	-	-	(133)	19,812
Revolving credits	138,509	-	96,622	-	-	-	235,131
Lease liabilities	16,875	4,092	(8,608)	(181)	-	(85)	18,638
	173,194	5,507	91,856	(181)	(202)	(218)	276,501

13. ACCOUNTANTS' REPORT (Cont'd)

19. Loans and borrowings (continued)

19.2 Reconciliation of movements of liabilities to cash flows arising from financing activities (continued)

	At 1.3.2021 RM'000	New hire purchase/ lease RM'000	Remeasurement of existing lease RM'000	Net changes from financing cash flows RM'000	Derecognised due to termination of lease RM'000	Reclassified to liabilities held for sale RM'000	Effect of movement in exchange rates RM'000	At 28.2.2022 RM'000
Hire purchase liabilities	2,920	388	-	(1,040)	-	-	-	2,268
Term loans	19,812	-	-	21,759	-	-	683	42,254
Revolving credits	235,131	-	-	(34,603)	-	-	1,135	201,663
Lease liabilities	18,638	8,739	5,312	(8,457)	(1,150)	(270)	27	22,839
	276,501	9,127	5,312	(22,341)	(1,150)	(270)	1,845	269,024
	At 1.3.2022 RM'000	New hire purchase/ lease RM'000	Remeasurement of existing lease RM'000	Net changes from financing cash flows RM'000	Derecognised due to termination of lease RM'000	Reclassified from liabilities held for sale RM'000	Effect of movement in exchange rates RM'000	At 31.10.2022 RM'000
Hire purchase liabilities	2,268	2,199	-	(848)	-	-	1	3,620
Term loans	42,254	-	-	8,531	-	-	5,251	56,036
Revolving credits	201,663	-	-	(37,963)	-	-	10,266	173,966
Lease liabilities	22,839	2,851	168	(5,760)	(7)	270	523	20,884
	269,024	5,050	168	(36,040)	(7)	270	16,041	254,506

13. ACCOUNTANTS' REPORT (Cont'd)

20. Retirement benefits

	31.10.2022 RM'000	28.2.2022 RM'000	28.2.2021 RM'000	29.2.2020 RM'000
Non-current				
Defined benefits liability	5,716	5,244	5,408	4,300
Movements in defined benefits liability				
	31.10.2022 RM'000	28.2.2022 RM'000	28.2.2021 RM'000	29.2.2020 RM'000
Balance at 1 March 2022/2021/2020/2019	5,244	5,408	4,300	3,202
Included in profit or loss				
Current service cost	377	(87)	1,192	740
Past service cost	-	(40)	-	-
Interest cost	244	310	284	251
	621	183	1,476	991
Included in other comprehensive expense/(income)				
Effect of movements in exchange rates	89	(36)	(79)	133
Benefits paid	(238)	(311)	(289)	(26)
Balance at 31 October 2022/ 28 February 2022/ 28 February 2021/ 29 February 2020	5,716	5,244	5,408	4,300

Retirement benefits expense is recognised as part of employee benefits expense (Note 23) in the consolidated statements of profit or loss and other comprehensive income.

13. ACCOUNTANTS' REPORT (Cont'd)

20. Retirement benefits (continued)

Actuarial assumptions

Principal actuarial assumptions at the end of the reporting period (expected as weighted averages):

	31.10.2022	28.2.2022	28.2.2021	29.2.2020
Discount rates	5.76% - 9.75%	5.76% - 9.75%	4.40% - 11.25%	4.76% - 13.25%
Future salary growth	4.56% - 9.75%	4.56% - 9.75%	6.00% - 9.75%	6.80% - 11.25%
Retirement age	56 - 65 years	56 - 65 years	56 - 65 years	56 - 65 years

As at 31 October 2022, the weighted-average duration of the defined benefits liability was 7 to 20 years (28.2.2022: 7 to 20 years; 28.2.2021: 8 to 19 years; 29.2.2020: 8 to 20 years).

Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefits liability by the amounts shown below.

	31.10.2022		28.2.2022		28.2.2021		29.2.2020	
	Increase RM'000	Decrease RM'000	Increase RM'000	Decrease RM'000	Increase RM'000	Decrease RM'000	Increase RM'000	Decrease RM'000
Defined benefits liability								
Discount rate (1% movement)	(352)	429	(463)	565	(479)	561	(406)	476
Future salary growth (1% movement)	402	(336)	528	(441)	552	(481)	474	(411)

13. ACCOUNTANTS' REPORT (Cont'd)

21. Trade and other payables, including derivatives

	Note	31.10.2022 RM'000	28.2.2022 RM'000	28.2.2021 RM'000	29.2.2020 RM'000
Trade					
Trade payables		17,314	13,596	16,371	9,307
Non-trade					
Amount due to:					
- directors	21.1	8,130	5,638	8,179	6,957
- company in which certain Directors have a substantial financial interest	21.2	55	30	1,699	-
Other payables	21.3	261,729	225,624	209,715	172,394
Accrued expenses		108,858	92,146	90,085	67,839
Derivative financial liabilities	21.4	50	-	-	141
Dividends payable		40,000	-	52,700	-
		418,822	323,438	362,378	247,331
		<u>436,136</u>	<u>337,034</u>	<u>378,749</u>	<u>256,638</u>
Financial instruments:					
Trade and other payables (excluding derivatives)		436,086	337,034	378,749	256,497
Add: Loans and borrowings	19	233,622	246,185	257,863	156,319
Total financial liabilities measured at amortised cost		<u>669,708</u>	<u>583,219</u>	<u>636,612</u>	<u>412,816</u>

21.1 Amount due to Directors

The amount due to Directors is unsecured, interest-free and payable on demand.

21.2 Amount due to a company in which certain Directors have a substantial financial interest

The amount due to a company in which certain Directors have a substantial financial interest is unsecured, interest-free and payable on demand.

21.3 Other payables

Included herein are members' bonus and stockists' commission of RM202,314,000 (28.2.2022: RM181,499,000; 28.2.2021: RM164,511,000; 29.2.2020: RM148,926,000) incurred in the course of selling the Group's products on direct sales basis. The Directors have reviewed and noted the amount to be payable in accordance with the Group's marketing plan.

13. ACCOUNTANTS' REPORT (Cont'd)

21. Trade and other payables, including derivatives (continued)

21.4 Derivative financial (liabilities)/assets

	31.10.2022		28.2.2022	
	Nominal value RM'000	(Liabilities) RM'000	Nominal value RM'000	Assets RM'000
Derivatives at fair value through profit or loss				
- Forward exchange contracts	12,158	(50)	4,808	80
	28.2.2021		29.2.2020	
	Nominal value RM'000	Assets RM'000	Nominal value RM'000	(Liabilities) RM'000
Derivatives at fair value through profit or loss				
- Forward exchange contracts	644	4	8,737	(141)

Forward exchange contracts are used to manage the foreign currency exposures arising from certain receivables and payables denominated in currencies other than the functional currencies of the Group entities. The forward exchange contracts have maturities of less than one year after the end of the reporting period.

22. Revenue

	1.3.2022 to 31.10.2022 Audited RM'000	1.3.2021 to 31.10.2021 Unaudited RM'000	1.3.2021 to 28.2.2022 Audited RM'000	1.3.2020 to 28.2.2021 Audited RM'000	1.3.2019 to 29.2.2020 Audited RM'000
Revenue from contracts with customers					
<i>Recognised over time:</i>					
Rendering of services	14,480	12,348	19,002	15,630	14,236
<i>Recognised at point in time:</i>					
Sales of goods	1,082,558	826,295	1,286,944	1,155,519	1,171,419
Less: Consideration due/paid to customers	(53,801)	(45,478)	(63,090)	(120,944)	(81,047)
	1,028,757	780,817	1,223,854	1,034,575	1,090,372
	<u>1,043,237</u>	<u>793,165</u>	<u>1,242,856</u>	<u>1,050,205</u>	<u>1,104,608</u>

13. ACCOUNTANTS' REPORT (Cont'd)

22. Revenue (continued)

22.1 Disaggregation of revenue from contracts with customers

	1.3.2022 to 31.10.2022 Audited RM'000	1.3.2021 to 31.10.2021 Unaudited RM'000	1.3.2021 to 28.2.2022 Audited RM'000	1.3.2020 to 28.2.2021 Audited RM'000	1.3.2019 to 29.2.2020 Audited RM'000
Major products and services:					
Fortified food and beverages	705,364	547,084	851,794	726,896	759,385
Health and dietary supplements	270,281	203,818	318,506	306,773	286,981
Personal care products	68,675	47,524	74,889	77,370	79,733
Lab testing services	14,480	12,349	19,002	15,630	14,236
Skin care and cosmetics	5,690	6,826	9,864	14,873	11,130
Starter kits	4,829	4,608	6,875	7,255	12,645
Other miscellaneous and promotional items and services	27,719	16,434	25,016	22,352	21,545
	1,097,038	838,643	1,305,946	1,171,149	1,185,655
Less: Consideration due/paid to customers	(53,801)	(45,478)	(63,090)	(120,944)	(81,047)
	<u>1,043,237</u>	<u>793,165</u>	<u>1,242,856</u>	<u>1,050,205</u>	<u>1,104,608</u>

13. ACCOUNTANTS' REPORT (Cont'd)

22. Revenue (continued)

22.1 Disaggregation of revenue from contracts with customers (continued)

	1.3.2022 to 31.10.2022 Audited RM'000	1.3.2021 to 31.10.2021 Unaudited RM'000	1.3.2021 to 28.2.2022 Audited RM'000	1.3.2020 to 28.2.2021 Audited RM'000	1.3.2019 to 29.2.2020 Audited RM'000
Primary geographical markets:					
- South America	450,392	329,559	511,697	423,193	441,880
- Asia (excluding Malaysia)	221,635	209,456	311,306	296,922	318,474
- North America	151,150	140,248	213,607	203,136	190,506
- Malaysia	76,961	70,826	107,599	107,980	120,641
- Middle East	37,032	21,436	33,883	68,359	68,265
- Europe	52,497	36,000	59,545	47,135	39,464
- Africa	104,636	27,770	63,473	19,741	3,528
- Oceania	2,735	3,348	4,836	4,683	2,897
	1,097,038	838,643	1,305,946	1,171,149	1,185,655
Less: Consideration due/paid to customers	(53,801)	(45,478)	(63,090)	(120,944)	(81,047)
	<u>1,043,237</u>	<u>793,165</u>	<u>1,242,856</u>	<u>1,050,205</u>	<u>1,104,608</u>

13. ACCOUNTANTS' REPORT (Cont'd)

22. Revenue (continued)

22.2 Nature of goods and services

The following information reflects the typical transactions of the Group:

Nature of goods or services	Timing of recognition or method used to recognise revenue	Significant payment terms	Variable element in consideration	Warranty
Sales of fortified food and beverages, health and dietary supplements, personal care products, skin care and cosmetics and other related products on direct sales basis	Revenue is recognised at point in time when the goods are delivered to and accepted by the customers.	Cash term.	The following performance bonus are incurred by the Group i.e. group effort related performance bonus and personal effort related performance bonus. Personal effort related performance bonus is accounted as a reduction of transaction price, whilst group effort related performance bonus is a consideration paid or payable to customers for distinct services provided to the Group.	Assurance warranty of 1 year is given for certain products which do not form a separate performance obligation.
Sales of fortified food and beverages, health and dietary supplements, personal care products, skin care and cosmetics and other related products (other than on direct sales basis)	Revenue is recognised at point in time when the goods are delivered to the customers.	Cash term or credit period of 30 - 90 days from invoice date.	Discounts may be given to customers on a case-by-case basis.	Assurance warranty of 1 year is given for certain products which do not form a separate performance obligation.
Revenue from operating a café, glamping resort and village complex	Revenue is recognised at point in time when the services are rendered or food and beverages are served.	Cash term or credit period of 30 days from invoice date if on account.	Not applicable.	Not applicable.

13. ACCOUNTANTS' REPORT (Cont'd)

22. Revenue (continued)

22.2 Nature of goods and services (continued)

The following information reflects the typical transactions of the Group (continued):

Nature of goods or services	Timing of recognition or method used to recognise revenue	Significant payment terms	Variable element in consideration	Warranty
Research and development and analytical lab test services	Revenue is recognised over time when the services are rendered. These contracts would meet the no alternative use criteria and the Group has rights to payment for work performed.	Credit period of up to 120 days from invoice date.	Not applicable.	Not applicable.

There is no obligation for returns or refunds attached to the goods sold by the Group other than those goods sold on direct sales basis in Malaysia which are allowed to be returned subject to a cooling off period of 10 working days pursuant to section 23 (i)(b) of the Direct Sales and Anti-Pyramid Scheme Act 1993.

The Group applies the practical expedient on the exemption for disclosure of information on remaining performance obligations that will be fulfilled within one year or shorter after the financial year/period end.

13. ACCOUNTANTS' REPORT (Cont'd)

23. Employee benefits expense

	1.3.2022 to 31.10.2022 Audited RM'000	1.3.2021 to 31.10.2021 Unaudited RM'000	1.3.2021 to 28.2.2022 Audited RM'000	1.3.2020 to 28.2.2021 Audited RM'000	1.3.2019 to 29.2.2020 Audited RM'000
Directors of the Company					
- Current					
- Fees	167	-	-	-	-
- Wages, salaries and others	2,551	2,350	3,735	4,568	11,553
- Contributions to state plan	130	133	205	572	532
	2,848	2,483	3,940	5,140	12,085
- Past					
- Wages, salaries and others	-	-	172	-	-
- Contributions to state plan	-	-	12	-	-
	-	-	184	-	-
Other key management personnel					
Wages, salaries and others	1,222	1,568	2,515	2,077	2,140
Contributions to state plan	94	72	120	74	90
	1,316	1,640	2,635	2,151	2,230
Total key management personnel compensation	4,164	4,123	6,759	7,291	14,315
Others					
Wages, salaries and others	83,872	75,689	112,108	98,980	81,066
Contributions to state plans	5,762	5,229	8,337	7,565	6,872
	89,634	80,918	120,445	106,545	87,938
Total employee benefits expense	93,798	85,041	127,204	113,836	102,253

13. ACCOUNTANTS' REPORT (Cont'd)

23. Employee benefits expense (continued)

The estimated monetary value of benefits received or receivable by Directors and key management personnel otherwise than in cash amounted to RM33,400 (31.10.2021: RM28,500; 28.2.2022: RM39,200; 28.2.2021: RM53,500; 29.2.2020: RM54,000).

24. Results from operating activities

Results from operating activities are arrived at after charging/(crediting):

	1.3.2022 to 31.10.2022 Audited RM'000	1.3.2021 to 31.10.2021 Unaudited RM'000	1.3.2021 to 28.2.2022 Audited RM'000	1.3.2020 to 28.2.2021 Audited RM'000	1.3.2019 to 29.2.2020 Audited RM'000
Material expenses/ (income)					
Impairment loss on:					
- property, plant and equipment	-	-	1,457	10,723	-
- intangible assets	-	-	-	-	3,206
- investment in associate	-	-	1	-	-
- investment in joint venture	-	-	1	-	-
Loss/(Gain) on disposal of:					
- property, plant and equipment	86	(45)	(388)	(44)	(106)
- investments in subsidiaries (Note 35.1)	-	-	-	(1,655)	-
Written-off:					
- property, plant and equipment	276	468	1,634	6,906	587
- intangible assets	-	-	-	-	12
- inventories	44	77	220	11,890	272
Bargain purchase gain on business combination (Note 34)	(19)	-	-	-	(5,267)
Government grants*	(176)	(1,595)	(1,973)	(3,586)	-
Proceeds from insurance claim	(19)	(2,618)	(6,172)	(13,121)	-
Loss/(Gain) on foreign exchange:					
- realised	3,085	3,184	13,726	1,488	5,506
- unrealised	(2,573)	7,007	592	5,219	(1,495)

13. ACCOUNTANTS' REPORT (Cont'd)

24. Results from operating activities (continued)

Results from operating activities are arrived at after charging/(crediting) (continued):

	1.3.2022 to 31.10.2022 Audited RM'000	1.3.2021 to 31.10.2021 Unaudited RM'000	1.3.2021 to 28.2.2022 Audited RM'000	1.3.2020 to 28.2.2021 Audited RM'000	1.3.2019 to 29.2.2020 Audited RM'000
Net loss/(gain) on impairment of financial assets					
(Reversal of)/					
Impairment loss on:					
- trade and other receivables	(7)	2	617	-	2,189
- amount owing from associate and joint venture	103	-	687	3,875	-
Bad debts written off	9	-	462	10	336
Bad debts recovered	-	(471)	(521)	(161)	(3,205)
	<u>105</u>	<u>(469)</u>	<u>1,245</u>	<u>3,724</u>	<u>(680)</u>
Expenses/(Income) arising from leases					
Expenses relating to short-term leases [#]	3,164	2,805	4,189	2,787	2,985
Expenses relating to leases of low-value assets [#]	175	308	367	390	530
Rental income	<u>(196)</u>	<u>(152)</u>	<u>(271)</u>	<u>(309)</u>	<u>(333)</u>

* The Group received government grants in the form of wage subsidies to retain local employees during the approved period of economic uncertainty brought about by the Covid-19 pandemic outbreak. These government grants were recognised as other income in profit or loss.

The Group leases buildings and lab equipment with contract terms of 1 year or shorter. These leases are either short-term or leases of low-value items. The Group has elected not to recognise right-of-use assets and lease liabilities for these leases.

13. ACCOUNTANTS' REPORT (Cont'd)

25. Finance costs

	1.3.2022 to 31.10.2022 Audited RM'000	1.3.2021 to 31.10.2021 Unaudited RM'000	1.3.2021 to 28.2.2022 Audited RM'000	1.3.2020 to 28.2.2021 Audited RM'000	1.3.2019 to 29.2.2020 Audited RM'000
Interest expense on:					
Lease liabilities	642	635	953	826	979
Financial liabilities not measured at fair value through profit or loss	4,007	2,621	4,008	3,482	3,014
	<u>4,649</u>	<u>3,256</u>	<u>4,961</u>	<u>4,308</u>	<u>3,993</u>
Less: Capitalised to property, plant and equipment (Note 3.5)	(1,559)	(1,565)	(2,347)	(1,820)	-
	<u>3,090</u>	<u>1,691</u>	<u>2,614</u>	<u>2,488</u>	<u>3,993</u>

The capitalisation rate used to determine the amount of borrowing costs eligible for capitalisation is 2.98% (31.10.2021: 2.01%; 28.2.2022: 2.01%; 28.2.2021: 1.67%; 29.2.2020: Nil).

26. Tax expense

Recognised in profit or loss

	1.3.2022 to 31.10.2022 Audited RM'000	1.3.2021 to 31.10.2021 Unaudited RM'000	1.3.2021 to 28.2.2022 Audited RM'000	1.3.2020 to 28.2.2021 Audited RM'000	1.3.2019 to 29.2.2020 Audited RM'000
Current tax expense					
- Current period/year	137,108	88,176	125,094	93,463	99,536
- Prior year	(3,379)	(323)	(493)	(4,258)	(3,565)
	<u>133,729</u>	<u>87,853</u>	<u>124,601</u>	<u>89,205</u>	<u>95,971</u>
Deferred tax expense					
- Current period/year	(33,089)	(14,474)	(12,037)	(3,563)	(3,034)
- Prior year	(1,530)	3,211	4,910	741	(346)
	<u>(34,619)</u>	<u>(11,263)</u>	<u>(7,127)</u>	<u>(2,822)</u>	<u>(3,380)</u>
	<u>99,110</u>	<u>76,590</u>	<u>117,474</u>	<u>86,383</u>	<u>92,591</u>

13. ACCOUNTANTS' REPORT (Cont'd)

26. Tax expense (continued)

Reconciliation of tax expense

	1.3.2022 to 31.10.2022 Audited RM'000	1.3.2021 to 31.10.2021 Unaudited RM'000	1.3.2021 to 28.2.2022 Audited RM'000	1.3.2020 to 28.2.2021 Audited RM'000	1.3.2019 to 29.2.2020 Audited RM'000
Profit before tax	287,758	237,317	362,918	287,267	347,839
Income tax calculated using Malaysian tax rate of 24%	69,062	56,956	87,100	68,944	83,481
Effect of different tax rates in foreign jurisdictions	4,769	1,357	2,163	2,260	(568)
Tax incentives*	(1,705)	(1,527)	(2,434)	(5,235)	(2,732)
Non-deductible expenses	12,740	7,545	10,995	13,288	10,810
Non-taxable income	(3,035)	(692)	(1,103)	(1,914)	(3,000)
Effect of deferred tax assets not recognised	9,196	3,369	5,370	8,309	5,128
Prosperity tax*	-	5,711	9,103	-	-
Tax on foreign source income	12,992	1,040	1,955	4,134	3,398
Others	-	(57)	(92)	114	(15)
(Over)/Under provision in prior years	(4,909)	2,888	4,417	(3,517)	(3,911)
	99,110	76,590	117,474	86,383	92,591

Certain subsidiaries have been granted tax exemption on their statutory income under the P.U. (A) 112 Income Tax (Exemption) (No.11) Order 2006, Promotion Investments Act, 1986 and Income Tax Act, 1967 for periods ranging from five to ten years on the approved activities carried out by certain subsidiaries namely, Independent Conformity (ICAB) or the laboratory testing for food and chemicals, tourism projects and spirulina farming and processing.

* As stipulated in the Income Tax Act, 1967, a one-off prosperity tax at 33% was imposed on a subsidiary with tax chargeable income in excess of RM100 million.

13. ACCOUNTANTS' REPORT (Cont'd)

27. Earnings per ordinary share - Group***Basic earnings per ordinary share***

The calculation of basic earnings per ordinary share for the period ended 31 October 2022 and 31 October 2021 and year ended 28 February 2022, 28 February 2021 and 29 February 2020 was based on the profit attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding calculated as follows:

	1.3.2022 to 31.10.2022 Audited	1.3.2021 to 31.10.2021 Unaudited	1.3.2021 to 28.2.2022 Audited	1.3.2020 to 28.2.2021 Audited	1.3.2019 to 29.2.2020 Audited
Profit for the period/year attributable to owners (RM'000)	<u>179,921</u>	<u>159,075</u>	<u>242,922</u>	<u>191,572</u>	<u>241,671</u>
Weighted average number of ordinary shares at 31 October/ 28 February/ 29 February ('000)	<u>240,764</u>	<u>240,764</u>	<u>240,764</u>	<u>240,764</u>	<u>240,764</u>
Basic earnings per ordinary share (RM)	<u>0.75</u>	<u>0.66</u>	<u>1.01</u>	<u>0.80</u>	<u>1.00</u>

Diluted earnings per ordinary share

The diluted earnings per ordinary share is the same as basic earnings per ordinary share as there are no potential dilutive ordinary shares.

13. ACCOUNTANTS' REPORT (Cont'd)

28. Dividends

Dividends recognised by the Company are as follows :

	1.3.2022 to 31.10.2022 RM'000	1.3.2021 to 28.2.2022 RM'000
<i>In respect of financial year ended 28 February 2021</i>		
- Fifth interim dividend of approximately 12.46 sen per ordinary share paid on 28 June 2021	-	30,000
<i>In respect of financial year ended 28 February 2022</i>		
- First interim dividend of approximately 12.46 sen per ordinary share paid on 6 October 2021	-	30,000
- Second interim dividend of approximately 4.15 sen per ordinary share paid on 10 January 2022	-	10,000
- Third interim dividend of approximately 6.23 sen per ordinary share paid on 8 April 2022*	15,000	-
- Fourth interim dividend of approximately 6.23 sen per ordinary share paid on 15 July 2022*	15,000	-
	<u>30,000</u>	<u>40,000</u>
<i>In respect of financial year ending 28 February 2023</i>		
- First interim dividend of approximately 16.61 sen per ordinary share paid on 15 November 2022	40,000	-
	<u>70,000</u>	<u>70,000</u>

*Declared subsequent to 28 February 2022.

13. ACCOUNTANTS' REPORT (Cont'd)

28. Dividends (continued)

Dividends recognised by the Company are as follows (continued):

	1.3.2020 to 28.2.2021 RM'000	1.3.2019 to 29.2.2020 RM'000
<i>In respect of financial year ended 28 February 2019</i>		
- Final interim dividend of approximately 6.23 sen per ordinary share paid on 6 August 2019	-	15,000
<i>In respect of financial year ended 29 February 2020</i>		
- First interim dividend of approximately 8.31 sen per ordinary share paid on 12 November 2019	-	20,000
- Second interim dividend of approximately 8.31 sen per ordinary share paid on 27 February 2020	-	20,000
- Third interim dividend of approximately 16.61 sen per ordinary share paid on 20 May 2020	40,000	-
	40,000	40,000
<i>In respect of financial year ended 28 February 2021</i>		
- First interim dividend of approximately 8.31 sen per ordinary share paid on 18 August 2020	20,000	-
- Second interim dividend of approximately 8.31 sen per ordinary share paid on 26 November 2020	20,000	-
- Third interim dividend of approximately 55.24 sen per ordinary share paid on 26 February 2021 and 9 March 2021	133,000	-
- Fourth interim dividend of approximately 27.83 sen per ordinary share paid on 26 February 2021 and 9 March 2021	67,000	-
	240,000	-
	<u>280,000</u>	<u>55,000</u>

The consolidated financial statements do not reflect the second interim dividend of approximately 8.31 sen per ordinary share totalling RM20,000,000 in respect of financial year ending 28 February 2023, which was declared on 6 March 2023 and paid on 13 March 2023. The dividend which was declared after the end of the reporting period will be accounted for as an appropriation of retained earnings in the financial year ending 29 February 2024.

13. ACCOUNTANTS' REPORT (Cont'd)

29. Related parties**Identity of related parties**

For the purposes of these consolidated financial statements, parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control or jointly control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the party are subject to common control. Related parties may be individuals or other entities.

- i) Subsidiaries, associate and joint venture as disclosed in the consolidated financial statements
- ii) Key management personnel of the Group

Key management personnel are defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Group either directly or indirectly. The key management personnel include all the Directors of the Company and certain senior management members of the Group.

iii) Other related parties

- a) LSJ Global Sdn. Bhd. (formerly known as DXN Global Sdn. Bhd.) ("LSJ Global") and its subsidiaries in which Datuk Lim Siow Jin and Datin Leong Bee Ling are the substantial shareholders. On 3 November 2021, LSJ Global disposed of its entire equity interests in LSJ Plantation Sdn. Bhd. (formerly known as DXN Plantation Sdn. Bhd.).
- b) DXN Eco Lodge PLC, LSJ Biotech Private Limited (formerly known as Daehsan Biotech Private Limited), Sunyatee International Foundation, Bulgano Ltd. and Zaman Biotech Sdn. Bhd. in which Datuk Lim Siow Jin is the substantial shareholder. Datuk Lim Siow Jin disposed of his shares in Sunyatee International Foundation in March 2022.
- c) Stargate Land Sdn. Bhd. (formerly known as DXN Development Sdn. Bhd.) in which Dato' Lim Boon Yee and his spouse, Datin Kee Yew Oi are the substantial shareholders.
- d) DCT Tours Sdn. Bhd. (formerly known as DXN Comfort Tours Sdn. Bhd.) in which Dato' Lim Boon Yee is the substantial shareholder.
- e) Mr. Ling Chung Hwa, being the spouse of Ms. Lim Yew Lin.
- f) Ms. Tan Pey Ling, being the spouse of Mr. Tan Young Tat. Mr. Tan Young Tat resigned as a Director of the Company on 31 January 2021.
- g) Tropical Paradise Sdn. Bhd. and LSJ Plantation Sdn. Bhd. (formerly known as DXN Plantation Sdn. Bhd.) ("LSJ Plantation") in which Datin Wan Illiyyin Binti Wan Mohd Nazi, being the spouse of Datuk Lim Siow Jin is the substantial shareholder. Datin Wan Illiyyin Binti Wan Mohd Nazi became a substantial shareholder of LSJ Plantation effective 3 November 2021.

13. ACCOUNTANTS' REPORT (Cont'd)

29. Related parties (continued)

Significant related parties transactions

Related party transactions were entered in the normal course of business and have been established under negotiated terms.

The significant related party transactions of the Group are shown below. The balances related to the below transactions are shown in Notes 15 and 21.

	1.3.2022 to 31.10.2022 Audited RM'000	1.3.2021 to 31.10.2021 Unaudited RM'000	1.3.2021 to 28.2.2022 Audited RM'000	1.3.2020 to 28.2.2021 Audited RM'000	1.3.2019 to 29.2.2020 Audited RM'000
Transactions with companies in which certain Directors have a substantial financial interest					
Disposal of subsidiaries	-	-	-	47,100	-
Purchase of trading goods	7,558	6,583	8,975	11,211	4,711
Rental expense (premises)	370	395	588	120	120
Purchase of air tickets	177	11	50	143	595
Purchase of property, plant and equipment	-	-	-	388	-
Sales of property, plant and equipment	-	-	79	265	-
Sales of raw materials	4	4	7	24	34
Donation	-	675	955	1,128	-
Interest income	2	192	203	694	948
Transactions with Directors and persons connected to Directors					
Insurance premium expense	1,527	1,176	1,698	1,046	1,322
Purchase of property, plant and equipment (farm construction)	-	674	763	729	-
Purchase of property, plant and equipment	481	-	-	-	-
Purchase of raw materials	400	-	-	-	-
Rental expense (premises)	60	50	76	94	70
Sales of finished goods	10	-	-	-	-

104

13. ACCOUNTANTS' REPORT (Cont'd)

29. Related parties (continued)

	1.3.2022 to 31.10.2022	1.3.2021 to 31.10.2021	1.3.2021 to 28.2.2022	1.3.2020 to 28.2.2021	1.3.2019 to 29.2.2020
Sales of property, plant and equipment	296	-	-	-	-
Sales of raw materials	22	-	-	-	-

The remuneration paid to the key management personnel are disclosed in Note 23 to the consolidated financial statements.

30. Operating segments

The Group has the following reportable segments as described below. The segments offer different products or services, and are managed separately because they require different technology, operational and marketing strategies. For each of the segment, the Group's Chief Executive Officer (the chief operating decision maker ("CODM")) reviews internal management reports at least on a quarterly basis:

Manufacture and sales of health and wellness consumer products	Manufacture and sale of fortified food and beverages, health and dietary supplements, personal care products, skin care and cosmetics and other related products
Property investment and property development	Housing developer and contractor. This segment was disposed of on 26 February 2021 (see Note 35.1)
Investment holding	Investment holding and provision of management services

Other non-reportable segments comprise the provision of lab test services, consultation and treatment services with ganotherapy, operating of a café, glamping resort, village complex, marine sanctuary and provision of tour activities, forest plantation and related forestry support services. None of these segments met the quantitative threshold for reporting segment in the financial periods ended 31 October 2022 and 31 October 2021 and financial years ended 28/29 February 2022, 2021 and 2020.

Segment information is presented in respect of the Group's business operations. The business operations are based on the Group's management and internal reporting structure.

There are varying levels of integration between the segments such as rental of premises and shared administrative services. Inter-segment pricing is determined on negotiated basis.

Performance is measured based on segment profit before tax as included in the internal management reports that are reviewed by the Group's Chief Executive Officer (the chief operating decision maker). Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries.

13. ACCOUNTANTS' REPORT (Cont'd)

30. Operating segments (continued)**Segment assets**

The total of segment asset is measured based on all assets (excluding deferred tax assets and current tax assets) of a segment, as included in the internal management reports that are reviewed by the Group's Chief Executive Officer. Segment total asset is used to measure the return of assets of each segment.

Segment liabilities

Segment liabilities information is neither included in the internal management reports nor provided regularly to the Group's Chief Executive Officer. Hence, no disclosure is made on segment liabilities.

Segment capital expenditure

Segment capital expenditure is the total cost incurred during the financial period/year to acquire property, plant and equipment, right-of-use assets, investment properties and intangible assets.

13. ACCOUNTANTS' REPORT (Cont'd)

30. Operating segments (continued)

	Manufacture and sale of health and wellness consumer products RM'000	Investment holding RM'000	Other non-reportable segments RM'000	Elimination RM'000	Consolidated RM'000
31.10.2022 (Audited)					
Revenue from external customers	1,027,535	-	15,702	-	1,043,237
Inter-segment revenue	584,798	166,346	229	(751,373)	-
Total revenue	1,612,333	166,346	15,931	(751,373)	1,043,237
Segment profit/(loss)	307,249	(19,714)	223	-	287,758
Included in the measure of segment profit/(loss) are:					
- Loss on disposal of property, plant and equipment	(9)	(77)	-	-	(86)
- Property, plant and equipment written off	(247)	-	(29)	-	(276)
- Inventories written off	(44)	-	-	-	(44)
- Depreciation of property, plant and equipment	(24,422)	(3,017)	(3,989)	-	(31,428)
- Depreciation of right-of-use assets	(5,934)	-	(114)	-	(6,048)
- Depreciation of investment properties	(128)	-	(22)	-	(150)
- Amortisation of intangible assets	(20)	(28)	(4)	-	(52)
- Reversal/(impairment loss) on trade and other receivables	7	(103)	-	-	(96)
- Bad debts written off	(9)	-	-	-	(9)
Segment assets	1,449,194	93,662	64,232	-	1,607,088
Included in the measure of segment assets are:					
- Additions to property, plant and equipment	49,170	5,880	6,309	-	61,359
- Additions and remeasurement of right-of-use assets	2,771	-	248	-	3,019
- Additions to intangible assets	29	20	-	-	49

13. ACCOUNTANTS' REPORT (Cont'd)

30. Operating segments (continued)

	Manufacture and sale of health and wellness consumer products RM'000	Investment holding RM'000	Other non- reportable segments RM'000	Elimination RM'000	Consolidated RM'000
31.10.2021 (Unaudited)					
Revenue from external customers	779,893	-	13,272	-	793,165
Inter-segment revenue	466,440	177,554	81	(644,075)	-
Total revenue	1,246,333	177,554	13,353	(644,075)	793,165
Segment profit/(loss)					
Included in the measure of segment profit/(loss) are:					
- Gain on disposal of property, plant and equipment	45	-	-	-	45
- Property, plant and equipment written off	(461)	-	(7)	-	(468)
- Inventories written off	(77)	-	-	-	(77)
- Depreciation of property, plant and equipment	(12,008)	(2,874)	(2,856)	-	(17,738)
- Depreciation of right-of-use assets	(5,735)	-	(117)	-	(5,852)
- Depreciation of investment properties	(136)	-	(22)	-	(158)
- Amortisation of intangible assets	(16)	(30)	(15)	-	(61)
- Impairment loss on trade and other receivables	(2)	-	-	-	(2)
- Bad debts recovered	471	-	-	-	471
	241,680	(4,932)	569	-	237,317

13. ACCOUNTANTS' REPORT (Cont'd)

30. Operating segments (continued)

	Manufacture and sale of health and wellness consumer products RM'000	Investment holding RM'000	Other non-reportable segments RM'000	Elimination RM'000	Consolidated RM'000
28.2.2022 (Audited)					
Revenue from external customers	1,222,387	-	20,469	-	1,242,856
Inter-segment revenue	595,572	226,417	131	(822,120)	-
Total revenue	1,817,959	226,417	20,600	(822,120)	1,242,856
Segment profit/(loss)	375,464	(12,251)	(295)	-	362,918
Included in the measure of segment profit/(loss) are:					
- Impairment loss on property, plant and equipment	-	(1,457)	-	-	(1,457)
- Gain on disposal of property, plant and equipment	388	-	-	-	388
- Property, plant and equipment written off	(1,480)	-	(154)	-	(1,634)
- Inventories written off	(220)	-	-	-	(220)
- Depreciation of property, plant and equipment	(20,722)	(4,200)	(4,551)	-	(29,473)
- Depreciation of right-of-use assets	(8,558)	-	(219)	-	(8,777)
- Depreciation of investment properties	(202)	-	(34)	-	(236)
- Amortisation of intangible assets	(51)	(37)	(16)	-	(104)
- Impairment loss on trade and other receivables	(547)	(757)	-	-	(1,304)
- Bad debts written off	(299)	(32)	(131)	-	(462)
- Bad debts recovered	521	-	-	-	521
Segment assets	1,259,620	79,285	63,828	-	1,402,733
Included in the measure of segment assets are:					
- Assets classified as held for sale	32,425	-	-	-	32,425
- Additions to property, plant and equipment	155,977	16,727	12,772	-	185,476
- Additions and remeasurement of right-of-use assets	15,373	-	316	-	15,689
- Additions to intangible assets	39	18	17	-	74

13. ACCOUNTANTS' REPORT (Cont'd)

30. Operating segments (continued)

	Manufacture and sale of health and wellness consumer products RM'000	Investment holding RM'000	Other non- reportable segments RM'000	Elimination RM'000	Consolidated RM'000
28.2.2021 (Audited)					
Revenue from external customers	1,033,526	-	16,679	-	1,060,205
Inter-segment revenue	444,197	192,328	74	(636,599)	-
Total revenue	1,477,723	192,328	16,753	(636,599)	1,050,205
Segment profit/(loss)	313,426	(14,296)	(11,863)	-	287,267
Included in the measure of segment profit/(loss) are:					
- Impairment loss on property, plant and equipment	-	-	(10,723)	-	(10,723)
- Gain/(Loss) on disposal of property, plant and equipment	47	(3)	-	-	44
- Property, plant and equipment written off	(6,878)	(3)	(25)	-	(6,906)
- Inventories written off	(11,890)	-	-	-	(11,890)
- Depreciation of property, plant and equipment	(13,853)	(3,733)	(3,047)	-	(20,633)
- Depreciation of right-of-use assets	(8,732)	-	(150)	-	(8,882)
- Depreciation of investment properties	(208)	-	(1,185)	-	(1,393)
- Amortisation of intangible assets	(60)	(41)	(17)	-	(118)
- Impairment loss on trade and other receivables	-	(3,875)	-	-	(3,875)
- Bad debts written off	(10)	-	-	-	(10)
- Bad debts recovered	161	-	-	-	161
Segment assets	1,069,583	143,618	55,996	-	1,269,197
Included in the measure of segment assets are:					
- Additions to property, plant and equipment	131,490	4,191	8,988	-	144,669
- Additions and remeasurement of right-of-use assets	10,579	-	58	-	10,637
- Additions to intangible assets	60	10	-	-	70

13. ACCOUNTANTS' REPORT (Cont'd)

30. Operating segments (continued)

	Manufacture and sale of health and wellness consumer products RM'000	Property investment and property development RM'000	Investment holding RM'000	Other non-reportable segments RM'000	Elimination RM'000	Consolidated RM'000
29.2.2020 (Audited)						
Revenue from external customers	1,089,204	-	-	15,404	-	1,104,608
Inter-segment revenue	420,527	-	313,172	5,322	(739,021)	-
Total revenue	1,509,731	-	313,172	20,726	(739,021)	1,104,608
Segment profit/(loss)	368,142	(2,265)	(20,736)	2,698	-	347,839
Included in the measure of segment profit/(loss) are:						
- Impairment loss on intangible assets	-	-	-	(3,206)	-	(3,206)
- Gain on disposal of property, plant and equipment	2	-	-	104	-	106
- Property, plant and equipment written off	(553)	-	(2)	(32)	-	(587)
- Intangible asset written off	(12)	-	-	-	-	(12)
- Inventories written off	(272)	-	-	-	-	(272)
- Depreciation of property, plant and equipment	(12,230)	-	(1,027)	(2,057)	-	(15,319)
- Depreciation of right-of-use assets	(7,895)	(5)	-	(119)	-	(8,014)
- Depreciation of investment properties	(208)	(1,271)	-	-	-	(1,479)
- Amortisation of intangible assets	(226)	-	(59)	(32)	-	(317)
- Impairment loss on trade and other receivables	(62)	-	(2,127)	-	-	(2,189)
- Bad debts written off	(39)	(1)	(289)	(7)	-	(336)
- Bad debts recovered	3,205	-	-	-	-	3,205
Segment assets	762,763	148,042	165,711	53,339	-	1,129,855
Included in the measure of segment assets are:						
- Additions to property, plant and equipment	141,720	-	218	3,697	-	145,635
- Additions to right-of-use assets	9,569	-	-	145	-	9,714
- Additions to investment properties	-	99,073	-	-	-	99,073
- Additions to intangible assets	85	-	3	47	-	135

13. ACCOUNTANTS' REPORT (Cont'd)

30. Operating segments (continued)

Geographical segments

In presenting information on the basis of geographical segments, segment revenue is based on geographical location of customers. Segment assets are based on the geographical location of the assets. The amount of non-current assets do not include financial instruments, investments in an associate and joint venture and deferred tax assets.

Geographical information	Gross revenue RM'000	Non-current assets RM'000
31.10.2022 (Audited)		
South America	450,392	1,534
Asia (excluding Malaysia)	221,635	343,915
North America	151,150	26,050
Malaysia	76,961	312,927
Middle East	37,032	-
Europe	52,497	4,302
Africa	104,636	1,013
Oceania	2,735	1,281
	<u>1,097,038</u>	<u>691,022</u>
31.10.2021 (Unaudited)		
South America	329,559	
Asia (Excluding Malaysia)	209,456	
North America	140,248	
Malaysia	70,826	
Middle East	21,436	
Europe	36,000	
Africa	27,770	
Oceania	3,348	
	<u>838,643</u>	
28.2.2022 (Audited)		
South America	511,697	1,970
Asia (excluding Malaysia)	311,306	313,806
North America	213,607	21,656
Malaysia	107,599	287,897
Middle East	33,883	-
Europe	59,545	4,256
Africa	63,473	701
Oceania	4,836	1,285
	<u>1,305,946</u>	<u>631,571</u>

13. ACCOUNTANTS' REPORT (Cont'd)

30. Operating segments (continued)

Geographical segments (continued)

	Gross revenue RM'000	Non-current assets RM'000
28.2.2021 (Audited)		
South America	423,193	631
Asia (Excluding Malaysia)	296,922	246,324
North America	203,136	14,854
Malaysia	107,980	220,301
Middle East	68,359	-
Europe	47,135	4,245
Africa	19,741	986
Oceania	4,683	1,346
	<u>1,171,149</u>	<u>488,687</u>
29.2.2020 (Audited)		
South America	441,880	1,153
Asia (excluding Malaysia)	318,474	165,632
North America	190,506	15,972
Malaysia	120,641	328,694
Middle East	68,265	-
Europe	39,464	3,998
Africa	3,528	982
Oceania	2,897	1,204
	<u>1,185,655</u>	<u>517,635</u>

Major customers

There were no customers who individually contributed to more than 10% of the Group's revenue.

31. Capital commitments

	31.10.2022 RM'000	28.2.2022 RM'000	28.2.2021 RM'000	29.2.2020 RM'000
Contracted but not provided for:				
Property, plant and equipment	<u>53,856</u>	<u>73,053</u>	<u>104,298</u>	<u>254,281</u>

13. ACCOUNTANTS' REPORT (Cont'd)

32. Financial instruments

32.1 Categories of financial instruments

Trade and other receivables (excluding prepayments, derivatives and indirect taxes) and cash and cash equivalents are categorised as financial assets measured at amortised cost (Note 15) while trade and other payables, loans and borrowings are categorised as financial liabilities measured at amortised cost (Note 21).

The Group's financial instruments categorised as fair value through profit or loss ("FVTPL") are as follows:

	31.10.2022 RM'000	28.2.2022 RM'000	28.2.2021 RM'000	29.2.2020 RM'000
Derivative financial (liabilities)/assets	<u>(50)</u>	<u>80</u>	<u>4</u>	<u>(141)</u>

32.2 Net (losses)/gains arising from financial instruments

	1.3.2022 to 31.10.2022 Audited RM'000	1.3.2021 to 31.10.2021 Unaudited RM'000	1.3.2021 to 28.2.2022 Audited RM'000	1.3.2020 to 28.2.2021 Audited RM'000	1.3.2019 to 29.2.2020 Audited RM'000
Financial assets measured at amortised cost	22,885	7,246	2,784	8,307	8,920
Financial assets measured at fair value through profit or loss	(130)	(51)	76	145	(141)
Financial liabilities measured at amortised cost	(25,783)	(17,750)	(19,615)	(15,297)	(8,391)
	<u>(3,028)</u>	<u>(10,555)</u>	<u>(16,755)</u>	<u>(6,845)</u>	<u>388</u>

32.3 Financial risk management

The Group has exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

13. ACCOUNTANTS' REPORT (Cont'd)

32. Financial instruments (continued)

32.4 Credit risk

Credit risk is the risk of a financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Group's exposure to credit risk arises principally from its receivables from customers. There are no significant changes as compared to prior year.

Trade receivables and contract assets*Risk management objectives, policies and processes for managing the risk*

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Normally credit evaluations are performed on customers requiring credit over a certain amount.

At each reporting date, the Group assesses whether any of the trade receivables and contract assets are credit impaired.

The gross carrying amounts of credit impaired trade receivables and contract assets are written off (either partially or full) when there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. Nevertheless, trade receivables and contract assets that are written off could still be subject to enforcement activities.

There are no significant changes as compared to prior year.

Exposure to credit risk, credit quality and collateral

As at the end of the reporting period, the maximum exposure to credit risk arising from trade receivables and contract assets are represented by the carrying amounts in the consolidated statements of financial position.

Concentration of credit risk

The exposure to credit risk for trade receivables and contract assets as at the end of the reporting period by geographical region was:

	31.10.2022 RM'000	28.2.2022 RM'000	28.2.2021 RM'000	29.2.2020 RM'000
Malaysia	3,748	3,322	3,501	3,456
Asia (excluding Malaysia)	2,672	1,139	2,360	7,331
Europe	2,202	3,132	1,757	1,454
Middle East	27,956	12,911	11,096	-
Others	1,077	604	1,095	230
	<u>37,655</u>	<u>21,108</u>	<u>19,809</u>	<u>12,471</u>

13. ACCOUNTANTS' REPORT (Cont'd)

32. Financial instruments (continued)

32.4 Credit risk (continued)

Trade receivables and contract assets (continued)*Recognition and measurement of impairment losses*

In managing credit risk of trade receivables, the Group takes appropriate actions (including but not limited to legal actions) to recover long overdue balances. Generally, trade receivables will pay within credit the period granted.

The Group uses an allowance matrix to measure expected credit losses ("ECLs") of trade receivables. Consistent with the Group's debt recovery process, invoices which are past due more than 150 days will be considered as credit impaired.

Loss rates are based on actual credit loss experience over the past three years and forward-looking information. The Group believes that the financial impacts from forward-looking information are inconsequential for the purpose of impairment assessment for trade receivables due to the short term nature of the receivables.

The following table provides information about the exposure to credit risk and ECLs for trade receivables and contract assets which are grouped together as they are expected to have similar risk nature.

	Gross carrying amount RM'000	Loss allowances RM'000	Net balance RM'000
31.10.2022			
Not past due	20,490	-	20,490
Past due 1 - 30 days	7,564	-	7,564
Past due 31 - 120 days	8,909	-	8,909
Past due more than 120 days	692	-	692
	<u>37,655</u>	<u>-</u>	<u>37,655</u>
Credit impaired			
Individually impaired	576	(576)	-
	<u>38,231</u>	<u>(576)</u>	<u>37,655</u>
Trade receivables	37,555	(576)	36,979
Contract assets	676	-	676
	<u>38,231</u>	<u>(576)</u>	<u>37,655</u>

13. ACCOUNTANTS' REPORT (Cont'd)

32. Financial instruments (continued)

32.4 Credit risk (continued)

Trade receivables and contract assets (continued)

Recognition and measurement of impairment losses (continued)

	Gross carrying amount RM'000	Loss allowances RM'000	Net balance RM'000
28.2.2022			
Not past due	8,683	-	8,683
Past due 1 - 30 days	5,105	-	5,105
Past due 31 - 120 days	6,115	-	6,115
Past due more than 120 days	1,205	-	1,205
	<u>21,108</u>	<u>-</u>	<u>21,108</u>
Credit impaired			
Individually impaired	585	(585)	-
	<u>21,693</u>	<u>(585)</u>	<u>21,108</u>
Trade receivables	21,124	(585)	20,539
Contract assets	569	-	569
	<u>21,693</u>	<u>(585)</u>	<u>21,108</u>
28.2.2021			
Not past due	14,825	-	14,825
Past due 1 - 30 days	3,474	-	3,474
Past due 31 - 120 days	731	-	731
Past due more than 120 days	779	-	779
	<u>19,809</u>	<u>-</u>	<u>19,809</u>
Credit impaired			
Individually impaired	76	(76)	-
	<u>19,885</u>	<u>(76)</u>	<u>19,809</u>
Trade receivables	19,020	(76)	18,944
Contract assets	865	-	865
	<u>19,885</u>	<u>(76)</u>	<u>19,809</u>

13. ACCOUNTANTS' REPORT (Cont'd)

32. Financial instruments (continued)

32.4 Credit risk (continued)

Trade receivables and contract assets (continued)

Recognition and measurement of impairment losses (continued)

	Gross carrying amount RM'000	Loss allowances RM'000	Net balance RM'000
29.2.2020			
Not past due	4,113	-	4,113
Past due 1 - 30 days	953	-	953
Past due 31 - 120 days	4,370	-	4,370
Past due more than 120 days	3,035	-	3,035
	<u>12,471</u>	<u>-</u>	<u>12,471</u>
Credit impaired			
Individually impaired	74	(74)	-
	<u>12,545</u>	<u>(74)</u>	<u>12,471</u>
Trade receivables	11,999	(74)	11,925
Contract assets	546	-	546
	<u>12,545</u>	<u>(74)</u>	<u>12,471</u>

There are past due trade receivables which the Group has not recognised any loss allowance as the trade receivables are supported by subsequent collection after the end of the reporting period and historical collection trend from these customers.

The movements in the allowance for impairment in respect of trade receivables and contract assets during the period/year are shown below.

	31.10.2022 RM'000	28.2.2022 RM'000	28.2.2021 RM'000	29.2.2020 RM'000
Balance at 1 March 2022/2021/2020/2019	585	76	74	57
(Reversal of)/Impairment loss	(7)	511	-	14
Effect of movement in exchange rates	(2)	(2)	2	3
Balance at 31 October 2022/ 28 February 2022/ 28 February 2021/ 29 February 2020	<u>576</u>	<u>585</u>	<u>76</u>	<u>74</u>

13. ACCOUNTANTS' REPORT (Cont'd)

32. Financial instruments (continued)

32.4 Credit risk (continued)

Other receivables

Credit risk on other receivables are mainly arising from amounts owing from an associate and joint venture, insurance claim receivable and advances to suppliers and a customer.

As at the end of the reporting period, the maximum exposure to credit risk is represented by their carrying amounts in the statements of financial position.

The movements in allowance for impairment in respect of other receivables during the period/year were as follows:

	31.10.2022 RM'000	28.2.2022 RM'000	28.2.2021 RM'000	29.2.2020 RM'000
Balance at 1 March 2022/2021/2020/2019	9,072	8,279	4,401	2,224
Impairment loss	103	793	3,875	2,175
Written off	-	-	(3)	-
Effect of movement in exchange rates	9	-	6	2
Balance at 31 October 2022/ 28 February 2022/ 28 February 2021/ 29 February 2020	9,184	9,072	8,279	4,401

Cash and cash equivalents

The cash and cash equivalents are held with reputable banks and financial institutions. As at the end of the reporting period, the maximum exposure to credit risk is represented by their carrying amounts in the statements of financial position.

These banks and financial institutions have low credit risks. In addition, some of the bank balances are insured by government agencies. The Group is of the view that a loss allowance is not required.

32.5 Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's exposure to liquidity risk arises principally from its various payables, loans and borrowings.

The Group maintains a level of cash and cash equivalents, short term investments, and banking facilities deemed adequate by the management to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they fall due.

It is not expected that the cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amounts.

13. ACCOUNTANTS' REPORT (Cont'd)

32. Financial instruments (continued)

32.5 Liquidity risk (continued)

Maturity analysis

The table below summarises the maturity profile of the Group's financial liabilities as at the end of the reporting period based on undiscounted contractual payments:

	Carrying amount RM'000	Contractual interest rates/ discount rates per annum %	Contractual cash flows RM'000	Under 1 year RM'000	1 - 5 years RM'000	More than 5 years RM'000
31.10.2022						
<i>Non-derivative financial liabilities</i>						
Lease liabilities	20,884	3.13 - 8.00	22,401	9,191	11,918	1,292
Hire purchase liabilities	3,620	1.71 - 6.61	3,941	1,279	2,662	-
Term loans	56,036	2.00 - 6.07	62,175	15,081	45,714	1,380
Revolving credits	173,966	1.84 - 4.56	173,966	173,966	-	-
Trade and other payables	436,086	-	436,086	436,086	-	-
	690,592		698,569	635,603	60,294	2,672
<i>Derivative financial liabilities</i>						
Forward exchange contracts (gross settled)						
Outflow	50	-	12,208	12,208	-	-
Inflow	-	-	(12,158)	(12,158)	-	-
	690,642		698,619	635,653	60,294	2,672

13. ACCOUNTANTS' REPORT (Cont'd)

32. Financial instruments (continued)

32.5 Liquidity risk (continued)

Maturity analysis (continued)

	Carrying amount RM'000	Contractual interest rates/ discount rates/ per annum %	Contractual cash flows RM'000	Under 1 year RM'000	1 - 5 years RM'000	More than 5 years RM'000
28.2.2022						
<i>Non-derivative financial liabilities</i>						
Lease liabilities	22,839	3.13 - 8.00	24,676	8,867	14,544	1,265
Hire purchase liabilities	2,268	1.71 - 3.54	2,407	980	1,427	-
Term loans	42,254	2.00 - 3.80	45,044	12,168	31,359	1,517
Revolving credits	201,663	1.05 - 1.36	201,663	201,663	-	-
Trade and other payables	337,034	-	337,034	337,034	-	-
	606,058		610,824	560,712	47,330	2,782
<i>Derivative financial assets</i>						
Forward exchange contracts (gross settled)						
Outflow	-	-	4,728	4,728	-	-
Inflow	(80)	-	(4,808)	(4,808)	-	-
	605,978		610,744	560,632	47,330	2,782

13. ACCOUNTANTS' REPORT (Cont'd)

32. Financial instruments (continued)

32.5 Liquidity risk (continued)

Maturity analysis (continued)

28.2.2021

Non-derivative financial liabilities

	Carrying amount RM'000	Contractual interest rates/ discount rates/ per annum %	Contractual cash flows RM'000	Under 1 year RM'000	1 - 5 years RM'000	More than 5 years RM'000
Lease liabilities	18,638	3.16 - 8.00	20,145	7,620	11,029	1,496
Hire purchase liabilities	2,920	1.71 - 6.50	3,135	1,021	2,114	-
Term loans	19,812	2.00 - 7.00	21,466	5,972	10,985	4,509
Revolving credits	235,131	1.06 - 1.62	235,131	235,131	-	-
Trade and other payables	378,749	-	378,749	378,749	-	-
	655,250		658,626	628,493	24,128	6,005
<i>Derivative financial assets</i>						
Forward exchange contracts (gross settled)						
Outflow	-	-	640	640	-	-
Inflow	(4)	-	(644)	(644)	-	-
	655,246		658,622	628,489	24,128	6,005

13. ACCOUNTANTS' REPORT (Cont'd)

32. Financial instruments (continued)

32.5 Liquidity risk (continued)

Maturity analysis (continued)

29.2.2020

Non-derivative financial liabilities

	Carrying amount RM'000	Contractual interest rates/ discount rates per annum %	Contractual cash flows RM'000	Under 1 year RM'000	1 - 5 years RM'000	More than 5 years RM'000
Lease liabilities	16,875	4.00 - 8.00	18,554	7,598	9,780	1,176
Hire purchase liabilities	2,761	3.63 - 6.34	3,004	947	2,057	-
Term loans	15,049	2.00 - 7.96	16,948	2,673	7,554	6,721
Revolving credits	138,509	1.03 - 3.82	138,509	138,509	-	-
Trade and other payables	256,497	-	256,497	256,497	-	-
	429,691		433,512	406,224	19,391	7,897
<i>Derivative financial liabilities</i>						
Forward exchange contracts (gross settled)						
Outflow	141	-	8,878	8,878	-	-
Inflow	-	-	(8,737)	(8,737)	-	-
	429,832		433,653	406,365	19,391	7,897

13. ACCOUNTANTS' REPORT (Cont'd)

32. Financial instruments (continued)

32.6 Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and other prices that will affect the Group's financial position or cash flows.

32.6.1 Currency risk

The Group is exposed to foreign currency risk on its sales, purchases and borrowings that are denominated in a currency other than the respective functional currencies of the Group entities. The currencies giving rise to this risk are primarily U.S. Dollar ("USD"), Euro Dollar ("EUR") and Thai Baht ("THB").

Exposure to foreign currency risk

The Group's exposure to foreign currency (a currency which is other than the functional currency of the Group entities) risk, based on carrying amounts as at the end of the reporting period is as follow:

	← USD RM'000	Denominated in EUR RM'000	THB RM'000 →
31.10.2022			
Trade and other receivables	24,206	12,374	-
Short term investments	3,016	-	-
Cash and cash equivalents	70,932	24,077	-
Trade and other payables	(5,267)	(48)	-
Loans and borrowings	(187,016)	(40,092)	-
Net exposure	<u>(94,129)</u>	<u>(3,689)</u>	<u>-</u>
28.2.2022			
Trade and other receivables	13,275	5,387	-
Short term investments	2,750	-	-
Cash and cash equivalents	65,555	61,023	-
Trade and other payables	(3,410)	(26)	-
Loans and borrowings	(151,619)	(89,048)	-
Net exposure	<u>(73,449)</u>	<u>(22,664)</u>	<u>-</u>
28.2.2021			
Trade and other receivables	11,011	2,769	-
Short term investments	23,050	-	-
Cash and cash equivalents	44,034	19,467	6,339
Trade and other payables	(575)	(25)	-
Loans and borrowings	(128,737)	(121,568)	-
Net exposure	<u>(51,217)</u>	<u>(99,357)</u>	<u>6,339</u>

13. ACCOUNTANTS' REPORT (Cont'd)

32. Financial instruments (continued)

32.6 Market risk (continued)

32.6.1 Currency risk (continued)

Exposure to foreign currency risk (continued)

	← USD RM'000	Denominated in EUR RM'000	THB RM'000 →
29.2.2020			
Trade and other receivables	2,395	-	-
Short term investments	29,312	-	-
Cash and cash equivalents	26,489	2,864	6,629
Trade and other payables	(697)	-	-
Loans and borrowings	(87,897)	(61,538)	-
Net exposure	<u>(30,398)</u>	<u>(58,674)</u>	<u>6,629</u>

Currency risk sensitivity analysis

A 10% (28.2.2022; 28.2.2021; 29.2.2020: 10%) strengthening of the RM against the following currencies at the end of the reporting period would have increased/(decreased) post-tax profit or loss by the amounts shown below. This analysis is based on foreign currency exchange rate variances that the Group considered to be reasonably possible at the end of the reporting period. This analysis assumes that all other variables, in particular interest rates, remained constant and ignores any impact of forecasted transactions.

	Profit or loss			
	31.10.2022	28.2.2022	28.2.2021	29.2.2020
	RM'000	RM'000	RM'000	RM'000
USD	7,154	5,582	3,892	2,310
EUR	280	1,722	7,551	4,459
THB	-	-	(482)	(504)

A 10% (28.2.2022; 28.2.2021; 29.2.2020: 10%) weakening of the RM against the above currencies at the end of the reporting period would have had equal but opposite effect on the above currencies to the amounts shown above, on the basis that all other variables remained constant.

13. ACCOUNTANTS' REPORT (Cont'd)

32. Financial instruments (continued)

32.6 Market risk (continued)

32.6.2 Interest rate risk

The Group's significant interest-earning financial assets and interest-bearing financial liabilities are mainly its short term deposits and its fixed and floating rate borrowings. Short term receivables and payables are not significantly exposed to interest rate risk.

The Group's deposit placements as at the end of the reporting period are short term and therefore, exposure to the effects of future changes at prevailing level of interest rates is limited.

The Group's fixed rate borrowings are exposed to a risk of change in their fair values due to changes in interest rates. The Group's variable rate borrowings are exposed to a risk of change in cash flows due to changes in interest rates.

Exposure to interest rate risk

The interest rate profile of the Group's significant interest-earning/(bearing) financial instruments, based on carrying amounts as at the end of the reporting period was:

	31.10.2022 RM'000	28.2.2022 RM'000	28.2.2021 RM'000	29.2.2020 RM'000
Fixed rate instruments				
Financial assets	61,428	47,763	250,773	174,791
Financial liabilities	(200,464)	(228,907)	(259,844)	(160,441)
	<u>(139,036)</u>	<u>(181,144)</u>	<u>(9,071)</u>	<u>14,350</u>
Floating rate instruments				
Financial liabilities	<u>(54,042)</u>	<u>(40,117)</u>	<u>(16,657)</u>	<u>(12,753)</u>

Interest rate risk sensitivity analysis(a) *Fair value sensitivity analysis for fixed rate instruments*

The Group does not account for any fixed rate financial assets and liabilities at fair value through profit or loss, and the Group does not designate derivatives as hedging instruments under a fair value hedge accounting model. Therefore, a change in interest rates at the end of the reporting period would not affect profit or loss.

13. ACCOUNTANTS' REPORT (Cont'd)

32. Financial instruments (continued)**32.6 Market risk (continued)****32.6.2 Interest rate risk (continued)***Interest rate risk sensitivity analysis (continued)**(b) Cash flow sensitivity analysis for variable rate instruments*

A change of 100 basis points (bp) in interest rates at the end of the reporting period would have increased/(decreased) post-tax profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remained constant.

	Profit or loss	
	100 bp increase RM'000	100 bp decrease RM'000
31.10.2022		
Floating rate instruments	<u>(411)</u>	<u>411</u>
28.2.2022		
Floating rate instruments	<u>(305)</u>	<u>305</u>
28.2.2021		
Floating rate instruments	<u>(127)</u>	<u>127</u>
29.2.2020		
Floating rate instruments	<u>(97)</u>	<u>97</u>

32.7 Fair value information

The carrying amounts of cash and cash equivalents, short term investments, short term receivables, payables and borrowings reasonably approximate their fair values due to the relatively short term nature of these financial instruments.

13. ACCOUNTANTS' REPORT (Cont'd)

32. Financial instruments (continued)

32.7 Fair value information (continued)

The table below analyses financial instruments carried at fair value and those not carried at fair value for which fair value is disclosed, together with their fair values and carrying amounts shown in the consolidated statements of financial position.

	Fair value of financial instruments carried at fair value			Fair value of financial instruments not carried at fair value			Total fair value RM'000	Carrying amount RM'000
	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000		
31.10.2022								
Financial liabilities								
Forward exchange contracts	-	50	-	-	-	-	50	50
Hire purchase liabilities	-	-	-	-	-	3,620	3,620	3,620
Terms loans	-	-	-	-	-	56,036	56,036	56,036
	-	50	-	-	-	59,656	59,706	59,706

13. ACCOUNTANTS' REPORT (Cont'd)

32. Financial instruments (continued)

32.7 Fair value information (continued)

28.2.2022

Financial asset

Forward exchange contracts	-	80	-	-	-	-	80	80
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Financial liabilities

Hire purchase liabilities	-	-	-	-	2,268	2,268	2,268	2,268
Terms loans	-	-	-	-	42,254	42,254	42,254	42,254
	-	-	-	-	44,522	44,522	44,522	44,522

13. ACCOUNTANTS' REPORT (Cont'd)

32. Financial instruments (continued)

32.7 Fair value information (continued)

	Fair value of financial instruments carried at fair value			Fair value of financial instruments not carried at fair value			Total fair value RM'000	Carrying amount RM'000
	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000		
28.2.2021								
Financial asset								
Forward exchange contracts	-	4	-	-	-	-	4	4
Financial liabilities								
Hire purchase liabilities	-	-	-	-	-	2,920	2,920	2,920
Terms loans	-	-	-	-	-	19,812	19,812	19,812
	-	-	-	-	-	22,732	22,732	22,732

13. ACCOUNTANTS' REPORT (Cont'd)

32. Financial instruments (continued)

32.7 Fair value information (continued)

	Fair value of financial instruments carried at fair value			Fair value of financial instruments not carried at fair value			Total fair value RM'000	Carrying amount RM'000
	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000		
29.2.2020								
Financial liabilities								
Forward exchange contracts	-	141	-	-	-	-	141	141
Hire purchase liabilities	-	-	-	-	-	2,761	2,761	2,761
Terms loans	-	-	-	-	-	15,049	15,049	15,049
	-	141	-	-	-	17,810	17,810	17,951

13. ACCOUNTANTS' REPORT (Cont'd)

32. Financial instruments (continued)

32.7 Fair value information (continued)

Transfers between fair value levels

There has been no transfer between the levels in fair value during the financial period/year (28.2.2022; 28.2.2021; 29.2.2020: no transfer in either direction).

Level 2 fair value

Derivative financial liabilities

The fair value of the forward exchange contracts is estimated by reference to the market rate for similar contracts obtained from the banks which the Group contracted with.

Level 3 fair value

Non-derivative financial liabilities

The carrying amount of floating rate term loans approximates their fair values as their effective interest rates change accordingly to movements in the market interest rate. The fair value of fixed rate financial liabilities (i.e. hire purchase liabilities and fixed rate term loans) is calculated using discounted cash flows where the market rate of interest is determined by reference to similar borrowing arrangements.

33. Capital management

The Group's objectives when managing capital is to maintain a strong capital base and safeguard the Group's ability to continue as a going concern, so as to maintain investors, creditors and market confidence and to sustain future development of the business.

The Group actively and regularly reviews and manages its capital and borrowing structure to ensure optimal capital structure and shareholders' returns, taking into consideration future capital requirements, capital efficiency as well as prevailing and projected strategic investment opportunities.

There was no change in the Group's approach to capital management during the financial period.

34. Acquisition of subsidiaries

34.1 Financial period ended 31 October 2022

On 4 April 2022, the Company acquired the entire equity interests in PT Suryasoft Konsultama for a total purchase consideration of IDR313,196,695 (equivalent to RM92,247). The acquisition makes the group to be more efficient in a global roll-out of Information Technology. In the 7 months to 31 October 2022, the subsidiary contributed loss of RM820,000. If the acquisition had occurred on 1 March 2022, management estimates that consolidated revenue would have been RM1,043,237,000, and consolidated profit for the financial period would have been RM188,531,000. The acquisition gave rise to a gain on bargain purchase of RM19,000 which was recognised immediately in profit or loss. In determining the fair value of the net assets acquired, the Company has assumed that the fair value adjustments that arose on the date of acquisition would have been the same if the acquisition had occurred on 1 March 2022.

13. ACCOUNTANTS' REPORT (Cont'd)

34. Acquisition of subsidiaries (continued)

34.1 Financial period ended 31 October 2022 (continued)

The following summarises the consideration transferred, and the recognised amount of assets acquired and liabilities assumed at the acquisition date:

	Note	31.10.2022 RM'000
Fair value of consideration transferred		
Consideration settled in cash		92
Identifiable assets acquired and liabilities assumed		
Property, plant and equipment	3	15
Trade and other receivables		17
Cash and cash equivalents		87
Trade and other payables		(8)
Total identifiable net assets		111

The fair value of the identifiable net assets is represented by the carrying amounts on the date of the acquisition.

	31.10.2022 RM'000
Net cash outflow arising from acquisition of subsidiary	
Purchase consideration settled in cash	(92)
Cash and cash equivalents acquired	87
	(5)

34.2 Financial year ended 28 February 2021

On 10 March 2020, the Company completed the acquisition of Florin (Fujian) Integrated Agricultural Science and Technology Co., Ltd, ("Florin Fujian") for a total purchase consideration of RMB5,939,479 (equivalent to RM3,551,737). On even date, the Company injected an initial capital in Florin Fujian for approximately RMB20,072,639 (equivalent to RM11,959,759). The acquisition has expanded the Group's operation into Anxi, China. In the 12 months to 28 February 2021, the subsidiary contributed revenue of RM271,000 and loss of RM1,046,000. If the acquisition had occurred on 1 March 2020, management estimates that consolidated revenue would have been RM1,050,205,000, and consolidated profit for the financial year would have been RM200,884,000.

In determining the fair value of net assets acquired, the Company had assumed that the fair value adjustments that arose on the date of acquisition would have been the same if the acquisition had occurred on 1 March 2020.

13. ACCOUNTANTS' REPORT (Cont'd)

34. Acquisition of subsidiaries (continued)**34.2 Financial year ended 28 February 2021 (continued)**

The following summarises the major classes of consideration transferred, and the amount of assets acquired and liabilities assumed at acquisition date:

	Note	28.2.2021 RM'000
Fair value of consideration transferred		
Consideration settled in cash		<u>15,512</u>
Identifiable assets acquired and liabilities assumed		
Property, plant and equipment	3	8,507
Right-of-use assets	4	2,350
Trade and other receivables		1,359
Current tax assets		2,634
Cash and cash equivalents		12,197
Trade and other payables		(6,467)
		<u>20,580</u>
Non-controlling interests		(5,068)
Total identifiable net assets		<u>15,512</u>

The fair value of the identifiable net assets is represented by the carrying amounts on the date of the respective acquisitions.

	28.2.2021 RM'000
Net cash outflow arising from acquisition of subsidiary	
Purchase consideration settled in cash	(15,512)
Cash and cash equivalents acquired	12,197
Non-controlling interests	(5,068)
	<u>(8,383)</u>

13. ACCOUNTANTS' REPORT (Cont'd)

34. Acquisition of subsidiaries (continued)**34.3 Financial year ended 29 February 2020**

On 13 April 2019, the Company acquired the entire equity interests in Amazing Discovery Sdn. Bhd. for a total cash consideration of RM2,415,000. The acquisition has expanded lifestyle facilities. In the 11 months to 28 February 2020, the subsidiary contributed revenue of RM578,000 and loss of RM1,276,000. If the acquisition had occurred on 1 March 2019, management estimates that consolidated revenue would have been RM1,104,608,000, and consolidated profit for the financial year would have been RM255,248,000. The acquisition gave rise to a gain on bargain purchase of RM5,267,000 recognised immediately in profit or loss. In determining the fair value of net assets acquired, the Company has assumed that the fair value adjustments that arose on the date of acquisition would have been the same if the acquisition had occurred on 1 March 2019.

The following summarises the consideration transferred, and the recognised amount of assets acquired and liabilities assumed at the acquisition date:

	Note	29.2.2020 RM'000
Fair value of consideration transferred		
Consideration settled in cash		<u>2,415</u>
Identifiable assets acquired and liabilities assumed		
Property, plant and equipment	3	33,077
Trade and other receivables		99
Cash and cash equivalents		403
Trade and other payables		(7,292)
Loans and borrowings	19.2	(17,533)
Deferred tax liabilities	11	(1,072)
Total identifiable net assets		<u>7,682</u>
The fair value of the identifiable net assets is represented by the carrying amounts on the date of acquisition except for freehold land, which is determined based on an independent valuation.		
29.2.2020 RM'000		
Net cash outflow arising from acquisition of subsidiary		
Purchase consideration settled in cash		(2,415)
Cash and cash equivalents acquired		403
		<u>(2,012)</u>

13. ACCOUNTANTS' REPORT (Cont'd)

35. Disposal of subsidiaries

35.1 Financial year ended 28 February 2021

On 26 February 2021, the Company disposed of the following to LSJ Global Sdn. Bhd. (formerly known as DXN Global Sdn. Bhd.) ("LSJ Global"), a substantial shareholder of the Company:

- entire equity interests in LSJ Land Sdn. Bhd. (formerly known as DXN Land Sdn Bhd.) and its subsidiaries Yiked-LSJ Stargate Sdn. Bhd. (formerly known as Yiked-DXN Stargate Sdn. Bhd.) ("Yiked"), Richmond Sapphire Sdn. Bhd. and Bio Synergy Engineering Sdn. Bhd. for a total cash consideration of RM5,500,000;
- redeemable preference shares held directly by the Company in Yiked for a total cash consideration of RM39,000,000; and
- entire equity interests in LSJ Plantation Sdn. Bhd. (formerly known as DXN Plantation Sdn. Bhd.) for a total cash consideration of RM2,600,000.

The total purchase consideration of RM47,100,000 from the above disposals was set-off against the dividend payable by the Company to LSJ Global.

The disposals had the following effects on the Group's assets and liabilities:

	Note	2021 RM'000
Fair value of consideration received		
Consideration to be set-off against dividend payable by the Company		<u>(47,100)</u>
Identifiable assets and liabilities disposed off		
Property, plant and equipment	3	7,890
Investment property	5	100,100
Inventories		36,708
Trade and other receivables		2,282
Current tax assets		404
Cash and cash equivalents		207
Trade and other payables		(101,944)
Loans and borrowings	19.2	(202)
Total identifiable net assets		<u>45,445</u>
Net cash inflow arising from disposal of subsidiaries		
Sales consideration set-off against dividend payable by the Company (Note 36(vi))		<u>47,100</u>
Cash and cash equivalents disposed of representing net cash outflow arising from disposal of subsidiaries		<u>(207)</u>
Gain on disposal of investments in subsidiaries		
Total consideration received		47,100
Fair value of identifiable net assets		(45,445)
Gain on disposal of subsidiaries	24	<u>1,655</u>

136

13. ACCOUNTANTS' REPORT (Cont'd)

36. Significant events

- (i) On 10 March 2020, the Company completed the acquisition of Florin (Fujian) Integrated Agricultural Science and Technology Co., Ltd, ("Florin Fujian") for a total purchase consideration of RMB5,939,479 (equivalent to RM3,551,737). Florin Fujian is principally involved in tea plantation, processing, research & development, wholesale trading and retailing of tea, pre-packaged food & beverages and other products.

On even date, the Company injected an initial capital in Florin Fujian for approximately RMB20,072,639 (equivalent to RM11,959,759). Thereafter during the year, the Company further injected RMB13,889,948 (equivalent to RM8,585,326) as capital in Florin Fujian. The non-controlling shareholder of Florin Fujian has an investment of RMB8,280,000 (equivalent to RM4,951,340) as at 28 February 2021.

With the Company's combined investments of RMB39,902,066 (equivalent to RM24,096,822), Florin Fujian became an 82.82% owned subsidiary of the Company. The total registered share capital of Florin Fujian is RMB50,000,000 of which RMB40,000,000 (equivalent to 80% of the total registered share capital) is provisional allocated to the Company for subscription and the remaining RMB10,000,000 (equivalent to 20% of the total registered share capital) is allocated to the non-controlling shareholder. Both shareholders are given up till 31 December 2057 to fully subscribe for the shares allocated to them.

- (ii) On 3 July 2020, the Company acquired the entire equity interest in DXN Agro Park Sdn. Bhd. ("DXN Agro Park") for a total purchase consideration of RM2. Thereafter, the Company subscribed for additional equity interests in DXN Agro Park for RM99,998. Subsequent to the above, DXN Agro Park became a wholly-owned subsidiary of the Company.
- (iii) On 8 September 2020, a fire occurred in the factory belonging to DXN Industries (M) Sdn. Bhd.'s ("DXNI") a wholly-owned subsidiary located in Jitra, Kedah resulting in property, plant and equipment and inventories of RM17,615,000 collectively being written off. DXNI has submitted insurance claims in relation to the above incident by rebuilding and converting the burnt warehouse into an optimised factory (single storey warehouse convert into two storey coffee production) during the financial year ended 28 February 2021. The entire amount claimed was received as at 28 February 2022.
- (iv) On 30 November 2020, the Company subscribed for additional equity interests in DXN Agrotech Sdn. Bhd. ("DXN Agrotech"), a wholly-owned subsidiary for RM4,999,900.
- (v) On 30 November 2020, the Company disposed of 20% equity interests in DXN Food Tech Sdn. Bhd. ("DXN Food Tech") for a total cash consideration of RM2,000. Consequently, DXN Food Tech became an 80% owned subsidiary of the Company. The disposal did not result in any material gain or loss.
- (vi) On 26 February 2021, the Company disposed of the following subsidiaries to LSJ Global Sdn. Bhd. (formerly known as DXN Global Sdn. Bhd.) ("LSJ Global"), a substantial shareholder of the Company:
- entire equity interest in LSJ Land Sdn. Bhd. (formerly known as DXN Land Sdn Bhd.) and its subsidiaries Yiked-LSJ Stargate Sdn. Bhd. (formerly known as Yiked-DXN Stargate Sdn. Bhd.) ("Yiked"), Richmond Sapphire Sdn. Bhd. and Bio Synergy Engineering Sdn. Bhd. for a total cash consideration of RM5,500,000;
 - redeemable preference shares held directly by the Company in Yiked for a total cash consideration of RM39,000,000; and
 - entire equity interests in LSJ Plantation Sdn. Bhd. (formerly known as DXN Plantation Sdn. Bhd.) for a total cash consideration of RM2,600,000.

13. ACCOUNTANTS' REPORT (Cont'd)

36. Significant events (continued)

The total cash consideration of RM47,100,000 was set off against the dividend payable by the Company to LSJ Global.

In conjunction with the above disposals, LSJ Global has also agreed to set off the dividends payable by the Company amounting to RM100,200,000 against the amount owing by the disposed subsidiaries to the Company.

- (vii) On 3 February 2022, the Company entered into a Share Sale Agreement ("SSA") to acquire the entire equity interest of PT Suryasoft Konsultama ("Suryasoft") from its existing shareholders ("Suryasoft Acquisition").

Suryasoft is principally engaged in the provision of information technology ("IT") services including IT system, IT consultancy, customised software development, customised software system and others. Suryasoft currently provides software services, among others to DXN Group such as maintaining DXN Group's online billing system, eWorld and DXN application and ePoint system.

On 4 April 2022, the Company completed the acquisition of Suryasoft for a total purchase consideration of IDR313,196,695 (equivalent to RM91,664) upon which, Suryasoft became a wholly-owned subsidiary of the Company.

- (viii) On 6 May 2022, the Company transferred its entire equity interest held in Florin Fujian to its wholly-owned subsidiary, DXN Corporation (Ningxia) Co., Ltd. ("DXN Ningxia").

On 17 May 2022, DXN Ningxia further entered into a SSA to dispose of its entire equity interest held in Florin Fujian to Fujian Anxi Jinjiang Source Tea Technology Co., Ltd for a total consideration of RMB58,660,000 (equivalent to RM38,800,000), of which RMB49,330,000 (equivalent to RM32,600,000) is payable in cash and the remaining RMB9,330,000 (equivalent to RM6,200,000) will be set-off against future purchase of goods by the Group from Florin Fujian.

The disposal was originally expected to be completed within 6 months from the date of the SSA, following which Florin Fujian and its subsidiary namely, Anxi Gande Foluohua Integrated Agricultural Science and Technology Co., Ltd will cease to be subsidiaries of the Company. The Group and the Company are expected to recognise a gain of approximately RM10 million and RM15 million respectively upon completion of the disposal.

During the current financial period, the Directors and Management of the Company have collectively assessed and noted that the SSA may be terminated due to inability of the purchaser to fulfil certain conditions of the SSA. Accordingly, the assets and liabilities of Florin Fujian are no longer presented as held for sale as at 31 October 2022.

- (ix) On 9 June 2022, the Company incorporated a wholly-owned subsidiary, DXN Bangladesh Industries Pvt. Ltd. ("DXN Bangladesh Industries") with an initial paid-up capital of Bangladeshi Taka 4,300,000 (equivalent to RM205,000).

The intended principal activity of DXN Bangladesh Industries is to produce, manufacture and process food and beverages, homecare products and home appliances.

13. ACCOUNTANTS' REPORT (Cont'd)

37. Material tax matters

- (i) During the financial year ended 28 February 2021, DXN Mexico S. A. de C. V. ("DXN Mexico"), a wholly-owned subsidiary of the Company was audited by the Mexico Tax Administration Services (MTAS) which determined that DXN Mexico had used an incorrect tariff code for the importation of algae spirulina tablets which resulted in a lower value added tax ("VAT") being paid for the years 2016 to 2019.

Arising from the above, the Group had quantified the amount of VAT under declared (including estimated penalties) relating to the importation of algae spirulina tablets from years 2016 to 28 February 2021 amounting to Mexican Peso ("MXN") 24.02 million (equivalent to RM4.84 million) and provided the said amount during the financial year ended 28 February 2021. Of the MXN24.02 million (equivalent to RM4.81 million), MXN7.78 million (equivalent to RM1.57 million) comprising estimated penalties were charged to profit or loss and the remaining MXN16.24 million (equivalent to RM3.27 million) was recorded as VAT receivable as at 28 February 2021.

On 2 August 2021, DXN Mexico received the final resolution from MTAS for the period from 2016 to July 2019 and paid the additional VAT including penalties of MXN14.34 million (equivalent to RM2.87 million).

Subsequent to the above, MTAS had on 11 October 2021 sent an invitation to review the VAT paid for the importation of algae spirulina tablets for the period from August 2019 to May 2021. DXN Mexico had on 25 November 2021 responded to MTAS to request for a final resolution. MTAS had on 5 January 2022 issued a final resolution for an amount of MXN10.47 million (equivalent to RM2.11 million). DXN Mexico paid the amount on 5 January 2022 upon which the case is closed.

DXN Mexico there after commenced paying VAT using the recommended tariff code for the importation of algae spirulina tablets effective June 2021 in accordance with the letter from the MTAS.

- (ii) DXN International Peru SAC ("DXN Peru"), a wholly-owned subsidiary of the Company was audited by the Peruvian tax regulator (National Superintendency of Customs and Tax Administration) ("SUNAT") in 2017. Arising from the tax audit which related to assessment year 2015, SUNAT had disallowed certain sales commission as a deductible expense. Additional taxes and penalties of Peruvian Nuevo Sol ("PEN/S") 0.37 million (equivalent to RM0.38 million) were imposed and paid by DXN Peru for assessment year 2015. DXN Peru submitted appeals before the Judiciary on the matter and the Supreme Court of Justice of Lima had on 11 January 2022 issued a resolution of preliminary revision ("RPR") denying DXN Peru's appeal. The RPR concluded the judicial process.

As at 31 October 2022, DXN Peru had provided the additional income tax and estimated penalties relating to the sales commission that may be similarly disallowed for financial years 2016 till 2020 amounting to PEN\$5.67 million (equivalent to RM6.55 million), if the SUNAT raises a demand for additional income taxes to be paid. DXN Peru had also ceased recognising sales commission as a deductible expense in its income tax return for YA 2021 and beyond.

13. ACCOUNTANTS' REPORT (Cont'd)

37. Material tax matters (continued)

- (iii) In March 2022, DXN Peru was notified by the SUNAT regarding the incorrect tariff code being applied for the importation of Zhi Mocha. This has resulted in the deemed under declaration of taxes (import duty and value added tax ("VAT")) for the years 2018, 2019 and 2020.

Subsequent to 31 October 2022, DXN Peru has paid the deemed under declared taxes for 2018 and 2019 amounting to PENS/0.39 million (equivalent to RM0.45 million) under protest and further provided PENS/0.91 million (equivalent to RM1.05 million) for the taxes under declared for years 2020 and 2021.

- (iv) DXN Mexico has an ongoing income tax dispute with the Tax Administration Service Mexico (Servicio de Administración Tributaria) ("SAT") following the receipt of SAT's letter dated 2 December 2015 ("SAT 2015 Letter") issued by the Deputy Treasurer for Auditing of the General Secretariat of Finance of the Government of the Federal District. The SAT had imposed additional income tax (inclusive of fines and surcharges) for a total amount of MXN6.79 million (equivalent to RM1.39 million) for financial year 2013, as well as the denial of the request for refund of outstanding tax balances amounting to MXN2.32 million (equivalent to RM0.47 million) for financial year 2012 ("Mexico Income Tax 2013 Case").

The SAT was of the view that certain expenses were non-deductible and that there was an omission of taxable income in respect of the reversal of certain excess provisions. On 25 January 2016, DXN Mexico had filed an appeal for revocation against the amount imposed by the SAT.

Pending an outcome from the SAT, DXN Mexico has quantified the potential amount payable (including inflation, surcharges and penalties) in relation to the Mexico Income Tax 2013 Case which amounted to MXN14.86 million (equivalent to RM3.25 million).

Of the MXN14.86 million (equivalent to RM3.25 million), the legal counsel advising DXN Mexico is of the opinion that MXN10.27 million (equivalent to RM2.25 million) are with high probabilities and the remaining MXN4.59 million (equivalent to RM1.01 million) are with low probabilities of obtaining a result in favour of DXN Mexico. The MXN4.59 million (equivalent to RM1.01 million) was provided and recognised as tax expense by DXN Mexico as at financial period ended 31 October 2022.

In 2016, DXN Mexico filed a nullity proceeding before the Federal Court of Tax and Administrative Affairs (FCTAA). The outcome or resolution of the matter is currently pending.

- (v) DXN Marketing India Private Limited ("DXN Marketing India"), a 50% owned subsidiary of the Company received a letter of summon dated 9 June 2020 from the GST Intelligence in Belagavi, India ("GST Intelligence") to appear for a personal hearing with the officers of GST Intelligence in relation to the application of GST rates for RG and GL powder capsules, spirulina powder capsules and Neeli hair oil for the period from 1 July 2017 ("India GST Case").

The representatives of DXN Marketing India attended the personal hearing on 3 August 2020 and submitted the relevant documents to the GST Intelligence for verification. Subsequently, the GST Intelligence had sent a second letter of summon dated 4 September 2020 to appear on 10 September 2020 for further clarification.

13. ACCOUNTANTS' REPORT (Cont'd)

37. Material tax matters (continued)

Since then, the representatives of DXN Marketing India attended several rounds of personal hearings and also submitted all additional records clarifications to queries requested by the GST Intelligence.

The tax adviser advising DXN Marketing India on the matter is of the opinion that there is a high probability of DXN Marketing India convincing the GST Intelligence that DXN Marketing has accurately applied the GST rates for spirulina powder capsules and Neeli hair oil. However, the tax adviser opined that DXN Marketing India only has a fair chance of convincing the GST Intelligence that the correct GST rates were applied for RG and GL powder capsules.

As at 31 October 2022, DXN Marketing India has recorded a provision of Indian Rupee ("INR") 413.16 million (equivalent to RM23.24 million) for the potential additional GST payable, including interest and penalties for RG and GL powder capsules imported.

- (vi) The Income Tax Department of India ("Indian Income Tax Department") conducted a tax audit on Daxen Agritech India Private Limited ("Daxen Agritech"), a wholly-owned subsidiary of the Company and raised a demand for additional taxes amounting to INR170.07 million (equivalent to RM9.46 million) for the years of assessment ("YA"s) 2012 to 2019. ("Daxen Agritech Income Tax Case").

Under Section 80-IC of the Income Tax Act, 1961 of India, companies set up for the purpose of manufacturing activities in certain states, such as among others, Himachal Pradesh, between April 2003 to March 2010 are entitled for a tax deduction of 100% of the profits for the first 5 years and 30% for the subsequent 5 years ("Exemption Benefit").

Daxen Agritech was established in 2009 and commenced the manufacturing of RG and GL capsules using raw materials (i.e. RG and GL powder) imported from Malaysia. Daxen Agritech had claimed the Exemption Benefit but the Assistant Commissioner of Income Tax ("ACIT") disallowed the Exemption Benefit on grounds that Daxen Agritech did not carry out manufacturing activities but was merely purchasing raw materials and filling them into the capsules. The ACIT demanded from Daxen Agritech the payment of full income tax and interest for a total sum of INR170.07 million (equivalent to RM9.46 million) for YA2012 to YA2019.

The Group has recognised a provision for the income tax demanded for YA2012 to YA2019 of INR170.07 million (equivalent to RM9.46 million) during the financial year ended 28 February 2019.

Daxen Agritech has filed appeals to the Commissioner of Income Tax ("CIT") for the additional income taxes demanded on 19 January 2017, 27 January 2018, 24 January 2019, 20 December 2019 and 30 March 2021. As part of the procedure for filing the appeals, Daxen Agritech has paid INR34.50 million (equivalent to RM1.93 million) being 20% of the total amount demanded as deposit under protest to the Indian Income Tax Department.

Pending the CIT's decision on the appeal for YA2012 to YA2019, Daxen Agritech has provided for the potential additional income tax payable for YA2020 which amounted to INR22.28 million (equivalent to RM1.25 million) during the financial year ended 28 February 2021. The status of the appeal remains outstanding. There is no potential exposure for YA2021 and beyond as the Exemption Benefit is only applicable up to YA2020.

13. ACCOUNTANTS' REPORT (Cont'd)

37. Material tax matters (continued)

- (vii) Daxen Agritech also has an ongoing dispute with the Commissioner of Customs, New Delhi ("Indian Customs") in relation to the customs duty paid for the import of RG and GL powder for the years 2012 to 2018.

The RG and GL powder imported from Malaysia were classified as "bulk drugs for captive consumption" under the "Ayurvedic Medicine" category. However, the Indian Customs claimed that those RG and GL powder imported should have been classified under the "Food" category which will then be subjected to a higher customs duty rate. Consequently, the Indian Customs had demanded for additional customs duty to be paid totalling INR103.44 million (equivalent to RM5.78 million) comprising:

- (a) INR19.19 million (equivalent to RM1.07 million) for year 2012 ("India 2012 Customs Case"); and
- (b) INR84.24 million (equivalent to RM4.83 million) for the years 2013-2018 ("India 2013-2018 Customs Case").

Daxen Agritech has filed an appeal on 14 June 2013 to the Commissioner of Customs ("the Appeal") and received an order in favour of Daxen Agritech. The Indian Customs then appealed on 9 April 2014 against the order before the Customs Excise and Service Tax Appellate Tribunal ("CESTAT") and received an order in favour of the Indian Customs.

Daxen Agritech subsequently filed another appeal on 9 July 2018 against the order by the CESTAT to the Supreme Court of India where the appeal has been admitted and is now pending the Supreme Court of India. The next hearing date has yet to be fixed. In submitting the appeal before the Supreme Court of India, Daxen Agritech has paid and recognised the INR19.19 million (equivalent to RM1.07 million) in profit or loss. Daxen Agritech's legal adviser is of the opinion that there is an equal chance for Daxen Agritech to obtain a favourable or unfavorable decision from the Supreme Court.

For the India 2013-2018 Customs Case, Daxen Agritech had on 2 September 2020 filed an appeal to the CESTAT against the order. The next hearing date has yet to be fixed. In submitting the appeal before the CESTAT, Daxen Agritech has paid INR6.32 million (equivalent to RM0.35 million) representing 7.5% of the total amount demanded under protest.

The Group had provided in profit and loss the additional customs duty demanded of INR84.24 million (equivalent to RM4.83 million) in profit or loss during the financial year ended 29 February 2020.

Notwithstanding the outcome of the appeals, Daxen Agritech has commenced paying customs duty in accordance with the recommended tariff rate applicable to the "Food" category since June 2018.

- (viii) DXN Manufacturing (India) Private Limited ("DXN Manufacturing India"), a wholly-owned subsidiary of the Company has ongoing tax disputes with the Indian Income Tax Department for the years of assessment ("YA") 2004 to 2005. The Indian Income Tax Department had raised a demand for additional taxes as DXN Manufacturing India was deemed not to be eligible for a tax deduction on its profits under Section 80IB of the Income Tax Act, 1961 of India ("India ITA") ("DXN Manufacturing India Tax Case").

13. ACCOUNTANTS' REPORT (Cont'd)

37. Material tax matters (continued)

Under Section 80IB of the India ITA, companies that commence manufacturing activities in an under developed industrial area between April 1993 to March 2004 are entitled for a tax deduction of 100% on profits for the first 5 years and thereafter 30% for the subsequent 5 years ("Exemption Benefit").

DXN Manufacturing India was established in 2001 and commenced manufacturing of RG and GL capsules using raw materials (i.e. RG and GL powder) imported from Malaysia. DXN Manufacturing India had claimed the Exemption Benefit but the Indian Tax Department disallowed the Exemption Benefit on grounds that DXN Manufacturing India did not carry out manufacturing activities but was merely purchasing the raw materials and filling them into capsules.

DXN had won the income tax cases for year of assessment ("YA") 2004 and YA2005 at the High Court of Chennai. The Indian Income Tax Department then appealed against the order of the High Court before the Supreme Court and the cases are now pending before the Supreme Court. DXN Manufacturing India's legal counsel is of the opinion that there is a high probability for the Supreme Court deciding in DXN Manufacturing India's favour.

For YA 2006, DXN Manufacturing India has filed an appeal before the Commissioner of Income Tax (Appeals) and subsequently before the Income Tax Appellate Tribunal. The Income Tax Appellate Tribunal had vide its order dated 18 September 2009 ordered the Commissioner of Income Tax (Appeals) to re-examine the case and pass a fresh order after giving DXN Manufacturing India adequate opportunity of being heard.

DXN Manufacturing India had paid the full amount demanded by the Indian Income Tax Department for YA2004 up to YA2012 amounting to INR140.03 million (equivalent to RM7.83 million) and subsequently received refunds for part of the amount paid of INR114.64 million (equivalent to RM6.41 million) for cases (i.e. YA2007, YA2008, YA2009 and YA2010) that were ruled in favour of DXN Manufacturing India.

- (ix) DXN Manufacturing India also has an ongoing dispute with the Customs Excise and Service Tax Appellate Tribunal ("CESTAT") in respect of a demand issued by the CESTAT for additional excise duty payable on RG and GL powder capsules manufactured and sold for the period from February 2002 to July 2002 amounting to INR20.30 million (equivalent to RM1.13 million).

The CESTAT is of the view that RG and GL powder capsules should have been categorised as health food supplements which are liable to a higher excise duty compared to ayurvedic proprietary medicine as categorised by DXN Manufacturing India. DXN Manufacturing India paid the above amount demanded and had on 5 March 2018 submitted an appeal before the Supreme Court of India to appeal against the decision by the CESTAT. The hearing date for the appeal has yet to be determined.

Pending an outcome for the appeal, DXN Manufacturing India had paid excise duty for all subsequent RG and GL powder capsules manufactured and sold up till June 2011 using the higher excise duty prescribed by the CESTAT. DXN Manufacturing India discontinued the manufacturing and sale of the said products after June 2011. The total additional amount paid and recognised as an expense as a result of applying the higher excise duty under the health food supplements category amounted to INR321.88 million (equivalent to RM17.99 million).

13. ACCOUNTANTS' REPORT (Cont'd)

37. Material tax matters (continued)

The counsel advising DXN Manufacturing India on this matter is of the opinion that DXN Manufacturing India has a fair (i.e. 50%) chance to obtain a favourable decision from the Supreme Court.

- (x) On November 2022, Daxen Morocco LLC ("Daxen Morocco"), a wholly-owned subsidiary of the Company was notified by the Morocco Custom Department that an incorrect tariff code was used for the importation of spirulina tablets, mixed powder, morinzhi and cocozhi which resulted in the under declaration of taxes (import duty and value added tax ("VAT")).

As at 31 October 2022, Moroccan Dirham ("DH") 31.92 million (equivalent to RM13.79 million) of additional taxes was provided by the Group for years 2020 to 2022, which comprising estimated penalties and interest amounting to DH15.10 million (equivalent to RM6.52 million).

38. Subsequent events

- (i) On 15 December 2022, the Company incorporated a wholly owned subsidiary, Dexin Manufacturing Nepal Private Limited ("Dexin Nepal") with an initial paid-up capital of Nepalese Rupee ("NPR") 100,000,000 (equivalent to RM3,349,000).

The intended principal activity of Dexin Nepal is to produce, manufacture, process, sale and distribution of food and beverages, homecare products and home appliances.

- (ii) The Company had on 28 March 2023 entered into a SSA to acquire the entire equity interest of Daxen Middle East Food Manufacturing L.L.C ("Daxen Middle East") from its existing shareholder for a total purchase consideration of UAE Dirhams ("AED") 10,000,000 (equivalent to RM11.88 million).

Daxen Middle East is principally involved in manufacturing of natural (organic) food, instant & liquid coffee and food supplements.

The acquisition is expected to be completed within 3 months from the date of the SSA, following which Daxen Middle East will become a wholly-owned subsidiary of the Company.

- (iii) On 29 March 2023, DXN Peru entered into Purchase Option Agreements with Inmobiliaria Salonica S.A.C. to acquire four lots of land located in Parque Sector 62 - Chilca Industrial, province of Cañete department of Lima, Peru for a total purchase consideration of U.S. Dollar ("USD") 4,463,791 (equivalent to RM19.93 million).

On 30 March 2023, DXN Peru has paid a 15% deposit amounting to USD669,569 (equivalent to RM2.99 million) to Inmobiliaria Salonica S.A.C.

13. ACCOUNTANTS' REPORT (Cont'd)

38. Subsequent events (continued)

(iv) On 23 February 2022 and 11 April 2023, the shareholders of the Company approved the following proposals to be undertaken by the Company:

- bonus issue of 4,584,236,000 new ordinary shares on the basis of approximately 19 new ordinary shares for every 1 existing share held;
- initial public offering of up to 932,675,000 ordinary shares comprising an offer for sale of up to 772,675,000 existing ordinary shares to institutional investors and a public issue of 160,000,000 new ordinary shares to retail investors;
- listing of and quotation for the entire enlarged issued ordinary shares of the Company on the Main Market of Bursa Malaysia Securities Berhad; and
- employees' share option scheme for the granting of options to the eligible Directors and employees of the Company and its subsidiaries.

The above proposals have been submitted and were approved by the relevant authorities.

13. ACCOUNTANTS' REPORT (Cont'd)

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 (LLP0010081-LCA & AF 0758)
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The Board of Directors
DXN Holdings Bhd.
 Wisma DXN,
 213, Lebuhraya Sultan Abdul Halim,
 05400 Alor Setar,
 Kedah Darul Aman

Date: 14 April 2023

Dear Sirs,

Reporting Accountants' opinion on the consolidated financial statements contained in the Accountants' Report of DXN Holdings Bhd.

Opinion on the Consolidated Financial Statements

We have audited the consolidated financial statements of DXN Holdings Bhd. ("DXN" or the "Company") and its subsidiaries (the "Group"), which comprise the consolidated statements of financial position as at 31 October 2022, 28 February 2022, 28 February 2021 and 29 February 2020, the consolidated statements of profit or loss and other comprehensive income, consolidated statements of changes in equity and consolidated statements of cash flows for the period and years then ended, and a summary of significant accounting policies and other explanatory information, as set out on pages 1 to 145. These consolidated financial statements have been prepared for inclusion in the Company's prospectus in connection with the listing of and quotation for the entire enlarged issued ordinary shares in the Company on the Main Market of Bursa Malaysia Securities Berhad ("Bursa Securities") and for no other purposes.

In our opinion, the accompanying consolidated financial statements give a true and fair view of the financial position of the Group as at 31 October 2022, 28 February 2022, 28 February 2021 and 29 February 2020 and of its financial performance and cash flows for the period and years then ended in accordance with Malaysian Financial Reporting Standards and International Financial Reporting Standards.

13. ACCOUNTANTS' REPORT (Cont'd)

*DXN Holdings Bhd.
Accountants' Report on the
Consolidated Financial Statements*

Basis for Opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the *Reporting Accountants' Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence and Other Ethical Responsibilities

We are independent of the Company and the Group in accordance with the *By-Laws (on Professional Ethics, Conduct and Practice)* of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Directors' Responsibilities for the Consolidated Financial Statements

The Board of Directors of the Company (the "Directors") are responsible for the preparation of consolidated financial statements of the Company that give a true and fair view in accordance with Malaysian Financial Reporting Standards and International Financial Reporting Standards. The Directors are also responsible for such internal control as the Directors determine is necessary to enable the preparation of consolidated financial statements of the Company that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements of the Company, the Directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Reporting Accountants' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue a report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

13. ACCOUNTANTS' REPORT (Cont'd)

*DXN Holdings Bhd.
Accountants' Report on the
Consolidated Financial Statements*

Reporting Accountant's Responsibilities for the Audit of the Consolidated Financial Statements (continued)

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of the Group.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the consolidated financial statements of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements of the Company, including the disclosures, and whether the consolidated financial statements of the Company represent the underlying transactions and events in a manner that gives a true and fair view.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements of the Company. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

13. ACCOUNTANTS' REPORT (Cont'd)

*DXN Holdings Bhd.
Accountants' Report on the
Consolidated Financial Statements*

Other Matter

The comparative information for the consolidated statement of profit or loss and other comprehensive income, changes in equity and cash flows, and notes to the consolidated financial statements of the Company for the financial period ended 31 October 2021 has not been audited.

Restriction on Distribution and Use

This report is made solely to the Company and for inclusion in the Company's prospectus in connection with the listing of and quotation for the entire enlarged issued ordinary shares in the Company on the Main Market of Bursa Securities Berhad and for no other purposes. We do not assume responsibility to any other person for the content of this report.

A handwritten signature in black ink, appearing to be 'KPMG PLT', written over a faint grid background.

KPMG PLT
(LLP0010081-LCA & AF 0758)
Chartered Accountants

Penang

A handwritten signature in black ink, appearing to be 'Raymond Chong Chee Mon', written over a faint grid background.

Raymond Chong Chee Mon
Approval Number: 03272/06/2024 J
Chartered Accountant

14. ADDITIONAL INFORMATION

14.1 SHARE CAPITAL

- (i) Save as disclosed in this Prospectus, no securities will be allotted or issued on the basis of this Prospectus later than six months after the date of issue of this Prospectus.
- (ii) As at the LPD, we have only one class of shares in our Company, namely ordinary shares, all of which rank equally with one another. There are no special rights attached to our Shares.
- (iii) Save as disclosed in Sections 4.2.1, 4.2.6 and 6.1.5 of this Prospectus, our Company has not issued or proposed to issue any shares, stocks or debentures as fully or partly paid-up in cash or otherwise, within the two years immediately preceding the date of this Prospectus.
- (iv) As at the date of this Prospectus, save for our Issue Shares reserved for subscription by the Eligible Persons as disclosed in Section 4.2.3 of this Prospectus and the ESOS as disclosed in Section 4.2.6 of this Prospectus, there is currently no other scheme involving our employees and Directors in the share capital of our Company or any of our subsidiaries.
- (v) Save for the ESOS as disclosed in Section 4.2.6 of this Prospectus, we have not agreed, conditionally or unconditionally, to put the share capital of our Company or any of our subsidiaries under option.
- (vi) As at the date of this Prospectus, neither we nor our subsidiaries have any outstanding warrants, options, convertible securities or uncalled capital.
- (vii) Save as disclosed in Sections 2.2, 4.8.3 and 12.4 of this Prospectus, and save as provided for under our Constitution as reproduced in Section 14.2 below and the Act, there are no other restrictions upon the holding or voting or transfer of our Shares or the interests in our Company or any of our subsidiaries or upon the declaration or payment of any dividend or distribution thereon.

14.2 EXTRACTS OF OUR CONSTITUTION

The following provisions are reproduced from our Constitution and are qualified in its entirety by reference to our Constitution and by applicable law. The words, terms and expressions appearing in the following provisions shall bear the same meanings used in our Constitution unless they are otherwise defined or the context otherwise requires.

Word	Meaning
appointing director	: A director who appoints an alternate director.
benefits	: In relation to benefits payable or to be given to directors, means any benefits referred to in Section 230(1) of the CA.
Board	: The Board of Directors for the time being of the Company.
Bursa Securities	: Bursa Malaysia Securities Berhad.
CA	: Companies Act 2016 (Act 777) and every statutory modification or re-enactment thereof for the time being in force.
CMSA	: Capital Markets and Services Act 2007 (Act 671) and every statutory modification or re-enactment thereof for the time being in force.

14. ADDITIONAL INFORMATION (Cont'd)

Word	Meaning
Company	: DXN Holdings Bhd. (Registration No. 199501033918 (363120-V)) or by whatever name called from time to time.
Constitution	: This constitution of the Company as originally framed or as altered from time to time by special resolution.
Deposited Security	: A security, as defined under Section 2 of the SICDA, of the Company standing to the credit of a securities account of a Depositor and includes securities in a Securities Account that is in suspense subject to the provisions of the SICDA and DR.
Deposited Share or Depository Shares	: A share which is a Deposited Security.
Depositor	: A holder of a securities account.
Depository	: Bursa Malaysia Depository Sdn. Bhd., the depository of the Company's shares prescribed under Section 14 of the SICDA. This term can also mean another depository acting as such a depository, approved to be a central depository under the SICDA. Successors-in-title and permitted assigns are also included in this term.
directors	: Directors for the time being of the Company (inclusive alternate or nominee directors).
DR	: Rules of the Depository as defined under the SICDA and any appendices thereto including any amendment that may be made from time to time.
electronic form	: Documents or information sent or supplied by electronic means or by any other means while in electronic form (such as by e-mail, text message, fax or sending a compact disc by post) whereby a recipient of such documents or information would be able to retain a copy.
electronic means	: A document or information is sent or supplied by electronic means if it is sent initially, and received at its destination by means of electronic equipment for the processing (which expression includes digital compression) or storage of data, and entirely transmitted, conveyed and received by wire, by radio, by optical means or by other electromagnetic means.
existing shares	: Shares in issue at the relevant time.
General Meeting	: A meeting of shareholders held in accordance with this Constitution. This includes any General Meeting held as the Company's Annual General Meeting.
hard copy	: Documents or information sent or supplied in paper copy or similar form which can be read. It also covers, anyhow, any hard copy referred to in Section 612(1) of the CA.

14. ADDITIONAL INFORMATION (Cont'd)

Word	Meaning
Laws	: All laws, by-laws, regulations, rules, orders and/or official directions for the time being in force affecting the Company and its subsidiaries including but not limited to the CA, the applicable securities laws, the LR, the SICDA and every other law for the time being in force concerning companies and affecting the Company and any other practice notes, practice directives and guidelines imposed on the Company by the Securities Commission Malaysia.
listed security	: A security or securities of the Company admitted to the Official List.
LR	: Listing Requirements of the Main Market. For the purpose of this Constitution, it also covers any practice notes or directives, guidance notes or other directions issued by Bursa Securities and any amendment that may be made from time to time in relation to the Listing Requirements.
Malaysia	: Federation of Malaysia.
Main Market	: Main Market of Bursa Securities or any other market of Bursa Securities on which the Company is listed at the relevant time.
Non-Depository Shares	: Shares which are not Deposited Shares.
Official List	: A list specifying all securities listed on the Main Market.
pay	: In relation to the payment of commission, means a payment of commission pursuant to Section 80 of the CA. For other times, when used elsewhere, this term can cover any kind of reward or payment for services.
person or people	: These terms cover corporate bodies and unincorporated bodies, established anywhere. They do not, however, cover unincorporated bodies, when used in relation to transfers or registration of shareholders which involve Deposited Shares and these bodies are not allowed or recognised by the SICDA or DR.
rights	: In relation to the rights of a share means, the rights attached to the share, when issued, or afterwards.
ROD	: A record of depositors of holders of securities of the Company kept by the Depository under the SICDA and DR.
ROM	: Register of members of the Company to be kept pursuant to the CA, and unless otherwise expressed to the contrary, includes the ROD.
securities	: The meaning of this term is as meant by Section 2 of the CMSA.
securities account	: This is an account which the Depository establishes for the Depositor under the SICDA and DR. It is to record the deposit, withdrawal and dealing of securities.

14. ADDITIONAL INFORMATION (Cont'd)

Word	Meaning
shareholders	: Holders of the Company's shares. Where those shares are deposited with the Depository under the SICDA and DR, it must be a person whose name appears on the ROD as the holder of such shares and treated as a member of the Company under Section 35 of the SICDA. This is subject to the SICDFOR and this Constitution. This term does not also include, the Depository in its capacity as a bare trustee or nominee company. Where those shares are not deposited and do not need to be deposited under the SICDA, it must be a person whose name appears in the ROM.
SICDA	: Securities Industry (Central Depositories) Act 1991 (Act 453).
SICDFOR	: Securities Industry (Central Depositories) (Foreign Ownership) Regulations 1996.
written or in writing	: In writing or in any way representing or copying words legibly so that they are permanent. It includes anything in electronic form. It may also be partly in one form and partly in another. Where used in relation to notices of meeting, it must be in hard copy or electronic form in the way allowed by Sections 319 and 320 of the CA, subject to the LR. Where used in another context, it must be in a form allowed or not prohibited by the CA or the LR.

14.2.1 Remuneration of Directors**Clause 198 – Directors' fees and benefits**

"The fees and benefits payable to the directors shall annually be determined by an ordinary resolution of the Company in a General Meeting and shall (unless such resolution otherwise provides) be divisible among the directors as they may agree provided always that:

- (a) salaries payable to executive directors may not include a commission on or percentage or turnover;
- (b) fees payable to non-executive directors shall be a fixed sum and not by a commission on or percentage of profits or turnover;
- (c) any fee paid to an alternate director shall be agreed between himself and the appointing director and shall be paid out of the remuneration of the appointing director; and
- (d) fees and benefits payable to directors shall not be increased except pursuant to an ordinary resolution passed at a General Meeting, where notice of the proposed increase has been given in the notice convening the meeting."

Clause 199 – Directors' expenses

"The Board can also repay to a director all expenses properly incurred in:

- (a) attending and returning from shareholders' meetings, Board meetings or Board committee meetings; or
- (b) any other way in connection with the Company's business."

14. ADDITIONAL INFORMATION (Cont'd)

Extra fees**Clause 200**

“The Board can award extra fees to a director who:

- (a) holds an executive position;
- (b) acts as chairman or deputy chairman; or
- (c) serves on a Board committee or board at the request of the Board.”

Clause 201

“If by arrangement with the directors, any director shall perform or render any special duties or services outside his ordinary duties as a director in particular without limiting to the generality of the foregoing if any director being willing shall be called upon to perform extra services or to make any special efforts in going or residing away from his usual place of business or residence for any of the purposes of the Company or in giving special attention to the business of the Company as a member of a committee of directors, the Company may remunerate the director so doing a special remuneration in addition to his directors' fees and such special remuneration may be by way of a fixed sum or otherwise as may be arranged.”

Pensions and other benefits**Clause 202**

“Subject to the CA and the LR, the Board can decide whether to provide:

- (a) pensions;
- (b) annual payments; or
- (c) other allowances or benefits,

to any people including people who are or who were directors of the Company. The Board can decide to extend these arrangements to relations or dependants of, or people connected to, these people. The Board can also decide to contribute to a scheme or fund or to pay premiums to a third party for these purposes.”

Clause 203

“The Company can only provide pensions and other similar benefits to:

- (a) people who are or were directors; and
- (b) relations or dependants of, or people connected to, those directors or former directors,

the receipt of a benefit of any kind given in accordance with this clause does not prevent a person from being or becoming a director of the Company.”

14. ADDITIONAL INFORMATION (Cont'd)**Clause 204**

“Shareholders must approve the matters in Clauses 198 to 203 as far as the Laws require in relation to directors’ fees and benefits. There must be annual shareholders’ approvals by ordinary resolution at a General Meeting for the fees of the directors and any benefits payable to the directors. Compensation for loss of employment of a director or former director must have shareholders’ approvals by ordinary resolution passed a General Meeting, where required by the CA and the LR.”

14.2.2 Voting and borrowing powers of Directors**Clause 213 - Voting at Board meetings**

“Matters for decision which arise at a Board meeting will be decided by a majority vote. If the votes are equal, the chairman of the meeting has a second casting vote. However, the chairman will not have a second casting vote where only 2 directors form the quorum or at which only 2 directors are competent to vote on the question at issue.”

When directors can vote on things**Clause 220**

“A director cannot vote (and if the director does vote, such vote will not be counted) on a resolution about a contract, proposed contract or arrangement in which the director (or a person connected with the director) is directly or indirectly interested.”

Clause 223

“This clause applies if the Board is considering proposals to appoint 2 or more directors to positions with the Company or any company in which the Company has an interest. It also applies if the Board is considering fixing or varying the terms of the appointment. These proposals can be split up to deal with each proposed director separately. If this is done, each proposed director can vote (unless the proposed director is prevented from voting under Clause 220) and be counted in the quorum for each resolution.”

Clause 224

“If a question comes up at a meeting about whether a director (other than the chairman of the meeting) has all interest or whether the director can vote or be counted in the quorum, and the director does not agree to abstain from voting on the question or not be counted in the quorum, the question must be referred to the chairman of the meeting. The chairman’s ruling about the director is conclusive, unless the nature or extent of the director’s interests has not been fairly disclosed to the Board. If the question comes up about the chairman of the meeting, the question will be decided by a resolution of the Board. The chairman cannot vote on the question but can be counted in the quorum. The Board’s resolution about the chairman is conclusive, unless the nature or extent of the chairman’s interests has not been disclosed to the Board.”

Borrowing powers**Clause 246**

“To the extent that the CA, the LR and this Constitution allow, the Board can exercise all the powers of the Company to:

- (a) borrow money of any sum or sums from any person, bank, firm or company;
- (b) mortgage or charge all or any part of the Company’s business, property and assets (present and future);

14. ADDITIONAL INFORMATION (Cont'd)

- (c) issue debentures and other securities; and
- (d) give security (including (without limitation), guarantees, indemnities and mortgages and charges) either outright or as collateral security, for a debt, liability or obligation of the Company or another person.”

Clause 247

“The director shall not borrow any money or mortgage or charge any of the Company’s or its subsidiaries’ undertaking, property or any uncalled capital, or to issue debentures and other securities whether outright or as security for any debt, liability or obligation of an unrelated third party.”

14.2.3 Alteration of capital**Clause 43 – Power to reduce capital**

“The shareholders can pass a special resolution to reduce in any way the Company’s share capital in accordance with Subdivision 4 of Division 1 of Part III of CA, whether with the confirmation of the Court or a solvency statement.”

Power to alter capital**Clause 44**

“The shareholders can alter the Company’s share capital in accordance with the CA.”

Clause 45

“If any shares are consolidated or divided, the Board may deal with any fractions of shares which result or any other problem that arises. If the Board decide to sell any shares which represent fractions, they must sell for the best price they can reasonably obtain and distribute the net proceeds of sale among shareholders in proportion to their fractional entitlements or shall be disregarded and will be dealt with by the Board in such a manner as they deem fit at their absolute discretion and in the best interest of the Company. The Board can sell to a person (including the Company, if CA and LR allow) and can authorise a person to transfer those shares to the buyer or in accordance with the buyer’s instructions. The buyer does not need to take any action to check how any money paid is used. The buyer’s ownership will not be affected if the sale was irregular or invalid in any way.”

Clause 46

“The shareholders can convert any paid-up shares into stock and reconvert any stock into paid-up shares in accordance with the CA.”

14.2.4 Transfer of Shares**Clause 41 - Renunciations of allotted but unissued shares**

“Where a share or other security has been allotted to a person but that person has not yet been entered on the ROM or ROD, the Board can recognise a transfer (called a renunciation) by that person of their right to the share to be renounced in favour of some other person. Allotments can only apply if the terms on which the share or other security is allotted are consistent with renunciation. The Board can impose terms and conditions regulating renunciation rights.”

14. ADDITIONAL INFORMATION (Cont'd)**Securities transfers****Clause 57**

“The transfers of any listed security or class of listed security shall be made by way of book entry by the Depository in accordance with the DR and, notwithstanding Sections 105, 106 and 110 of the CA, but subject to Section 148(2) of the CA and any exemption that may be made from compliance with Section 148(1) of the CA, the Company shall be precluded from registering and effecting any transfer of the listed security.”

Clause 59

“Transfers of Non-Depository Shares must be in such prescribed form under the CA. If the CA does not prescribe a specific form, the transfer must be in the usual standard form, or such form as approved by the Board. A transfer must be signed, or made effective in some other way, by or on behalf of the persons making and receiving the transfer.”

Clause 60

“The Depository may refuse to transfer any Deposited Shares which does not comply with the SICDA and DR. A shareholder can transfer some or all of their Non-Depository Shares unless this Constitution states otherwise.”

Clause 63

“The Board can refuse to register such a transfer delivered:

- (a) where the transfer breaches any law or regulation or licensing or requirement (of any jurisdiction) which applies to the Company or any of its subsidiaries or any entity in which any of them have an interest;
- (b) where the transfer is unlawful under Malaysian law; or
- (c) the transfer relates to partly paid shares where a call has been made and is unpaid.”

14.2.5 Changes in capital and variation of class rights, preferences and restrictions attached to each class of securities relating to voting, dividend, liquidation and any rights**Clause 27 – Shares and special rights**

“The Company can issue new shares and attach any rights and restrictions to them, as long as this is not restricted by special rights previously given to holders of any existing shares. Subject to this, the rights of new shares can take priority over the rights of existing shares, or existing shares can take priority over them, or the new shares and the existing shares can rank equally. These rights and restrictions can apply to sharing in the Company’s profits or assets. Other rights and restrictions can also apply, for example, those relating to the right to vote.”

Clause 30 - Changing special rights of shares

“If the Company’s share capital is divided into different classes of share, the special rights attached to any of these classes may (subject to Section 90 of the CA and whether or not the Company is being wound up) be varied or withdrawn if the shareholders approve this by passing a special resolution. This must be passed at a separate meeting of the holders of that class of shares. This is called a class meeting. Alternatively, the holders of at least 75% of the existing shares of that class (by voting rights) can give their written consent.”

14. ADDITIONAL INFORMATION *(Cont'd)*

14.3 DEPOSITED SECURITIES AND RIGHTS OF DEPOSITORS

As our Shares are proposed for quotation on the Official List, such Shares must be prescribed as shares required to be deposited with Bursa Depository. Upon such prescription, a holder of our Shares must deposit his Shares with Bursa Depository on or before the date is fixed, failing which our Share Registrar will be required to transfer his Shares to the Minister of Finance Inc. and such Shares may not be traded on Bursa Securities.

Dealing in our Shares deposited with Bursa Depository may only be effected by a person having a securities account with Bursa Depository ("**Depositor**") by means of entries in the securities account of that Depositor.

A Depositor whose name appears in the Record of Depositors maintained by Bursa Depository in respect of our Shares shall be deemed to be a shareholder of our Company and shall be entitled to all rights, benefits, powers and privileges and be subject to all liabilities, duties and obligations in respect of, or arising from, such Shares.

14.4 LIMITATION ON THE RIGHT TO HOLD SECURITIES AND/OR EXERCISE VOTING RIGHTS

Subject to Section 14.3 above, there is no limitation on the right to own our Shares, including any limitation on the right of a non-resident or non-Malaysian shareholder to hold or exercise voting rights on our Shares which is imposed by Malaysian law or by our Constitution.

14.5 REPATRIATION OF CAPITAL, REMITTANCE OF PROFIT AND TAXATION

As at the LPD, save as disclosed below, there are no governmental decrees, regulations or other legislations that may affect the repatriation of capital and the remittance of profits of our material foreign subsidiaries to Malaysia:

(i) **Malaysia**

All corporations in Malaysia are required to adopt a single tier dividend. All dividends distributed by Malaysian resident companies under a single-tier dividend are not taxable. Further, the Government does not levy withholding tax on dividend payment. Therefore, there is no withholding tax imposed on dividends paid to non-residents by Malaysian resident companies. There is no Malaysian capital gains tax arising from the disposal of listed shares.

(ii) **India**

Certain of our subsidiaries in India are prohibited from paying dividend to parties outside of India. Foreign shareholder/holding company are taxed on any gains realised on their exit, dividends, interest, royalties and fee for technical services on a gross basis. The applicable tax rates are prescribed under the Indian Income Tax Act, 1961, read with the tax treaties, where applicable. Remittance of dividends, interest, royalties and fee for technical services are also subject to the provisions of the FEMA and FEMA Rules. Dividend, interest, royalties and fee for technical services can be freely repatriated by an Indian company to its foreign shareholder's holding company under the FEMA Rules without requiring permission from the central bank of India i.e. RBI, subject to completion of formalities in connection therewith.

Impact on the availability of cash and cash equivalents for use by the holding company and remittance of dividends, interest or other payments to shareholders of the holding company

Any cash and cash equivalents, available for use by the foreign shareholders/holding company, shall be subject to tax payable (including tax deducted at source by Indian company) as prescribed under India's domestic tax laws.

14. ADDITIONAL INFORMATION (Cont'd)

(iii) China**Regulation related to foreign exchange**

Pursuant to the *Regulations of the PRC on Foreign Exchange Administration* promulgated on 5 August 2008 and various regulations issued by the State Administration of Foreign Exchange (“SAFE”) and other relevant PRC governmental authorities, RMB is freely convertible only to the extent of current account items such as trade-related receipts and payments, interest and dividends. Capital account items, such as direct equity investments, loans and repatriation of investments, require the prior approval of the SAFE or its local counterpart for conversion of RMB into a foreign currency such as USD and remittance of the foreign currency outside the PRC.

Regulation related to dividend distribution

The principal laws governing dividend distributions by our PRC subsidiary include the Company Law of the PRC which was promulgated on 29 December 1993 and amended on 26 October 2018. Dividend distribution by wholly foreign-owned enterprises (“WFOE”) is further governed by the Foreign Investment Law of the PRC which was promulgated on 15 March 2019 and became effective on 1 January 2020, and its implementation regulations were promulgated on 26 December 2019 and became effective on 1 January 2020.

PRC companies may pay dividends only out of their accumulated profits, if any, which are determined in accordance with the PRC accounting standards. In addition, PRC companies are required to set aside each year at least 10.0% of their after-tax profit based on the PRC accounting standards to their statutory general reserve fund until the cumulative amount of such reserve fund reaches 50.0% of their registered capital. These reserves are not distributable as cash dividends. Furthermore, a WFOE in the PRC may also be required to set aside individual funds for employee welfare, bonuses and development at its discretion and as stipulated in its articles of association. These reserves or funds are not distributable as dividends.

(iv) Mexico

There is no restriction on the repatriation of capital and remittance of profits out of Mexico. After tax-profit account (“CUFIN”) represents profits that have already been subject to Mexican income tax (“ISR”). In the event that a dividend is a non-CUFIN distribution, the company is subject to ISR at 42.86%. Conversely, if the dividend is a CUFIN distribution, it would not be subject to ISR.

From year 2014 onwards, an additional 10.0% withholding tax was levied on dividends (CUFIN and non-CUFIN) paid by Mexican company to Mexican individuals and non-Mexican tax residents (corporate or individual) to the extent that the dividends result from profits generated after 31 December 2013.

Other kinds of payments (e.g. interests, royalties, services) made to foreign related parties may be subject to income tax withholding, the rate may vary depending on the type of payment made. The withholding tax rate may be reduced with a tax treaty to avoid double taxation if certain tax requirements are met. There are certain deductibility limitations for the Mexican company making these payments to foreign related parties, which shall be analysed case by case.

14. ADDITIONAL INFORMATION (Cont'd)**(v) Indonesia****Repatriation of capital**

The Indonesian law allows for foreign investors to transfer and repatriate capital, profits, dividends and other income. However, the Indonesian government has the right to enforce the provisions of the laws and regulation which require the reporting of implementation of fund transfers and defer the repatriation if the investor has any unsettled legal liabilities in Indonesia.

Remittance of profit

There are no restrictions on the remittance of profits from Indonesia to overseas. However, pursuant to Bank Indonesia Regulation No. 24/7/PBI/2022 on Transactions in the Foreign Exchange Market, Indonesian commercial banks are restricted from transferring IDR overseas and therefore, any remittance of profit from Indonesia must first be converted to a foreign currency.

Taxation of dividends for a non-resident individual or non-resident entity (a "Non-Indonesian Holder")

Dividends declared by the Indonesian subsidiaries out of retained earnings and distributed to a Non-Indonesian Holder in respect of shares are subject to Indonesian income tax, currently at the rate of 20%, on the amount of the distribution (in the case of cash dividends) or on the shareholders' proportional share of the value of the distribution. A lower rate provided under certain double taxation treaties may be applicable provided that, among others, the recipient is the beneficial owner of the dividend (certain criteria must be met as regulated by the Indonesian tax authorities) and is able to complete and provide a Certificate of Tax Residence, i.e. Indonesian Directorate General of Taxation Form to the Indonesian companies.

(vi) Peru

There is no restriction on the repatriation of capital and remittance of profits out of Peru. Withholding taxes will apply in the payment of dividends or profits as indicated below:

(a) Income tax

A company incorporated in Peru is subject to taxation on its worldwide income at a tax rate of 29.5% on net income.

(b) Withholding taxes

Peruvian entities must withhold taxes on income paid to foreign entities at the following rates:

- (i) 5.0%: Dividend and profit distributions.
- (ii) 4.99%: Interest on loans (provided certain conditions are met).
- (iii) 30.0%: Interest on loans granted by related parties.
- (iv) 15.0%: Technical assistance services.
- (v) 30.0% (unless otherwise specifically provided): Other kinds of income (including royalties and digital services).

(c) VAT

A 18.0% VAT applies to, among others, the sale of goods, rendering or first use of services within the country and the import of goods. Peruvian VAT is structured under a debit/credit system, according to which input VAT may be used as a credit against output VAT (subject to certain rules).

14. ADDITIONAL INFORMATION (Cont'd)

(vii) Bolivia

There are no restrictions on the repatriation of capital and the remittance of profits to foreign beneficiaries. According to Bolivian tax law, the distribution of profits from Bolivian sources (dividends from companies domiciled in Bolivia) to foreign beneficiaries is subject to a 12.5% withholding tax that corresponds to the Corporate Income Tax - Foreign Beneficiaries.

Additionally, Law 3446, Financial Transaction Taxes (*Impuesto a las Transacciones Financieras*), enacted in 2006, establishes a Financial Transaction Tax to remittances abroad made through the Bolivian Financial System subject to a 0.3% withholding tax which is applied by a financial entity.

Finally, the Central Bank of Bolivia collects a commission of 2.0% from any transfer of money abroad.

Net profits generated from foreign investment (dividends) may be transferred abroad in foreign currency freely through the financial system, subject to compliance with tax obligations and registration of the foreign investment with the Central Bank of Bolivia.

(viii) Philippines

Under Philippines law, profits remitted by a branch to its head office which are “effectively connected” with the conduct of its trade or business in the Philippines (i.e., profits derived from the business activity in which the corporation is engaged) are generally subject to a final withholding tax of 15.0%. The tax base for branch profit remittance tax is the profit applied or earmarked for remittance abroad without deduction for the tax component thereof. Profits that are not “effectively connected” with the conduct of the foreign corporation’s business in the Philippines (e.g., interests received from savings deposit, dividends received from another corporation) are not subject to branch profit remittance tax, but may be subject to other applicable income taxes under Philippines law.

(ix) United States

Under the laws of United States, payments made by the company to a foreign shareholder as dividends, interest, royalties or other amounts from United States sources, which are considered fixed and determinable, annual or periodic, are generally subject to a flat withholding tax of 30.0% of the gross amount of the payment.

(x) Thailand

Any dividends declared by a Thai corporation shall be paid within one month from the date such shareholders’ or directors’ resolution (as the case may be) has been passed and at each distribution of dividend, at least 5.0% of the profits shall be put into a reserve fund until the company’s reserve fund reaches 10.0% of its capital or more.

14. ADDITIONAL INFORMATION (Cont'd)

Thai foreign exchange controls are administered by the Bank of Thailand which has granted commercial banks and certain other entities the authority to conduct foreign exchange transactions as authorised agents of the Bank of Thailand. The Bank of Thailand has instituted measures since 1998 to restrict certain foreign exchange transactions relating to the THB currency by domestic financial institutions with non-residents of Thailand and to safeguard against instability and speculation in the domestic currency market. However, relaxations may be granted from time to time as the Bank of Thailand considers appropriate to the particular financial circumstances. These measures, among other things: (i) limit the value of foreign exchange transactions relating to the THB currency that commercial banks in Thailand can enter with a non-resident who has underlying trade or investment activities in Thailand for such foreign exchange transactions not exceeding the actual value of the underlying trade or investment activity and, for the transactions without any underlying trade or investment activity in Thailand, not exceeding THB200 million (equivalent to RM25.9 million) per non-resident and its related parties as a group, except for foreign exchange spot transactions that relate to the THB currency; and (ii) regulate direct loans granted to non-residents.

The outward remittance from Thailand of, among other cases, (i) dividends after payment of the applicable Thai taxes (if applicable); (ii) proceeds from sales (including capital gains) of securities (e.g. shares, warrants, investment units, bonds, debentures, promissory notes, bills of exchange); (iii) interest on loan from overseas (including inter-company loan) in which such loan is remitted in Thailand; and (iv) principal payment of loan from overseas (including inter-company loan) in which such loan is remitted in Thailand, is required to inform the relevant authorised agent without having to submit additional supporting documents or evidence if (for the spot transaction) the amount is less than USD200,000 (equivalent to RM0.9 million) or the equivalent amount in relevant currency per remittance. If the amount is at least USD200,000 (or its equivalent) in the relevant currency, in case of non-residents, a form must be submitted to the authorised agent together with documents or evidence as to the particular transaction and in case the abovementioned transactions are made by residents, the authorised agent needs to request the residents to submit supporting documents (except for the case where the Know Your Business process on the customer has been performed).

In relation to taxation, the repatriation of the following forms of funds abroad from a Thai corporation to a foreign corporation is subject to the following withholding taxes according to Thai tax laws:

- (a) the dividend of a Thai corporation payable to a foreign corporation is a taxable/assessable income and, unless any tax treaty benefits, it is subject to withholding tax at the rate of 10.0%;
- (b) a decrease of the capital in a Thai corporation (either by reducing the number of shares or lowering the par value of each share) at the amount which does not exceed the total amount of profits and reserves payable to a foreign corporation is a taxable/assessable income of such foreign corporation and, unless any tax treaty benefits, it is subject to withholding tax at the rate of 15.0%; and
- (c) the benefit returned after the dissolution of a Thai corporation with monetary value exceeding its investment cost payable to a foreign corporation is a taxable/assessable income of such foreign corporation and, unless any tax treaty benefits, it is subject to withholding tax at the rate of 15.0%.

When a Thai corporation repatriates funds to a foreign corporation, the Thai corporation is required to withhold the applicable withholding taxes mentioned above from the funds payable and remit such taxes withheld to the Thai Revenue Department.

14. ADDITIONAL INFORMATION (Cont'd)**(xi) Colombia****(a) Foreign exchange regime**

The general foreign exchange control regime in Colombia is governed by the following main regulations: (i) Law 9 of 1991; (ii) External Resolution No. 1 of 2018 issued by the Colombian Central Bank; (iii) External Circular DCIP-83 and its amendments, issued by the Colombian Central Bank; (iv) Decree 1068 of 2015; and (v) Decree 119 of 2017. The Colombian foreign exchange regime imposes no restrictions on foreign exchange operations, including capital flows in foreign or domestic currency between Colombia and other countries or between residents and non-residents. This includes remittances of dividends in foreign currency to their foreign shareholders overseas and repatriation of funds or investment back to home country, provided that repatriation of funds must always be declared before the Colombian Central Bank and are subject to exchange regulation, including the fact that Colombian law requires that such operations be undertaken only through authorised foreign exchange market intermediaries or through compensation accounts.

Under the Colombian foreign exchange regime, foreign capital investments in Colombian companies are considered direct foreign investment and must be mandatorily channelled through the foreign exchange market, for which purpose it is necessary to report the investment with the Colombian Central Bank by filing foreign exchange declarations. The registration of the foreign investment grants the foreign investor the following exchange rights:

- (i) reinvesting profits or retaining the surplus of non-distributed profits with right to be remitted abroad.
- (ii) capitalising the sums with right to be remitted abroad, which comprehend resources in local currency or any other good or right which is the product of obligations derived from the investment.
- (iii) remitting abroad in a freely convertible currency the net profits periodically generated by their investments.
- (iv) remitting abroad in freely convertible currency the amounts received as a result of the transfer of the investment in the country, or of the liquidation of the company, portfolio or capital reduction.

Bearing in mind the above, foreign capital investments in Colombia, its reinvestment and the repatriation of the corresponding profits must be channelled through the foreign exchange market, via a foreign exchange market intermediary or compensation accounts. Where a foreign investor has carried out an operation that must be mandatorily channelled through the foreign exchange market, without duly registering and channelling it through the foreign exchange market, such foreign investor will not be entitled to the abovementioned exchange rights.

(b) Taxation**Taxation of dividends in Colombia**

Unless otherwise provided in any applicable tax treaty, as a general rule, dividends paid by a Colombian company to non-Colombian-tax residents (foreign companies, for instance) are subject to income tax in Colombia, depending on the classification of the said dividends.

14. ADDITIONAL INFORMATION (Cont'd)

Corporate profits in Colombia are subject to a 35% corporate income tax rate (*impuesto de renta*). Once the corresponding corporate tax is paid, the remaining profit is distributed among the shareholders as dividends, which are taxed at two different levels, as follows:

- (I) “Untaxed dividends”: According to articles 48 and 49 of the Colombian Tax Code, “Untaxed dividends” refer to dividends that are paid out from business profits that were fully taxed at the level of the dividend-distributing company.

In this case, the payment of “Untaxed dividends” are subject to a 20% withholding tax for income tax purposes, following article 245 of the Colombian Tax Code.

- (II) “Taxed dividends”: According to articles 48 and 49 of the Colombian Tax Code, “Taxed dividends” refer to dividends that are paid out from business profits that were not fully tax at the level of the dividend-distributing company. In this regard, it should be noted that it is possible that the company might not be fully taxed on its business profits because of the application of certain tax benefits that cannot be shifted from the company to its shareholders (for instance, exempt incomes, compensation of tax losses, special deductions, etc.).

In this case, the payment of “Taxed dividends” are subject to a 35% withholding tax for the general income tax purposes following articles 240 and 245 of the Colombian Tax Code.

Once, the withholding tax for the general income tax purposes has been subtracted from the so-called “Taxed dividends”, the 20.0% withholding tax is then applied to the resulting amount, according to article 245 of the Colombian Tax Code.

(xii) Mongolia

Under Mongolian laws, the investor shall have the right to a free repatriation of capital and the remittance of profits upon full performance of tax obligations in the territory of Mongolia.

There are applicable taxations imposed pursuant to the Mongolian Corporate Income Tax Law and the applicable tax treaties with Mongolia i.e. Double Taxation Treaty between Mongolia and Singapore. Income derived from Mongolia which includes dividend paid by Mongolian entity to a non-resident entity shall be subject to Mongolian income tax at the rate of 20%. However, under the Double Taxation Treaty between Mongolia and Singapore, the tax charged shall not exceed 5% of the gross amount of dividends if (i) the beneficial owner is a company which holds directly at least 25% of the capital of the company paying the dividends; and (ii) the beneficial owner of the dividends is a resident of Singapore.

Save as disclosed above, there are no restrictions under Mongolian laws on the repatriation of capital and the remittance of profit by or to the corporation that directly affect the availability of cash and cash equivalent for use by the corporation.

14. ADDITIONAL INFORMATION (Cont'd)**(xiii) Morocco**

Generally, investors who invest foreign currency in Morocco are allowed to repatriate the same amount without prior authorisation from the foreign exchange office. Certain forms of repatriation of funds for the benefit of foreign investors (including dividends, profits made by Moroccan branches of foreign companies, interests on shareholders' loans and proceeds resulting from sale of shares and assets or liquidation of a Moroccan company) are not subject to the prior authorisation of the foreign exchange regulator. Their repatriation is uncapped and is not subject to any time limit provided that certain requirements are met which include, among others, it must have at least 3 years of activity and the accounts must be certified without reservation by an auditor. As an exception, payment of management fees, research and development costs to a foreign company requires the prior approval from the foreign exchange office.

Morocco has executed tax treaties with several countries providing for the absence of double taxation, including the Morocco-Malaysia Convention which aims to ban double taxation.

14.6 MATERIAL CONTRACTS

Save as disclosed below, our Group has not entered into any material contracts that are not in the ordinary course of our business within the period covered by the historical financial information as disclosed in this Prospectus and up to the date of this Prospectus:

14.6.1 Share sale agreement dated 26 February 2021 between our Company and LSJ Global in respect of the disposal of the entire equity interest in LSJ Plantation

On 26 February 2021, our Company entered into a share sale agreement with LSJ Global for the disposal of 150,000 ordinary shares and 68,000 preference shares in LSJ Plantation, representing 100.0% of the issued share capital of LSJ Plantation, for a consideration of RM2.6 million ("**LSJ Plantation Consideration**").

In addition to the LSJ Plantation Consideration, LSJ Global agreed to repay in full to our Company, for and on behalf of LSJ Plantation, the intercompany loan amounting to RM95.6 million as at 26 February 2021 ("**LSJ Plantation Intercompany Loan**"). Our Company utilised the dividends declared payable to LSJ Global on 26 February 2021 in the amount equivalent to the aggregate sum of the LSJ Plantation Consideration and the LSJ Plantation Intercompany Loan as payment towards the LSJ Plantation Consideration and the LSJ Plantation Intercompany Loan. The sale and purchase of the shares was completed on 26 February 2021.

14.6.2 Share sale agreement dated 26 February 2021 between our Company and LSJ Global in respect of the disposal of the entire equity interest in LSJ Land and Yiked

On 26 February 2021, our Company entered into a share sale agreement with LSJ Global for the disposal of the following:

- (i) 5,000,000 ordinary shares in LSJ Land, representing 100.0% of the total issued share capital of LSJ Land;
- (ii) 390,000 redeemable preference shares in Yiked, representing 100.0% of the total issued redeemable preference shares of Yiked; and
- (iii) 2,510,000 ordinary shares in Yiked, representing 100.0% of the total issued share capital of Yiked,

for a total consideration of RM44.5 million ("**LSJ Land and Yiked Consideration**").

14. ADDITIONAL INFORMATION (Cont'd)

In addition to the LSJ Land and Yiked Consideration, LSJ Global agreed to repay in full to our Company, for and on behalf of LSJ Land, the intercompany loan amounting to RM4.6 million as at 26 February 2021 (“**Intercompany Loan**”). Our Company utilised the dividends declared payable to LSJ Global on 26 February 2021 in the amount equivalent to the aggregate sum of the LSJ Land and Yiked Consideration, and the Intercompany Loan as payment towards the LSJ Land and Yiked Consideration and the Intercompany Loan. The sale and purchase of the shares was completed on 26 February 2021.

14.6.3 Share sale agreement dated 17 May 2022 between DXN Corporation Ningxia and Fujian Anxi Jinjiang Source Tea Technology Co., Ltd in respect of the disposal of the entire 80.0% interest in the total registered share capital in Florin Fujian

On 17 May 2022, DXN Corporation Ningxia entered into the Florin Fujian SSA with Fujian Anxi Jinjiang Source Tea Technology Co., Ltd (“**Purchaser**”) for the disposal of its entire 80.0% interest in the total registered share capital in Florin Fujian for a consideration of RMB58,660,000 (equivalent to RM38.1 million). Out of the total disposal consideration, RMB40,000,000 (equivalent to RM26.0 million) will be paid in two tranches where the first tranche of RMB10,000,000 (equivalent to RM6.5 million) will be paid in three instalments within three to 15 business days from the date of the Florin Fujian SSA and the second tranche of RMB30,000,000 (equivalent to RM19.5 million) will be paid by the Purchaser to DXN Corporation Ningxia within 30 days after the Purchaser has obtained a bank loan which is expected to be obtained within three months. The balance disposal consideration of RMB18,660,000 (equivalent to RM12.1 million) will be offset in cash and goods supply.

The transfer of the shares will be made within seven working days from the receipt of payment of the second tranche.

As at the LPD, the sale and purchase of the shares has not been completed due to the Purchaser’s inability to obtain a bank loan to satisfy the whole of the second tranche payment due.

In this respect, DXN Corporation Ningxia has agreed to provide an extension up to 30 June 2023 for the Purchaser to satisfy the disposal consideration for the second tranche payment.

14.6.4 Purchase Option Agreements in respect of the acquisition of industrial land in Chilca, Peru

By the Purchase Option Agreements, the preferential option was granted to DXN Peru to purchase four adjacent industrial lots, the details of which are as follows:

- (i) Stage one of the Purchase Option Agreements for the option to purchase Lot F4 and Lot F5, both located at Block (“*Manzana*”) F, Second Stage, Urb. Parque Sector 62 - Chilca Industrial, province of Cañete department of Lima and measuring approximately 9,965 square metres and 9,902 square metres respectively (collectively, the “**Peru Lands 1**”), for a total cash consideration of USD2,284,903.95 (equivalent to RM10.2 million). Subject to the fulfilment of certain conditions precedent, DXN Peru has the right to exercise the option between 20 June 2023 up to 31 July 2023 to purchase the Peru Lands 1; and
- (ii) Stage two of the Purchase Option Agreements for the option to purchase Lot F23 and Lot F24, both located at Block (“*Manzana*”) F, Second Stage, Urb. Parque Sector 62 - Chilca Industrial, province of Cañete department of Lima and measuring approximately 9,371 square metres and 9,575 square metres respectively (collectively, the “**Peru Lands 2**”), for a total cash consideration of USD2,178,886.60 (equivalent to RM9.7 million). Subject to the fulfilment of certain conditions precedent, DXN Peru has the right to exercise the option between 20 June 2023 up to 31 December 2023 to purchase the Peru Lands 2.

14. ADDITIONAL INFORMATION (Cont'd)

DXN Peru has paid USD342,735.59 (equivalent to RM1.5 million) and USD326,832.99 (equivalent to RM1.5 million) as retraction deposits for the stage one of the Purchase Option Agreements and stage two of the Purchase Option Agreements respectively, which shall form part of the aforesaid acquisition price upon DXN Peru exercising the said options to acquire the Peru Lands 1 and Peru Lands 2.

14.6.5 Retail Underwriting Agreement dated 13 April 2023

Retail Underwriting Agreement dated 13 April 2023 entered into between our Company, the Joint Managing Underwriters and the Joint Underwriters to severally and not jointly (nor jointly and severally) underwrite 160,000,000 Issue Shares under the Retail Offering at an underwriting commission of up to 1.5% (exclusive of applicable tax) of the Retail Price, multiplied by the total number of Issue Shares underwritten.

14.6.6 Lock-up agreement dated 13 April 2023 in relation to our IPO and Listing

Lock-up agreement dated 13 April 2023 issued by our Company to the Joint Bookrunners in relation to the lock-up arrangement for our IPO and Listing (including the Over-allotment Option which may be exercised), details of which are set out in Section 4.8.3 of this Prospectus.

14.7 MATERIAL LITIGATION

As at the LPD, our Group is not engaged in any governmental, legal or arbitration proceedings, including those relating to bankruptcy, receivership or similar proceedings which may have or have had, material or significant effects on our financial position or profitability in the 12 months immediately preceding the date of this Prospectus.

14.8 CONSENTS

The written consents of the Principal Adviser, Legal Advisers, Joint Global Coordinators, Joint Bookrunners, Joint Managing Underwriters, Joint Underwriters, Share Registrar, Issuing House and company secretaries as listed in the Corporate Directory of this Prospectus for the inclusion in this Prospectus of their names in the form and context in which such names appear have been given before the issue of this Prospectus and have not subsequently been withdrawn.

The written consent of KPMG PLT for the inclusion of its name, the Accountants' Report, the Reporting Accountants' Letter on the Pro Forma Consolidated Statement of Financial Position and all references thereto in the form and context in which they are included in this Prospectus has been given before the issue of this Prospectus and has not subsequently been withdrawn.

The written consent of Frost & Sullivan for the inclusion of its name, the IMR Report and all references thereto in the form and context in which they are included in this Prospectus has been given before the issue of this Prospectus and has not subsequently been withdrawn.

14. ADDITIONAL INFORMATION *(Cont'd)***14.9 DOCUMENTS AVAILABLE FOR INSPECTION**

Copies of the following documents may be inspected at our registered office during office hours for a period of six months from the date of this Prospectus:

- (i) our Constitution;
- (ii) our material contracts as referred to in Section 14.6 of this Prospectus;
- (iii) our audited consolidated financial statements for the FYEs 29 February 2020, 28 February 2021 and 28 February 2022 and FPE 31 October 2022;
- (iv) audited financial statements of each of our subsidiaries for the past three financial years (save for certain subsidiaries which are not required to prepare audited financial statements under their respective country's corporation laws);
- (v) Reporting Accountants' Letter on the Pro Forma Consolidated Statement of Financial Position as included in Section 12.5 of this Prospectus;
- (vi) Accountants' Report as included in Section 13 of this Prospectus;
- (vii) IMR Report as included in Section 8 of this Prospectus;
- (viii) By-Laws as included in Annexure D of this Prospectus; and
- (ix) letters of consent referred to in Section 14.8 of this Prospectus.

14.10 RESPONSIBILITY STATEMENTS

Our Directors, our Promoter and the Selling Shareholders have seen and approved this Prospectus. They collectively and individually accept full responsibility for the accuracy of the information. Having made all reasonable enquiries, and to the best of their knowledge and belief, they confirm there is no false or misleading statement or other facts which if omitted, would make any statement in this Prospectus false or misleading.

Maybank IB, being the Principal Adviser, Joint Global Coordinator and Joint Bookrunner for the Institutional Offering, and Joint Managing Underwriter and Joint Underwriter for the Retail Offering, acknowledges that, based on all available information, and to the best of its knowledge and belief, this Prospectus constitutes a full and true disclosure of all material facts concerning our IPO.

15. PROCEDURES FOR APPLICATION

THIS SUMMARY OF PROCEDURES FOR APPLICATION AND ACCEPTANCE DOES NOT CONTAIN THE DETAILED PROCEDURES AND FULL TERMS AND CONDITIONS AND YOU CANNOT RELY ON THIS SUMMARY FOR PURPOSES OF ANY APPLICATION FOR OUR IPO SHARES. YOU MUST REFER TO THE DETAILED PROCEDURES AND TERMS AND CONDITIONS AS SET OUT IN THE “DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE” ACCOMPANYING THE ELECTRONIC COPY OF OUR PROSPECTUS ON THE WEBSITE OF BURSA SECURITIES. YOU SHOULD ALSO CONTACT THE ISSUING HOUSE FOR FURTHER ENQUIRIES.

Unless otherwise defined, all words and expressions used in this Section shall carry the same meaning as ascribed to them in our Prospectus.

Unless the context otherwise requires, words used in the singular include the plural, and vice versa.

15.1 OPENING AND CLOSING OF APPLICATIONS

OPENING OF THE APPLICATION PERIOD : 10:00 A.M., 28 APRIL 2023

CLOSING OF THE APPLICATION PERIOD : 5:00 P.M., 9 MAY 2023

In the event there is any change to the dates and times stated above, we will advertise the notice of changes in widely circulated English and Bahasa Malaysia daily newspapers within Malaysia.

Late Applications will not be accepted.

15.2 METHODS OF APPLICATION

15.2.1 Application of our Issue Shares under the Retail Offering

Application must accord with our Prospectus and our Constitution. The submission of an Application Form does not mean that the Application will succeed.

<u>Types of Application and category of investors</u>	<u>Application method</u>
Applications by the Eligible Persons	Pink Application Form only
Applications by the Malaysian Public:	
(i) Individuals	White Application Form or Electronic Share Application or Internet Share Application
(ii) Non-individuals	White Application Form only

15.2.2 Application of our Offer Shares under the Institutional Offering

Malaysian institutional and selected investors and foreign institutional and selected investors being allocated our Offer Shares under the Institutional Offering (other than Bumiputera investors approved by the MITI) will be contacted directly by the respective Joint Global Coordinators and Joint Bookrunners and will follow the instructions as communicated by the respective Joint Global Coordinators and Joint Bookrunners.

Bumiputera investors approved by the MITI who have been allocated our Offer Shares will be contacted directly by the MITI and should follow the instructions as communicated by the MITI.

15. PROCEDURES FOR APPLICATION *(Cont'd)*

15.3 ELIGIBILITY

15.3.1 General

You must have a CDS account and a correspondence address in Malaysia. If you do not have a CDS account, you may open a CDS account by contacting any of the ADAs set out in the list of ADAs accompanying the electronic copy of our Prospectus on the website of Bursa Securities. The CDS account must be in your own name. **Invalid, nominee or third party CDS accounts will not be accepted for the Applications.**

Only **ONE** Application Form for each category from each applicant will be considered and **APPLICATIONS MUST BE FOR AT LEAST 100 IPO SHARES OR MULTIPLES OF 100 IPO SHARES.**

MULTIPLE APPLICATIONS WILL NOT BE ACCEPTED UNLESS EXPRESSLY ALLOWED IN THESE TERMS AND CONDITIONS. AN APPLICANT WHO SUBMITS MULTIPLE APPLICATIONS IN HIS OWN NAME OR BY USING THE NAME OF OTHERS, WITH OR WITHOUT THEIR CONSENT, COMMITS AN OFFENCE UNDER SECTION 179 OF THE CMSA AND IF CONVICTED, MAY BE PUNISHED WITH A MINIMUM FINE OF RM1,000,000 AND A JAIL TERM OF UP TO 10 YEARS UNDER SECTION 182 OF THE CMSA.

AN APPLICANT IS NOT ALLOWED TO SUBMIT MULTIPLE APPLICATIONS IN THE SAME CATEGORY OF APPLICATION.

15.3.2 Application by the Malaysian Public

You can only apply for our Issue Shares if you fulfil all of the following:

- (i) you must be one of the following:
 - (a) a Malaysian citizen who is at least 18 years old as at the date of the Application; or
 - (b) a corporation/institution incorporated in Malaysia with a majority of Malaysian citizens on your board of directors/trustees and if you have a share capital, more than half of the issued share capital, excluding preference share capital, is held by Malaysian citizens; or
 - (c) a superannuation, co-operative, foundation, provident, pension fund established or operating in Malaysia;
- (ii) you must not be a director or employee of the Issuing House or an immediate family member of a director or employee of the Issuing House; and
- (iii) you must submit the Application by using only one of the following methods:
 - (a) White Application Form;
 - (b) Electronic Share Application; or
 - (c) Internet Share Application.

15.3.3 Application by the Eligible Persons

The Eligible Persons (including any entities, wherever established) will be provided with Pink Application Forms and letters from us detailing their respective allocation. The applicants must follow the notes and instructions in the said documents and where relevant, in our Prospectus.

15. PROCEDURES FOR APPLICATION (Cont'd)**15.4 PROCEDURES FOR APPLICATION BY WAY OF APPLICATION FORM**

The Application Form must be completed in accordance with the notes and instructions contained in the respective category of the Application Form. Applications made on the incorrect type of Application Form or which do not conform **STRICTLY** to the terms of our Prospectus or the respective category of Application Form or notes and instructions or which are illegible will not be accepted.

The FULL amount payable is RM0.76 for each IPO Share.

Payment must be made out in favour of “**MIH SHARE ISSUE ACCOUNT NO 620**” and crossed “**A/C PAYEE ONLY**” and endorsed on the reverse side with your name and address.

Each completed Application Form, accompanied by the appropriate remittance and legible photocopy of the relevant documents may be submitted using one of the following methods:

- (i) despatch by **ORDINARY POST** in the official envelopes provided to the following address:

Malaysian Issuing House Sdn Bhd
(Registration No. 199301003608 (258345-X))
11th Floor, Menara Symphony
No. 5, Jalan Prof. Khoo Kay Kim
Seksyen 13
46200 Petaling Jaya
Selangor Darul Ehsan

or

P.O. Box 00010
Pejabat Pos Jalan Sultan
46700 Petaling Jaya
Selangor Darul Ehsan

- (ii) **DELIVER BY HAND AND DEPOSIT** in the drop-in boxes provided at the front portion of Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan,

so as to arrive not later than 5.00 p.m. on 9 May 2023 or such other time and date as our Directors and the Joint Underwriters may, in their absolute discretion, mutually decide as the date or time for closing.

We, together with the Issuing House, will not issue any acknowledgement of the receipt of your Application Forms or Application monies. Please direct all enquiries in respect of the Application Form to the Issuing House.

15.5 APPLICATION BY WAY OF ELECTRONIC SHARE APPLICATION

Only Malaysian individuals may apply for our Issue Shares offered to the Malaysian Public by way of Electronic Share Application.

Electronic Share Applications may be made through the ATM of the following Participating Financial Institutions and their branches, namely Affin Bank Berhad, Alliance Bank Malaysia Berhad, AmBank (M) Berhad, CIMB Bank Berhad, Malayan Banking Berhad, Public Bank Berhad and RHB Bank Berhad. A processing fee will be charged by the respective Participating Financial Institutions (unless waived) for each Electronic Share Application.

The exact procedures, terms and conditions for Electronic Share Application are set out on the ATM screens of the relevant Participating Financial Institutions.

15. PROCEDURES FOR APPLICATION *(Cont'd)*

Please refer to the detailed procedures and terms and conditions of Electronic Share Application set out in the “**Detailed Procedures for Application and Acceptance**” accompanying the electronic copy of our Prospectus on the website of Bursa Securities or contact the relevant Participating Financial Institution for further enquiries.

15.6 APPLICATION BY WAY OF INTERNET SHARE APPLICATION

Only Malaysian individuals may use the Internet Share Application to apply for our Issue Shares offered to the Malaysian Public.

Internet Share Applications may be made through an internet financial services website of the Internet Participating Financial Institutions, namely Affin Bank Berhad, Alliance Bank Malaysia Berhad, CIMB Bank Berhad, CGS-CIMB Securities Sdn Bhd, Malayan Banking Berhad and Public Bank Berhad. A processing fee will be charged by the respective Internet Participating Financial Institutions (unless waived) for each Internet Share Application.

The exact procedures, terms and conditions for Internet Share Application are set out on the internet financial services website of the respective Internet Participating Financial Institutions.

Please refer to the detailed procedures and terms and conditions of Internet Share Application set out in the “**Detailed Procedures for Application and Acceptance**” accompanying the electronic copy of our Prospectus on the website of Bursa Securities or contact the relevant Internet Participating Financial Institution for further enquiries.

15.7 AUTHORITY OF OUR BOARD AND THE ISSUING HOUSE

The Issuing House, on the authority of our Board, reserves the right to:

- (i) reject the Applications which:
 - (a) do not conform to the instructions of our Prospectus, Application Forms, Electronic Share Application and Internet Share Application (where applicable); or
 - (b) are illegible, incomplete or inaccurate; or
 - (c) are accompanied by an improperly drawn up, or improper form of, remittance; or
- (ii) reject or accept any Application, in whole or in part, on a non-discriminatory basis without the need to give any reason; and
- (iii) bank in all Application monies (including those from unsuccessful/partially successful applicants) which would subsequently be refunded, where applicable (without interest), in accordance with Section 15.9 of this Prospectus.

If you are successful in your Application, our Board reserves the right to require you to appear in person at the registered office of the Issuing House at any time within 14 days of the date of the notice issued to you to ascertain that your Application is genuine and valid. Our Board shall not be responsible for any loss or non-receipt of the said notice nor shall it be accountable for any expenses incurred or to be incurred by you for the purpose of complying with this provision.

15. PROCEDURES FOR APPLICATION *(Cont'd)*

15.8 OVER/UNDER-SUBSCRIPTION

In the event of over-subscription for the Retail Offering, the Issuing House will conduct a ballot in the manner approved by our Directors to determine the acceptance of Applications in a fair and equitable manner. In determining the manner of balloting, our Directors will consider the desirability of allotting and allocating our Issue Shares to a reasonable number of applicants for the purpose of broadening the shareholding base of our Company and establishing a liquid and adequate market for our Shares.

The basis of allocation of Shares and the balloting results in connection therewith will be furnished by the Issuing House to Bursa Securities, all major English and Bahasa Malaysia newspapers as well as posted on the Issuing House's website at www.mih.com.my within one Market Day after the balloting date.

As approved by Bursa Securities via its letter dated 10 February 2023, we are required to have a minimum of 15.0% of our Company's enlarged issued Shares to be held by at least 1,000 public shareholders holding not less than 100 Shares each upon our Listing. We expect to achieve this at the point of our Listing. In the event the above requirement is not met, we may not be allowed to proceed with our Listing. In the event thereof, monies paid in respect of all Applications will be returned in full (without interest).

In the event of an under-subscription of our Issue Shares by the Malaysian Public and/or Eligible Persons, subject to the clawback and reallocation as set out in Section 4.2.4 of this Prospectus, any of the abovementioned Issue Shares not applied for will then be subscribed by the Joint Underwriters based on the terms of the Retail Underwriting Agreement.

15.9 UNSUCCESSFUL/PARTIALLY SUCCESSFUL APPLICANTS

If you are unsuccessful/partially successful in your Application, your Application monies (without interest) will be refunded to you in the following manner:

15.9.1 For applications by way of Application Form

- (i) The Application monies or the balance of it, as the case may be, will be returned to you through the self-addressed and stamped Official "A" envelope you provided by ordinary post (for fully unsuccessful Applications) or by crediting into your bank account (the same bank account you have provided to Bursa Depository for the purposes of cash dividend/distribution) or if you have not provided such bank account information to Bursa Depository, the balance of Application monies will be refunded via banker's draft sent by ordinary/registered post to your last address maintained with Bursa Depository (for partially successful Applications) within 10 Market Days from the date of the final ballot at your own risk.
- (ii) If your Application is rejected because you did not provide a CDS account number, your Application monies will be refunded via banker's draft sent by ordinary/registered post to your address as stated in the National Registration Identity Card or any official valid temporary identity document issued by the relevant authorities from time to time or the authority card (if you are a member of the armed forces or police) at your own risk.
- (iii) A number of Applications will be reserved to replace any successfully balloted Applications that are subsequently rejected. The Application monies relating to these Applications which are subsequently rejected or unsuccessful or only partly successful will be refunded (without interest) by the Issuing House as per items (i) and (ii) above (as the case may be).

15. PROCEDURES FOR APPLICATION (Cont'd)

- (iv) The Issuing House reserves the right to bank into its bank account all Application monies from unsuccessful applicants. These monies will be refunded (without interest) within 10 Market Days from the date of the final ballot by crediting into your bank account (the same bank account you have provided to Bursa Depository for the purposes of cash dividend/distribution) or by issuance of banker's draft sent by registered post to your last address maintained with Bursa Depository if you have not provided such bank account information to Bursa Depository or as per item (ii) above (as the case may be).

15.9.2 For applications by way of Electronic Share Application and Internet Share Application

- (i) The Issuing House shall inform the Participating Financial Institutions or Internet Participating Financial Institutions of the unsuccessful or partially successful Applications within two Market Days after the balloting date. The full amount of the Application monies or the balance of it will be credited without interest into your account with the Participating Financial Institution or Internet Participating Financial Institution (or arranged with the Authorised Financial Institutions) within two Market Days after the receipt of confirmation from the Issuing House.
- (ii) You may check your account on the fifth Market Day from the balloting date.
- (iii) A number of Applications will be reserved to replace any successfully balloted Applications that are subsequently rejected. The Application monies relating to these Applications which are subsequently rejected will be refunded (without interest) by the Issuing House by crediting into your account with the Participating Financial Institution or Internet Participating Financial Institution (or arranged with the Authorised Financial Institutions) not later than 10 Market Days from the date of the final ballot. For Applications that are held in reserve and which are subsequently unsuccessful or partially successful, the relevant Participating Financial Institution will be informed of the unsuccessful or partially successful Applications within two Market Days after the final balloting date.

The Participating Financial Institution will credit the Application monies or any part thereof (without interest) within two Market Days after the receipt of confirmation from the Issuing House.

15.10 SUCCESSFUL APPLICANTS

If you are successful in your Application:

- (i) Our IPO Shares allotted to you will be credited into your CDS account.
- (ii) A notice of allotment will be despatched to you at your last address maintained with the Bursa Depository, at your own risk, before our Listing. This is your only acknowledgement of acceptance of your Application.
- (iii) In accordance with Section 14(1) of the SICDA, Bursa Securities has prescribed our Shares as Prescribed Securities. As such, our IPO Shares issued/offered through our Prospectus will be deposited directly with Bursa Depository and any dealings in these Shares will be carried out in accordance with the SICDA and Rules of Bursa Depository.
- (iv) In accordance with Section 29 of the SICDA, all dealings in our Shares will be by book entries through CDS accounts. No physical share certificates will be issued to you and you shall not be entitled to withdraw any deposited securities held jointly with Bursa Depository or its nominee as long as our Shares are listed on Bursa Securities.

15. PROCEDURES FOR APPLICATION (Cont'd)

- (v) In the event that the Final Retail Price is lower than the Retail Price, the difference will be refunded to you without any interest thereon. The refund will be credited into your bank account for purposes of cash dividend/ distribution if you have provided such bank account information to Bursa Depository or despatched, in the form of cheques, by ordinary post to your address maintained with Bursa Directory if you have not provided such bank account information to Bursa Depository, or by crediting into your account with the Participating Financial Institutions for applications made via the Electronic Share Application or by crediting into your account with the Internet Participating Financial Institutions for applications made via the Internet Share Application, within 10 Market Days from the date of final ballot of application, at your own risk.

15.11 ENQUIRIES

Enquiries in respect of the Applications may be directed as follows:

Mode of Application	Parties to direct the queries
Application Form	Issuing House Enquiry Services Telephone at +603-7890 4700
Electronic Share Application	Participating Financial Institutions
Internet Share Application	Internet Participating Financial Institutions or Authorised Financial Institutions

The results of the allocation of our Issue Shares derived from successful balloting will be made available to the public at the Issuing House's website at www.mih.com.my, **one Market Day** after the balloting date.

You may also check the status of your Application at the above website, **five Market Days** after the balloting date or by calling your respective ADA during office hours at the telephone number as stated in the list of ADAs set out in the Detailed Procedures for Application and Acceptance accompanying the electronic copy of our Prospectus on the website of Bursa Securities.

ANNEXURE A: OUR MAJOR LICENCES, PERMITS AND APPROVALS

DETAILS OF OUR MAJOR LICENCES, PERMITS AND APPROVALS

We have various licences and permits for our operations in Malaysia and other jurisdictions where we operate. Details of the major licences, permits and approvals obtained by our Company and the material subsidiaries for our operations and the status of compliance as at the LPD are as follows:

A. OPERATIONAL LICENCES

No.	Licencee	Approving authority/ Issuer	Description of licence, permit or approval	Licence/ permit/ Serial/ reference no.	Validity period	Major conditions imposed	Status of compliance
Malaysia							
1.	DXN	Alor Setar City Council	Trade, Business and Industrial Licence	G 43(I) 6/33 / L-41923	Up to 20 May 2023	Nil	Complied
2.	DXN Pharma	MITI	Manufacturing licence for health food supplements and pharmaceutical products and Spirulina cultivation at the following place of manufacturing: Lot 947, 1319 & 1306, Mukim Malau, 06000 Kubang Pasu, Kedah ⁽¹⁾	A 017787 / A 030258	Effective from 19 March 2010	(1) Licence holder is encouraged to ensure that the composition of the company's board of directors mirrors the company equity structure as much as possible. The MITI has to be informed on matters concerning the appointment and any changes to the members of the company's board of directors; (2) For domestic sales, the company has to use the services operated by Malaysian citizen as much as possible including appointing locally owned distributor where at least 30% of its sales to the domestic market has to be distributed by Bumiputera distributor;	Complied

ANNEXURE A: OUR MAJOR LICENCES, PERMITS AND APPROVALS (Cont'd)

No.	Licencee	Approving authority/ Issuer	Description of licence, permit or approval	Licence/ permit/ Serial/ reference no.	Validity period	Major conditions imposed	Status of compliance
3.	DXN Pharma	MOH	Licence to manufacture the 58 products specified in the list attached to the licence at the following manufacturing premises: Lot 1109, Mukim Malau, Daerah Kubang Pasu, 06000 Jitra, Kedah and to sell by wholesale or to supply the products specified	MALLP202300 89	Up to 31 December 2023	(3) Expansion of production capacity or diversification of output requires approval from the licensing officer (Secretary General, MITI); (4) The MITI has to be informed of the sale of shares in the company; and (5) The company has to train Malaysian citizens so that the transfer of technology and expertise can be channelled at all levels of positions	Complied
4.	DXN Pharma	Kubang Pasu Municipal Council	Trade, Business and Industrial Licence – health food and pharmaceutical at the following address: Lot 1109, Mukim Malau, Daerah Kubang Pasu, 06000 Jitra, Kedah	101/27/17- 2109	Up to 3 January 2024	Nil	Complied

ANNEXURE A: OUR MAJOR LICENCES, PERMITS AND APPROVALS (Cont'd)

No.	Licencee	Approving authority/ Issuer	Description of licence, permit or approval	Licence/ permit/ Serial/ reference no.	Validity period	Major conditions imposed	Status of compliance
5.	DXN Industries	MITI	Manufacturing licence for instant beverages and toiletries at the following place of manufacturing: HS (M) 376, PT 1307, Mukim Malau, Daerah Kubang Pasu, 06000 Jitra, Kedah	A.013421 / B 000334 ⁽²⁾	Effective from 24 December 2002	(1) The MITI has to be informed of the sale of shares in the company; and (2) The company has to train Malaysian citizens so that the transfer of technology and expertise can be channelled at all levels of positions	Complied
6.	DXN Industries	Kubang Pasu Municipal Council	Business and Trade Licence – cosmetic and toiletries factory at the following address: PT 1304, Jln Bukit Wang Malau, 06000 Jitra, Kedah	101/27/17-2563	Up to 27 July 2023	Nil	Complied
7.	DXN Industries	Kubang Pasu Municipal Council	Business and Trade Licence – canteen and cafeteria, cosmetic and toiletries factory, souvenir shop at the following address: Lot 1307, Kampung Padang Panjang, 06000 Jitra, Kedah	101/27/17-2357	Up to 3 January 2024	Nil	Complied
8.	DXN Marketing	MDTCL	Direct Sales Licence for DXN Marketing to carry on a direct sales business	AJL 93432 / 001382	Up to 29 October 2027	(1) Licence holder is not allowed to do the following: (a) Transfer ownership of the direct sales licence; (b) Adopt a marketing plan that is not approved by the direct sales officers;	Complied

ANNEXURE A: OUR MAJOR LICENCES, PERMITS AND APPROVALS (Cont'd)

No.	Licencee	Approving authority/ Issuer	Description of licence, permit or approval	Licence/ permit/ Serial/ reference no.	Validity period	Major conditions imposed	Status of compliance
						<p>(c) Sell goods and/or services apart from what have been approved by the MDTCL; and</p> <p>(d) Amend any part of the marketing plan for a period of two years after obtaining prior approval</p>	
						<p>(2) Licence holder has to obtain approval from the MDTCL for the following matters:</p> <p>(a) Amend any part of the marketing plan;</p> <p>(b) Promote any new goods and/or services;</p> <p>(c) Hold any campaign, promotion or any form of advertisement for the purpose of promoting the company's products;</p> <p>(d) Amend the price structure of the goods and/or services and other things related to the items and/or services before the abovementioned have been marketed by the company;</p>	

ANNEXURE A: OUR MAJOR LICENCES, PERMITS AND APPROVALS (Cont'd)

No.	Licencee	Approving authority/ Issuer	Description of licence, permit or approval	Licence/ permit/ Serial/ reference no.	Validity period	Major conditions imposed	Status of compliance
(e)						Carry out any amendment to the business premises address, telephone number or company fax; and	
(f)						Amend the name of the company, equity structure and the company's directors	
(3)						Licence holder has to carry out the following matters:	
(a)						Take action against distributor / agent that practises sales by way of force / coercion / fraud including lucky draw, free gift deal, discount or sponsorship as well as issue endorsement brochures other than those issued by the company; and	
(b)						Record the official direct sales licence number on the signboard, all types of advertisements, printed materials, letterhead and the company's official website for the purpose of public review	
9.	DXN Marketing	Petaling Jaya City Council	Trade, Business and Industrial Licence	L9500001764 75	Up to 31 December 2023	Nil	Complied

ANNEXURE A: OUR MAJOR LICENCES, PERMITS AND APPROVALS (Cont'd)

No.	Licencee	Approving authority/ Issuer	Description of licence, permit or approval	Licence/ permit/ Serial/ reference no.	Validity period	Major conditions imposed	Status of compliance
India							
1.	DXN Manufacturing India	Chief Coconut Development Officer, Coconut Development Board	Registration cum-Membership Certificate of Coconut Development Board issued for the following goods only: (a) Virgin coconut oil; (b) Coconut water; (c) Coconut palm jaggery; (d) Coconut oil cake; (e) Coconut; (f) Coconut palm sugar; and (g) Raw coconut kernel	18193330	Up to 31 March 2028	Nil	Complied
2.	DXN Manufacturing India	Department of Drugs Control, Government of Puducherry	Licence to manufacture Ayurvedic Siddha or Unani Drugs in Form 25D for the following products only: (a) Morinoni juice; (b) Nonizhi juice; and (c) Roselle juice	17174239	Up to 31 January 2027	Nil	Complied
3.	DXN Manufacturing India	Member Secretary, Department of Science, Technology, Environment, Puducherry Pollution Control Committee	Water Consent Order (Renewal) for the manufacture of the following products: (a) Spirulina capsules / tablets – 1,600,000 capsules / tablets per day; (b) Murinzi juice / Roselle flower juice – 1,700 bottles per day; and (c) Virgin coconut oil – 10,000 units per day	(O19PUD1290 19) / (2022)	Up to 31 May 2025	Nil	Complied

ANNEXURE A: OUR MAJOR LICENCES, PERMITS AND APPROVALS (Cont'd)

No.	Licencee	Approving authority/ Issuer	Description of licence, permit or approval	Licence/ permit/ Serial/ reference no.	Validity period	Major conditions imposed	Status of compliance
4.	DXN Manufacturing India	Member Secretary, Department of Science, Technology, Environment, Pudukcherry Pollution Control Committee	<p>Air Consent Order (Renewal) for the manufacture of the following products:</p> <p>(a) Spirulina capsules / tablets – 1,600,000 capsules / tablets per day;</p> <p>(b) Murinzi juice / Roselle flower juice – 1,700 bottles per day; and</p> <p>(c) Virgin coconut oil – 10,000 units per day</p>	(O19PUD1290 19) / (2022)	Up to 31 May 2025	Nil	Complied
5.	DXN Manufacturing India	Additional Director (Ayurveda), Drug Licensing Authority, Department of Ayush, Government of Telangana	<p>License to Manufacture for Sale of Ayurveda Drugs in Form 25-D and Certificate of GMP in Form 26E-1 for the following products:</p> <p>(a) Akshakaphal Tablet;</p> <p>(b) Amalaki Tablet;</p> <p>(c) Arjuna Tablet;</p> <p>(d) Asana Tablet;</p> <p>(e) Asthisamharaka Tablet;</p> <p>(f) Asvagandha Tablet;</p> <p>(g) Atmagupta Tablet;</p> <p>(h) Brahmi Tablet;</p> <p>(i) Gandira Tablet;</p> <p>(j) Gokshura Tablet;</p> <p>(k) Guduchi Tablet;</p> <p>(l) Haridra Tablet;</p> <p>(m) Haritaki Tablet;</p> <p>(n) Kalamegh Tablet;</p> <p>(o) Karavallaka Tablet;</p> <p>(p) Khadira Tablet;</p> <p>(q) Kunduru Tablet;</p> <p>(r) Lasuna Tablet;</p> <p>(s) Manjista Tablet;</p>	License no. T-2387/Ayur	Up to 27 July 2026	<p>A licence in Form 25D shall be subject to the conditions stated therein and to the following further conditions, namely:</p> <p>(1) the licensee shall maintain proper records of the details of manufacture and of the tests, if any, carried out by him, or by any other person on his behalf, of the raw materials and finished products;</p>	Complied

ANNEXURE A: OUR MAJOR LICENCES, PERMITS AND APPROVALS (Cont'd)

No. Licensee	Approving authority/ Issuer	Description of licence, permit or approval	Licence/ permit/ Serial/ reference no.	Validity period	Major conditions imposed	Status of compliance
		(t) Meshashringi Tablet;				
		(u) Methika Tablet;				
		(v) Nimba Tablet;				
		(w) Sh.Guggulu Tablet				
		(x) Amalaki Churna;				
		(y) Arjuna;				
		(z) Asana;				
		(aa) Asthisamharaka;				
		(bb) Asvagandha;				
		(cc) Atmagupta;				
		(dd) Brahmi;				
		(ee) Gandira;				
		(ff) Gokshura;				
		(gg) Guduci;				
		(hh) Haridra;				
		(ii) Harithaki;				
		(jj) Kalamegh;				
		(kk) Karavallaka;				
		(ll) Khadira Sara;				
		(mm) Kunduru;				
		(nn) Lasuna;				
		(oo) Manjista;				
		(pp) Meshashringi;				
		(qq) Methika;				
		(rr) Neem;				
		(ss) Sh.Guggulu;				
		(tt) Svarnapatni;				
		(uu) Tulasi;				
		(vv) Yastimadhu Churna;				
		(ww) Aloe Vita Liquid;				
		(xx) DXN GL Capsule;				
		(yy) DXN GL Tablet;				
		(zz) DXN GL Powder;				
		(aaa) DXN RG Capsule;				
		(bbb) DXN RG Tablet;				
		(ccc) DXN RG Powder;				
		(ddd) Morinzhi (Noni Juice) Liquid;				
		(2) an inspector appointed under the DC Act shall be allowed to enter any premises where the manufacture of a substance in respect of which the licence is issued is carried on, to inspect the premises, to take samples of the raw material as well as finished products, and to inspect the records maintained under the DC Rules; and				
		(3) the applicant and inspector shall submit the record online through e-AUSHADHI (www.e-aushadhi.gov.in) portal				

ANNEXURE A: OUR MAJOR LICENCES, PERMITS AND APPROVALS (Cont'd)

No.	Licencee	Approving authority/ Issuer	Description of licence, permit or approval	Licence/ permit/ Serial/ reference no.	Validity period	Major conditions imposed	Status of compliance
6.	Daxen Agritech	Environmental Engineer, PCB Baddi, Himachal Pradesh State Pollution Control Board	(eee) Rosella Liquid; and (fff) Ayush Kwath Renewal of consent to operate under Water Act and Air Act for the manufacture of the following products: (a) Ayurvedic medicine capsules – 600,000 units per year; (b) Ready to use coffee – 3,000,000 units per year; and (c) Herbal juice – 10,000 units per year	Consent no. CTO/BOTH/R ENEW/RO/2019/343481	Up to 31 March 2024	Nil	Complied
7.	Daxen Agritech	Regional Officer, State Pollution Control Board, Odisha, Department of Forest & Environment, Government of Odisha	Consent to Operate Order for the manufacture of Ganoderma mushroom powder, spawn and mushroom	646 /18-19/ RO-SPCB/ Angul (WPC & APC); 140/MISC/RO SPCB/AGL/50/2016-17	Up to 31 March 2023 ⁽³⁾	Nil	Complied
8.	Daxen Agritech	Chief Inspector of Factories, Himachal Pradesh	Registration and Licence to Work a Factory for the Himachal Pradesh plant	L&E(FAC)9-201756-2174	Up to 31 December 2026	For maximum number of workers to be employed being 100	Complied

ANNEXURE A: OUR MAJOR LICENCES, PERMITS AND APPROVALS (Cont'd)

No.	Licencee	Approving authority/ Issuer	Description of licence, permit or approval	Licence/ permit/ Serial/ reference no.	Validity period	Major conditions imposed	Status of compliance
9.	Daxen Agritech	Director Ayurveda-cum-Licensing Authority, Department of Ayurveda, Government of Himachal Pradesh	Certificate of Renewal of Licence to Manufacture for sale of Ayurvedic drugs	HP-202-Ay	Up to 28 March 2023 ⁽⁴⁾	Nil	Complied
10.	DXN Pharma (through DXN Marketing India)	Central Licensing Authority, Central Drugs Standard Control Organisation, Ministry of Health and Family Welfare, Government of India	Registration Certificate for import of cosmetics (body care products): (a) Gano Massage Oil (75 ml); and (b) Tea Tree Cream (30 gms), each being manufactured at the facility situated at DXN Pharma, Lot 1109, Mukim Malau, Daerah Kubang Pasu, 06000 Jitra, Kedah Darul Aman, Malaysia	COS-778/15	Up to 3 January 2027	(1) DXN Marketing India (importer) being held responsible for the activities of DXN Pharma (manufacturer) in India; (2) DXN Pharma or DXN Marketing India informing the licensing authority in case any administrative action is taken (such as market withdrawal, regulatory restrictions or any 'not of standard quality' report is issued by any regulatory authority of any country where the cosmetics are sold) or any action equivalent to that taken in any other country with reference to such cosmetics, to also be carried out in India; and	Complied

ANNEXURE A: OUR MAJOR LICENCES, PERMITS AND APPROVALS (Cont'd)

No.	Licencee	Approving authority/ Issuer	Description of licence, permit or approval	Licence/ permit/ Serial/ reference no.	Validity period	Major conditions imposed	Status of compliance
11.	DXN Industries (through DXN Marketing India)	Central Licensing Authority, Central Drugs Standard Control Organisation, Ministry of Health and Family Welfare, Government of India	<p>Registration Certificate for import of the following cosmetics:</p> <p>(a) DXN Aloe v hand and body lotion (250 ml);</p> <p>(b) DXN Chubby baby oil (200 ml);</p> <p>(c) DXN Talcum powder (250 gms);</p> <p>(d) DXN Ganozhi soap (75 gms);</p> <p>(e) DXN Aloe v cleansing gel (100 ml);</p> <p>(f) DXN Ganozhi toner (150 ml);</p> <p>(g) DXN Ganozhi liquid cleanser (150 ml);</p> <p>(h) DXN Ganozhi moisturizing micro emulsion (50 ml);</p> <p>(i) DXN Ganozhi shampoo (250 ml);</p> <p>(j) DXN Ganozhi toothpaste (150 gms);</p> <p>(k) DXN Aloe v facial scrub (75 gms);</p>	COS-873/15; COS/22/00048 3	Up to 1 May 2027	<p>(3) DXN Pharma or DXN Marketing India informing the licensing authority (within 30 days), in case of any additional variant/ cosmetic/ manufacturing location/ change in labelling/ testing of any cosmetic. DXN Pharma or DXN Marketing India to obtain necessary approvals in respect of the aforesaid</p> <p>(1) DXN Marketing India (importer) being held responsible for the activities of DXN Industries (manufacturer) in India;</p> <p>(2) DXN Industries or DXN Marketing India informing the licensing authority in case any administrative action is taken (such as market withdrawal, regulatory restrictions or any 'not of standard quality' report is issued by any regulatory authority of any country where the cosmetics are sold) or any action equivalent to that taken in any other country with reference to such cosmetics, to also be carried out in India; and</p>	Complied

ANNEXURE A: OUR MAJOR LICENCES, PERMITS AND APPROVALS (Cont'd)

No.	Licencee	Approving authority/ Issuer	Description of licence, permit or approval	Licence/ permit/ Serial/ reference no.	Validity period	Major conditions imposed	Status of compliance
			(l) DXN Aloe v hydrating toner (100 ml);				
			(m) DXN Aloe v hydrating mask (100 gms),				
			(n) DXN Aloe v aqua gel (50 ml); and				
			(o) DXN Aloe v nutriticate cream (30 ml)			(3) DXN Industries or DXN Marketing India informing the licensing authority (within 30 days), in case of any additional variant/ cosmetic/ manufacturing location/ change in labelling/ testing of any cosmetic. DXN Industries or DXN Marketing India to obtain necessary approvals in respect of the aforesaid	
12.	DXN Marketing India	Controller of Legal Metrology, Office of the Controller of Legal Metrology, Chennai-6, Department of Labour, Government of Tamil Nadu	Certificate of Registration for importer for importing the following products: (a) DXN Ganozhi Shampoo; (b) Gano Massage Oil; (c) Tea Tree cream; (d) DXN Talcum Powder; (e) DXN Aloe. V Cleansing Gel; (f) DXN Aloe. V Hand & Body Lotion; (g) Aloe. V Hydrating Mask; (h) Aloe. V Aqua Gel; (i) Zhimeko; (j) DXN Tea Infuser; (k) Oozhi Tea; (l) DXN Spirunanas; (m) DXN Creamer; (n) DXN Apple Enzyme Drink; (o) DXN Apple Fermented Jam; (p) DXN Spirudle; (q) DXN Spirudle (Tom Yam Flavour);	Registration certificate no. TN/CHE/IMP/5 8-23-00943	Issued one time. Effective from 4 January 2023	Nil	Complied

ANNEXURE A: OUR MAJOR LICENCES, PERMITS AND APPROVALS (Cont'd)

No.	Licencee	Approving authority/ Issuer	Description of licence, permit or approval	Licence/ permit/ Serial/ reference no.	Validity period	Major conditions imposed	Status of compliance
13.	DXN Industries (through DXN Marketing India)	Central Licensing Authority, Central Drugs Standard Control Organisation, Ministry of Health and Family Welfare, Government of India	<p>(t) Jujube Fruits; (s) Prostaz; (t) Spirulizhi; (u) Staz H; (v) Zhiabet; (w) Zhikolest; and (x) Zhiirc</p> <p>Registration Certificate in Form COS-2 for import of cosmetics into India under Cosmetics Rules 2020</p> <p>Cosmetics permitted to be imported:</p> <p>(a) Ganozhi Plus Body Foam (250 ml); (b) Ganozhi Plus Shampoo (250 ml); and (c) Ganozhi Plus Toothpaste (150 gms)</p>	Registration certificate no. RC/COS-0009941	Up to 27 October 2026	<p>(1) DXN Industries is registered as a manufacturer and is issued the registration certificate;</p> <p>(2) DXN Marketing India shall be responsible for the activities of DXN Industries in India;</p> <p>(3) Licensing authority shall be informed forthwith in case any administrative action is taken (such as market withdrawal, regulatory restrictions or any 'not of standard quality' report is issued by any regulatory authority of any country where the cosmetics are sold) or any action equivalent to that taken in any other country with reference to such cosmetics, to also be carried out in India;</p> <p>(4) Licensing authority to be informed within 30 days, in case of any change in labelling/ testing of any cosmetic;</p>	Complied

Legislation:
 DC Act read with Cosmetics Rules 2020

ANNEXURE A: OUR MAJOR LICENCES, PERMITS AND APPROVALS (Cont'd)

No.	Licencee	Approving authority/ Issuer	Description of licence, permit or approval	Licence/ permit/ Serial/ reference no.	Validity period	Major conditions imposed	Status of compliance
1.	DXN Corporation Ningxia	Ningxia Hui Autonomous Region Market Supervision and Administration Department	Business Licence for biotechnology R&D; R&D, production, import and export and sales of health products, food, beverages, craft products and nursing cosmetics; R&D, production, import, export and sales of raw materials of traditional Chinese medicine, cultivation of fruit and vegetable fungi, aquaculture and animal breeding and other related products; Investment consultation of the above business projects (Does not include consulting activities which shall be provided through market research and statistical activities and other industries that restrict foreign investment)	91640000MA75W9T24K	Up to 9 December 2065	(5) Licensing authority shall be informed in writing in case of any change in constitution of the firm and the certificate shall be deemed to be valid for 180 days and a fresh certificate shall be obtained from the licensing authority; and (6) Application of amendment shall be filed in case of change in name/address of the registration holder or the overseas manufacturer within 60 days	Complied

China

ANNEXURE A: OUR MAJOR LICENCES, PERMITS AND APPROVALS (Cont'd)

No.	Licencee	Approving authority/ Issuer	Description of licence, permit or approval	Licence/ permit/ Serial/ reference no.	Validity period	Major conditions imposed	Status of compliance
2.	DXN Corporation Ningxia	Shizuishan City Market Supervision Administration	Food Business Filing Record for pre-packaged food sales (Does not include refrigerated or frozen food) and special food (function food)	Ning Shi (Da) Shi Bei No.0271 in 2021	Effective from 3 November 2021	Nil	Complied
3.	DXN Corporation Ningxia	Shizuishan Municipal Market Supervision Administration	Food Production Licence: beverages, fruit product, aquatic product, instant food, candy product and tea product	SC106640202 00073	Up to 25 November 2026	Nil	Complied
4.	DXN Corporation Ningxia	Management Committee of Yinchuan high-tech Industrial Development Zone	Ningxia Hui Autonomous Region Registration certificate of enterprise investment projects	2018-640202-15-03-002131	Effective from 30 May 2018	The new plant covers an area of 10,000 square metres, including 9,000 square metres of the main plant and 1,000 square metres of the power workshop. Six production lines of various varieties and other supporting facilities are purchased	Complied
5.	DXN Corporation Ningxia	Management Committee of Yinchuan high-tech Industrial Development Zone	Ningxia Hui Autonomous Region Registration certificate of enterprise investment projects	2018-640202-14-03-002132	Effective from 30 May 2018	The new plant covers an area of 12,000 square metres, including 11,000 square metres of the main plant and 1,000 square metres of the auxiliary workshop. Eight production lines of various varieties and other supporting facilities are purchased	Complied
6.	DXN Corporation Ningxia	Management Committee of Yinchuan high-tech Industrial Development Zone	Ningxia Hui Autonomous Region Registration certificate of enterprise investment projects	2018-640202-41-03-002150	Effective from 30 May 2018	The new plant covers an area of 6,000 square metres, including 5,000 square metres of the main plant and 1,000 square metres of the environmental protection workshop. Three production lines of various varieties and other supporting facilities are purchased	Complied

ANNEXURE A: OUR MAJOR LICENCES, PERMITS AND APPROVALS (Cont'd)

No.	Licencee	Approving authority/ Issuer	Description of licence, permit or approval	Licence/ permit/ Serial/ reference no.	Validity period	Major conditions imposed	Status of compliance
7.	DXN Agrotech Ningxia	Shizuishan Market Supervision Administration	Business licence for cultivation, R&D and sales of characteristic agricultural products such as Spirulina, Ganoderma, edible fungi, Cordyceps sinensis, colorful algae and Chinese herbal medicine; planting, R&D, production and sales of rice, corn, melons, fruits and vegetables; planting and sales of flower seedlings; aquaculture and sales; breeding technology promotion services; planting technology extension services; processing of agricultural and sideline-products; sales of pre-packaged food and bulk food; leisure agricultural sightseeing tourism services; agricultural technology extension services; warehousing services; conference and exhibition services; technical services and technical guidance for the construction of planting and breeding greenhouses (for projects that must be approved according to law, business activities can be carried out only with the approval of relevant departments	91640200MA76041TXU	Up to 19 March 2047	Nil	Complied
8.	DXN Agrotech Ningxia	Shizuishan Market Supervision Administration	Food Business Licence for pre-packaged food (including refrigerated and frozen food) and sale	JY16402020056348	Up to 22 July 2024	Nil	Complied

ANNEXURE A: OUR MAJOR LICENCES, PERMITS AND APPROVALS (Cont'd)

No.	Licencee	Approving authority/ Issuer	Description of licence, permit or approval	Licence/ permit/ Serial/ reference no.	Validity period	Major conditions imposed	Status of compliance
9.	DXN Agrotech Ningxia	Shizuishan Market Supervision Administration	Food Production Licence for aquatic products	SC122640200 00102	Up to 17 February 2024	Nil	Complied
10.	DXN Agrotech Ningxia	Management Committee of Yinchuan high-tech Industrial Development Zone	Ningxia Hui Autonomous Region Registration certificate of enterprise investment projects	2018-640202-01-03-007249	Effective from 19 October 2018	The project covers a total area of 8,000 square metres and a total construction area of 8,000 square metres. After being put into operation, the annual output of edible mycelium will reach the production scale of 330 tonnes. The construction of edible mycelium production base covers an area of 12 mu, including the construction of edible mycelium production plant, warehouse and office in the plant, the purchase of raw and auxiliary materials and relevant equipment of primary processing production line, and the supporting improvement of public and auxiliary works in the plant	Complied
<u>Mexico</u>							
1.	DXN Mexico	General Coordination of Ecology of the State of Tlaxcala	Operating licence for Tlaxcala Property 1	LAE-T/IN-I- /016/02	Valid until revoked	Nil	Complied
2.	DXN Mexico	Tejla de la Solidaridad City Hall	Municipal operating licence for Tlaxcala Property 1 to be used for food processing and wholesale trade of raw materials for other industries	021	Up to 31 December 2023	Nil	Complied

ANNEXURE A: OUR MAJOR LICENCES, PERMITS AND APPROVALS (Cont'd)

No.	Licencee	Approving authority/ Issuer	Description of licence, permit or approval	Licence/ permit/ Serial/ reference no.	Validity period	Major conditions imposed	Status of compliance
3.	DXN Mexico	Tetla de la Solidaridad City Hall	Municipal operating license for Tiaxcala Property 2 to be used for processing of chocolate products from chocolate and processing of instant coffee	023	Up to 31 December 2023	Nil	Complied
<u>Indonesia</u>							
1.	Daxen Indonesia	Government of Indonesia through Online Single Submission System	NIB Proof of registration of Daxen Indonesia to carry out business activities and as identity for Daxen Indonesia in carrying out its business activities	8120003701684	Effective from July 2018	Nil	Complied
2.	Daxen Indonesia	Ministry of Health of Indonesia	Traditional Medicine Industry Licence Permit granted to Daxen Indonesia to carry out business in the traditional medicine industry	FP.02.03/IV/626/2017	Effective from 29 September 2017	Daxen Indonesia shall submit the report periodically every six months including the type and amount of used raw materials, as well as the type, quantity, and value of the total production	Complied
3.	Daxen Indonesia	Indonesian Council of Ulama	Written fatwa issued by the Indonesian Council of Ulama stating the Halal status of a product	HS1B23456/062021/DXN	Up to 23 June 2023	Nil	Complied
4.	Daxen Indonesia	Indonesian Council of Ulama	Letter of Halal Undertaking issued by the Indonesian Council of Ulama stating the Halal status of a product	SKH0575/SH/LPPOM MUJ/VI/2021	Up to 22 June 2023	Nil	Complied

ANNEXURE A: OUR MAJOR LICENCES, PERMITS AND APPROVALS (Cont'd)

No.	Licencee	Approving authority/ Issuer	Description of licence, permit or approval	Licence/ permit/ Serial/ reference no.	Validity period	Major conditions imposed	Status of compliance
5.	Daxen Indonesia	Indonesia Investment Coordinating Board	Industrial Business Licence to produce the following: (i) Capsule (300,000,000 pcs); (ii) Powder drink (1,000,000 kg); and (iii) Tablet (37,500,000 pcs)	931/1/II/PM A/KESEHATA N/2011	Effective from 21 December 2011	Nil	Complied
6.	Daehsan Indonesia	Government of Indonesia through Online Single Submission System	NIB Proof of registration of Daehsan Indonesia to carry out business activities and as identity for Daehsan Indonesia in carrying out its business activities	81200027027 41	Effective from 31 May 2021	Nil	Complied
7.	Daehsan Indonesia	Government of Indonesia through Online Single Submission System	Direct Selling Business Licence Permit granted to Daehsan Indonesia to conduct multi-level marketing business activity	81200027027 410001	Effective from 17 January 2022	Daehsan Indonesia to submit business activity report to central government of Indonesia	Complied
<u>Peru</u>							
1.	DXN Peru	General Directorate of Medicines, Supplies and Drugs	Drugstore Authorisation to allow the licensee to operate the drugstore	849SS/DIGEM ID/DAS/EEF	Effective from 27 March 2012	Nil	Complied

ANNEXURE A: OUR MAJOR LICENCES, PERMITS AND APPROVALS (Cont'd)

No.	Licencee	Approving authority/ Issuer	Description of licence, permit or approval	License/ permit/ Serial/ reference no.	Validity period	Major conditions imposed	Status of compliance
2.	DXN Peru	General Directorate of Medicines, Supplies and Drugs	Authorisation of Technical Direction in favour of Mary Johanna Rivera Nuñez to allow the pharmaceutical chemist to direct the activity of a specific drugstore	3320-2014/DIGEMI D/DAS/EEF	Effective from 24 July 2014	Nil	Complied
<u>Bolivia</u>							
1.	DXN Bolivia S.R.L.	National Customs of Bolivia	Permit of Foreign Trade Operator authorising the company to import and export different types of products	180790027	Effective from 28 July 2014	Nil	Complied
2.	DXN Bolivia S.R.L.	National service of agriculture health and food safety	Phytosanitary permit authorising the import, commercialisation and transport of products of plant origin	07-9136	Up to 19 September 2023	Nil	Complied
<u>Philippines</u>							
1.	DIPL Philippines Branch	Securities and Exchange Commission	Licence to Transact Business to carry on the business of import, export, purchase, acquisition, sale at wholesale, insofar as may be permitted by law, of all kinds of health food, traditional medicine, all kinds of confectioneries, food products and groceries on a multi-level marketing basis	A199912396	Effective from 8 September 1999	Only to carry out business according to its primary purpose, which is to carry on the business of import, export, purchase, acquisition, sale at wholesale, insofar as may be permitted by law, of all kinds of health food, traditional medicine, all kinds of confectioneries, food products and groceries on a multi-level marketing basis	Complied
2.	DIPL Philippines Branch	Philippines FDA	LTO as Cosmetic Importer	30000095611 81	Up to 28 January 2025	Nil	Complied

ANNEXURE A: OUR MAJOR LICENCES, PERMITS AND APPROVALS (Cont'd)

No.	Licencee	Approving authority/ Issuer	Description of licence, permit or approval	Licence/ permit/ Serial/ reference no.	Validity period	Major conditions imposed	Status of compliance
3.	DIPL Philippines Branch	Philippines FDA	LTO as Food Wholesaler for Door 2 & 3 Ground Floor Esperanza Bldg. A. C Cortes Ave., Ibabao, Mandaue, Cebu	30000013745 52	Up to 24 April 2024	Nil	Complied
4.	DIPL Philippines Branch	Philippines FDA	LTO as Food Wholesaler for Door 5, Tensu Compound, R. Castillo St., Rafael Castillo, Davao del Sur, 8000	30000013702 60	Up to 21 April 2024	Nil	Complied
5.	DIPL Philippines Branch	Philippines FDA	LTO as Food Wholesaler for 3rd Level Galleria De San Francisco, Penafraancia Avenue, San Francisco, Naga City, Camarines Sur	30000013616 11	Up to 15 June 2024	Nil	Complied
6.	DIPL Philippines Branch	Philippines FDA	LTO as Food Importer for 1498 Quezon Avenue, Brgy. South Triangle, Quezon City, Metro Manila	CFRR-NCR- FI-1114751	Up to 28 January 2027	Nil	Complied
7.	DIPL Philippines Branch	Philippines FDA	LTO as Distributor Importer / Wholesaler of Household/Urban Hazardous Substances for 1498 Quezon Avenue, Brgy. South Triangle, Quezon City, Metro Manila	CCHUHSRR- NCR- HUHSI/W- 1028	Up to 28 March 2025	Nil	Complied

United States

1.	Daxen USA	County of Los Angeles, California	The Los Angeles County Business Licence permits the licensee to operate their business in the county. License is registered at 565 Brea Canyon Road B, Walnut, CA 9178	524410	Up to 30 September 2023	Nil	Complied
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ANNEXURE A: OUR MAJOR LICENCES, PERMITS AND APPROVALS (Cont'd)

No.	Licencee	Approving authority/ Issuer	Description of licence, permit or approval	Licence/ permit/ Serial/ reference no.	Validity period	Major conditions imposed	Status of compliance
2.	Daxen USA	California State Board of Equalization	The California State Board of Equalization Seller's Permit is issued to the licensee to engage in the business of selling tangible personal property at 565 Brea Canyon Road Ste. B, Walnut, CA 91789	97-982875	Effective from 1 March 2002	Nil	Complied
<u>Thailand</u>							
1.	DXN Thailand	Food and Drug Administration, Ministry of Public Health	Licence for Import/Order Food into Thailand	10-3-01342	Up to 31 December 2025	Nil	Complied
2.	DXN Thailand	Food and Drug Administration, Ministry of Public Health	Licence to Import Herbal Products into Thailand	HB 10-2-42-1	Up to 31 December 2024	Nil	Complied
3.	DXN Thailand	Office of The Consumer Protection Board	Letter Confirming the Registration of Direct Sale Business Operation	Nor.Ror. 0307/542	Effective from 21 January 2003	The minimum paid-up capital must be THB1 million (equivalent to RM0.1 million)	Complied
<u>Mongolia</u>							
1.	Daxen Mongolia	The Ministry of Health of Mongolia	Special permit to conduct professional activities in medical field Import and supply of Biologically Active Products	No. XX-18/23/3706	Up to 26 March 2026	Nil	Complied

ANNEXURE A: OUR MAJOR LICENCES, PERMITS AND APPROVALS (Cont'd)

No.	Licencee	Approving authority/ Issuer	Description of licence, permit or approval	Licence/ permit/ Serial/ reference no.	Validity period	Major conditions imposed	Status of compliance
2.	Daxen Mongolia	Governor of Bayanzurkh district (Integrated information system for service, trade and factory in the capital)	Approval to provide services, trade and factory For trade of Biologically Active Products	No. 20220608-7614	Effective from 08 June 2022	Nil	Complied

Notes:

- (1) *In relation to Lot 947, the land was surrendered together with Lot 946 and Lot 761 and re-alienated into Lot 1966 and Lot 1967 which were then subsequently re-surrendered and re-alienated into GM 1291 Lot 60039 and GM 1292 Lot 60041, Mukim Malau, Daerah Kubang Pasu, Kedah. In relation to Lot 1306, new land title has since been issued under GM 1065, Lot 1728 Alor Nipan, Mukim Malau, Daerah Kubang Pasu, Kedah.*
- (2) *The Malaysian Investment Development Authority issued a duplicate copy of the licence (serial number: B 000334) dated 4 June 2010. The original copy of the licence (serial number: A 021200) dated 23 April 2003 is missing.*
- (3) *Application for renewal of the Consent to Operate Order has been made to the authorities and the renewal fee has been paid.*
- (4) *Application for renewal of the Certificate of Renewal of Licence to Manufacture for sale of Ayurvedic Drugs for the next three years has been submitted to the Director of Ayurveda-cum Licensing Authority, Himachal Pradesh.*

ANNEXURE A: OUR MAJOR LICENCES, PERMITS AND APPROVALS (Cont'd)

PRODUCT LICENCES AND CERTIFICATIONS

Details of the product licences and certifications obtained by our Company and the material subsidiaries of our Group for our operations as at the LPD are as follows:

- 1) Malaysia
Halal certificate issued by JAKIM is needed to certify the Halal status of a product sold in Malaysia. JAKIM is appointed as the sole issuer of Halal certificates for any food, goods or related services. As at the LPD, we have obtained Halal certificates for 272 products which comprise F&B and cosmetic products. All the Halal certificates are valid and being complied. The Halal certificates carry a two to three years validity and are renewable upon expiry.
- 2) India
Licence in form C ("**Form C**") under the Food Safety and Standards Act 2006 is required to manufacture, store, distribute, sale and import food in India. Form C state licences are issued by designated officer in the state licensing authority under the relevant state government and the central licences are issued by the designated officer in the central licensing authority under the central government. The Form C licence would also contain a list of product categories against the kind of business undertaken by the licence holder. As at the LPD, we have obtained the Form C for 16 product categories in aggregate which include F&B across 19 states and one union territory in India. All the Form C are valid and being complied. The validity of the Form C will be limited to at least one year and is renewable upon expiry.
- 3) China
The certificate for the record of export food production ("**Certificate of Export**") issued by the Customs Immigration Inspection and Quarantine Bureau, and Yinchuan Customs of the PRC are required for the purpose of food safety requirements for exports from China. As at the LPD, we have obtained the Certificate of Export for 14 products which comprise F&B. All the Certificates of Export are valid and being complied. The Certificates of Export do not have an expiry date and are issued for the long term.

Halal certificates issued by the Halal Certification Services Center Inc. are required to certify the Halal status of a product sold in China. As at the LPD, we have obtained the Halal certificates for 52 products which comprise F&B. All the Halal certificates are valid and being complied. The Halal certificates carry a validity of one year and are renewable upon expiry.
- 4) Mexico
Operation notice is required to be submitted to the Federal Commission for the Protection against Sanitary Risk ("**COFEPRIS**") for each manufacturing, storage and/or commercialisation facility or establishment and all of the products that shall be either manufactured, stored and/or distributed in or from each of those facilities must be registered under the corresponding amendment to the operation notice. As at the LPD, we have obtained the registrations for 55 products which comprise F&B and cosmetic products. All the registrations are valid and being complied. The registrations carry an unlimited validity period.

ANNEXURE A: OUR MAJOR LICENCES, PERMITS AND APPROVALS (Cont'd)

- 5) Indonesia
 Food and Drugs Supervisory Agency / Badan Pengawas Obat dan Makanan (“**B POM**”) Distribution Licence issued by the B POM is required for the distribution of food, beverages, cosmetics and medicines in Indonesia. As at the LPD, we have obtained the distribution licences for 13 health supplement products. All the distribution licences are valid and being complied. The distribution licences carry a five years validity and are renewable upon expiry.

- 6) Peru
 Sanitary registration for F&B and cosmetics products issued by the General Directorate of Environmental Health and General Directorate of Medicines, Supplies, and Drugs respectively are needed to manufacture, import and market the registered products in Peru. As at the LPD, we have obtained sanitary registrations for 41 F&B and 15 cosmetic products. All the sanitary registrations are valid and being complied. The sanitary registrations for F&B carry a five years validity while the sanitary registrations for cosmetic products carry a seven to eight years validity with both being renewable upon expiry.

- 7) Bolivia
 Sanitary registration issued by the National Service of Agricultural Health and Food Safety authorises the manufacture, storage, import, commercialisation and transport of F&B for human consumption in Bolivia. As at the LPD, we have obtained a health registration for 40 F&B. All the health registrations are valid and being complied. The sanitary registration carries a five years validity and is renewable upon expiry.

- 8) Philippines
 The CPR issued by the Philippine FDA serves as an authorisation for importation and distribution of specific health products after evaluation and approval of submitted registration requirements whereas the Cosmetic Product Notification (“**CPN**”) covers establishments and representatives of establishments that shall place cosmetic products in the market. The scope of products regulated would include, but not limited to, cosmetic products, household/urban hazardous substances, drugs, traditional medicine, herbal medicines, processed food products, food supplements, raw materials, ingredients and additives for food. As at the LPD, we have obtained the 108 CPRs and 39 CPNs for products comprising F&B and cosmetic products of which 32 products are not yet distributed in the Philippines. Save for five imported household products and one locally sourced product that do not have CPRs, all the CPRs are valid and being complied. The CPRs carry a validity period of two to five years and are renewable upon expiry.

- 9) United States
 Product registrations are not required for the sale of dietary supplements. In relation to F&B, there are product registration requirements in the United States. Some cosmetic products placed on the market in the United States also require product registration. As at the LPD, we have 29 F&B and 26 cosmetic products being sold in the United States and none of the products require product registration.

ANNEXURE A: OUR MAJOR LICENCES, PERMITS AND APPROVALS (Cont'd)

- 10) Thailand
 The Certificate of Food Registration ("CFR"), the Certificate of Traditional Medicine Registration ("CTMR") and the Certificate of Cosmetics Registration ("CCR") are issued by the Food and Drug Administration, Ministry of Public Health for the purpose of importation and sale of registered products in Thailand. As at the LPD, we have obtained the CFRs for 36 F&B, the CTMRs for two traditional medicine products and the CCRs for 55 cosmetics products. All the registrations are valid and being complied. The CFRs and CTMRs carry a lifetime validity while the CCRs have a three years validity and are renewable upon expiry.
- 11) Colombia
 Sanitary registration issued by INVIMA authorises the import and sale of dietary supplements in Colombia. On the other hand, the INVIMA issues Obligatory Health Notifications to authorise the import and sale of cosmetic products in Colombia. As at the LPD, we have obtained sanitary registration for eight dietary supplements and 25 Obligatory Health Notifications for cosmetic products. All the sanitary registrations are valid and being complied. The Obligatory Health Notifications for cosmetic products will be reduced as DXN Colombia was undertaking a homologation process for four cosmetic products, all of which have been approved by the INVIMA, to recognise DXN Peru's licence for the purpose of continuing to commercialise these products in Colombia. The sanitary registrations for dietary products carry a 10 years validity while the Obligatory Health Notifications for cosmetic products carry a seven years validity, both of which are renewable upon expiry.
- 12) Mongolia
 BAD registration issued by the Ministry of Health is required for the import and supply of biologically active products in Mongolia. As at the LPD, we have obtained the BAD registrations for 18 BADs. All the registrations are valid and being complied. The BAD registrations carry a five years validity and are renewable upon expiry.
- 13) Morocco
 The certificate of registration issued by the Ministry of Health - Medicines and Pharmaceuticals Department authorises the sale of special nutrition dietary supplements and cosmetic and personal care products in Morocco. As at the LPD, we have obtained certificates of registration for nine special nutrition dietary supplements and 11 cosmetic and personal care products. All the certificates of registration are valid and being complied. The certificates of registration carry a one year or five years validity and are renewable upon expiry.

ANNEXURE B: OUR MATERIAL PROPERTIES AND MATERIAL EQUIPMENT

B.1 MATERIAL PROPERTIES OWNED BY OUR GROUP

As at the LPD, details of the material properties owned by our Group are as follows:

No.	Registered owner/Beneficial owner/Title Lot. no./ Postal address/ Tenure	Description of property/ Existing use	Date of issuance of CCC or equivalent	Built-up area/ Land area (approximate) (square metres unless otherwise stated)	Category of land use/ Express condition/ Restriction in interest	Encumbrances on property	NBV as at 31 October 2022 (RM'000)
Malaysia							
1.	DXN Pharma / Geran Mukim 1065 Lot 1728, Mukim Malau, Daerah Kubang Pasu, Negeri Kedah / Kg. Padang Panjang, Jalan Bukit Wang, 06000 Jitra Kedah / Freehold	Single detached pharmaceutical factory, double storey coffee detached factory and double storey detached cosmetic factory with three storey office	Pharmaceutical factory – 30 May 2002 Coffee factory – 29 November 2004 Cosmetic factory – 20 May 2007	Pharmaceutical factory 2,700 Coffee factory 3,337 Cosmetic factory 13,545 / 26,058	<u>Category of land use</u> Industrial ("Perusahaan / Perindustrian") <u>Express condition</u> Industry (Medicinal fungsi) ("Perusahaan (Ubat Kulat)") <u>Restriction in interest</u> Nil	Nil	28,157
2.	DXN Pharma / Geran Mukim 1109 Lot 2116, Mukim Malau, Daerah Kubang Pasu, Negeri Kedah / Kg. Padang Panjang, Jalan Bukit Wang, 06000 Jitra, Kedah / Freehold	Manufacturing and cultivation facilities consisting of a single storey detached warehouse, single storey detached farm office, visitor hall, single storey detached agro dryer building, seven Ganoderma sheds known as Gano Sheds (A), ancillary building comprising stability rooms, souvenir house and storage rooms	Farm office – 21 November 2002 Visitor hall – 28 December 2002 Warehouse – 27 November 2002 Agro dryer building, Gano building, Gano Sheds (A) and ancillary building – Nil ⁽¹⁾⁽²⁾⁽³⁾	Farm office and visitor hall 2,305 Warehouse 2,099 Agro dryer building 111 Ganoderma sheds 1,313 Ancillary building 180 / 14,293	<u>Category of land use</u> Industrial ("Perusahaan / Perindustrian") <u>Express condition</u> Industry (Medicinal fungsi) ("Perusahaan (Ubat Kulat)") <u>Restriction in interest</u> Nil	Nil	2,782

ANNEXURE B: OUR MATERIAL PROPERTIES AND MATERIAL EQUIPMENT (Cont'd)

No.	Registered owner/Beneficial owner/Title Lot. no./ Postal address/ Tenure	Description of property/ Existing use	Date of issuance of CCC or equivalent	Built-up area/ Land area (approximate) (square metres unless otherwise stated)	Category of land use/ Express condition/ Restriction in interest	Encumbrances on property	NBV as at 31 October 2022 (RM'000)
3.	DXN Pharma / Geran Mukim 1089 Lot 2115, Mukim Malau, Daerah Kubang Pasu, Negeri Kedah / Kg. Padang Panjang, Jalan Bukit Wang, 06000 Jitra, Kedah / Freehold	Two single storey detached buildings for grinding and processing of mycelium	5 October 2000	Mycelium processing building 3,374 Grinding building 618 / 8,820	Category of land use Building Express condition The land held under this title to be used as site for one building (business site) only Restriction in interest Restriction against dealings on the land to be developed as business site provided that a tarred road reserve and drainage is built and maintained in accordance with the standards and approval of the Ministry of Works and the Local Authority respectively	Nil	1,826
4.	DXN Pharma / Geran Mukim 1085 Lot 2112, Mukim Malau, Daerah Kubang Pasu, Negeri Kedah / Kg. Padang Panjang, Jalan Bukit Wang, 06000 Jitra, Kedah / Freehold	Cultivation facility consisting of two single storey detached utility cabins, one single storey detached sawdust storage and 14 sheds used for the cultivation of Ganoderma, collectively known as Gano Sheds (C). The properties are currently not in use	Nil ⁽¹⁾⁽²⁾⁽⁴⁾	Ganoderma sheds 3,414 / 8,520	Category of land use Building Express condition The land held under this title to be used as site for one building (business site) only	Nil	513

ANNEXURE B: OUR MATERIAL PROPERTIES AND MATERIAL EQUIPMENT (Cont'd)

No.	Registered owner/Beneficial owner/Title Lot. no./ Postal address/ Tenure	Description of property/ Existing use	Date of issuance of CCC or equivalent	Built-up area/ Land area (approximate) (square metres unless otherwise stated)	Category of land use/ Express condition/ Restriction in interest	Encumbrances on property	NBV as at 31 October 2022 (RM'000)
5.	DXN Pharma / Geran Mukim 1292 Lot 60041, Mukim Malau, Daerah Kubang Pasu, Negeri Kedah / Kg. Padang Panjang, Jalan Bukit Wang, 06000 Jitra Kedah / Freehold	Manufacturing and cultivation facilities consisting of a single storey detached soap factory for the production of household items, four Spirulina ponds for the cultivation of Spirulina and other ancillary buildings such as one switch room, one green house, two storage rooms, one single storey detached solar dry house and one single storey detached warehouse. The properties are currently not in use	Nil ⁽¹⁾⁽²⁾⁽⁵⁾	Soap factory 1,211 Spirulina ponds 2,791 Switch room 72 Green house 37 Storage room 388 Solar dry house 163 Warehouse 364 / 21,460	Category of land use Industrial ("Perusahaan / Perindustrian") Express condition Heavy Industry Site ("Tapak Industri Berat") The land held under this title to be used as site for one industrial building (Heavy Industry Site) only Restriction in interest Restriction against dealings on the land to be developed as business site provided that a tarred road reserve and drainage is built and maintained in accordance with the standards and approval of the Ministry of Works and the Local Authority respectively	Nil	1,984

ANNEXURE B: OUR MATERIAL PROPERTIES AND MATERIAL EQUIPMENT (Cont'd)

No.	Registered owner/Beneficial owner/Title Lot. no./ Postal address/ Tenure	Description of property/ Existing use	Date of issuance of CCC or equivalent	Built-up area/ Land area (approximate) (square metres unless otherwise stated)	Category of land use/ Express condition/ Restriction in interest	Encumbrances on property	NBV as at 31 October 2022 (RM'000)
6.	DXN Pharma / Geran Mukim 16 Lot 832, Mukim Malau, Daerah Kubang Pasu, Negeri Kedah / Kg. Padang Panjang, Jalan Bukit Wang, 06000 Jitra, Kedah / Freehold	30 sheds for cultivation of Ganoderma known as Gano Sheds (B). The properties are currently not in use	Nil ⁽¹⁾⁽²⁾⁽⁶⁾	8,777 / 22,840	<u>Category of land use</u> Agriculture <u>Express condition</u> Commercial Agriculture Land held under this title to be planted with commercial plants (herbs). Other plants may be planted on this land provided the Landowner notifies the Collector of Land Revenue of the change of plant type and the area size of the plantation. Not more than 1/5 of the total acreage of this land or two hectares, whichever is lower, may be used for buildings allowed under Section 115(4) of the NLC. Contravention of the above conditions may result in the reversion of the land to the State Authority pursuant to Section 46 of the NLC.	Nil	2,026
					<u>Restriction in interest</u> Nil		

ANNEXURE B: OUR MATERIAL PROPERTIES AND MATERIAL EQUIPMENT (Cont'd)

No.	Registered owner/Beneficial owner/Title Lot. no./ Postal address/ Tenure	Description of property/ Existing use	Date of issuance of CCC or equivalent	Built-up area/ Land area (approximate) (square metres unless otherwise stated)	Category of land use/ Express condition/ Restriction in interest	Encumbrances on property	NBV as at 31 October 2022 (RM'000)
7.	DXN Pharma / Geran Mukim 978 Lot 1319, Mukim Malau, Daerah Kubang Pasu, Negeri Kedah / Kg. Padang Panjang, Jalan Bukit Wang, 06000 Jitra, Kedah / Freehold	Cultivation facility consisting of one single storey detached spray dry building, 12 Spirulina ponds, one single storey detached R&D biochar building, two single storey detached R&D alternative fuel office/workshop, one single storey detached ceramic building, one single storey detached vehicle workshop, one single storey detached machinery store, two plastic houses and one storage room. The properties are currently not in use	Nil ⁽¹⁾⁽²⁾⁽⁷⁾	Spray dry building 1,054 R&D biochar building 324 R&D alternative fuel offices / workshops and plastic houses 1,074 Ceramic building 220 Vehicle workshop 96 Machinery store 1,008 Spirulina ponds 6,077 Storage room 117 / 21,780	<u>Category of land use</u> Agriculture ⁽⁶⁾ <u>Express condition</u> Special Condition for Plant Type & (Rubber Plants) ("Syarat Khas Bagi Jenis Tanaman & (Tanaman Getah)") (i) Land held under this title to be planted with rubber trees, oil palm, coconut trees. Other plants may be planted on this land provided the Landowner notifies the Collector of Land Revenue of the change of plant type and the area size of the plantation (ii) Not more than 1/10 of this land may be used for buildings allowed under Section 115(4) of the NLC	Nil	1,264
					<u>Restriction in interest</u>		
					Nil		

ANNEXURE B: OUR MATERIAL PROPERTIES AND MATERIAL EQUIPMENT (Cont'd)

No.	Registered owner/Beneficial owner/Title Lot. no./ Postal address/ Tenure	Description of property/ Existing use	Date of issuance of CCC or equivalent	Built-up area/ Land area (approximate) (square metres unless otherwise stated)	Category of land use/ Express condition/ Restriction in interest	Encumbrances on property	NBV as at 31 October 2022 (RM'000)
8.	DNX Pharma / Geran Mukim 2158 Lot 2729, Mukim Binjal, Daerah Kubang Pasu, Negeri Kedah / Kg. Padang Panjang, Jalan Bukit Wang, 06000 Jitra, Kedah / Freehold	15 sheds for the cultivation of Ganoderma and mushrooms, one single storey detached mushroom bag log production building known as Gano Binjal 1 and ancillary buildings such as one water tank and one retention pond. The properties are currently not in use	Nil ⁽¹⁾⁽⁹⁾	2,409 / 18,170	<u>Category of land use</u> Agriculture <u>Express condition</u> ⁽¹⁰⁾ Rubber Plantation ("Kebun Getah") Prohibited from erecting or building any type of factory on this land without a letter of approval from the Principal Agricultural Officer	Nil	1,779
9.	DNX / Geran Mukim 7819 Lot 5893, Bandar Alor Setar, Daerah Kota Setar, Negeri Kedah / Wisma DXN, 213, Lebuhraya Sultan Abdul Halim, 05400 Alor Setar, Kedah / Freehold	Three storey detached headquarters office building known as Wisma DXN	5 August 1995	495 / 193	<u>Category of land use</u> Building <u>Express condition</u> The land held under this title to be used as site for one building for business and office only	Nil	1,138

ANNEXURE B: OUR MATERIAL PROPERTIES AND MATERIAL EQUIPMENT (Cont'd)

No.	Registered owner/Beneficial owner/Title Lot. no./ Postal address/ Tenure	Description of property/ Existing use	Date of issuance of CCC or equivalent	Built-up area/ Land area (approximate) (square metres unless otherwise stated)	Category of land use/ Express condition/ Restriction in interest	Encumbrances on property	NBV as at 31 October 2022 (RM'000)
10.	DXN Mycotech / Geran No. 337285 Lot 10084, Bandar Cyberjaya, Daerah Sepang, Negeri Selangor / N/A / Freehold	Three storey wellness and retreat centre and 150 units of service suite known as DXN Cyberville	4 February 2022 ⁽¹⁾	23,708 / 19,578	<u>Category of land use</u> Building <u>Express condition</u> Business building <u>Restriction in interest</u> The land held under this title shall not be transferred, leased or charged without prior consent from the State Authority	This land was charged to OCBC Bank (Malaysia) Berhad vide No. Peiserahan 36536/2016 on 28 April 2016 and is still subsisting	75,428
11.	Amazing Discovery / (3 Lots) Geran No. 49061 Lot 587, Geran No. 49067 Lot 671 and Geran Mukim 338 Lot 10048, all in Mukim 1, Daerah Barat Daya, Negeri Pulau Pinang / 8, Jalan Teluk Bahang, Teluk Bahang, 11050, Pulau Pinang / Freehold	Glamping site known as Boulder Valley consisting of 25 single storey camping sites, one block double storey support facility building, two blocks double storey employees' hostel, 10 single storey camping sites, 10 single storey "treehouse" camping sites and one block triple storey support facility building	24 December 2018	3,009 / 97,861	<u>Category of land use</u> Nil ("Tiada") <u>Express condition</u> 1. The land comprised in this title shall not be affected by any provision of the NLC or any other written law prohibiting mining or the removal of specified materials beyond the boundaries of the land	<u>Lots 587 and 671:</u> These lands were charged to United Overseas Bank (Malaysia) Bhd vide No. Peiserahan 0799SC202203 5569 on 19 September 2022 and are still subsisting	22,648

ANNEXURE B: OUR MATERIAL PROPERTIES AND MATERIAL EQUIPMENT (Cont'd)

No.	Registered owner/Beneficial owner/Title Lot. no./ Postal address/ Tenure	Description of property/ Existing use	Date of issuance of CCC or equivalent	Built-up area/ Land area (approximate) (square metres unless otherwise stated)	Category of land use/ Express condition/ Restriction in interest	Encumbrances on property	NBV as at 31 October 2022 (RM'000)
					<p>2. The provision of the law in relation to the creation of a private right of way shall apply to this land</p> <p><u>Restriction in interest</u> Nil</p> <p><u>Lot 10048:</u></p> <p><u>Category of land use</u> Building</p> <p><u>Express condition</u> The land comprised in this title shall be used for the purpose of a tourism building only</p> <p><u>Restriction in interest</u> The land comprised in this title shall not be transferred, leased, sub-leased or charged in any way without prior written consent from the State Authority</p>	<p><u>Lot 10048:</u> This land was charged to United Overseas Bank (Malaysia) Bhd vide No. P/serahan 0705SC202200 2684 on 7 December 2022 and is still subsisting</p>	
					<p><u>Category of land use</u> Industrial/Office</p> <p><u>Express condition</u> N/A</p>	Nil	17,671
China							
1.	DNX Corporation Ningxia / No.11, Zi Qiang Road, Shizuishan High Tech Industry Development Zone,	Industrial land as manufacturing facility consisting of: a) five-storey office building;	<u>For building d):</u> 30 June 2020 ⁽¹²⁾	Office 4,272 Canteen 763			

ANNEXURE B: OUR MATERIAL PROPERTIES AND MATERIAL EQUIPMENT (Cont'd)

No.	Registered owner/Beneficial owner/Title Lot. no./ Postal address/ Tenure	Description of property/ Existing use	Date of issuance of CCC or equivalent	Built-up area/ Land area (approximate) (square metres unless otherwise stated)	Category of land use/ Express condition/ Restriction in interest	Encumbrances on property	NBV as at 31 October 2022 (RM'000)
	Dawukou District, Shizuishan City, Ningxia 753000 / Term of use of 50 years from 18 June 2010 to 17 June 2060	<p>b) two-storey canteen;</p> <p>c) three-storey residential building for workers' accommodation;</p> <p>d) three single-storey factory buildings;</p> <p>e) three-storey office attached to two-storey production factory; and</p> <p>f) double storey support facilities building</p>	<p>For land & buildings a), b) & c):</p> <p>27 July 2017⁽¹³⁾</p>	<p>Dormitory 4,002</p> <p>Factory buildings 5,902</p> <p>Office attached factory building 13,031</p> <p>Support facilities building 1,769 / 68,098</p>	<p>Restriction in interest</p> <p>N/A</p>		
2.	DXN Agrotech Ningxia / North of Longma Road, east of Binhu Avenue, and south of Yushantan Street, Zaoxiang Village, Xinghai Town, Dawukou District, Ningxia 753000 / Term of use of 20 years from 1 December 2020 to 30 November 2040	Proposed mycelium factory the construction of which has been completed and expected to commence operation upon obtaining the CCC equivalent	<p>For land:</p> <p>18 February 2021⁽¹⁴⁾</p>	<p>N/A / 8,001</p>	<p>Category of land use</p> <p>Industrial</p> <p>Express condition</p> <p>N/A</p> <p>Restriction in interest</p> <p>N/A</p>	<p>Nil</p>	<p>22,056</p>

ANNEXURE B: OUR MATERIAL PROPERTIES AND MATERIAL EQUIPMENT (Cont'd)

No.	Registered owner/Beneficial owner/Title Lot. no./ Postal address/ Tenure	Description of property/ Existing use	Date of issuance of CCC or equivalent	Built-up area/ Land area (approximate) (square metres unless otherwise stated)	Category of land use/ Express condition/ Restriction in interest	Encumbrances on property	NBV as at 31 October 2022 (RM'000)
1.	India DXN Manufacturing India ⁽¹⁵⁾ / Telangana: UDL Land situated at Siddipet Industrial Park in Sy. No. 392 of Mandapally Village, Siddipet (Urban) Mandal and in Sy.No.206 of Rajagopaleet Village of Nanganoor Mandal, Siddipet District, Telangana / Survey No. 392 and 206, Siddipet Industrial Park, Rajagopalpet and Mandapally Vilage, Nangunoor Mandal, Siddipet Dist-502267, Siddipet, Telangana -502267 Freehold	Manufacturing and cultivation facilities consisting of: a) three storey administrative building; b) cosmetic factory; c) coffee factory; d) single storey wet food factory; e) GMP factory; f) utility building; g) scrap yard; h) integrated warehouse; i) gateway structure; j) four spirulina ponds; k) toiletries factory; l) commercial lab; m) double storey canteen building; and n) two security cabins	Occupation Certificate dated 12 November 2021 Completion Certificate dated 13 September 2021	107,504 / 189,919	Category of land use Factory – The UDL Land is allotted only for Processing Integrated Cultivated and Manufacturing unit for Spirulina and Ganoderma based nutraceutical products Express condition Industrial Restriction in interest N/A	Nil	68,356

ANNEXURE B: OUR MATERIAL PROPERTIES AND MATERIAL EQUIPMENT (Cont'd)

No.	Registered owner/Beneficial owner/Title Lot. no./ Postal address/ Tenure	Description of property/ Existing use	Date of issuance of CCC or equivalent	Built-up area/ Land area (approximate) (square metres unless otherwise stated)	Category of land use/ Express condition/ Restriction in interest	Encumbrances on property	NBV as at 31 October 2022 (RM'000)
2.	DXN Manufacturing India / Tamil Nadu: Property 1 – situated at Thiruvandar Koil Revenue Village bearing R.S. No. 141/4, in the district of Pondicherry, in the registration sub-district of Thirukanur, within Mannadipet, Commune, Panchayat Limits	Cultivation and manufacturing facilities consisting of factory buildings for the cultivation and manufacturing of Spirulina, juice and virgin coconut oil and a warehouse	Part Occupancy Certificate dated 17 March 2022 ⁽¹⁶⁾	6,123 / 72,627	Category of Land use – Healthcare (Industrial Products) Express condition – Industrial Restriction in interest N/A	Nil	5,663
	Property 2 – situated at Thiruvandar Koil Revenue Village bearing Cadastre No. 76, 75 Pt. R.S. No. 143/4 and Cadastre No. 75 Pt. R.S. No. 143/8A in the registration district of Pondicherry, in the registration sub-district of Thirukanur, within Mannadipet, Commune, Panchayat Limits						

ANNEXURE B: OUR MATERIAL PROPERTIES AND MATERIAL EQUIPMENT (Cont'd)

No.	Registered owner/Beneficial owner/Title Lot. no./ Postal address/ Tenure	Description of property/ Existing use	Date of issuance of CCC or equivalent	Built-up area/ Land area (approximate) (square metres unless otherwise stated)	Category of land use/ Express condition/ Restriction in interest	Encumbrances on property	NBV as at 31 October 2022 (RM'000)
	Property 3 – situated at Thiruvandar Koil Revenue Village bearing Cadastre No. 94 Pt. R.S. No. 152/5 and Cadastre No. 94 Pt. R.S. No. 152/6 in the registration district of Pondicherry, in the registration sub-district of Thirukanur, within Mannadipet, Commune, Panchayat Limits						
	Property 4 – situated at Thiruvandar Koil Revenue Village bearing R.S. No. 142/5, 141/4 in the district of Pondicherry, in the registration sub-district of Thirukanur, within Mannadipet, Commune, Panchayat Limits						
	Property 5 – situated at Thiruvandar Koil Revenue Village bearing Cadastre No. 94 Pt. R.S. No. 152/5 and Cadastre No. 94 Pt. R.S. No. 152/6 in the registration district of Pondicherry, in the registration sub-district of Thirukanur, within Mannadipet, Commune, Panchayat Limits /						

ANNEXURE B: OUR MATERIAL PROPERTIES AND MATERIAL EQUIPMENT (Cont'd)

No.	Registered owner/Beneficial owner/Title Lot. no./ Postal address/ Tenure	Description of property/ Existing use	Date of issuance of CCC or equivalent	Built-up area/ Land area (approximate) (square metres unless otherwise stated)	Category of land use/ Express condition/ Restriction in interest	Encumbrances on property	NBV as at 31 October 2022 (RM'000)
	R.S. No. 141/4 & 142/5, Whiripool Road, Thiruvandar Koil, Mannadipet Commune, Pondicherry 605102 / Freehold						
Indonesia							
1.	Daxen Indonesia / Right-to-Build/Hak Guna Bangunan (HGB) No. 46/Cicadas / Gunung Putri, Bogor, Jawa Barat	Manufacturing facility consisting of factory buildings, staff hostel, warehouse, musalla and guard posts	13 October 2022 ⁽¹⁷⁾	1,309 / 4,120	<u>Category of land use</u> Construct and own the building over land <u>Express condition</u> N/A <u>Restriction in interest</u> N/A	Nil	362
	Leasehold for the period expiring on 29 November 2024						
Mexico							
1.	DXN México / Lot 3 Block 18, in Ciudad Industrial Xicohténcatl, Comunidad de José María Morelos y Pavón, Municipality of Tetla, State of Tlaxcala	Manufacturing facility for the manufacture of coffee and chocolate products for distribution in Mexico	Civil Protection Programme dated 6 April 2022 ⁽¹⁸⁾	1,814 / 20,000	<u>Category of land use</u> Industrial land use <u>Express condition</u> N/A <u>Restriction in interest</u> N/A	Nil	2,222

ANNEXURE B: OUR MATERIAL PROPERTIES AND MATERIAL EQUIPMENT (Cont'd)

No.	Registered owner/Beneficial owner/Title Lot. no./ Postal address/ Tenure	Description of property/ Existing use	Date of issuance of CCC or equivalent	Built-up area/ Land area (approximate) (square metres unless otherwise stated)	Category of land use/ Express condition/ Restriction in interest	Encumbrances on property	NBV as at 31 October 2022 (RM'000)
2.	DXN Mexico / A fraction of Lot C of property number 281 of kilometer 7.5 of route Mena- CIX-I, located in Ciudad Industrial Xicohténcatl I, Tetla de la Solidaridad, Tlaxcala, located in the ejido of N.C.P.E. Plan de Ayala	Manufacturing facility for the manufacture of coffee products, food supplements and beverages	Civil Protection Programme dated 2 June 2022 ⁽¹⁸⁾	9,725 / 44,542	Category of land use Industrial land use Express condition DXN Mexico acquired the property with retention of title from Fideicomiso de la Ciudad Industrial Xicohténcatl. The retention of title shall be cancelled once DXN Mexico completes the construction of the project (Industrial building). The project has been completed. In the event of a sale, Fideicomiso de la Ciudad Industrial Xicohténcatl has the right of first refusal.	Nil	20,285
					Restriction in interest N/A		

ANNEXURE B: OUR MATERIAL PROPERTIES AND MATERIAL EQUIPMENT (Cont'd)

Notes:

- (1) The CCC or equivalent has yet to be obtained and we have since vacated and ceased operations at the premises.
- (2) Our applications for KM/KMT were rejected by the Kubang Pasu Municipal Council ("KPMC") on 20 August 2022 and 20 September 2022 due to Tenaga Nasional Berhad's ("TNB") objection following the facility's access roads running along TNB's high tension lines. We have subsequently submitted our proposal on our internal road arrangements plan to TNB. TNB has on 13 October 2022 and 24 November 2022 indicated that they have no objection to the same and requested for additional documents, which were submitted to TNB on 18 January 2023. TNB has on 9 April 2023 issued an official approval letter. In accordance with our internal road arrangements plan submitted to TNB, we intend to construct new access roads across the facility ("**New Access Roads**").
- (3) Our 14 April 2022 application for KM approval to the KPMC was rejected due to TNB's objections (see note (2) above). To accommodate the construction of the New Access Roads, we intend to (i) demolish the agro dryer building, Gano Sheds (A) and the ancillary buildings, and (ii) construct new warehouse, canteen, office and guardhouse. We had on 6 April 2023 submitted a new KM application and shall commence the demolition and construction works upon receipt of the KM approval. As advised by the KPMC and upon receipt of the KM approval, we also expect to submit an application for the surrender of GM 1109 Lot 2116 and its adjoining land held under GM 1134 Lot 2150 for re-alienation by the Kubang Pasu Land & District Office ("**PDT Kubang Pasu**") into one amalgamated industrial title. We expect to obtain the approval for the surrender of GM 1109 Lot 2116 and GM 1134 Lot 2150 for re-alienation into one amalgamated industrial title by August 2024.
- (4) Our 11 November 2021 application for KM approval to the KPMC was rejected due to TNB's objections (see note (2) above). To accommodate the construction of the New Access Roads, we intend to demolish all structures on the land consisting of two cabins, 14 Ganoderma sheds and the sawdust storage. We expect the demolition to be completed by April 2023.
- (5) Our 19 April 2022 application for KM approval to the KPMC was rejected due to TNB's objections (see note (2) above). To accommodate the construction of the New Access Roads, we intend to demolish all structures on the land consisting of the old soap factory, greenhouse, storage, four Spirulina ponds, a solar house and a cabin. We expect the above demolition to be completed by April 2023. We currently source Spirulina from DXN Agrotech Ningxia's Spirulina cultivation farms in China and third-party suppliers.
- (6) Our 26 May 2022 application for KMT approval to the KPMC was rejected due to TNB's objections (see note (2) above). To accommodate the construction of the New Access Roads, we intend to enlarge an existing connecting bridge. We had on 26 March 2023 re-submitted the KMT application to the KPMC. Upon receipt of the KMT approval, we expect to submit the application for PS approval to the KPMC and we expect to obtain the PS for Gano Sheds (B) by November 2023. A PS is sought as we are unable to apply for a KM approval due to the zoning of the land which is zoned for agriculture whereas the KPMC deems the operations on the land as industrial.
- (7) Our 19 April 2022 application for KM approval to the KPMC was rejected due to TNB's objections (see note (2) above). To accommodate the construction of the New Access Roads, we intend to demolish all structures on the land save for the spray dry building, two Spirulina ponds and the machinery store. We expect the above demolition to be completed by April 2023 and had on 26 March 2023 submitted a new KMT application to the KPMC. Upon receipt of the KMT approval, we expect to submit the application for PS approval to the KPMC and expect to obtain the PS for the spray dry building, two Spirulina ponds and the machinery store by November 2023. We currently source Spirulina from DXN Agrotech Ningxia's Spirulina cultivation farms in China and third-party suppliers.
- (8) Upon receipt of the KMT approval, we expect to submit the application for the surrender and re-alienation and amalgamation with GM1292 Lot 60041 for the variation of the category of land use to "Industrial" and the express condition of the land to allow for the manufacturing and cultivation of Spirulina thereon by May 2023 to PDT Kubang Pasu. We expect to obtain the approval for the surrender and re-alienation for the variation of category of land use and amalgamation with GM1292 Lot 60041 into one industrial title by December 2023.

ANNEXURE B: OUR MATERIAL PROPERTIES AND MATERIAL EQUIPMENT (Cont'd)

- (9) *We had on 13 December 2021 submitted the application for the KMT approval and had since obtained the approval for the KMT application for a validity period of three years, subject to an annual renewal. We have on 22 June 2022 submitted our application for PS and have on 24 July 2022 received a preliminary conditional approval and have on 29 August 2022 received a final conditional approval subject to fulfilment of certain conditions. We are in the process of performing renovation works in accordance with the conditions of the KPMC. A PS is sought as we are unable to apply for a KM due to the zoning of the land which is zoned for residential whereas the KPMC deems the operations on the land as industrial.*
- (10) *We had on 6 March 2022 submitted to PDT Kubang Pasu the application for the State Authority consent for the usage of agricultural land for other purpose than stated in the land title to allow for the manufacturing and cultivation of Ganoderma thereon. We have on 18 January 2023 received a temporary permit to use the agricultural land for purposes other than stated in the land title which is valid until 31 December 2023 and is renewable annually.*
- (11) *The partial CCC for the first phase of the property was issued on 4 February 2022. Construction of the second phase of the wellness and retreat centre was completed on 10 November 2022. We are in the process of obtaining the CCC for the second phase pending inspection of lifts by the DOSH.*
- (12) *Ningxia Property Ownership Certificate No. Ning (2020) Shizuishan City Real Estate No. D0005075 dated 30 June 2020 issued for the land use right of the industrial land and property.*
- (13) *Ningxia Property Ownership Certificate No. Ning (2017) Shizuishan City Dawukou District Real Estate No. 0008002 dated 27 July 2017 issued for the buildings erected on the industrial land and property.*
- (14) *Ningxia Property Ownership Certificate No. Ning (2021) Shizuishan City Real Estate No. D000137 dated 18 February 2021 issued for the land use right of the industrial land.*
- (15) *Sale deed transferring the property to DXN Manufacturing India is expected to be executed by Telangana State Industrial Infrastructure Corporation Limited by 30 April 2023.*
- (16) *The part occupational certificate was issued by the Puducherry Planning Authority ("PPA") for the existing buildings on Properties 1 to 5. The company will apply to the PPA for a full occupational certificate after completion of construction of two other buildings which are yet to be constructed per the approved building plan.*
- (17) *SLF No. SK-SLF-320102-13102022-001 dated 13 October 2022 issued for the buildings erected on the property and is valid for a period of five years from the date of issuance.*
- (18) *The Civil Protection Programme is renewed annually.*

Save as disclosed above, none of the properties are in breach of any land use conditions and/or are in non-compliance with current statutory requirements, land rules or building regulations which will have a material adverse impact on our operations or the utilisation of our assets on the said properties. No valuations have been conducted on any of the properties disclosed above.

ANNEXURE B: OUR MATERIAL PROPERTIES AND MATERIAL EQUIPMENT (Cont'd)

B.2 MATERIAL PROPERTIES LEASED/TENANTED BY OUR GROUP

As at the LPD, details of the material properties leased/tenanted by our Group are as follows:

No.	Name of lessor/lessee or landlord/tenant or tenant or sub-tenant/Lot. no./Postal address	Description of property/ Existing use	Date of issuance of CCC or equivalent	Built-up area / Land area (approximate) (square metres unless otherwise stated)	Period of tenancy or lease	Annual rental (RM unless otherwise stated)
Malaysia						
1.	Darulaman Realty Sdn Bhd (lessor) / DXN Industries (lessee) H.S.(D) 7953 PT 2365 and H.S.(D) 19781 PT 1784 both located on Bandar Darul Aman, Daerah Kubang Pasu, Negeri Kedah	One storey building / Ceramic production and R&D	29 November 1994	Main building 3,600 Facility building 139	60-year lease from 23 April 1991 to 22 April 2051	N/A ⁽¹⁾
	Plot 75, Jalan Polimas, Kawasan Perindustrian Darulaman, 06000 Jitra, Kedah			Canteen 310 Guard post 24 / 13,679		
China						
1.	DXN Agrotech Ningxia (consignee) / Zaoxiang Villagers Committee (consignor) North of Longma Road, east of Binhu Avenue, and south of Yushantan Street, Zaoxiang Village, Xinghai Town, Dawukou District, Ningxia 753000	Plantation for the cultivation and processing of Spirulina and agro-based plantation	N/A	157,309 / 666,666.7	1 March 2017 to 31 December 2028	Cultivated land RMB420/mu ⁽²⁾ and wasteland RMB200/mu ⁽²⁾

ANNEXURE B: OUR MATERIAL PROPERTIES AND MATERIAL EQUIPMENT (Cont'd)

No.	Name of lessor/lessee or landlord/tenant or tenant or sub-tenant/Lot. no./Postal address	Description of property/ Existing use	Date of issuance of CCC or equivalent	Built-up area / Land area (approximate) (square metres unless otherwise stated)	Period of tenancy or lease	Annual rental (RM unless otherwise stated)
India						
1.	Daxen Agritech (lessee) / Pranabananda Das (lessor) Khata No. 115/290, Sukai Kateni, Plot No 648, 615, 617, 630 & 619 Sukai Kateni, Dhenkanal Sadar, Dhenkanal Odisha	Cultivation facility used for the cultivation of RG; incubation grinding & drying, RG cooking & administration office	N/A	4,129 / 28,328	Out of the total 28,328 square metres, 4,047 square metres are leased up to 22 December 2035 and the balance 24,281 square metres are leased up to 22 December 2030	INR82,280 for 24,281 square metres INR13,800 for 4,047 square metres
2.	Daxen Agritech (lessee) / HP State Industrial Department through Governor of Himachal Pradesh (lessor) Plot No. 120, Industrial Area, Baddi District, Solan, Himachal Pradesh	Manufacturing facility for the manufacture of Ayurvedic medicine and coffee products	N/A	482 / 800	Valid up to 16 March 2084	N/A ⁽³⁾

Notes:

- (1) *DXN Industries purchased the lease for the properties for a consideration amount of RM4,000,000 from the previous lessee and the lease agreement between Darulaman Realty Sdn Bhd and the previous lessee was subsequently assigned to DXN Industries via a deed of assignment dated 2 December 2019.*
- (2) *"Mu" is a unit of land measurement with a conversion rate of 1 mu being equivalent to 666.7 square metres.*
- (3) *Daxen Agritech purchased the lease for the property for a consideration amount of INR48,505 (equivalent to RM2,717).*

None of the properties are in breach of any land use conditions and/or are in non-compliance with current statutory requirements, land rules or building regulations which will have a material adverse impact on our operations or the utilisation of our assets on the said properties. No valuations have been conducted on any of the properties disclosed above.

ANNEXURE B: OUR MATERIAL PROPERTIES, PLANTS AND EQUIPMENT (Cont'd)**B.3 MATERIAL EQUIPMENT**

The material plants and equipment used by our business operations are as follows:

Description	NBV as at 31 October 2022 (RM'000 unless otherwise stated)
Machinery and equipment at the cultivation and manufacturing facilities in Telangana, India comprising, among others, 41 utilities related equipment such as air compressors, diesel generators and various plant operation systems, equipment and machinery involved in the cultivation of Ganoderma and Spirulina such as autoclaves, grinding machines and dryers, two bottle filling machines, three powder compaction machines, three capsule filling machines, four tablet compression machine, four packing machines, 10 blending machines, three mixing machines, various other machines involved in manufacturing activities, lab test equipment, as well as various other production tools and implements as well as general use equipment	16,550
Machinery and equipment at the cultivation and manufacturing facilities in Kedah, Malaysia comprising, among others, three solar panel systems, 91 coffee production machines, 202 packing machines, 54 juice line production machines, 23 curry paste machines, 76 laboratory equipment, 44 personal care production machines, 16 capsuling machines, 31 skin care and cosmetic production machines, 46 grinding machines, 11 tableting machines, one household production machine, and various other production tools and implements as well as general use equipment	16,454
Machinery and equipment at the Spirulina cultivation and manufacturing facilities in Ningxia, China comprising, among others, seven units of water supply system equipment such as pumps and water treatment systems, 10 units of harvesting and filtering machines, two spray dry machines, a heating supply system, two grinding machines, seven warehousing equipment including forklifts, loaders and cabinets, four mixing machines, two air compressor, one generator, four equipment relating to aquaculture R&D including a wave maker and a fish feed granulator, seven equipment relating to agro R&D including micro-cultivators and related instruments and various other production tools and implements as well as general use equipment	4,827
Machinery and equipment at the manufacturing facility in Tlaxcala, Mexico comprising, among others, 48 coffee production machines, four Ganoderma production machines, three packing machines and various other production tools and implements as well as general use equipment	3,352

ANNEXURE B: OUR MATERIAL PROPERTIES, PLANTS AND EQUIPMENT (Cont'd)

Description	NBV as at 31 October 2022 (RM'000 unless otherwise stated)
Machinery and equipment at the coffee and beverage manufacturing facility in Ningxia, China comprising, among others, 12 tableting machines, 16 packing machines, four noodle-making machines, 10 enzyme and jam pre-processing machines, 25 facilities supporting machines such as generators, conveyor belts, compressors and water tanks, five carbonated machine, seven batch printing equipment, six metal detectors, five grinding machines, nine sterilization equipment and various other machines involved in the manufacturing process as well as other production tools, implements and general use equipment	3,160
Machinery and equipment at the cultivation and manufacturing facilities in Pondicherry, India comprising, among others, 25 machines relating to the production of Spirulina products such as Spirulina capsule filling and polishing machines, Spirulina tablet machines and other related Spirulina processing tools, 21 machines relating to the production of juice products such as juice filling machines, juice capping machines and other juice product related processing tools, nine machines relating to the production of virgin coconut oil products such as filling machines, packing machines, a virgin coconut oil shelling machine, other virgin coconut oil related processing tools and various other production tools and implements as well as general use equipment	1,160
Machinery and equipment at the manufacturing facility in Himachal Pradesh, India comprising, among others, four stick pack filling machines, 24 capsule filling machines, three mixing machines, six packing machines, three tablet machine, one labelling machine, one sealing machine and various other related processing tools and general use equipment	957
Machinery and equipment at the cultivation facility in Odisha, India comprising, among others, eight grinding machines, cultivation related machinery and equipment such as electrical installations, irrigation systems, generators and boilers, two lab equipment, two drilling machine and various other production tools and implements as well as general use equipment	966
	47,426


ANNEXURE C: OUR TRADEMARKS, BRAND NAMES AND OTHER INTELLECTUAL PROPERTY RIGHTS

Save as disclosed below, as at the LPD, we do not have any patents, trademarks, brand names, technical assistance agreements, franchises and other intellectual property rights which our Group's business or profitability is materially dependent on:


Trademarks

As at the LPD, we have registered over 500 trademarks (which includes trade dress) which are used for our operations in over 40 countries. We have the following material trademarks in the principal markets that we operate:

Malaysia

No.	Trademark ⁽¹⁾	Registered owner / Applicant	Registration no.	Place of registration	Expiry date	Class/ Description of trademark
1.		DXN (Registered owner)	(i) 07023599 (Class 3); (ii) 07023600 (Class 30); and (iii) 07023601 (Class 32)	Malaysia	30 November 2027	3: Toothpaste; dentifrices; soap; body foam; shampoo; conditioner; lotion; skin cleansing gel; milk and foam; toner; moisturizer; skin cream; perfume; cosmetics; household cleaning products; car wash soap; dish washing detergent; all included in Class 3. 30: Coffee, artificial coffee; tea; herbal tea; candy; sweets; herbal candy; cocoa beverages; soy based beverages; vinegar; all included in Class 30. 32: Mineral water; aerated water; fruit juice; fruit drinks; syrup; non-alcoholic beverages; enzymatic drinks; all included in Class 32.
		DXN Industries (Registered owner)	(i) 2017014245 (Class 11); and (ii) 2017014244 (Class 21)	Malaysia	22 December 2027	11: Apparatus for lighting, heating, steam generating, cooking, refrigerating, drying, ventilating, air filter, water supply, sanitary purposes, electric kettle, filters for drinking water, water purifying apparatus and machines, electric pot and electric appliances for making yoghurt; all included in Class 11.

ANNEXURE C: OUR TRADEMARKS, BRAND NAMES AND OTHER INTELLECTUAL PROPERTY RIGHTS (Cont'd)

No.	Trademark ⁽¹⁾	Registered owner / Applicant	Registration no.	Place of registration	Expiry date	Class/ Description of trademark
2.		DXN (Registered owner)	95011178	Malaysia	20 October 2032	21: Household or kitchen utensils and containers; cooking pots and pans, glassware, porcelain and earthenware not included in other classes, crockery, mugs, and toothbrushes; electric and non-electronic; all included in Class 21. 5: Pharmaceutical preparations included in Class 5.
3.		DXN (Registered owner)	TM2020024331	Malaysia	20 October 2030	3: Baby oils (toiletries); body and beauty care preparations for cosmetic purposes; car wash detergents; cleansing foam; cosmetic creams and gels for the face, hands and body; cosmetics; dentifrices; dishwasher detergents; herbal extracts for cosmetic purposes; lipsticks; moisturizers; perfumes; shampoos; soap; talcum powder for cosmetic purposes; toothpaste; skin creams; toners for cosmetic use; skin cleansers; lotions for cosmetic purposes; tea-tree oil; massage oils; toiletry preparations; face masks (cosmetics); eye creams; household cleaning products; eyeliner; mascara; blusher; eyebrow pencils; lip glosses; eyeshadows; make-up removers; foundation; facial serums; beauty masks; facial masks.




ANNEXURE C: OUR TRADEMARKS, BRAND NAMES AND OTHER INTELLECTUAL PROPERTY RIGHTS (Cont'd)

No.	Trademark ⁽¹⁾	Registered owner / Applicant	Registration no.	Place of registration	Expiry date	Class/ Description of trademark
5:						Bee pollen for use as a dietary food supplement; food for babies; antibacterial pharmaceuticals; antibacterial preparations; balms for medical purposes; cough syrups; cough drops; dietary food supplements; disinfectants for chemical toilets; pearl powder for medical purposes; pharmaceutical preparations; probiotic bacteria (food supplements); traditional Chinese medicines; dietary and nutritional supplements; dietetic preparations adapted for medical purposes; herbal supplements; herbal teas for medicinal purposes; herbal medicines; vitamin supplements; pills for pharmaceutical purposes; serums.
30:						Artificial coffee; cocoa-based beverages; coffee; candy mints; caramels (sweets); candies; cocoa; coffee-based beverages; goji berry tea; herbal tea preparations for making beverages; herbal teas, other than for medicinal use; sweets; tea; tea-based beverages; vinegar; fermented tea; baked goods; black tea; fruit vinegar; honey; breakfast cereals; brewed coffee; butter cookies; cappuccino; cereals prepared for human consumption; chili paste for use as a seasoning; chocolate; cookies; yogurt confectionery; curry paste; green tea; instant noodles; oolong tea (Chinese tea).
32:						Aerated water; fruit beverages; fruit juices; mineral water; non-alcoholic beverages; soya-based beverages, other than milk substitutes; syrups for beverages; aloe vera drinks, non-alcoholic; drinking water; fruit-based beverages.






ANNEXURE C: OUR TRADEMARKS, BRAND NAMES AND OTHER INTELLECTUAL PROPERTY RIGHTS (Cont'd)

No.	Trademark ⁽¹⁾	Registered owner / Applicant	Registration no.	Place of registration	Expiry date	Class/ Description of trademark
3.	DXN	DXN (Registered owner)	(i) 04008739 (Class 3); (ii) 04008736 (Class 16); (iii) 04008735 (Class 30); and (iv) 04008738 (Class 32)	Malaysia	25 June 2024	<p>3: Cosmetics; cleansers; creams; lotions; hair lotions; toiletries; soaps; toothpaste; shower gels; shower foams; body foam; shampoos; dentifrices; cleaning preparations; perfumery; essential oils; all included in Class 3.</p> <p>16: Newsletters; envelopes; printed publications; notebooks; stationery; tickets; writing pads; document files; adhesive tapes; stickers; letterheads; all included in Class 16.</p> <p>30: Coffee beverages; artificial coffee; unroasted coffee; roasted coffee; chocolate beverages; cocoa beverages; tea beverages; chocolate confectionary; cereals; coffee confectionary; honey; candies; sweets; all included in Class 30.</p> <p>32: Non-alcoholic juice; non-alcoholic fruit beverages; non-alcoholic drinks; non-alcoholic fruit drinks; fruit juices; fruit drinks; fruit beverages; preparations for making beverages; mineral and aerated waters; syrups and other preparations for making beverages; all included in Class 32.</p>
		DXN (Registered owner)	95011185	Malaysia	20 October 2032	5: Pharmaceutical preparations included in Class 5.
		DXN Industries (Registered owner)	(i) 2017014246 (Class 11); and (ii) 2017014243 (Class 21)	Malaysia	22 December 2027	11: Apparatus for lighting, heating, steam generating, cooking, refrigerating, drying, ventilating, air filter, water supply, sanitary purposes, electric kettle, filters for drinking water, water purifying apparatus and machines, electric pot and electric appliances for making yoghurt; all included in Class 11.




ANNEXURE C: OUR TRADEMARKS, BRAND NAMES AND OTHER INTELLECTUAL PROPERTY RIGHTS (Cont'd)

No.	Trademark ⁽¹⁾	Registered owner / Applicant	Registration no.	Place of registration	Expiry date	Class/ Description of trademark
4.		DXN Marketing (Registered owner)	05008779	Malaysia	2 June 2025	21: Household or kitchen utensils and containers; cooking pots and pans, glassware, porcelain and earthenware not included in other classes, crockery, mugs, and toothbrushes; electric and non-electronic; all included in Class 21. 5: Traditional Chinese medicine; raw material medicine; nutrient additives for medical purposes; health foods; dietetic foods preparations adapted for medical purposes; vitamin preparations; herbal preparations and food supplements; herbal medicines and food supplements; herbal and pharmaceutical products; dietetic substances adapted for medical use; all included in Class 5.
5.		DXN (Registered owner)	07023598	Malaysia	30 November 2027	11: Apparatus for water supply; energy water system; water filtering apparatus; water filtering system; filters for drinking water; filters (part of household or industrial installations); water distilling apparatus and system; all included in Class 11.
6.		DXN Marketing (Registered owner)	02005629	Malaysia	17 May 2032	30: Cocoa beverages; cocoa-based beverages; cocoa products; chocolates; chocolate beverages; chocolate-based beverages; all included in Class 30. 32: Non-alcoholic juice; non-alcoholic fruit beverages; non-alcoholic drinks; non-alcoholic beverages; fruit juices; fruit drinks; fruit juice beverages; preparations for making beverages; mineral and aerated waters; syrups and other preparations for making beverages; all included in Class 32.
7.		DXN (Registered owner)	04006436	Malaysia	13 May 2024	



ANNEXURE C: OUR TRADEMARKS, BRAND NAMES AND OTHER INTELLECTUAL PROPERTY RIGHTS (Cont'd)

No.	Trademark ⁽¹⁾	Registered owner / Applicant	Registration no.	Place of registration	Expiry date	Class/ Description of trademark
8.		DXN Marketing (Registered owner)	95007437	Malaysia	25 July 2032	5: Herbal preparations and food supplements; all included in Class 5.
9.		DXN Marketing (Registered owner)	95007438	Malaysia	25 July 2032	5: Herbal preparations and food supplements; all included in Class 5.
10.		DXN (Registered owner)	2017014242	Malaysia	22 December 2027	43: Services for providing food and drink, cafe services, food and drink catering, restaurant services, hotel services, hotel reservations, motel services; all included in Class 43.
11.		DXN Industries (Registered owner)	2016056195	Malaysia	6 April 2026	11: Drinking water filter; water purifying apparatus and machines; all included in Class 11.
12.		DXN Marketing (Registered owner)	03009846	Malaysia	6 August 2023	5: Medicines containing mushroom extracts; health supplements; herbal preparations; all included in Class 5.

ANNEXURE C: OUR TRADEMARKS, BRAND NAMES AND OTHER INTELLECTUAL PROPERTY RIGHTS (Cont'd)

No.	Trademark ⁽¹⁾	Registered owner / Applicant	Registration no.	Place of registration	Expiry date	Class/ Description of trademark
13.		DXN Marketing (Registered owner)	01001090	Malaysia	29 March 2031	3: Dentifrices; toothpaste; shampoos; body foam; hair lotions; soaps; cleaning preparations; cosmetics; perfumery; essential oils; all included in Class 3.
14.		DXN Marketing (Registered owner)	95011179	Malaysia	20 October 2032	5: Herbal preparations and food supplements; all included in Class 5.
15.		DXN (Registered owner)	04006435	Malaysia	13 May 2024	32: Non-alcoholic juice; non-alcoholic fruit beverages; non-alcoholic drinks; non-alcoholic beverages; fruit juices; fruit drinks; fruit juice beverages; preparations for making beverages; mineral and aerated waters; syrups and other preparations for making beverages; all included in Class 32.
16.		DXN Marketing (Registered owner)	2011050962	Malaysia	25 April 2031	35: Marketing; direct marketing; multi-level marketing; business administration and business consultancy; business planning; business analysis and business management; commercial management and assistance; advertising and publicity services; organising trade fairs and exhibitions for commercial or advertising purposes; business organisation and sales promotion consultancy; business consultation in the nature of providing assistance to others in connection with establishing and operating distributorships, wholesale and retail sales, all in the field of pharmaceutical products, food and health supplements; the bringing together (excluding the transport thereof) of a variety of goods, namely pharmaceutical products, food and health supplements, enabling customers to conveniently

ANNEXURE C: OUR TRADEMARKS, BRAND NAMES AND OTHER INTELLECTUAL PROPERTY RIGHTS (Cont'd)


No.	Trademark ⁽¹⁾	Registered owner / Applicant	Registration no.	Place of registration	Expiry date	Class/ Description of trademark
17.	REISHI GANO (RG)	DXN Marketing (Registered owner)	01012904	Malaysia	28 September 2031	view and purchase those goods from a global computer network, retail stores, wholesale outlets, distributor outlets or from general merchandise catalogues by mail, telephone, fax and/or all other communication and telecommunication order; advisory and consultancy services in relation to the foregoing services; all included in Class 35.
18.		DXN Industries (Registered owner)	99004922	Malaysia	7 June 2029	5: Traditional medicine containing mushroom extracts; health supplements; herbal preparations; all included in Class 5. 32: Non-alcoholic beverages, morinda citrifolia juice; all included in Class 32.
19.		DXN Marketing (Registered owner)	03003869	Malaysia	3 April 2033	30: Coffee beverages; coffee-based beverages; coffee beverages with milk; unroasted coffee; artificial coffee; coffee flavourings; vegetal preparations for use as coffee substitutes; all included in Class 30.

Note:




(1) Trademarks 2 and 8 are in colour. The first trademark in the series under Trademarks 11 and 19 are in colour.

ANNEXURE C: OUR TRADEMARKS, BRAND NAMES AND OTHER INTELLECTUAL PROPERTY RIGHTS (Cont'd)





India

No.	Trademark	Registered owner / Applicant	Registration no.	Place of registration	Expiry date	Class/ Description of trademark
1.		DXN (Registered owner)	1024956 1288001	India India	10 July 2031 2 June 2024	16: Paper, cardboard and goods made from these materials not include in other classes, printed materials, photographs, artists materials, office requisites, price lists brochures, catalogues, printers type, printing blocks. 3: Cosmetics, soap, toothpaste; shower gels, shower foams; shampoo, cleansers, toners, creams, masks, lipsticks, perfume. 16: Newsletters, envelopes, printed publications, notebooks, stationery tickets, writing pads, document files, adhesive tapes; stickers. 30: Coffee beverages, chocolate beverages, cocoa beverages, tea beverages, chocolate confectionary, cereals, coffee confectionary, non-medicated nutrient powder, non-medicated nutrient tablet. 32: Mineral water; aerated water; fruit juice; fruit drinks; syrup; non-alcoholic beverages; enzymatic drinks. 32: Mineral water; aerated water; fruit juice; fruit drinks; syrup for beverages; non-alcoholic beverages; energy drinks; vegetable drinks and vegetable juices (beverages). 5: Herbal preparations, food supplements.
		DXN Industries (Registered owner)	1626615 2413529	India India	30 November 2027 17 October 2032	
		DXN Marketing (Registered owner)	933284	India	20 June 2030	


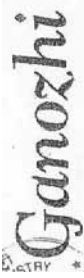


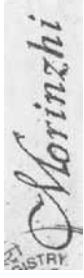
ANNEXURE C: OUR TRADEMARKS, BRAND NAMES AND OTHER INTELLECTUAL PROPERTY RIGHTS (Cont'd)

No.	Trademark	Registered owner / Applicant	Registration no.	Place of registration	Expiry date	Class/ Description of trademark
2.		DXN Marketing (Registered owner)	1328229	India	24 December 2024	3: Cosmetics, cleansers, creams, lotions, hair lotions, toiletries, soaps preparations, shower gels, shower foams, body foams, shampoos, dentifrices, cleaning preparations, perfumery, essential oils. 5: Traditional Chinese medicine, raw material medicine, nutrient additives for medical purposes, pharmaceutical preparations, pharmaceutical preparations for skin care, health foods, dietetic foods, preparations adapted for medical purposes, cosmeceutical preparations, vitamin preparations, herbal preparations and food supplement, herbal medicines, food supplementary, herbal and pharmaceutical products, medicated tea, dietetic substances adapted for medical use, herbal preparations made of natural medicated mushrooms, traditional medicine containing mushroom extracts.
3.		DXN Marketing (Registered owner)	1105191	India	17 May 2032	30: Coffee beverages, artificial coffee, unfrosted coffee, roasted coffee, chocolate beverages, cocoa beverages, tea beverages, chocolate confectionery, cereals, coffee confectionery, honey candies, sweets.
4.		DXN (Registered owner)	1037381	India	16 August 2031	30: Cocoa beverages; cocoa-based beverages; cocoa-products; chocolates; chocolate, beverages; chocolate-based beverages.



ANNEXURE C: OUR TRADEMARKS, BRAND NAMES AND OTHER INTELLECTUAL PROPERTY RIGHTS (Cont'd)

No.	Trademark	Registered owner / Applicant	Registration no.	Place of registration	Expiry date	Class/ Description of trademark
5.		DXN (Registered owner)	1287997	India	2 June 2024	30: Coffee beverages, chocolate beverages, cocoa beverages, tea beverages, chocolate confectionary, cereals, coffee confectionary, non-medicated nutrient powder, non-medicated nutrient tablet.
6.		DXN Marketing (Registered owner)	2822536	India	6 October 2024	30: Tea and tea products; carbonated and non-carbonated tea based beverages; iced tea; non medicinal herbal tea and infusions.
7.		DXN Marketing (Registered owner)	(i) 2822537 (Class 5); (ii) 2822538 (Class 29); and (iii) 2822539 (Class 30)	India	6 October 2024	5: Pharmaceutical preparations, dietary food and substances adapted for medical use, dietary supplements. 29: Algae extracts for use as food, food stuff; dietetic foodstuffs and food supplements not for medical use based on albumen and minerals. 30: Foodstuffs of plant origin, not for medical purposes, on the basis of carbohydrates and fibres, with added mixtures of vitamins, mineral nutrients and trace elements, either separate or in combination; iced tea; fruit sauces (condiments); ketchup; tea-based beverages; coffee-based beverages.
8.		DXN (Registered owner)	1287996 2893092	India India	2 June 2024 5 February 2025	5: Ayurvedic, nutrient or dietary supplements, pharmaceutical preparations. 5: Food supplement preparations containing vitamin and mineral substances.

ANNEXURE C: OUR TRADEMARKS, BRAND NAMES AND OTHER INTELLECTUAL PROPERTY RIGHTS (Cont'd)


No.	Trademark	Registered owner / Applicant	Registration no.	Place of registration	Expiry date	Class/ Description of trademark
9.		DXN (Registered owner)	1626614	India	30 November 2027	42: Medical services, medical services relating to fitness, nutrition and health, provision of information relating to all of the aforesaid services, advisory and consultancy services relating to all of the aforesaid services.
10.		DXN (Registered owner)	1287998	India	2 June 2024	3: Soap, shampoo, body foam, toothpaste. 3: Cosmetics, soap, toothpaste, shower gels, shower foams, shampoo; cleansers, toner, creams, masks, lipsticks, perfume.
11.		DXN (Registered owner)	2893091	India	5 February 2025	30: Tea, coffee, cocoa beverages; cocoa based beverages; cocoa products; chocolates; chocolate, beverages; chocolate-based beverages.
12.		DXN (Registered owner)	1024957	India	10 July 2031	30: Instant coffee.
13.		DXN (Registered owner)	1288000	India	2 June 2024	32: Health drink concentrate. 32: Non-alcoholic juice, non-alcoholic fruit beverages, non-alcoholic drinks, non-alcoholic fruit drinks, fruit juices, fruit drinks, fruit beverages, preparations for making beverages.

ANNEXURE C: OUR TRADEMARKS, BRAND NAMES AND OTHER INTELLECTUAL PROPERTY RIGHTS (Cont'd)

No.	Trademark	Registered owner / Applicant	Registration no.	Place of registration	Expiry date	Class/ Description of trademark
14.		DXN Marketing (Registered owner)	2149347	India	24 May 2031	35: Marketing; direct marketing; multi-level marketing; business administration and business consultancy; business planning; business analysis and business management; commercial management and assistance; advertising and publicity services; organising trade fairs and exhibitions for commercial or advertising purposes; business organisation and sales promotion consultancy; business consultation in the nature of providing assistance to others in connection with establishing and operating distributorships, wholesale and retail sales, all in the field of pharmaceutical products, food and health supplements; the bringing together (excluding the transport thereof) of a variety of goods, namely pharmaceutical products, food and health supplements, enabling customers to conveniently view and purchase those goods from a global computer network, retail stores, wholesale outlets, distributor outlets or from general merchandise catalogues by mail, telephone, fax and/or all other communication and telecommunication order; advisory and consultancy services in relation to the foregoing services.
15.		DXN (Registered owner)	1287999 2893093 1024953	India India India	2 June 2024 5 February 2025 10 July 2031	5: Ayurvedic, nutrient or dietary supplements, pharmaceutical preparation. 5: Food supplements. 30: Food supplement.

ANNEXURE C: OUR TRADEMARKS, BRAND NAMES AND OTHER INTELLECTUAL PROPERTY RIGHTS (Cont'd)

China

No.	Trademark	Registered owner / Applicant	Registration no.	Place of registration	Expiry date	Class/ Description of trademark
1.		DXN (Registered owner)	4463061 4046293	China China	13 June 2028 27 January 2027	3: Peppermint oil (aromatic oil); fragrant bag (a mixture of dry petals and spices); animal cosmetics. 5: Traditional Chinese medicine; raw material medicine; nutrient additives for medical purposes; pharmaceutical preparations; pharmaceutical preparations for skin care; health foods; dietetic foods preparations adapted for medical purposes; cosmeceutical preparation; vitamin preparations.
			4463060	China	13 June 2028	5: Air freshener; pest killer; chemical preparations for veterinary use.
			4051683	China	6 March 2028	16: Newsletters.
			4463059	China	13 August 2027	29: Processed nuts; canned mushrooms; frozen fruits; ginger sauce; yoghurt; jelly; beef soup; human consumption fish powder; palm nut oil; fruit salad.
			23890526	China	20 April 2028	29: Edible seaweed extract, dried edible fungus.
			34537104	China	27 July 2029	29: Milk tea (milk-based); cocoa milk (milk-based); milk beverages (milk-based); condensed milk; beaten butter; plant oil; soy milk powder; yoghurt; rice milk; oatmeal.
			34537105	China	6 August 2029	29: Flesh; fruit slices; edible pollen; apple puree; snacks based on fruits and vegetables; dried vegetables; vegetable soup; jam; fruit preserves; dried dates.

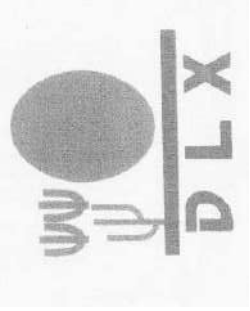

ANNEXURE C: OUR TRADEMARKS, BRAND NAMES AND OTHER INTELLECTUAL PROPERTY RIGHTS (Cont'd)

No.	Trademark	Registered owner / Applicant	Registration no.	Place of registration	Expiry date	Class/ Description of trademark
			42379216	China	13 August 2030	29: Salmon (not alive); tuna (not alive); anchovy; oyster (not alive); crayfish (not alive); lobster (not alive); sea urchin (not alive); clam dry; shrimp (not alive); crab (not alive).
			42373317	China	13 August 2030	29: Fish (not alive); crustaceans (not alive); shellfish (not alive); dried fish fillet; boiled and dried fish; dried clams; dried edible fungi; dried clam; pickled fish products; food related to fish; fish meal for human consumption; processed fish seeds; dry edible seaweed.
			42363911	China	13 August 2030	31: Alive edible aquatic animals; crustaceans (living); edible insects (live); shellfish (alive); alive animals; alive fish; alive poultry; shrimp (alive); fish eggs; silkworm.
			4051684	China	13 June 2026	30: Coffee beverages; chocolate beverages; cocoa beverages; tea beverages; chocolate confectionary; cereals; coffee confectionary; honey; non-medical nutrient powder; non-medical nutrient tablet.
			23890527	China	6 September 2028	30: Edible fragrance.
			34537106	China	27 July 2029	30: Cocoa with milk; unroasted coffee; chocolate cream; coffee; condiments for coffee; coffee beverage; chocolate beverage; coffee beverage with milk; cocoa beverage.
			4463159	China	13 August 2027	31: Fresh grapes; fresh mushrooms; pollen (raw material); brewing malt; mushroom propagating bacteria; wheat; bark; animal food distillery waste; fresh edible fungi; bacterial species.



ANNEXURE C: OUR TRADEMARKS, BRAND NAMES AND OTHER INTELLECTUAL PROPERTY RIGHTS (Cont'd)

No.	Trademark	Registered owner / Applicant	Registration no.	Place of registration	Expiry date	Class/ Description of trademark
			42378375	China	20 August 2030	31: Eel (alive); salmon (alive); tuna (alive); crab (alive); abalone (alive); anchovy (alive); lobster (alive); sea cucumber (alive); crayfish (alive); oysters (alive).
			34537107	China	27 July 2029	31: Mushroom breeding fungi; fresh edible fungi; germ (seed) for cultivating plants; plant seeds; fungi; fresh truffles; fresh mushrooms; fresh fruit; unprocessed seaweed for human or animal consumption; unprocessed seeds.
			4046292	China	20 April 2030	32: Non-alcoholic juice; non-alcoholic fruit beverages; non-alcoholic beverages; non-alcoholic drinks; non-alcoholic fruit drinks; fruit juices; fruit drinks; fruit beverages; preparations for making beverages.
			35704810	China	27 June 2030	32: Beer; malt beer; non-alcoholic cocktail; pastilles for sparkling beverages; soda water; sparkling water; milk tea (mainly non milk); soft drink; coke; tea flavour non-alcoholic beverage.
			39489771	China	13 July 2030	32: Lactic acid beverage (fruit products, non-milk); malt beer; beer; seasoned beer; energy drinks; concentrated fruit juice; fruit smoothie; fruit juice beverage with pulp; coffee flavoured non-alcoholic beverages; plant beverage.
			4046294	China	27 January 2029	3: Cosmetics; cleaners; creams; lotions; toiletries; soaps; toothpaste; shower gels; shower foams; shampoo.



ANNEXURE C: OUR TRADEMARKS, BRAND NAMES AND OTHER INTELLECTUAL PROPERTY RIGHTS (Cont'd)

No.	Trademark	Registered owner / Applicant	Registration no.	Place of registration	Expiry date	Class/ Description of trademark
2.		DXN (Registered owner)	4542554	China	20 February 2028	30: Oatmeal; instant noodle; starch products; vinegar.
3.		DXN (Registered owner)	(i) 4046275 (Class 3) (ii) 4046298 (Class 5) (iii) 4046297 (Class 16)	China	6 February 2027	3: Cosmetics; cleansers; creams; lotions; toiletries; soaps; toothpaste; shower gels; shower foams; shampoo. 5: Traditional Chinese medicine; raw material medicine; nurture additives for medical purposes; pharmaceutical preparations; pharmaceutical preparations for skin care; health foods; dietetic foods preparations adapted for medical purposes; cosmetic preparation; vitamin preparations. 16: Newsletters; envelopes; printed publications; note books; stationery tickets; writing pads; document files; adhesive tapes; stickers.
			6107565	China	20 February 2030	5: Traditional Chinese medicine; raw material medicine; nurture additives for medical purposes; pharmaceutical preparations; pharmaceutical preparations for skin care; health foods; dietetic foods preparations adapted for medical purposes; cosmetic preparation; vitamin preparations.

ANNEXURE C: OUR TRADEMARKS, BRAND NAMES AND OTHER INTELLECTUAL PROPERTY RIGHTS (Cont'd)

No.	Trademark	Registered owner / Applicant	Registration no.	Place of registration	Expiry date	Class/ Description of trademark
4.		DXN (Registered owner)	29939265	China	13 February 2029	30: Coffee, condiments for coffee; coffee beverages; cocoa; chocolate beverages; fruity tea beverages; coffee flavourings; edible fragrance; unroasted coffee.
5.		DXN (Registered owner)	(i) 29939267 (Class 3) (ii) 29939264 (Class 29) (iii) 29939268 (Class 44)	China	6 February 2029	3: Soap; facial cleanser; shower gel; moisturising lotion; toner; toothpaste; conditioner; skin care cosmetics; cosmetics; shampoo. 29: Edible seaweed extract; dry edible fungi; coffee creamer; canned vegetables; milk products; dried vegetables; jam; cheese; snacks based on fruits and vegetables; fruit-based snacks. 44: Medical clinic services; medical massages; beauty services; massages; gardening; medical services for fitness, nutrition and health; diet and nutrition guidance; rehabilitation center; gym; optician services.
			(i) 29422704 (Class 16) (ii) 29422703 (Class 32)	China	6 January 2029	16: Newsletters; envelopes (stationeries); printed publications; notebooks; tickets (stationeries); writing pads; document files; stamp pads; transparent films; adhesive tapes.

ANNEXURE C: OUR TRADEMARKS, BRAND NAMES AND OTHER INTELLECTUAL PROPERTY RIGHTS (Cont'd)


No.	Trademark	Registered owner / Applicant	Registration no.	Place of registration	Expiry date	Class/ Description of trademark
6.		DEXN (Registered owner)	40592909	China	20 April 2030	29: Edible seaweed extract; canned fruit; jam; fruit paste; fruit based snacks; dried edible fungi; dried vegetables; jelly; snacks based on fruits and vegetables; vegetable soup.
			29939266	China	6 May 2029	30: Coffee; tea beverages; coffee condiments; oatmeals; cocoa; cereals; instant noodles; rice-based snacks; coffee beverages.
			40610170	China	20 June 2030	30: Oatmeal food; cereal products; rice ball; instant noodles; noodles based prefabricated food; soy sauce; vinegar; instant rice; prepackaged lunch (mainly rice, but also meat, fish or vegetables).
			40600770	China	20 June 2030	32: Beer; non-alcoholic fruit juice beverage; sparkling water; tea flavor non-alcoholic beverage; fruit juice beverage with pulp; plant beverage; concentrated fruit juice; lactic acid beverage (fruit products, non-milk); milk tea (mainly non milk); non-alcoholic ingredients for making beverages.
7.		DEXN (Registered owner)	40607270	China	20 April 2030	29: Vegetables; jelly; snacks based on fruits and vegetables; vegetable soup.
			40598329	China	13 July 2030	30: Coffee beverage; condiments for coffee; chocolate beverage; cocoa beverage; tea beverage; tea; mint; sweets (candy); sugar; fruity flavoured tea beverage.

ANNEXURE C: OUR TRADEMARKS, BRAND NAMES AND OTHER INTELLECTUAL PROPERTY RIGHTS (Cont'd)

No.	Trademark	Registered owner / Applicant	Registration no.	Place of registration	Expiry date	Class/ Description of trademark
8.	GANOTHERAPY	DXN (Registered owner)	40594187	China	20 July 2030	32: Beer; non-alcoholic fruit juice beverage; sparkling water; tea flavor non-alcoholic beverage; fruit juice beverage with pulp; plant beverage; concentrated fruit juice; lactic acid beverage (fruit products, non-milk); milk tea (mainly non milk); non-alcoholic ingredients for making beverages.
9.	GANOZHI	DXN (Registered owner)	6407531	China	6 April 2030	44: Medical services; alternative complementary medical services; medical services relating to the fitness, nutrition and health; pharmacy advice.
			6407568	China	27 March 2030	3: Cosmetics; bath lotion; hair lotion; dentifrices; shampoos; soaps; face cleaning preparations; non-medical face wash; non-medical face scrubs; astringent for cosmetic purposes; lotions for cosmetic purposes; cream for cosmetic purposes; essential oils; perfumes.

ANNEXURE C: OUR TRADEMARKS, BRAND NAMES AND OTHER INTELLECTUAL PROPERTY RIGHTS (Cont'd)



Mexico

No.	Trademark ⁽¹⁾	Registered owner / Applicant	Registration/ Application no.	Place of registration	Expiry/ Application date	Class/ Description of trademark
1.		DXN Mexico (Registered owner)	(i) 1116800 (Class 3); (ii) 1117214 (Class 5); (iii) 1116799 (Class 30); and (iv) 1114606 (Class 32)	Mexico	9 July 2029	3: Preparations for whitening and other substances for laundrying clothes; preparations for cleaning, polishing, degreasing and scraping; soap; perfumery products, essential oils, cosmetics, hair lotions; dentifrices. 5: Pharmaceutical and veterinary products; hygienic and sanitary products for medical use; dietary substances for medical use, food for babies; plasters, material for dressings; material for dental fillings and impressions; disinfectants; products to eliminate harmful animals; fungicides, herbicides. 30: Coffee, tea, cocoa, sugar, rice, tapioca, sago, substitute of coffee; flours and preparations based on cereals, bread, pastry and confectionery products, ice creams; honey, molasses syrup; yeast, baking powders; salt, mustard; vinegar, sauces (condiments); spices; ice. 32: Beer; mineral and aerated water, and other non-alcoholic beverages; fruit drinks and fruit juices; syrup and other preparations to make beverages.
			2220114	Mexico	17 March 2031	29: Dried fruits products, dried fruit.
			2155901	Mexico	30 July 2030	35: Advertising; commercial business management; commercial administration; office work, product sales services by catalogue, commercialisation pharmaceutical products, dietary substances for medical use, food supplements, vitamin preparations, soap, perfumery products, essential oils, essential oils, capacity products, sectionals dry fruit, coffee-based beverages, coffee drinks, instant coffee,





ANNEXURE C: OUR TRADEMARKS, BRAND NAMES AND OTHER INTELLECTUAL PROPERTY RIGHTS (Cont'd)

No.	Trademark ⁽¹⁾	Registered owner / Applicant	Registration/ Application no.	Place of registration	Expiry/ Application date	Class/ Description of trademark
2.	DXN	DXN Mexico (Registered owner)	2490436	Mexico	3 January 2033	cereal-based foods for human consumption, cereals, food processed cereals for human consumption, sweet mint pills, non-alcoholic fruit juices, candies, pots and pans (non-electric), steam pots (cooking items), pressure cookers, filters to purify water on account of third parties (commercial intermediary).
			2485179	Mexico	6 December 2032	3: Bleaching preparations and other substances for washing clothes; cleaning, preparations for cleaning, polishing, degreasing and scraping; soaps; perfumery products, essential oils, cosmetics, hair lotions; toothpastes.
			2464719	Mexico	17 October 2032	5: Pharmaceutical and veterinary products; hygienic and sanitary products to medical use; dietetic substances to medical use, baby food, plates, material for dressings; material for fillings and dental impressions; disinfectants; products to remove dangerous animals; fungicides, herbicides. 21: Utensils and containers for domestic and culinary use, kitchen utensils and tableware, except forks, knives and spoons, raw or semi-finished glass, except construction glass, glassware, porcelain and earthenware. Small appliances and hand-operated utensils for domestic and culinary use (non-electrical), glassware and certain porcelain products; coffee grinders; food steamers (non-electric); pans; fruit juicers (non-electric); kettles (non-electric); mortars for kitchen use; pots; salad bowls; salad tongs; strainers and sieves (for domestic use); pitchers; tea infusers; tea strainers; coffee filters; decanters; coffee machines.



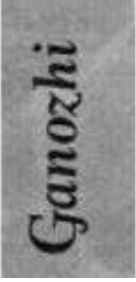

ANNEXURE C: OUR TRADEMARKS, BRAND NAMES AND OTHER INTELLECTUAL PROPERTY RIGHTS (Cont'd)

No.	Trademark ⁽¹⁾	Registered owner / Applicant	Registration/ Application no.	Place of registration	Expiry/ Application date	Class/ Description of trademark
			2490411	Mexico	3 January 2033	30: Coffee, tea, cocoa, and coffee substitute; rice; tapioca and sago; flours and special preparations base on cereals, bread, cake shop products and confectionery; ice creams; sugar, honey, molasses syrup; yeast; baking powders; salt; mustard; vinegar, sauces (condiments); spices, ice.
			2498108	Mexico	18 January 2033	32 : Beer, mineral waters and sodas and other non-alcoholic beverages, fruit beverages and fruit juices, syrups and other preparations for making beverages.
3.		DXN Mexico (Registered owner)	2292873	Mexico	20 September 2032	30: Coffee, tea, cocoa and coffee substitutes; rice; tapioca and sago; flours and cereal-based preparations; bread, pastry and confectionery products; ice cream; sugar, honey, molasses syrup; yeast, baking powders; salt; mustard; vinegar, sauces (condiments); spices; ice.
4.		DXN Mexico (Registered owner)	2292874	Mexico	12 May 2025	30: Coffee, tea, cocoa and coffee substitutes, rice; tapioca and sago; flours and cereal-based preparations; bread; pastry and confectionery products; ice creams; sugar; honey; molasses syrup; yeast, baking powders; salt; mustard, vinegar, sauces (condiments); spices; ice.
5.	DXN CORDYCEPS	DXN Mexico (Registered owner)	2218962	Mexico	12 March 2031	30: Cereal-based foods for human consumption; cereals; processed food cereals for human consumption; instant coffee; coffee drinks; coffee-based drinks; coffee (toasted, powdered, grain or drink).


ANNEXURE C: OUR TRADEMARKS, BRAND NAMES AND OTHER INTELLECTUAL PROPERTY RIGHTS (Cont'd)

No.	Trademark ⁽¹⁾	Registered owner / Applicant	Registration/ Application no.	Place of registration	Expiry/ Application date	Class/ Description of trademark
6.		DXN Mexico (Registered owner)	1606335	Mexico	24 September 2025	35: Advertising, commercial business management; commercial administration; office work; grouping for the benefit of third parties of pharmaceutical products, dietary substances for medical use, food supplements, vitamin preparations, so that consumers can examine them and purchase them at their convenience, such services may be offered by wholesale and retail by a services catalogue or websites.
7.		DXN Mexico (Registered owner)	1365298	Mexico	19 December 2032	3: Oils for cosmetic use.
8.		DXN Mexico (Registered owner)	1590018	Mexico	25 June 2025	3: Soaps; perfumery products, essential oils; cosmetics, hair lotions; dentifrices.
9.		DXN Mexico (Registered owner)	1590481	Mexico	25 June 2025	5: Pharmaceutical and veterinary products; hygienic and sanitary products for medical use; food and dietary substances for medical or veterinary use, food for babies; food supplements for people and animals; plasters, dressings materials; material for dental fillings and impressions; disinfectants; products to eliminate harmful animals; fungicides, herbicides.





ANNEXURE C: OUR TRADEMARKS, BRAND NAMES AND OTHER INTELLECTUAL PROPERTY RIGHTS (Cont'd)

No.	Trademark ⁽¹⁾	Registered owner / Applicant	Registration/ Application no.	Place of registration	Expiry/ Application date	Class/ Description of trademark
10.		DXN Mexico (Registered owner)	1578593	Mexico	8 July 2025	3: Soaps; perfumery products, cosmetics, hair lotions; dentifrices. essential oils,
11.		DXN Mexico (Registered owner)	1578594	Mexico	8 July 2025	3: Soaps; perfumery products, cosmetics, hair lotions; dentifrices. essential oils,
12.		DXN Mexico (Registered owner)	1359472	Mexico	7 December 2032	3: Soaps; perfumery products, cosmetics, hair lotions; dentifrices. essential oils,
13.		DXN Mexico (Registered owner)	1590020	Mexico	25 June 2025	3: Soaps; perfumery products, cosmetics, hair lotions; dentifrices. essential oils,
14.	LINGZHI	DXN Mexico (Registered owner)	1684439	Mexico	16 June 2026	32: Preparations to make beverages.


ANNEXURE C: OUR TRADEMARKS, BRAND NAMES AND OTHER INTELLECTUAL PROPERTY RIGHTS (Cont'd)

No.	Trademark ⁽¹⁾	Registered owner / Applicant	Registration/ Application no.	Place of registration	Expiry/ Application date	Class/ Description of trademark
15.		DXN Mexico (Registered owner)	2371178	Mexico	16 March 2032	5: Food supplements.
16.	MORINZHI	DXN Mexico (Registered owner)	1365301	Mexico	19 December 2032	5: Pharmaceutical and veterinary preparations; hygienic and sanitary preparations for medical use; food and dietary substances for medical or veterinary use, baby food; food supplements for people and animals; plasters, dressing material; material for dental fillings and impressions; disinfectants; preparations for the elimination of harmful animals; fungicides, herbicides.
17.	MORINZYME	DXN Mexico (Registered owner)	(i) 1359475 (Class 5); and (ii) 1359473 (Class 32)	Mexico	7 December 2032	5: Pharmaceutical and veterinary preparations; hygienic and sanitary preparations for medical use; food and dietary substances for medical or veterinary use, baby food; food supplements for people and animals; plasters, dressing material; material for dental fillings and impressions; disinfectants; preparations for the elimination of harmful animals; fungicides, herbicides. 32: Beers; mineral and aerated waters and other soft drinks; fruit drinks and fruit juices; syrups and other preparations for making beverages.

ANNEXURE C: OUR TRADEMARKS, BRAND NAMES AND OTHER INTELLECTUAL PROPERTY RIGHTS (Cont'd)

No.	Trademark ⁽¹⁾	Registered owner / Applicant	Registration/ Application no.	Place of registration	Expiry/ Application date	Class/ Description of trademark
18.		DXN Mexico (Registered owner)	90776	Mexico	7 May 2024	35: Advertising; commercial business management; commercial administration; office work, grouping for the benefit of third parties of catalogue sales services and marketing of pharmaceutical products, dietary substances for medical use, food supplements, vitamin preparations.
19.		DXN Mexico (Registered owner)	1590484	Mexico	25 June 2025	5: Pharmaceutical and veterinary preparations; hygienic and sanitary preparations for medical use; food and dietary substances for medical or veterinary use, baby food; food supplements for people and animals, plasters, material for dressings; material for dental fillings and impressions; disinfectants; preparations to eliminate harmful animals; fungicides, herbicides.
20.		DXN Mexico (Registered owner)	1363899	Mexico	12 December 2032	30: Tea.
21.		DXN Mexico (Registered owner)	1582492	Mexico	8 July 2025	5: Pharmaceutical and veterinary preparations; hygienic and sanitary preparations for medical use; food and dietary substances for medical or veterinary use, baby food; food supplements for people and animals; plasters, material for dressings; material for dental fillings and impressions; disinfectants; preparations to eliminate harmful animals; fungicides, herbicides.

ANNEXURE C: OUR TRADEMARKS, BRAND NAMES AND OTHER INTELLECTUAL PROPERTY RIGHTS (Cont'd)





No.	Trademark ⁽¹⁾	Registered owner / Applicant	Registration/ Application no.	Place of registration	Expiry/ Application date	Class/ Description of trademark
22.	UN MUNDO UN MERCADO	DXN Mexico (Registered owner)	65155	Mexico	4 May 2031	35: Advertising; commercial business management; commercial administration; office work, catalogue sales services, marketing of pharmaceutical products, dietary substances for medical use, food supplements, vitamin preparations, for third parties (commercial intermediary).
23.		DXN Mexico (Registered owner)	1605158	Mexico	24 September 2025	35: Advertising, commercial business management; commercial administration; home office; groups for the benefit of third parties of pharmaceutical products, dietary substances for medical use, food supplements, vitamin preparations, so that consumers can examine them and purchase them at their convenience, such services may be provided wholesale, retail, through catalogue and/or websites.

Note:





(1) Trademarks 1, 3-4, 6, 8-11, 13, 15, 19, 21 and 23 are in colour.

ANNEXURE C: OUR TRADEMARKS, BRAND NAMES AND OTHER INTELLECTUAL PROPERTY RIGHTS (Cont'd)






Indonesia

No.	Trademark ⁽¹⁾	Registered owner / Applicant	Registration no.	Place of registration	Expiry date	Class/ Description of trademark
1.		DXN Marketing (Registered owner)	IDM000367148	Indonesia	11 February 2031	5: Food products are abstinence for medical purposes, pharmaceutical, preparations for medical purposes namely supplements, vitamins and minerals.
2.		DXN Industries (Registered owner)	IDM000529779	Indonesia	25 September 2032	30: Coffee; artificial coffee; tea; herbal tea; candy, sweets; herbal candy; soy based beverages (milk substitutes); cocoa beverages; vinegar.
3.		Daxen Indonesia (Registered owner)	IDM000365839	Indonesia	1 February 2031	5: Food products are abstinence for medical purposes, pharmaceutical, preparations for medical purposes namely supplements, vitamins and minerals.
4.		DXN Marketing (Registered owner)	IDM000512511	Indonesia	3 October 2023	30: Cocoa and cocoa mixes; chocolate beverages; cocoa beverages with milk; chocolates; chocolate-based beverages; cocoa-based beverages.




ANNEXURE C: OUR TRADEMARKS, BRAND NAMES AND OTHER INTELLECTUAL PROPERTY RIGHTS (Cont'd)

No.	Trademark ⁽¹⁾	Registered owner / Applicant	Registration no.	Place of registration	Expiry date	Class/ Description of trademark
5.		DXN Marketing (Registered owner)	IDM000367149	Indonesia	11 February 2031	5: Food products are abstinence for medical purposes, pharmaceutical, preparations for medical purposes namely supplements, vitamins and minerals.
6.		DXN Marketing (Registered owner)	IDM000367152	Indonesia	11 February 2031	5: Food products are abstinence for medical purposes, pharmaceutical, preparations for medical purposes namely supplements, vitamins and minerals.
7.		DXN Marketing (Registered owner)	IDM000200074	Indonesia	7 August 2028	5: Food products are abstinence for medical purposes.
8.		DXN Marketing (Registered owner)	IDM000200075	Indonesia	7 August 2028	5: Food products are abstinence for medical purposes.




ANNEXURE C: OUR TRADEMARKS, BRAND NAMES AND OTHER INTELLECTUAL PROPERTY RIGHTS (Cont'd)

No.	Trademark ⁽¹⁾	Registered owner / Applicant	Registration no.	Place of registration	Expiry date	Class/ Description of trademark
9.		DAXN Marketing (Registered owner)	IDM000199369	Indonesia	7 August 2028	5: Food products are abstinence for medical purposes.
10.		DAXN Marketing (Registered owner)	IDM000200076	Indonesia	7 August 2028	5: Food products are abstinence for medical purposes.
11.		Daxen Indonesia (Registered owner)	IDM000548936	Indonesia	10 September 2024	5: Food products are abstinence for medical purposes, pharmaceutical, preparations for medical purposes namely supplements, vitamins and minerals.
12.		Daxen Indonesia (Registered owner)	IDM000548937	Indonesia	10 September 2024	3: Preparations for whitening and washing, cleaning, shining, fat removing and rubbing preparations, bath soap, shampoo, cosmetics.
13.		Daxen Indonesia (Registered owner)	IDM000365841	Indonesia	1 February 2031	5: Food products are abstinence for medical purposes, pharmaceutical, preparations for medical purposes namely supplements, vitamins and minerals.

ANNEXURE C: OUR TRADEMARKS, BRAND NAMES AND OTHER INTELLECTUAL PROPERTY RIGHTS (Cont'd)

No.	Trademark ⁽¹⁾	Registered owner / Applicant	Registration no.	Place of registration	Expiry date	Class/ Description of trademark
14.		DXN Marketing (Registered owner)	IDM000380934	Indonesia	1 June 2031	35: Marketing; direct marketing; multi-level marketing; business administration and business consultancy; business planning; business analysis and business management; commercial management and assistance; advertising and publicity services; organising trade fairs and exhibitions for commercial or advertising purposes; business organisation and sales promotion consultancy; business consultation in the nature of providing assistance to others in connection with establishing and operating distributorships, wholesale and retail sales, all in the field of pharmaceutical products, food and health supplements; the bringing together (excluding the transport thereof) of a variety of goods, namely pharmaceutical products, food and health supplements, enabling customers to conveniently view and purchase those goods from a global computer network, retail stores, wholesale outlets, distributor outlets or from general merchandise catalogues by mail, telephone, fax and/or all other communication and telecommunication order; advisory and consultancy services in relation to the foregoing services.
15.		Daxen Indonesia (Registered owner)	IDM000550156	Indonesia	10 September 2024	3: Preparations for whitening and washing, cleaning, shining, fat removing and rubbing preparations, bath soap, shampoo, cosmetics.
16.		Daxen Indonesia (Registered owner)	IDM000551727	Indonesia	10 September 2024	30: Coffee; artificial coffee; tea; herbal tea; candy, sweets; herbal candy; soy based beverages (milk substitutes); cocoa beverages; vinegar.

ANNEXURE C: OUR TRADEMARKS, BRAND NAMES AND OTHER INTELLECTUAL PROPERTY RIGHTS (Cont'd)




No.	Trademark ⁽¹⁾	Registered owner / Applicant	Registration no.	Place of registration	Expiry date	Class/ Description of trademark
17.		Daxen Indonesia (Registered owner)	IDM000547996	Indonesia	3 September 2024	30: Coffee; artificial coffee; tea; herbal tea; candy, sweets; herbal candy; soy based beverages (milk substitutes); cocoa beverages; vinegar.
18.		Daxen Indonesia (Registered owner)	IDM000687495	Indonesia	15 October 2024	5: Food products are abstinence for medical purposes, pharmaceutical, preparations for medical purposes namely supplements, vitamins and minerals.
19.		Daxen Indonesia (Registered owner)	IDM000365836	Indonesia	1 February 2031	3: Preparations for whitening and washing, cleaning, shining, fat removing and rubbing preparations, bath soap, shampoo, cosmetics.

Note:

(1) Trademarks 1, 3, 6-13 and 15-18 are in colour.

ANNEXURE C: OUR TRADEMARKS, BRAND NAMES AND OTHER INTELLECTUAL PROPERTY RIGHTS (Cont'd)

Peru

No.	Trademark ⁽¹⁾	Registered owner / Applicant	Registration no.	Place of registration	Expiry date	Class/ Description of trademark
1.		DXN Peru (Registered owner)	P00161800 T00001241	Peru Peru	26 February 2030 21 June 2030	3: Bleaching preparations and other substances for laundry use; cleaning, polishing, scouring and abrasive preparations; perfumery, essential oils; cosmetics and toiletry preparations; non-medicated dentifrices. 5: Nutritional supplement, healthcare products. 30: Coffee, tea, cocoa, edible ices, molasses syrup, flours. 32: Non-alcoholic beverages; fruit beverages and fruit juices.
2.		DXN Peru (Registered owner)	P00274900	Peru	25 January 2029	5: Nutritional supplements.
3.		DXN Peru (Registered owner)	P00279294	Peru	22 May 2029	3: Non-medicated cosmetics.
4.	One World One Market ⁽²⁾	DXN Peru (Registered owner)	L00005281	Peru	21 November 2031	32: Non-alcoholic beverages; fruit beverages and fruit juices.

ANNEXURE C: OUR TRADEMARKS, BRAND NAMES AND OTHER INTELLECTUAL PROPERTY RIGHTS (Cont'd)

No.	Trademark ⁽¹⁾	Registered owner / Applicant	Registration no.	Place of registration	Expiry date	Class/ Description of trademark
5.	Un Mundo Un Mercado ⁽²⁾	DXN Peru (Registered owner)	L00005291	Peru	9 December 2031	32: Non-alcoholic beverages; fruit beverages and fruit juices.


Notes:

(1) Trademarks 1 and 2 are in colour.

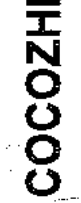


(2) This commercial slogan accompanies the trademark with the registration no. T00000540.

ANNEXURE C: OUR TRADEMARKS, BRAND NAMES AND OTHER INTELLECTUAL PROPERTY RIGHTS (Cont'd)

Bolivia

No.	Trademark ⁽¹⁾	Registered owner / Applicant	Registration/ Application no.	Place of registration	Expiry/ Application date	Class/ Description of trademark
1.		DXN Industries (Registered owner)	(i) 136641-C (Class 3); (ii) 136642-C (Class 5); (iii) 136643-C (Class 30); and (iv) 136644-C (Class 32)	Bolivia	18 May 2032	3: Bleaching preparations and other substances for laundry use; cleaning, polishing, scouring and abrasive preparations; non-medicated soaps; perfumery, essential oils, non-medicated cosmetics, non-medicated hair lotions; non-medicated dentifrices. 5: Pharmaceuticals, medical and veterinary preparations; sanitary preparations for medical purposes; dietetic food and substances adapted for medical or veterinary use, food for babies; dietary supplements for humans and animals; plasters, materials for dressings; material for stopping teeth, dental wax; disinfectants; preparations for destroying vermin; fungicides, herbicides. 30: Coffee, tea, cocoa and artificial coffee; rice; tapioca and sago; flour and preparations made from cereals; bread, pastries and confectionery; edible ices; sugar, honey, treacle; yeast, baking-powder; salt; mustard; vinegar, sauces (condiments); spices; ice for refreshment. 32: Beers; mineral and aerated waters and other non-alcoholic beverages; fruit beverages and fruit juices; syrups and other preparations for making beverages.
		DXN Bolivia (Applicant)	(i) 2911-2019 (class 30); and (ii) 2912-2019 (class 35)	Bolivia	Application date: 4 July 2019 ⁽²⁾	30: Coffee, tea, cocoa and artificial coffee; rice; tapioca and sago; flour and preparations made from cereals; bread, pastries and confectionery; edible ices; sugar, honey, treacle; yeast, baking-powder; salt; mustard; vinegar, sauces (condiments); spices; ice for refreshment.



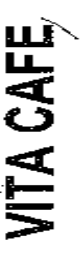


ANNEXURE C: OUR TRADEMARKS, BRAND NAMES AND OTHER INTELLECTUAL PROPERTY RIGHTS (Cont'd)

No.	Trademark ⁽¹⁾	Registered owner / Applicant	Registration/ Application no.	Place of registration	Expiry/ Application date	Class/ Description of trademark
2.		DXN Bolivia (Registered owner)	177442-C	Bolivia	19 January 2028	30: Coffee, tea, cocoa and artificial coffee; rice; tapioca and sago; flour and preparations made from cereals; bread, pastries and confectionery; edible ices; sugar, honey, treacle; yeast, baking-powder; salt; mustard; vinegar, sauces (condiments); spices; ice for refreshment.
3.		DXN Bolivia (Registered owner)	188810-C	Bolivia	26 November 2029	35: Advertising; business management; business administration; office functions.
4.		DXN Bolivia (Registered owner)	177443-C	Bolivia	19 January 2028	30: Coffee, tea, cocoa and artificial coffee; rice; tapioca and sago; flour and preparations made from cereals; bread, pastries and confectionery; edible ices; sugar, honey, treacle; yeast, baking-powder; salt; mustard; vinegar, sauces (condiments); spices; ice for refreshment.
5.	LINGZHI	DXN Bolivia (Registered owner)	192008-C	Bolivia	31 December 2030	30: Coffee, tea, cocoa and artificial coffee; rice; tapioca and sago; flour and preparations made from cereals; bread, pastries and confectionery; edible ices; sugar, honey, treacle; yeast, baking-powder; salt; mustard; vinegar, sauces (condiments); spices; ice for refreshment.

ANNEXURE C: OUR TRADEMARKS, BRAND NAMES AND OTHER INTELLECTUAL PROPERTY RIGHTS (Cont'd)

No.	Trademark ⁽¹⁾	Registered owner / Applicant	Registration/ Application no.	Place of registration	Expiry/ Application date	Class/ Description of trademark
6.	Lemonzhi	DXN Bolivia (Registered owner)	192396-C	Bolivia	19 March 2031	30: Coffee, tea, cocoa and artificial coffee; rice; tapioca and sago; flour and preparations made from cereals; bread, pastries and confectionery; edible ices; sugar, honey, treacle; yeast, baking-powder; salt, mustard; vinegar, sauces (condiments); spices; ice for refreshment.
7.	ONE WORLD ONE MARKET	DXN Marketing (Registered owner)	138318-C	Bolivia	24 July 2032	35: Marketing; direct marketing; multi-level marketing; business administration and business consultancy; business planning; business analysis and business management; commercial management and assistance; advertising and publicity services; organising trade fairs and exhibitions for commercial or advertising purposes; business organisation and sales promotion consultancy; business consultation in the nature of providing assistance to others in connection with establishing and operating distributorships, wholesale and retail sales, all in the field of pharmaceutical products, food and health supplements; the bringing together (excluding the transport thereof) of a variety of goods, namely pharmaceutical products, food and health supplements, enabling customers to conveniently view and purchase those goods from a global computer network, retail stores, wholesale outlets, distributor outlets or from general merchandise catalogues by mail, telephone, fax and/or all other communication and telecommunication order; advisory and consultancy services in relation to the foregoing services.

ANNEXURE C: OUR TRADEMARKS, BRAND NAMES AND OTHER INTELLECTUAL PROPERTY RIGHTS (Cont'd)

No.	Trademark ⁽¹⁾	Registered owner / Applicant	Registration/ Application no.	Place of registration	Expiry/ Application date	Class/ Description of trademark
8.		DXN Bolivia (Registered owner)	185616-C	Bolivia	31 May 2029	30: Coffee, tea, cocoa and artificial coffee; rice; tapioca and sago; flour and preparations made from cereals; bread, pastries and confectionery; edible ices; sugar, honey, treacle; yeast, baking-powder; salt, mustard; vinegar, sauces (condiments); spices; ice for refreshment.
9.		DXN Bolivia (Registered owner)	199430-C	Bolivia	28 April 2032	Business motto.
10.		DXN Bolivia (Registered owner)	180342-C	Bolivia	23 July 2028	30: Coffee, tea, cocoa and artificial coffee; rice; tapioca and sago; flour and preparations made from cereals; bread, pastries and confectionery; edible ices; sugar, honey, treacle; yeast, baking-powder; salt, mustard; vinegar, sauces (condiments); spices; ice for refreshment.
11.		DXN Bolivia (Registered owner)	188757-C	Bolivia	26 November 2029	30: Coffee, tea, cocoa and artificial coffee; rice; tapioca and sago; flour and preparations made from cereals; bread, pastries and confectionery; edible ices; sugar, honey, treacle; yeast, baking-powder; salt, mustard; vinegar, sauces (condiments); spices; ice for refreshment; confectionery; peppermint sweets.
12.		DXN Bolivia (Registered owner)	185074-C	Bolivia	30 April 2029	30: Coffee, tea, cocoa and artificial coffee; rice; tapioca and sago; flour and preparations made from cereals; bread, pastries and confectionery; edible ices; sugar, honey, treacle; yeast, baking-powder; salt, mustard; vinegar, sauces (condiments); spices; ice for refreshment.





ANNEXURE C: OUR TRADEMARKS, BRAND NAMES AND OTHER INTELLECTUAL PROPERTY RIGHTS (Cont'd)

Notes:






- (1) Trademarks 1 and 3 are in colour.
- (2) The application is currently in the stage of analysis of registrability and the certificate of registration is expected to be obtained by the third quarter of 2023.

ANNEXURE C: OUR TRADEMARKS, BRAND NAMES AND OTHER INTELLECTUAL PROPERTY RIGHTS (Cont'd)





Philippines

No.	Trademark ⁽¹⁾	Registered owner / Applicant	Registration no.	Place of registration	Expiry date	Class/ Description of trademark
1.		DXN Marketing (Registered owner)	4/2001/00002615	Philippines	5 December 2024	5: Herbal supplements and medicines containing mushroom powder, concentrate and extract, enzymes, fermented food and fermented beverages.
		DIPL Philippines Branch (Registered owner)	4/2012/00502043	Philippines	8 February 2023 ⁽²⁾	35: Import, export, distribution of goods; sale and wholesale of all kinds of health foods, food products, food supplements, traditional medicine, cosmetics, household care products, personal care products.
						41: Publication of magazines and other materials.
2.		DIPL Philippines Branch (Registered owner)	4/2015/00504529	Philippines	10 December 2025	35: Import, export, and distribution of goods sale and wholesale of all kinds of health foods, food products, food supplement, traditional medicine, cosmetics, household care products, personal care products.
						41: Publication of magazines and other materials.
3.		DIPL Philippines Branch (Registered owner)	4/2015/00504519	Philippines	21 January 2026	3: Cosmetic and personal care products such as lipstick and lipgloss; facial, hand and bodywash; moisturiser; facial, hand, and body cream; hand and body lotion; body oil, hydrating toner; cleansing cream and gel; aquagel, liquid cleanser; soap; shampoo.
4.		DIPL Philippines Branch (Registered owner)	4/2003/00005540	Philippines	6 January 2026	5: Processed food supplement.




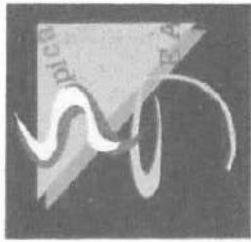
ANNEXURE C: OUR TRADEMARKS, BRAND NAMES AND OTHER INTELLECTUAL PROPERTY RIGHTS (Cont'd)

No.	Trademark ⁽¹⁾	Registered owner / Applicant	Registration no.	Place of registration	Expiry date	Class/ Description of trademark
5.		DIPL Philippines Branch (Registered owner)	4/2002/00003664	Philippines	26 May 2028	30: Chocolate beverage drink; flavoured chocolate beverage with Ganoderma extract.
6.	CORDYPINE	DIPL Philippines Branch (Registered owner)	4/2022/00522672	Philippines	16 January 2033	32: Herbal juice.
7.	DXN 	DIPL Philippines Branch (Registered owner)	4/2003/00011446	Philippines	18 March 2026	3: Massage oil.
8.	DXN 	DIPL Philippines Branch (Registered owner)	4/2003/00011447	Philippines	25 September 2026	5: Food supplement.
9.		DIPL Philippines Branch (Registered owner)	4/2012/00501881	Philippines	8 February 2023 ⁽²⁾	32: Herbal juice, fruit drink and beverage.
10.		DIPL Philippines Branch (Registered owner)	4/2003/00007864	Philippines	23 October 2029	30: Herbal candy.




ANNEXURE C: OUR TRADEMARKS, BRAND NAMES AND OTHER INTELLECTUAL PROPERTY RIGHTS (Cont'd)

No.	Trademark ⁽¹⁾	Registered owner / Applicant	Registration no.	Place of registration	Expiry date	Class/ Description of trademark
11.		DIPL Philippines Branch (Registered owner)	4/2003/00005545	Philippines	25 December 2025	5: Food supplement.
12.		DIPL Philippines Branch (Registered owner)	4/2005/00004631	Philippines	7 April 2028	30: Cereal.
13.		DIPL Philippines Branch (Registered owner)	4/2020/00504893	Philippines	23 December 2031	5: Food supplement.
14.	GANOCELIUM	DIPL Philippines Branch (Registered owner)	4/2022/00522567	Philippines	16 January 2033	5: Food supplement.
15.		DIPL Philippines Branch (Registered owner)	4/2015/00504522	Philippines	26 May 2026	3: Cosmetic and personal care products such as lipstick and lipgloss; facial, hand and bodywash, moisturiser; facial, hand, and body cream; hand and body lotion; body oil, hydrating toner; cleansing cream and gel; aquagel, liquid cleanser; soap; shampoo; toothpaste.

ANNEXURE C: OUR TRADEMARKS, BRAND NAMES AND OTHER INTELLECTUAL PROPERTY RIGHTS (Cont'd)

No.	Trademark ⁽¹⁾	Registered owner / Applicant	Registration no.	Place of registration	Expiry date	Class/ Description of trademark
16.		DIPL Philippines Branch (Registered owner)	4/2015/00504168	Philippines	17 September 2025	30: Coffee, soya, malt, tea.
17.		DIPL Philippines Branch (Registered owner)	4/2007/00003391	Philippines	18 August 2028	5: Processed food.
18.		DIPL Philippines Branch (Registered owner)	4/2000/00010253	Philippines	1 October 2025	32: Juices.
19.	MORINZYME	DIPL Philippines Branch (Registered owner)	4/2022/00522569	Philippines	16 January 2033	32: Herbal juice.
20.		DIPL Philippines Branch (Registered owner)	4/2003/00007865	Philippines	26 May 2028	30: Tea.

ANNEXURE C: OUR TRADEMARKS, BRAND NAMES AND OTHER INTELLECTUAL PROPERTY RIGHTS (Cont'd)

No.	Trademark ⁽¹⁾	Registered owner / Applicant	Registration no.	Place of registration	Expiry date	Class/ Description of trademark
21.		DIPL Philippines Branch (Registered owner)	4/2005/00004634	Philippines	7 April 2028	30: Candy.
22.		DIPL Philippines Branch (Registered owner)	4/2012/00502044	Philippines	7 June 2028	35: Import, export, distribution of goods; sale and wholesale of all kinds of health foods, food products, food supplements, traditional medicine, cosmetics, household care products, personal care products. 41: Publication of magazines and other materials.
23.		DIPL Philippines Branch (Registered owner)	4/2003/00005546	Philippines	20 November 2025	30: Coffee.
24.		DIPL Philippines Branch (Registered owner)	4/2012/00501932	Philippines	5 April 2023 ⁽²⁾	32: Herbal juice, fruit juice and beverage.
25.		DIPL Philippines Branch (Registered owner)	4/2012/00502882	Philippines	14 June 2023	5: Food supplement.
26.	ONE WORLD ONE MARKET	DIPL Philippines Branch (Registered owner)	4/2022/00522565	Philippines	16 January 2033	35: Marketing; direct marketing; multi-level marketing; business administration and business consultancy; business planning; business analysis and business management; commercial management and assistance; advertising and

ANNEXURE C: OUR TRADEMARKS, BRAND NAMES AND OTHER INTELLECTUAL PROPERTY RIGHTS (Cont'd)






No.	Trademark ⁽¹⁾	Registered owner / Applicant	Registration no.	Place of registration	Expiry date	Class/ Description of trademark
						<p>publicity services; organising trade fairs and exhibitions for commercial or advertising purposes; business organisation and sales promotion consultancy; business consultation in the nature of providing assistance to others in connection with establishing and operating distributorships, wholesale and retail sales, all in the field of pharmaceutical products, food and health supplements; the bringing together (excluding the transport thereof) of a variety of goods, namely pharmaceutical products, food and health supplements, enabling customers to conveniently view and purchase those goods from a global computer network, retail stores, wholesale outlets, distributor outlets or from general merchandise catalogues by mail, telephone, fax and/or all other communication and telecommunication order; advisory and consultancy services in relation to the foregoing services.</p>

Notes:

- (1) Trademarks 10 and 20 are in colour.
- (2) The renewal applications are pending approval.

ANNEXURE C: OUR TRADEMARKS, BRAND NAMES AND OTHER INTELLECTUAL PROPERTY RIGHTS (Cont'd)




United States

No.	Trademark ⁽¹⁾	Registered owner / Applicant	Registration no.	Place of registration	Expiry date	Class/ Description of trademark
1.		Daxen USA (Registered owner)	4,464,836 4,464,837 4,413,507	United States United States United States	14 January 2024 14 January 2024 8 October 2023	3: For skin soap, toothpaste, hair shampoo containing Ganoderma. 5: For dietary supplements, namely GL and RG containing Ganoderma. 30: For tea, coffee containing Ganoderma.
2.		DXN Marketing (Registered owner)	2,889,728	United States	28 September 2024	29: For Chocolate milk; dairy-based chocolate food beverage; vegetable-based chocolate food beverage. 30: Cocoa products, namely, cocoa and cocoa mixes, chocolate food beverage not being dairy-based or vegetable-based; cocoa beverages with milk; chocolates; hot chocolate; chocolate-based beverages; cocoa-based beverage.
3.		Daxen USA (Registered owner)	6,162,365	United States	29 September 2030	5: Beverages containing Ganoderma for use as a nutritional supplement. 30: Cocoa-based beverages.
4.		Daxen USA (Registered owner)	6,162,385	United States	29 September 2030	5: Beverages containing fermented pineapple and cordyceps for use as a nutritional supplement. 32: Pineapple juice beverages.
5.		Daxen USA (Registered owner)	6,162,363	United States	29 September 2030	5: Dietary and nutritional supplements containing hericium erinaceus.

ANNEXURE C: OUR TRADEMARKS, BRAND NAMES AND OTHER INTELLECTUAL PROPERTY RIGHTS (Cont'd)

No.	Trademark⁽¹⁾	Registered owner / Applicant	Registration no.	Place of registration	Expiry date	Class/ Description of trademark
6.	DXN MORINZHI	Daxen USA (Registered owner)	6,173,271	United States	13 October 2030	5: Beverages containing morinda citrifolia and roselle for use as a nutritional supplement. 32: Fruit-based beverages.
7.	DXN MYCOVEGGIES	Daxen USA (Registered owner)	6,107,509	United States	21 July 2030	5: Dietary and nutritional supplements containing mixtures of vegetables, mushrooms, herbs and spices.
8.	DXN MYCOVITA	Daxen USA (Registered owner)	6,107,500	United States	21 July 2030	5: Dietary and nutritional supplements containing Ganoderma, namely RG and GL in powdered form.
9.	DXN REISHI GANO TEA	Daxen USA (Registered owner)	6,162,364	United States	29 September 2030	5: Beverages containing RG and camellia sinensis for use as a nutritional supplement. 30: Tea-based beverages also containing RG and camellia sinensis.
10.	GANO MASSAGE OIL	Daxen USA (Registered owner)	3,012,984	United States	5 February 2026	3: For massage oil containing Ganoderma extract and palm oil.
11.	ICING ON THE CAKE	Daxen USA (Registered owner)	4,712,050	United States	31 March 2025	35: For multi-level marketing services.
12.	MORINZYME	Daxen USA (Registered owner)	3,044,527	United States	5 February 2026	32: For botanical fruit based beverage not containing any artificial preservatives, colourings or flavourings featuring a combination of all natural enzymes produced from the fermentation process of morinda citrifolia concentrate.

ANNEXURE C: OUR TRADEMARKS, BRAND NAMES AND OTHER INTELLECTUAL PROPERTY RIGHTS (Cont'd)





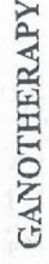
No.	Trademark ⁽¹⁾	Registered owner / Applicant	Registration no.	Place of registration	Expiry date	Class/ Description of trademark
13.		DXN Marketing (Registered owner)	4,415,271	United States	8 October 2023	35: For direct marketing and multi-level marketing in the fields of pharmaceutical products and food and health supplements; direct online wholesale and retail distributorships in the fields of pharmaceutical products and food and health supplements.
14.		Daxen USA (Registered owner)	3,026,816	United States	5 February 2026	30: For tea specially formulated with natural Chinese herbs including Ganoderma, lucidum and radix glycyrrhizae.
15.		Daxen USA (Registered owner)	3,031,083	United States	6 February 2026	30: For coffee containing roasted coffee beans and Ganoderma.

Note:


(1) Trademark 15 is in colour.

ANNEXURE C: OUR TRADEMARKS, BRAND NAMES AND OTHER INTELLECTUAL PROPERTY RIGHTS (Cont'd)

Thailand

No.	Trademark ⁽¹⁾	Registered owner / Applicant	Registration no.	Place of registration	Expiry date	Class/ Description of trademark
1.		DXN Marketing (Registered owner)	(i) TM101434 (Class 3); and (ii) TM101441 (Class 5); and (iii) TM176342 (Class 30)	Thailand	7 January 2029	3: Toothpaste, shampoo, body foam. 5: Scald burn ointment, body tonic. 30: Tea, coffee.
2.		DXN Marketing (Registered owner)	TM404662	Thailand	5 September 2023	30: Cocoa, mixed cocoa, chocolate drink. cocoa drink with milk, chocolate, a drink with chocolate as the main ingredient, a drink with cocoa as the main ingredient.
3.		DXN Marketing (Registered owner)	TM176343	Thailand	16 March 2029	5: Herbs produced from mushrooms used in medicine, dietary supplements, medicinal teas.
4.		DXN Marketing (Registered owner)	TM115329	Thailand	16 March 2029	5: Herbs produced from mushrooms used in medicine, dietary supplements, medicinal teas.
5.		DXN Marketing (Registered owner)	TM126632	Thailand	16 March 2029	5: Herbs produced from mushrooms used in medicine, dietary supplements, medicinal teas.

ANNEXURE C: OUR TRADEMARKS, BRAND NAMES AND OTHER INTELLECTUAL PROPERTY RIGHTS (Cont'd)


No.	Trademark ⁽¹⁾	Registered owner / Applicant	Registration no.	Place of registration	Expiry date	Class/ Description of trademark
6.		DXN (Registered owner)	TM297535	Thailand	25 December 2027	3: Skin care cream, skin care gel, skin care oil, body lotion, skin care soap, skin care mask, exfoliating cream, cosmetic set for facial, cosmetics for lips, cosmetics for cheeks, cosmetics for the neck, eye makeup, UV protection cosmetics for face and body, soaps, cleansing and facial lotions (toners), shampoo, toothpaste.

Note:

(1) Trademark 1 is in colour.

ANNEXURE C: OUR TRADEMARKS, BRAND NAMES AND OTHER INTELLECTUAL PROPERTY RIGHTS (Cont'd)

Colombia


No.	Trademark ⁽¹⁾	Registered owner / Applicant	Registration no.	Place of registration	Expiry date	Class/ Description of trademark
1.		DXN Industries (Registered owner)	(i) 423209 (Class 3); and (ii) 423210 (Class 30)	Colombia	14 April 2031	3: Bleaching preparations and other substances for laundry use; cleaning, polishing, scouring and abrasive preparations; soaps; perfumery, essential oils, cosmetics, hair lotions; dentifrices. 30: Coffee, tea, cocoa, sugar, rice, tapioca, sago, artificial coffee; flour and preparations made from cereals, bread, pastry and confectionery, ices; honey, treacle; yeast, baking-powder; salt, mustard; vinegar, sauces (condiments); spices; ice.
		DXN Industries (Registered owner)	(i) 424268 (Class 5); and (ii) 424267 (Class 32)	Colombia	28 April 2031	5: Pharmaceutical and veterinary preparations; sanitary preparations for medical purposes; dietetic substances adapted for medical use, food for babies; plasters, materials for dressings; material for stopping teeth, dental wax; disinfectants; preparations for destroying vermin; fungicides, herbicides. 32: Beers; mineral and aerated waters and other non-alcoholic drinks; fruit drinks and fruit juices; syrups and other preparations for making beverages.

Note:


(1) Trademark 1 is in colour.

ANNEXURE C: OUR TRADEMARKS, BRAND NAMES AND OTHER INTELLECTUAL PROPERTY RIGHTS (Cont'd)

Mongolia

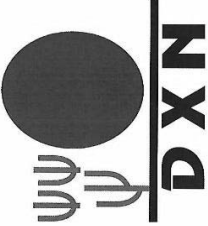
No.	Trademark	Registered owner / Applicant	Registration no.	Place of registration	Expiry date	Class/ Description of trademark
1.		DXN Industries (Registered owner)	9205	Mongolia	4 April 2031	<p>3: Bleaching preparations and other substances for laundry use; cleaning, polishing, scouring and abrasive preparations; soaps; perfumery; essential oils, cosmetics, hair lotions; dentifrices.</p> <p>5: Pharmaceutical, veterinary and sanitary preparations; dietetic substances adapted for medical use, food for babies; disinfectants; preparations for destroying vermin; fungicides, herbicides.</p> <p>30: Coffee, tea, cocoa, sugar, rice, tapioca, sago, artificial coffee; flour and preparations made from cereals, bread, pastry and confectionery, ices; honey, treacle; yeast, baking-powder, salt, mustard; vinegar, sauces (condiments); spices; ice.</p> <p>32: Beers; mineral and aerated waters and other non-alcoholic drinks; fruit drinks and fruit juices; syrups and other preparations for making beverages.</p>

ANNEXURE C: OUR TRADEMARKS, BRAND NAMES AND OTHER INTELLECTUAL PROPERTY RIGHTS (Cont'd)

No.	Trademark	Registered owner / Applicant	Registration no.	Place of registration	Expiry date	Class/ Description of trademark
2.		DXN Marketing (Registered owner)	9502	Mongolia	12 August 2031	35: Marketing, direct marketing, multi-level marketing; business management and business consulting, business planning, business analysis and business administration, commercial management and support, advertising, advertising services, organising trade fairs and exhibitions, business organisation, sales promotion advice, pharmaceuticals, food, health supplements distributors, wholesale and retail business start-ups to support people in starting and running businesses, a wide range of products such as pharmaceuticals and food, centralise health supplements in one place, allow customers to view the products from the global computer network, retail stores, wholesale outlets, distributors and product catalogs enabling to order and purchase via e-mail, telephone, fax and all other communications and telecommunications facilities, provide consulting services on the above-mentioned services.

ANNEXURE C: OUR TRADEMARKS, BRAND NAMES AND OTHER INTELLECTUAL PROPERTY RIGHTS (Cont'd)

Morocco

No.	Trademark	Registered owner / Applicant	Registration no.	Place of registration	Expiry Date	Class/ Description of trademark
1.		DXN Industries (Registered owner)	205881	Morocco	26 June 2029	30: Coffee; artificial coffee; tea; herbal tea; candy; sweets; herbal candy; cocoa beverages; vinegar; spices; sugar; honey; pastries; confectionery; chocolate; flour and preparations made from cereal; sauces (condiments). 32: Mineral water; aerated water; fruit juice; fruit drinks; syrup for beverages; non-alcoholic beverages and enzymatic drinks; drinking water; fermented beverages; soy based beverages. 3: Cosmetic cream; toothpaste; detergents; lipsticks; oils for cosmetics use; perfumes; soaps; shampoos. 5: Nutritional supplements. 11: Filter for drinking water.
2.	DXN	Daxen Morocco (Registered owner)	246225	Morocco	1 November 2032	3: Baby oils (toiletries); body and beauty care preparations for cosmetic purposes; car wash detergents; cleansing foam; cosmetic creams and gels for the face, hands and body; cosmetics; dentifrices; dishwasher detergents; herbal extracts for cosmetic purposes; lipsticks; moisturisers; perfumes; shampoos; soap; talcum powder for cosmetic purposes; toothpaste; skin creams; toners for cosmetic use; skin cleansers; lotions for cosmetic purposes; tea-tree oil; massage oils; toiletry preparations; face masks (cosmetics); eye creams; household cleaning products; eyeliner pencils; eyeliner; mascara; blusher; eyebrow pencils; lip glosses; eyeshadows; make-up removers; foundation; facial serums; eye cream for cosmetic purposes; beauty masks; facial masks.

ANNEXURE C: OUR TRADEMARKS, BRAND NAMES AND OTHER INTELLECTUAL PROPERTY RIGHTS (Cont'd)

No.	Trademark	Registered owner / Applicant	Registration no.	Place of registration	Expiry Date	Class/ Description of trademark
						<p>5: Bee pollen for use as a dietary food supplement; food for babies; antibacterial pharmaceuticals; antibacterial preparations; anti-insect sprays; balms for medical purposes; cough syrups; cough drops; dietary food supplements in capsule form; dietary food supplements consisting of dehydrated herbal extracts in capsule form; dietary food supplements in powder form; dietary food supplements in tablet form; disinfectants for chemical toilets; pearl powder for medical purposes; pharmaceutical preparations; probiotic bacteria (food supplements); traditional Chinese medicines; dietary and nutritional supplements; dietetic preparations adapted for medical purposes; herbal supplements; herbal teas for medicinal purposes; herbal medicines; vitamin supplements; pills for pharmaceutical purposes; serums; insect repellents.</p> <p>30: Artificial coffee; cocoa-based beverages; coffee; candy mints; caramels (sweets); cocoa; coffee based beverages; goji berry tea; herbal tea preparations for making beverages; herbal teas, other than for medicinal use; sweets; tea; tea-based beverages; vinegar; fermented tea; baked goods; black tea; fruit vinegar; honey; breakfast cereals; brewed coffee; butter cookies; cappuccino; cereals prepared for human consumption; chili paste for use as a seasoning; chocolate; cookies; yogurt confectionery; curry paste; green tea; instant noodles; oolong tea (Chinese tea).</p> <p>32: Aerated water; fruit beverages; fruit juices; mineral water; non-alcoholic beverages; soya-based beverages, other than milk substitutes; syrups for beverages; aloe vera drinks, non-alcoholic; drinking water; fruit-based beverages.</p>

ANNEXURE C: OUR TRADEMARKS, BRAND NAMES AND OTHER INTELLECTUAL PROPERTY RIGHTS (Cont'd)

No.	Trademark	Registered owner / Applicant	Registration no.	Place of registration	Expiry Date	Class/ Description of trademark
3.	ONE WORLD ONE MARKET	Daxen Morocco (Registered owner)	246223	Morocco	1 November 2032	35: Marketing; direct marketing; multi-level marketing; business administration and business consultancy; business planning; business analysis and business management; commercial management and assistance; advertising and publicity services; organising trade fairs and exhibitions for commercial or advertising purposes; business organisation and sales promotion consultancy; business consultation in the nature of providing assistance to others in connection with establishing and operating distributorships, wholesale and retail sales, all in the field of pharmaceutical products, food and health supplements; the bringing together (excluding the transport thereof) of a variety of goods, namely pharmaceutical products, food and health supplements, enabling customers to conveniently view and purchase those goods from a global computer network, retail stores, wholesale outlets, distributor outlets or from general merchandise catalogues by mail, telephone, fax and/or all other communication and telecommunication order; advisory and consultancy services in relation to the foregoing services.

DXN has filed a single application (Application No. 1569035) with 31 designating countries for the protection of the DXN logo and mark (colour) under classes 3, 5, 30 and 32 via the Madrid system using the Malaysian application for the DXN logo mark in classes 3, 5, 30 and 32 as the basic application. The Malaysian application for the DXN logo mark is now registered in classes 3, 5, 30 and 32 and a certificate of registration has been obtained. A decision on the scope of protection for the 31 designations will be made within 12 or 18 months (or any other period as may be specified by the Intellectual Property Office in the respective designating countries) from the date when the World Intellectual Property Organization notified the office of its designation. As at the LPD, the Company has been granted protection in 23 countries (Austria, Bulgaria, Benelux, Denmark, Egypt, France, Greece, Hungary, Kyrgyzstan, New Zealand, Norway, Poland, Portugal, Russia, Slovakia, Spain, Sweden, Switzerland, Tajikistan, Turkmenistan, Ukraine, United Kingdom and Uzbekistan).

ANNEXURE D: BY-LAWS GOVERNING THE ESOS

**DXN HOLDINGS BHD.
BY-LAWS OF THE EMPLOYEES' SHARE OPTION SCHEME**

1. NAME OF SCHEME

This ESOS (as defined herein) will be called the "DXN Employees' Share Option Scheme".

2. RATIONALE FOR THE SCHEME

The implementation of the ESOS primarily serves to align the interests of the Eligible Persons (as defined herein) to the performance of the DXN Group (as defined herein). As such, the ESOS is established to achieve the objectives as set out below:

- (i) to provide an incentive to the Eligible Persons to participate more actively in the operations of the DXN Group and encourage them to contribute positively to the future growth of the DXN Group;
- (ii) to motivate, reward and retain the Eligible Persons who, upon exercising their Options (as defined herein), would have the opportunity to participate in the equity of the Company (as defined herein) and thereby relate with their contribution directly to the performance of the DXN Group whilst at the same time, giving the Eligible Persons a greater sense of ownership; and
- (iii) to make the employees' remuneration scheme of the DXN Group more competitive to attract more skilled and experienced individuals to join the DXN Group and contribute to its continued growth and profitability.

3. DEFINITIONS AND INTERPRETATIONS

3.1 In these By-Laws, except where the context otherwise requires, the following words and expressions shall have the following meanings:

Act	: the Companies Act 2016, as amended from time to time including any re-enactment thereof
Adviser	: any person who is eligible to act as a principal adviser that fulfils the requirements set out in the Guidelines on Submission of Corporate and Product Proposals as well as Chapter 7A of the Licensing Handbook issued by the Securities Commission Malaysia
Available Balance	: the unissued Shares of the Company which are available for offer of Options subject to the maximum limit as set out in By-Law 4.2 hereof and after deducting all Shares under Options which have been granted
Board	: the Board of Directors of DXN
Bursa Depository	: Bursa Malaysia Depository Sdn Bhd (Registration No. 198701006854 (165570-W))
Bursa Securities	: Bursa Malaysia Securities Berhad (Registration No. 200301033577 (635998-W))

ANNEXURE D: BY-LAWS GOVERNING THE ESOS (Cont'd)

By-Laws	: the rules, terms and conditions of the ESOS as set out herein, and shall include any amendments, variations or supplements made thereto from time to time
CDS Account	: the account established by Bursa Depository for a depositor for the recording of deposits and withdrawal of securities and dealings in such securities by the depositor
Central Depositories Act	: the Securities Industry (Central Depositories) Act 1991, as amended from time to time and any re-enactment thereof
Constitution	: the constitution or memorandum and articles of association of the Company or by such other names so called, as amended from time to time
Director(s)	: a natural person who holds a directorship in DXN, and shall have the meaning given in Section 2(1) of the Capital Markets and Services Act, 2007
DXN Group or Group	: DXN and the Subsidiaries
DXN or Company	: DXN Holdings Bhd. (Registration No. 199501033918 (363120-V))
DXN Share(s) or Share(s)	: ordinary share(s) in DXN
Effective Date	: the date the last of the approvals and/or conditions referred to in By-Law 5.1 hereof have been obtained and/or complied with
Eligible Person(s)	: a Director and/or Employee who fulfils the conditions as set out in By-Law 7 hereof, for eligibility to participate in the ESOS
Employee(s)	: a natural person who is employed by and is on the payroll of any company in the DXN Group
Entitlement Date	: the date as at the close of business on which the names of the shareholders of DXN must appear on DXN's record of depositors in order to be entitled to participate in any dividends, rights, allotments or other forms of distribution
ESOS Committee	: the committee appointed from time to time by the Board pursuant to By-Law 18 hereof to administer the ESOS
ESOS or Scheme	: the employees' share option scheme for the grant of Options to the Eligible Persons to subscribe for new Shares upon the terms as set out herein
Exercise Period	: the specific period or periods within an Option Period during which Options may be exercised by Grantees as determined by the ESOS Committee subject always to By-Law 5 hereof
Exercise Price	: the price at which the Grantee shall be entitled to subscribe for every DXN Share by exercising his Option as determined subject to By-Law 10 hereof

ANNEXURE D: BY-LAWS GOVERNING THE ESOS (Cont'd)

Expiry Date	:	the last day of the duration of the ESOS or any extended period pursuant to By-Law 5.3 hereof
Grantee(s)	:	any Eligible Person who has accepted the Offer by the Company in accordance with the provisions of By-Law 9 hereof
Listing Requirements	:	the Main Market Listing Requirements of Bursa Securities, including any amendments thereto that may be made from time to time
Market Day(s)	:	any day from Mondays to Fridays (both days inclusive) which is not a public holiday, and on which Bursa Securities is open for trading of securities
Maximum Allowable Allocation	:	the maximum number of Shares that can be offered to an Eligible Person to be determined by the ESOS Committee in accordance with the provisions of By-Law 8 hereof
Maximum Limit	:	the maximum number of new DXN Shares which may be issued pursuant to the ESOS, which shall not exceed in aggregate five per centum (5%) of the total number of issued Shares of the Company (excluding treasury shares, if any) at any one time during the duration of the ESOS
Offer	:	an offer made in writing by the ESOS Committee to an Eligible Person in the manner indicated in By-Law 6 hereof
Offer Date	:	the date on which an Offer is made by the ESOS Committee to an Eligible Person to participate in the ESOS
Offer Period	:	the period during which an offer shall be valid as specified in By-Law 9.1 hereof
Option Period	:	a period commencing from the date an Offer is accepted in accordance with By-Law 9 hereof and expiring on the last day of the Option Period as specified in the letter of Offer or such other date which the ESOS Committee may in its discretion decide, subject always to any further extension of period or early termination in accordance with the provisions of By-Law 5 hereof, provided that no Option Period shall extend beyond the period referred to in By-Law 5 hereof
Option(s)	:	the right of a Grantee to subscribe for DXN Share(s) at the Exercise Price pursuant to the contract constituted by the Eligible Person's acceptance of an Offer in the manner indicated in By-Law 9 hereof
RM and sen	:	Ringgit Malaysia and sen, respectively
Rules of Bursa Depository	:	the rules of Bursa Depository, as issued pursuant to the Central Depositories Act

ANNEXURE D: BY-LAWS GOVERNING THE ESOS (Cont'd)

- Senior Management : an Employee of the DXN Group who falls within such grading as determined by the ESOS Committee at its sole and absolute discretion from time to time
- Subsidiaries : companies which are deemed subsidiaries of DXN within the meaning of Section 4 of the Act (which for the avoidance of doubt shall exclude the Company's associate company(ies)), which are not dormant and shall include such subsidiaries which are existing as at the Effective Date and those which are incorporated or acquired at any time during the duration of the ESOS but exclude such subsidiaries which shall be divested in the manner provided for in By-Law 26 hereof
- Vesting Conditions : the conditions which are required to be fulfilled by an Eligible Person before the Option(s) is/are capable of being vested onto the Eligible Person, to be communicated in an Offer pursuant to By-Law 6.3 (vii) hereof

In these By-Laws:

- (i) headings are for ease of reference only and do not affect the meaning of these By-Laws;
- (ii) any reference to a statutory provision or applicable law shall include any subordinate legislation made from time to time under the provision or law and any Listing Requirements, policies and/or guidelines of Bursa Securities and/or any other relevant regulatory authority (whether or not having the force of law but, if not having the force of law, the compliance with which is in accordance with the reasonable commercial practice of persons to whom such requirements, policies and/or guidelines are addressed to by Bursa Securities and/or any other relevant regulatory authority);
- (iii) any reference to a statutory provision shall include that provision as from time to time modified or re-enacted whether before or after the date of these By-Laws so far as such modification or re-enactment applies or is capable of applying to any Options offered and accepted prior to the expiry of the ESOS and shall include also any past statutory provision (as from time to time modified or re-enacted) which such provision has directly or indirectly been replaced;
- (iv) words denoting the singular shall include the plural and references to any gender shall include all genders whether male, female or neuter;
- (v) any liberty or power which may be exercised or any determination which may be made hereunder by the ESOS Committee or the Board may be exercised at the ESOS Committee's or the Board's discretion respectively; and
- (vi) if an event occurs on a stipulated day which is not a Market Day, then the stipulated day will be taken to be the first Market Day after that day **PROVIDED ALWAYS** if such date shall fall beyond the duration of the ESOS, then the stipulated day shall be taken to be the preceding Market Day.

ANNEXURE D: BY-LAWS GOVERNING THE ESOS (Cont'd)

4. MAXIMUM NUMBER OF SHARES AVAILABLE UNDER THE SCHEME

- 4.1 Each Option shall be exercisable into one (1) new DXN Share, in accordance with the provisions of these By-Laws.
- 4.2 The total number of new DXN Shares which may be made available under the ESOS shall not exceed in aggregate five per centum (5%) of the total number of issued Shares of the Company (excluding treasury shares, if any) at any one time during the duration of the ESOS as provided in By-Law 5.3 hereof.
- 4.3 Notwithstanding the provision of By-Law 4.2 hereof or any other provisions contained herein, in the event the maximum number of new DXN Shares comprised in the Options granted under the ESOS exceeds the aggregate of five per centum (5%) of the total number of issued Shares of the Company (excluding treasury shares, if any) as a result of DXN purchasing its own Shares pursuant to Section 127 of the Act or undertaking any other corporate proposal and thereby diminishing its number of issued Shares, no further Options shall be offered until the total number of new DXN Shares to be issued under the ESOS falls below five per centum (5%) of the total number of issued Shares of the Company (excluding treasury shares, if any). Any Options granted prior to the adjustment of the number of issued Shares of DXN shall remain valid and exercisable in accordance with the provisions of these By-Laws.

5. DURATION, EXTENSION AND TERMINATION OF THE SCHEME

- 5.1 The ESOS shall come into force on the Effective Date, and shall continue to be in force for a period of five (5) years **PROVIDED THAT** the following approvals and/or conditions have been obtained and/or fulfilled:
- (i) submission of the final copy of these By-Laws to Bursa Securities together with a letter of compliance pursuant to Paragraph 2.12 of the Listing Requirements and a checklist showing compliance with Appendix 6E of the Listing Requirements;
 - (ii) approval or approval-in-principle, as the case may be, from Bursa Securities for the listing and quotation of the new DXN Shares to be issued under the ESOS;
 - (iii) shareholders' approval for the ESOS at a general meeting;
 - (iv) approval of any other relevant authorities for the ESOS, where applicable; and
 - (v) fulfilment of all conditions attached to the above approvals, if any.
- 5.2 The Company shall, through its Adviser, submit no later than five (5) Market Days after the Effective Date, a confirmation letter to Bursa Securities of the full compliance of By-Law 5.1 hereof stating the Effective Date of the ESOS, together with a certified true copy of the relevant resolution passed by the shareholders of the Company in the general meeting approving the ESOS.

ANNEXURE D: BY-LAWS GOVERNING THE ESOS (Cont'd)

- 5.3 The ESOS may be extended for a further period of up to five (5) years immediately from the expiry of the first five (5) years, **PROVIDED ALWAYS THAT** the ESOS shall not in aggregate exceed ten (10) years from the Effective Date or such longer period as may be allowed by the relevant authorities. Such renewed ESOS shall be implemented in accordance with the terms of these By-Laws set out herein, save for any amendments and/or changes to the relevant statutes and/or regulations currently in force. Unless otherwise required by the relevant authorities, no further approvals shall be required for the extension of the ESOS provided that the Company shall serve appropriate notices to each Grantee and make any announcements to Bursa Securities (if required) within thirty (30) days prior to the expiry of the original ESOS.
- 5.4 Offers can only be made during the duration of the ESOS before the Expiry Date, which date shall be at the end of the five (5) years from the Effective Date, or if the ESOS shall be extended, at the end of such extended term.
- 5.5 Notwithstanding anything to the contrary, all unexercised Options shall lapse after 5.00 p.m. on the Expiry Date or the date of resolution of the termination of the Scheme.
- 5.6 Notwithstanding the provision of By-Law 5.3 hereof and subject to compliance with the requirements of Bursa Securities and any other relevant regulatory authorities, the ESOS may be terminated by the Company at its sole and absolute discretion without obtaining the approvals or consents from the Grantees and/or the shareholders, by way of a board resolution upon the recommendation of the ESOS Committee at any time during the continuance of the ESOS whereupon such termination, (i) no further Offers shall be made by the ESOS Committee; (ii) all outstanding Options unexercised shall be automatically terminated; and (iii) all Offers made but not yet accepted by the Eligible Persons shall automatically lapse.
- 5.7 The Company shall immediately upon the termination of the ESOS before the Expiry Date announce to Bursa Securities:
- (i) the effective date of termination;
 - (ii) the number of Options exercised; and
 - (iii) the reasons for termination.
- 5.8 Subject to the relevant approvals being obtained, the Company may implement a new employees' share option scheme after the expiration or termination of the ESOS pursuant to By-Law 5.6 hereof.

6. OFFER

- 6.1 The ESOS Committee may, at any time during the duration of the ESOS as defined in By-Law 5 hereof, make Offers in writing to any Eligible Person (based on the criteria of allocation as set out in By-Law 8.1), selected at the sole and absolute discretion of the ESOS Committee.
- 6.2 The actual number of new DXN Shares which may be offered to an Eligible Person shall be at the sole and absolute discretion of the ESOS Committee and, subject to the Maximum Allowable Allocation as set out in By-Law 8 hereof and any adjustments that may be made under By-Law 15 hereof, shall not be less than one hundred (100) DXN Shares and shall always be in multiples of one hundred (100) DXN Shares.

ANNEXURE D: BY-LAWS GOVERNING THE ESOS (Cont'd)

- 6.3 The ESOS Committee shall state the following particulars in the letter of offer:
- (i) the number of Options that are being offered to the Eligible Person;
 - (ii) the number of DXN Shares which the Eligible Person shall be entitled to subscribe for upon the exercise of the Options being offered;
 - (iii) the Option Period;
 - (iv) the Exercise Period;
 - (v) the Exercise Price;
 - (vi) the Offer Period;
 - (vii) the Vesting Conditions including but not limited to service and/or performance criteria and number of Options exercisable for each year of continued service as set out in By-Law 11.1; and
 - (viii) any other information deemed necessary by the ESOS Committee.
- 6.4 No Offer shall be made to any Director, chief executive officer or major shareholder of DXN who is an employee of our Group or persons connected with them who is an employee of our Group unless such Offer and the specific allocation and allotment of Shares have previously been approved by the shareholders of the Company in a general meeting.
- For the purpose of these By-Laws, "persons connected" with a Director, chief executive officer or major shareholder of DXN shall have the same meaning given in relation to persons connected with a director, chief executive officer or major shareholder as defined in Paragraph 1.01 of the Listing Requirements.
- 6.5 Without prejudice to By-Law 18 hereof, in the event of an error or omission on the part of the Company or the ESOS Committee in stating any of the particulars referred to in By-Law 6.3 hereof, the Company or the ESOS Committee shall, within one (1) month after discovery of the error or omission, do all such things and acts to rectify such error or omission and if necessary, issue a supplemental letter of offer, stating the correct particulars referred to in By-Law 6.3 hereof.
- 6.6 Subject to By-Laws 4 and 8.3 hereof, nothing herein shall prevent the ESOS Committee from making more than one (1) Offer to any Eligible Person **PROVIDED ALWAYS THAT** the total aggregate Options offered to each Eligible Person (including Options already offered under previous Offers, if any) shall not exceed the Maximum Allowable Allocation of such Eligible Person at the time the subsequent Offer (if any) is made.
- 6.7 The ESOS Committee has the sole and absolute discretion not to make further additional Offers regardless of the amount of Available Balance.
- 6.8 The Offer shall automatically lapse and thereafter be rendered null and void in the event of the death of the Eligible Person or the Eligible Person ceasing to be employed by DXN Group for any reason whatsoever prior to the acceptance of the Offer by the Eligible Person in the manner set out in By-Law 9 hereof.
- 6.9 An Offer may be made upon such terms and conditions as the ESOS Committee may decide from time to time. Each Offer shall be made in writing and is personal to the Eligible Person and is non-assignable and non-transferable.

ANNEXURE D: BY-LAWS GOVERNING THE ESOS (Cont'd)

- 6.10 After each adjustment following an alteration of the Company's share capital as stipulated in By-Laws 15.1 and 15.2 hereof and the Company informing the Grantee of such adjustment pursuant to By-Law 15.6 hereof, upon the return by a Grantee of the original letter of offer to the Company, that letter of offer shall be amended or a new letter of offer shall be issued within one (1) month from the date of return of the original letter, to reflect the adjustment made to the number of Options granted to the Grantee and/or the Exercise Price.
- 6.11 The Company shall keep and maintain at its expense, a register of Grantees and shall enter in that register, the names and addresses of the Grantees, the Maximum Allowable Allocation, the number of Options offered, the number of Options exercised, the Offer Date, date of acceptance of the Offer, and the Exercise Price and any other information deemed necessary by the ESOS Committee.

7. ELIGIBILITY

- 7.1 An Employee or a Director who as at the Offer Date, fulfils the following conditions shall be eligible to participate in the ESOS:
- (i) has attained eighteen (18) years of age;
 - (ii) is not an undischarged bankrupt nor subject to any bankruptcy proceedings;
 - (iii) must have been confirmed in service of the DXN Group;
 - (iv) where the Employee or Director is under an employment contract, the contract is for a duration of at least one (1) year and will not be expiring within three (3) months from the Offer Date; and
 - (v) has fulfilled any other criteria as may be imposed by the ESOS Committee from time to time,

PROVIDED ALWAYS THAT the selection of any Eligible Person for participation in the ESOS shall be at the sole and absolute discretion of the ESOS Committee and the decision of the ESOS Committee shall be final and binding. Notwithstanding the above, the ESOS Committee may, at its sole and absolute discretion, waive any of the eligibility conditions set out above.

The eligibility does not confer on an Eligible Person, a claim or right to participate or a right to claim or any rights whatsoever in the ESOS unless the ESOS Committee has made an Offer to the Eligible Person, the Eligible Person has accepted the Offer, and the Eligible Person has fulfilled the Vesting Conditions, in accordance with the terms of the Offer and these By-Laws.

- 7.2 Subject to the provisions of By-Law 25 hereof, no Eligible Person shall participate at any time in more than one (1) employees' share option scheme implemented by any company within the DXN Group for the duration of the ESOS.
- 7.3 Subject to By-Law 4.2 hereof, in the event that the ESOS Committee has determined that certain Eligible Persons are entitled to be offered additional Options and the Available Balance is insufficient to grant their full additional entitlements, the Available Balance may be distributed on such basis as the ESOS Committee may determine.

ANNEXURE D: BY-LAWS GOVERNING THE ESOS (Cont'd)

8. BASIS OF ALLOCATION AND MAXIMUM ALLOWABLE ALLOCATION

- 8.1 Subject to any adjustments as may be made under these By-Laws, the aggregate number of new DXN Shares that may be offered under the ESOS to any Eligible Person shall be determined by the ESOS Committee at its sole and absolute discretion, after taking into consideration, where applicable, the Eligible Person's position, ranking, performance, contribution, seniority, length of service, fulfilment of the eligibility criteria as referred to in By-Law 7 hereof or such other matters which the ESOS Committee may in its sole and absolute discretion deem fit, subject to, amongst others, the following:
- (i) the aggregate number of new DXN Shares to be issued pursuant to the exercise of the Options granted under the ESOS shall not exceed the Maximum Limit and the ESOS Committee shall not be obliged in any way to offer an Eligible Person the Options for all the specified maximum number of Shares the Eligible Person is entitled to under the ESOS;
 - (ii) any Offer, allocation of Options under the ESOS and the related allotment of Shares to any Directors, major shareholders who are employees of our Group or the chief executive officer of the Company and any person connected with them who is an employee of our Group, shall require prior approval of the shareholders of the Company in a general meeting. The Directors, major shareholders who are employees of our Group or chief executive officer of the Company and persons connected with them who are employees of our Group shall not vote on the resolution approving the said Offer, allocation and allotment;
 - (iii) the Directors and Senior Management shall not be allowed to participate in the deliberation or discussion of their respective allocation of Options and/or allocations of Options to persons connected with them under the ESOS;
 - (iv) not more than ten per centum (10%) of the Shares available under the ESOS shall be allocated to any Eligible Person, who, either singly or collectively through persons connected with the Eligible Person, holds twenty per centum (20%) or more of the total number of issued Shares (excluding treasury shares, if any) of the Company; and
 - (v) any performance target to be achieved before the Options can be granted and/or exercised by an Eligible Person shall be determined by the ESOS Committee.

For the avoidance of doubt, the ESOS Committee shall have sole and absolute discretion in determining whether the granting of the Options to the Eligible Persons will be based on staggered granting over the duration of the ESOS or in one (1) single grant. The ESOS Committee shall also have sole and absolute discretion in determining whether the Options granted are subject to any vesting period and if so, the Vesting Conditions and whether such Vesting Conditions are subject to any performance targets.

For the purpose of these By-Laws, "persons connected" with the Eligible Person shall have the same meaning given in relation to persons connected with a director, major shareholder or chief executive officer as defined in Paragraph 1.01 of the Listing Requirements.

ANNEXURE D: BY-LAWS GOVERNING THE ESOS (Cont'd)

- 8.2 The allocation of Options pursuant to the ESOS shall be verified by the Audit Committee of the Company, as being in compliance with the criteria set out in these By-Laws (where relevant) at the end of each financial year of the Company.
- 8.3 A Grantee who is promoted within the duration of the ESOS may be eligible for consideration for new additional Shares comprised in Options under the ESOS at the sole and absolute discretion of the ESOS Committee up to the Maximum Allowable Allocation to be determined by the ESOS Committee for the category to which he has been promoted. A Grantee who is demoted to a lower employment category for whatever reason shall only be entitled to the allocation of that lower category unless an Offer has been made and accepted by him/her before such demotion.
- 8.4 An Employee or a Director who during the duration of the ESOS becomes an Eligible Person may be eligible to participate in the ESOS, the number of new Shares of which is to be decided by the ESOS Committee at its sole and absolute discretion subject to any Maximum Allowable Allocation for the category to be determined by the ESOS Committee. Any Eligible Person holding more than one (1) position in the Group and thereby falling within more than one (1) category of Employees in the Group shall only be entitled to the Maximum Allowable Allocation of the higher category.

9. ACCEPTANCE OF THE OFFER

- 9.1 An Offer shall be valid for a period of thirty (30) calendar days from the Offer Date or such longer period as the ESOS Committee at its sole and absolute discretion, determines on a case to case basis. Acceptance of the Offer by an Eligible Person shall be made by way of a written notice from the Eligible Person to the ESOS Committee in the form prescribed by the ESOS Committee and accompanied by the payment of Ringgit Malaysia One (RM1.00) only as non-refundable consideration for the acceptance of each Offer (regardless of the number of Shares comprised therein).
- 9.2 In the event that the Eligible Person fails to accept the Offer or pay the acceptance consideration as set out in By-Law 9.1 hereof within the Offer Period and in the manner aforesaid, the Offer shall be deemed to have lapsed and shall be null and void and of no effect. The Options comprised in such Offer may, at the discretion of the ESOS Committee, be re-offered to other Eligible Persons.
- 9.3 Within thirty (30) calendar days after the due acceptance of the Offer in accordance with the provisions of this By-Law or such longer period as may be determined by the ESOS Committee, the ESOS Committee shall issue to the Grantee a certificate of Option in such form as may be determined by the ESOS Committee.

10. EXERCISE PRICE

Subject to any adjustments made under these By-Laws and pursuant to the Listing Requirements, the Exercise Price shall be:

- (i) in respect of any Offer which is made in conjunction with the listing of the Company, the Final Retail Price; and
- (ii) in respect of any Offer which is made subsequent to the listing of the Company, as determined by the Board upon recommendation of the ESOS Committee and shall be based on the five (5)-day volume weighted average market price of DXN Shares immediately preceding the Offer Date, with a discount, if any, **PROVIDED ALWAYS THAT** such discount is not more than ten per centum (10%), if deemed appropriate, or such other percentage of discount as may be permitted by any prevailing guidelines issued by Bursa Securities or any other relevant authorities as amended from time to time during the Option Period.

ANNEXURE D: BY-LAWS GOVERNING THE ESOS (Cont'd)

For the purposes of By-Law 10(i) above, "Final Retail Price" shall refer to the final price paid by investors for the Shares issued by the Company under its retail offering pursuant to its initial public offering, as determined in the manner described in the Company's prospectus for the said initial public offering.

The Exercise Price as determined by the Board in the manner set out above shall be conclusive and binding on the Grantee and shall be subject to any adjustments in accordance with By-Law 15.

11. EXERCISE OF OPTIONS

- 11.1 Subject to By-Law 11.8 hereof and the terms and conditions of an Offer as mentioned in By-Law 6.9 hereof, the Options under the Offer can be exercised by the Grantee by written notice in the prescribed form, from the Grantee or its authorised agent (subject that such authorised agent must be recognised by the Company), to the Company during the Exercise Period in respect of all or any part of the DXN Shares comprised in the Options under the Offer. Any partial exercise of an Option shall not preclude the Grantee from exercising the Option in respect of the balance of the DXN Shares comprised in the Option.
- 11.2 The Option shall be vested to the Grantee and may be subject to the fulfilment of Vesting Conditions as may be determined by the ESOS Committee in accordance with the terms of the ESOS from time to time.
- 11.3 The ESOS Committee may with its power under By-Law 18 hereof, at any time and from time to time, before an Option is granted, limit the exercise of the Option to a maximum number of DXN Shares and/or such percentage of the total of DXN Shares comprised in the Option during such periods within the Option Period and impose any other terms and/or conditions deemed appropriate by the ESOS Committee in its sole discretion.
- 11.4 Except where it is decided otherwise and announced by the ESOS Committee, an Option is exercisable by the Grantee only on a Market Day during the Option Period and while the Grantee remains an Eligible Person.
- 11.5 Every such written notice referred to in By-Law 11.1 must be accompanied by a remittance (calculated in accordance with the provisions of By-Law 10) for the full amount of the subscription monies for the ESOS shares in respect of which notice is given. Within eight (8) Market Days from the receipt by the Company of the aforesaid notice, as well as remittance from the Grantee or such other period as may be permitted by Bursa Securities, the Company shall:
- (a) allot and/or issue such Shares to the Grantee accordingly, subject to and in accordance with the provisions of the Constitution of the Company and the Rules of Bursa Depository;
 - (b) despatch a notice of allotment in accordance with By-Law 11.6 hereof; and
 - (c) apply to Bursa Securities for the listing and quotation of such Shares in accordance with By-Law 16 hereof.

ANNEXURE D: BY-LAWS GOVERNING THE ESOS (Cont'd)

- 11.6 A Grantee who exercises the Option shall provide the ESOS Committee with his CDS Account number or the CDS Account number of his authorised nominee (as the case may be) in the notice referred to in By-Law 11.1. The Shares to be issued pursuant to the exercise of an Option will be credited into the CDS Account of the Grantee or his authorised nominee (as the case may be) and a notice of allotment stating the number of Shares credited into such CDS Account will be issued and despatched to the Grantee or the Grantee's authorised nominee with a copy to the Grantee as the case may be). No physical share certificate(s) will be issued and delivered to the Grantee.
- 11.7 In the event that a Grantee is subject to disciplinary proceedings (whether or not such disciplinary proceedings will give rise to a dismissal or termination of service or are found to have had no basis or justification), the ESOS Committee shall have the right to suspend the Grantee's Options pending the outcome of such disciplinary proceedings. In addition to this right of suspension, the ESOS Committee may impose such terms and conditions as the ESOS Committee shall deem appropriate at its sole and absolute discretion having regard to the nature of the charges made or brought against the Grantee **PROVIDED ALWAYS THAT:**
- (i) in the event that such Grantee shall subsequently be found not guilty of the charges which gave rise to such disciplinary proceedings, the ESOS Committee shall reinstate the rights of such Grantee to exercise his Options;
 - (ii) in the event the disciplinary proceedings result in a recommendation for the dismissal or termination of service of such Grantee, all unexercised and partially exercised Options of the Grantee shall immediately lapse and be null and void and of no further force and effect, without notice to the Grantee, upon pronouncement of the dismissal or termination of service of such Grantee notwithstanding that such recommendation, dismissal and/or termination of service may be subsequently challenged or disputed by the Grantee in any other forum;
 - (iii) in the event the Grantee is found guilty, but no dismissal or termination of service is recommended, the ESOS Committee shall have the right to determine at its sole and absolute discretion whether or not the Grantee may continue to exercise his Options or any part thereof and if so, to impose such terms and conditions as it deems appropriate, on such exercise rights; and
 - (iv) in the event that no decision is made, and/or disciplinary proceedings are not concluded prior to the expiry of the Exercise Period, the Options of such Grantee shall immediately lapse on the expiry of the Exercise Period without notice,
- and nothing herein shall impose any obligation of the ESOS Committee to enquire into or investigate the substance and/or validity of such disciplinary proceeding(s) and the ESOS Committee shall not under any circumstances be held liable for any costs, losses, expenses, damages or liabilities, gains or profits foregone, arising from the ESOS Committee's exercise of or failure to exercise any of its rights under these By-Laws.
- 11.8 All Options to the extent unexercised on the expiry of the Exercise Period applicable thereto shall lapse.
- 11.9 Any failure to comply with the procedures specified by the ESOS Committee or to provide information as required by the Company and/or the ESOS Committee in the notice to exercise shall result in the notice to exercise being rejected at the discretion of the ESOS Committee. The ESOS Committee shall inform the Grantee of the rejection of the notice of exercise within ten (10) Market Days from the date of rejection and the Grantee shall not be deemed to have exercised his Options.

ANNEXURE D: BY-LAWS GOVERNING THE ESOS (Cont'd)

- 11.10 The Company, the Board and the ESOS Committee shall not under any circumstances be held liable to any person for any costs, losses, expenses, damages or liabilities whatsoever and howsoever arising in the event of any delay on the part of the Company in allotting and issuing the Shares or in procuring the relevant authorities to list and quote the Shares subscribed for by a Grantee or any delay in receipt or non-receipt by the Company of the notice to exercise the Options or for any errors in any Offers.
- 11.11 Every Option shall be subject to the condition that no new DXN Shares shall be issued pursuant to the exercise of an Option if such issue would be contrary to any law, enactment, rule and/or regulation of any legislative or non-legislative body which may be in force during the Option Period or such period as may be extended.

12. RIGHTS ATTACHING TO OPTIONS AND THE DXN SHARES

The new DXN Shares to be allotted and issued upon the exercise of the Options shall, upon allotment and issuance, rank *pari passu* in all respects with the then existing DXN Shares, and be entitled to all rights (including voting, dividend, allotment, distribution, transfer, and other rights, including those arising on a liquidation of the Company), attaching to the then existing DXN Shares, save and except that they shall not be entitled to any dividends, rights, allotments and/or other forms of distributions declared, made or paid to ordinary shareholders, where the Entitlement Date precedes the date of allotment and issuance of such new DXN Shares and are subject to the provisions of the Constitution of the Company and Listing Requirements, if any.

Fractional entitlements (if any) will be disregarded and shall be dealt with in such manner as the Board shall in its sole and absolute discretion think expedient in the best interest of the Company.

The new DXN Shares will be subject to all provisions of the Constitution of the Company as may thereafter be amended from time to time.

13. NON-TRANSFERABILITY

- 13.1 An Option is personal to the Grantee and subject to the provisions of By-Laws 14.1, 14.2, 14.3 and 14.5 hereof, it is exercisable only by the Grantee personally during his lifetime whilst he is in the employment in any company in the DXN Group.
- 13.2 An Option so granted shall not be transferred, assigned, disposed of or subject to any encumbrances by the Grantee save and except in the event of the death of the Grantee as provided under By-Law 14.5 hereof. Any such transfer, assignment, disposal or encumbrance shall result in the automatic cancellation of the Option.

14. TERMINATION OF THE OPTION

- 14.1 In the event a Grantee ceases to be in the employment of the DXN Group for whatever reason prior to the full exercise of the Options, such Options or the balance thereof, as the case may be, shall forthwith cease to be valid without any claim against the Company **PROVIDED ALWAYS THAT** the ESOS Committee may, at its sole and absolute discretion, by notice in writing, permit such Options to remain exercisable during the Exercise Period if such cessation occurs by reason of:
- (i) retirement on or after attaining the normal retirement age;
 - (ii) retirement before attaining the normal retirement age but with the consent of the relevant employer company within the DXN Group;

ANNEXURE D: BY-LAWS GOVERNING THE ESOS (Cont'd)

- (iii) transfer to any company outside the DXN Group at the direction of the Company subject to the approval and/or ratification by the Board;
- (iv) retrenchment;
- (v) ill-health, injury, physical or mental disability;
- (vi) any separation scheme implemented by the Company, provided that the affected Eligible Person shall exercise the Options within three (3) months of the date of the separation scheme;
- (vii) any Director not being re-appointed during a general meeting of the Company, that Director shall exercise the Options within three (3) months from the date he ceased to be a Director; or
- (viii) any other circumstances which are acceptable to the ESOS Committee subject to the approval and/or ratification by the Board.

Upon the termination of Options pursuant to the above, the Grantee shall have no right to compensation or damages or any claim against the Company for any loss of any right or benefit under the ESOS which he might otherwise have enjoyed, whether for wrongful dismissal or breach of contract or loss of office or otherwise howsoever arising from his ceasing to hold office or employment or from the suspension of his right to exercise his Options or his Options ceasing to be valid.

- 14.2 Unless otherwise agreed in writing by the ESOS Committee at its sole and absolute discretion, upon the resignation/cessation of the Grantee from his employment or directorship with the DXN Group (as the case may be), an Option shall lapse forthwith on the date the Grantee tenders his resignation. Any Option which lapses upon the resignation/cessation of the Grantee from his employment or directorship with the DXN Group (as the case may be), shall become available to be offered to other Eligible Persons, at the discretion of the ESOS Committee.
- 14.3 An Option shall immediately become void and of no further force and effect upon the Grantee being adjudicated a bankrupt.
- 14.4 In the event of the liquidation of the Company, all unexercised Options shall lapse.
- 14.5 Where a Grantee dies before the expiry of the Exercise Period, the whole or any part of the Options held by the Grantee that are unexercised may be exercised by the legal representatives of the Grantee in accordance with the terms and/or conditions as set out by the ESOS Committee **PROVIDED ALWAYS THAT** no Option shall be exercised after the expiry of the Exercise Period.

15. ALTERATION OF SHARE CAPITAL DURING THE OPTION PERIOD

- 15.1 Subject to By-Law 15.3 hereof, in the event of any alteration in the capital structure of the Company during the Option Period, whether by way of a rights issue, bonus issue or other capitalisation issue, consolidation or subdivision of DXN Shares, reduction of capital or any other variation of capital, the Company shall cause such adjustments to be made to:
 - (i) the number of Options granted to a Grantee (excluding Options already exercised);
 - (ii) the Exercise Price;

ANNEXURE D: BY-LAWS GOVERNING THE ESOS (Cont'd)

- (iii) the number of Options and/or Exercise Price comprised in an Offer which is open for acceptance (but has yet to be accepted in accordance with the terms and conditions of the Offer and the ESOS),

for purposes of ensuring that the capital outlay to be incurred by a Grantee in subscribing for the same proportion of the issued capital of the Company as that to which he was entitled prior to the event giving rise to such adjustment (i.e. not taking into account Options already exercised) shall remain unaffected.

- 15.2 The following provisions shall apply in relation to an adjustment which is made pursuant to By-Law 15.1 hereof:

- (i) any adjustment to the Exercise Price shall be rounded up to the nearest one (1) sen; and
- (ii) in determining a Grantee's entitlement to subscribe for DXN Shares, any fractional entitlements will be disregarded.

- 15.3 By-Law 15.1 hereof shall not be applicable where an alteration in the capital structure of the Company arises from any of the following:

- (i) an issue of new DXN Shares or other securities convertible into DXN Shares or rights to acquire or subscribe for DXN Shares in consideration or part consideration for an acquisition of any other securities, assets or business;
- (ii) a special issue of new DXN Shares approved by the relevant governmental authorities;
- (iii) a private placement/restricted issue of new DXN Shares by the Company;
- (iv) an issue of new DXN Shares arising from the exercise of any conversion rights attached to securities convertible to DXN Shares or upon exercise of any other rights including warrants and/or convertible loan stocks (if any) issued by the Company;
- (v) an issue of new DXN Shares upon the exercise of Options pursuant to the ESOS;
- (vi) an issue of further Options to Eligible Persons under these By-Laws; and
- (vii) a share buy-back arrangement by the Company, pursuant to Section 127 of the Act. In this event, the following provisions shall apply:
- (a) if the number of DXN Shares in respect of the Options granted by the Company as at the date of designation of the DXN Shares so purchased as treasury shares or cancellation of such Shares is greater than five per centum (5%) of the total number of issued Shares of the Company after such designation or cancellation, the ESOS Committee shall not make any further Offers; and
- (b) if the number of DXN Shares in respect of the Options granted by the Company as at the date of designation of the DXN Shares so purchased as treasury shares or cancellation of such Shares is less than five per centum (5%) of the total number of issued Shares of the Company after such designation or cancellation, the ESOS Committee may make further Offers only until the total number of new DXN Shares to be issued pursuant to the Options granted by the Company is equivalent to five per centum (5%) of the total number of issued Shares of the Company after such designation or cancellation.

ANNEXURE D: BY-LAWS GOVERNING THE ESOS (Cont'd)

- 15.4 In the event that the Company enters into any scheme of arrangement or reconstruction pursuant to Division 7 of the Act, By-Law 15.1 hereof shall be applicable in respect of such part(s) of the scheme which involve(s) any alteration(s) in the capital structure of the Company to which By-Law 15.1 hereof is applicable, but By-Law 15.1 hereof shall not be applicable in respect of such part(s) of the scheme which involve(s) any alteration(s) in the capital structure of the Company to which By-Law 15.1 hereof is not applicable as described in By-Law 15.3 hereof.
- 15.5 In the event the court sanctions a compromise or arrangement between the Company and its members proposed for the purposes of, or in connection with, a scheme for reconstruction of the Company under Section 366 of the Act or its amalgamation with any other company or companies under Section 366 of the Act, any Options should remain exercisable by the Grantee at any time and from time to time in the period commencing with the date upon which the compromise or arrangement is sanctioned by the court and ending with the date upon which it becomes effective or within the Exercise Period, whichever expires first. Upon the compromise or arrangement becoming effective, all Options, to the extent unexercised shall automatically lapse and shall become null and void.
- 15.6 An adjustment pursuant to By-Law 15.1 hereof shall be made according to the following terms:
- (i) in the case of a rights issue, bonus issue or other capitalisation issue, on the Market Day immediately following the Entitlement Date in respect of such issue; or
 - (ii) in the case of a consolidation or subdivision of DXN Shares or reduction of capital, on the Market Day immediately following the date such consolidation, subdivision or reduction shall become effective.

Upon any adjustment being made, the ESOS Committee shall within thirty (30) days from the adjustment date give notice in writing to the Grantee, or his legal or personal representative where the Grantee is deceased, to inform him/her of the adjustment and the event giving rise thereto.

All adjustments other than a bonus issue must be confirmed in writing by an approved company auditor of the Company or such other persons as allowed by Bursa Securities (who shall act as an expert and not as an arbitrator), to be in his/her opinion fair and reasonable. For the purpose of these By-Laws, an approved company auditor shall have the meaning given in Section 2(1) of the Act.

- 15.7 All adjustments made pursuant to By-Law 15 shall be final and binding.
- 15.8 The Company shall ensure that any adjustments made must be in compliance with the provisions for adjustment as provided in By-Law 15.9 hereof.

ANNEXURE D: BY-LAWS GOVERNING THE ESOS (Cont'd)

15.9 In addition to By-Law 15.1 hereof and not in derogation thereof, the Exercise Price and the number of Options so far unexercised shall from time to time be adjusted, calculated or determined by the ESOS Committee and certified by an approved company auditor of the Company or such other persons as allowed by Bursa Securities in accordance with the following relevant provisions in consultation with the Adviser and/or the external auditor:

- (i) If and whenever a consolidation or subdivision or conversion of DXN Share occurs, the Exercise Price and/or the additional number of Options to be issued shall be adjusted, calculated or determined in accordance with the following manner:

$$\text{New Exercise Price} = S \times \left[\frac{A}{B} \right]$$

$$\text{Number of additional Options} = T \times \left[\frac{B}{A} \right] - T$$

Where:

S = existing Exercise Price;

A = the aggregate number of DXN Shares immediately before such consolidation, subdivision or conversion;

B = the aggregate number of DXN Shares after such consolidation, subdivision or conversion; and

T = existing number of Options held.

Each such adjustment will be effective from the close of business on the Market Day immediately following the date on which the consolidation or subdivision or conversion becomes effective (being the date when the DXN Shares are traded on Bursa Securities), or such period as may be prescribed by Bursa Securities.

- (ii) If and whenever the Company shall make any issue of DXN Shares to ordinary shareholders by way of bonus issue or capitalisation of profits or reserves (whether of a capital or income nature and including any, where applicable, share premium account and capital redemption reserve fund), the Exercise Price shall be adjusted in the following manner:

$$\text{New Exercise Price} = S \times \left[\frac{A}{A + B} \right]$$

ANNEXURE D: BY-LAWS GOVERNING THE ESOS (Cont'd)

and the number of additional Options to be issued shall be calculated as follows:

$$\text{Number of additional Options} = T \times \left[\frac{A + B}{A} \right] - T$$

Where:

A = the aggregate number of issued DXN Shares immediately before such bonus issue or capitalisation issue;

B = the aggregate number of new DXN Shares to be issued pursuant to any allotment to ordinary shareholders of the Company by way of bonus issue or capitalisation of profits or reserves of the Company (whether of a capital or income nature and including any share premium account and capital redemption reserve fund);

S = as S in By-Law 15.9(i) hereof; and

T = as T in By-Law 15.9(i) hereof.

Each such adjustment will be effective (if appropriate, retroactively) from the commencement of the next Market Day immediately following the Entitlement Date for such issue.

(iii) If and whenever the Company shall make:

- (a) a Capital Distribution (as defined below) to ordinary shareholders whether on a reduction of capital or otherwise (but excluding any cancellation of capital which is lost or unrepresented by available assets); or
- (b) any offer or invitation to its ordinary shareholders whereunder they may acquire or subscribe for DXN Shares by way of rights; or
- (c) any offer or invitation to its ordinary shareholders by way of rights whereunder they may acquire or subscribe for securities convertible into DXN Shares or securities with rights to acquire or subscribe for DXN Shares,

then and in respect of each such case, the Exercise Price shall be adjusted in the following manner:

$$\text{New Exercise Price} = S \times \left[\frac{C - D}{C} \right]$$

and in respect of the case referred to in By-Law 15.9(iii)(b) and (iii)(c) hereof, the number of additional Options to be issued shall be calculated as follows:

$$\text{Number of additional Options} = T \times \left[\frac{C}{C - D^*} \right] - T$$

ANNEXURE D: BY-LAWS GOVERNING THE ESOS *(Cont'd)*

Where:

S = as S in By-Law 15.9(i) hereof;

T = as T in By-Law 15.9(i) hereof;

C = the prevailing market price of each Share at the close of business on the Market Day immediately preceding the date on which the Capital Distribution or, as the case may be, the offer or invitation is publicly announced to Bursa Securities or (failing any such announcement) immediately preceding the date of the Capital Distribution or, as the case may be, of the offer or invitation;

D = (A) in the case of an offer or invitation to acquire or subscribe for DXN Shares by way of rights under By-Law 15.9(iii)(b) hereof or for securities convertible into DXN Shares or securities with rights to acquire or subscribe for DXN Shares under By-Law 15.9(iii)(c) hereof, the value of rights attributable to one (1) DXN Share (as defined below); or

(B) in the case of any other transaction falling within By-Law 15.9(iii) hereof, the fair market value, as determined by the Company with concurrence of the external auditors for the time being of the Company, of that portion of the Capital Distribution attributable to one (1) DXN Share.

For the purpose of definition (A) of D above, the “value of the rights attributable to one (1) DXN Share” shall be calculated in accordance with the formula:

$$\frac{C - E}{F + 1}$$

Where:

C = as C in By-Law 15.9(iii) hereof;

E = the subscription price for one (1) additional DXN Share under the terms of such offer or invitation or subscription price for one (1) additional DXN Share upon conversion of the convertible securities or exercise of such rights to acquire or subscribe for one (1) DXN Share under the offer or invitation;

F = the necessary number of DXN Shares to hold in order to be offered or invited to acquire or subscribe for one (1) additional DXN Share or security convertible into rights to acquire or subscribe for one (1) additional DXN Share; and

D* = the value of rights attributable to one (1) DXN Share (as defined below).

For the purpose of definition D* above, the “value of rights attributable to one (1) DXN Share” shall be calculated in accordance with the formula:

$$\frac{C - E^*}{F^* + 1}$$

ANNEXURE D: BY-LAWS GOVERNING THE ESOS (Cont'd)

Where:

C = as C in By-Law 15.9(iii) hereof;

E* = the subscription price for one (1) additional DXN Share under the terms of such offer or invitation to acquire or subscribe for DXN Shares; and

F* = the necessary number of DXN Shares to hold in order to be offered or invited to acquire or subscribe for one (1) additional DXN Share.

For the purpose of By-Law 15.9(iii) hereof, "Capital Distribution" shall (without prejudice to the generality of that expression) include distributions in cash or specie or by way of issue of DXN Shares (not falling under By-Law 15.9(ii) hereof) or other securities issued by way of capitalisation of profits or reserves (whether of a capital or income nature and including any share premium account or capital redemption reserve fund).

Any dividend charged or provided for in the accounts of any period shall (whenever paid and howsoever described) be deemed to be a Capital Distribution unless it is paid out of the aggregate of the net profits attributable to the ordinary shareholders of DXN as shown in the audited consolidated profit and loss accounts of the Company.

Such adjustments will be effective (if appropriate, retroactively) from the commencement of the next Market Day immediately following the Entitlement Date for the above transactions.

- (iv) If and whenever the Company makes an allotment to its ordinary shareholders as provided in By-Law 15.9(ii) hereof and also makes an offer or invitation to its ordinary shareholders as provided in By-Law 15.9(iii)(b) or (c) hereof and the Entitlement Date for the purpose of the allotment is also the Entitlement Date for the purpose of the offer or invitation, the Exercise Price shall be adjusted in the following manner:

$$\text{New Exercise Price} = S \times \left[\frac{(G \times C) + (H \times I)}{(G + H + B) \times C} \right]$$

and where the Company makes an allotment to its ordinary shareholders as provided in By-Law 15.9(ii) hereof and also makes an offer or invitation to its ordinary shareholders as provided in By-Law 15.9(iii)(b) hereof and the Entitlement Date for the purpose of the allotment is also the Entitlement Date for the purpose of the offer or invitation, the number of additional Options to be issued shall be calculated in the following manner:

$$\text{Number of additional Options} = T \times \left[\frac{(G + H^* + B) \times C}{(G \times C) + (H^* \times I^*)} \right] - T$$

B = as B in By-Law 15.9(ii) hereof;

C = as C in By-Law 15.9(iii) hereof;

G = the aggregate number of issued DXN Shares on the Entitlement Date;

ANNEXURE D: BY-LAWS GOVERNING THE ESOS (Cont'd)

- H = the aggregate number of new DXN Shares under an offer or invitation to acquire or subscribe for DXN Shares by way of rights or under an offer or invitation by way of rights to acquire or subscribe for securities convertible into DXN Shares or rights to acquire or subscribe for DXN Shares, as the case may be;
- H* = the aggregate number of new DXN Shares under an offer or invitation to acquire or subscribe for DXN Shares by way of rights;
- I = the subscription price of one (1) additional DXN Share under an offer or invitation to acquire or subscribe for DXN Shares or the exercise price on conversion of such securities or exercise of such rights to acquire or subscribe for one (1) additional DXN Share, as the case may be;
- I* = the subscription price of one (1) additional DXN Share under the offer or invitation to acquire or subscribe for DXN Shares;
- S = as S in By-Law 15.9(i) hereof; and
- T = as T in By-Law 15.9(i) hereof.

Such adjustment will be effective (if appropriate, retroactively) from the commencement of the next Market Day immediately following the Entitlement Date for such issue.

- (v) If and whenever the Company makes any offer or invitation to its ordinary shareholders to acquire or subscribe for DXN Shares as provided in By-Law 15.9(iii)(b) hereof together with an offer or invitation to acquire or subscribe for securities convertible into DXN Shares or rights to acquire or subscribe for DXN Shares as provided in By-Law 15.9(iii)(c) hereof, the Exercise Price shall be adjusted in the following manner:

$$\text{New Exercise Price} = S \times \left[\frac{(G \times C) + (H \times I) + (J \times K)}{(G + H + J) \times C} \right]$$

and the number of additional Options to be issued shall be calculated in the following manner:

$$\text{Number of additional Options} = T \times \left[\frac{(G + H^*) \times C}{(G \times C) + (H^* \times I^*)} \right] - T$$

Where:

- C = as C in By-Law 15.9(iii) hereof;
- G = as G in By-Law 15.9(iv) hereof;
- H = as H in By-Law 15.9(iv) hereof;
- H* = as H* in By-Law 15.9(iv) hereof;
- I = as I in By-Law 15.9(iv) hereof;
- I* = as I* in By-Law 15.9(iv) hereof;

ANNEXURE D: BY-LAWS GOVERNING THE ESOS (Cont'd)

- J = the aggregate number of DXN Shares to be issued to its ordinary shareholders upon conversion of such securities or exercise of such rights to subscribe for DXN Shares by the ordinary shareholders;
- K = the exercise price on conversion of such securities or exercise of such rights to acquire or subscribe for one (1) additional DXN Share;
- S = as S in By-Law 15.9(i) hereof; and
- T = as T in By-Law 15.9(i) hereof.

Such adjustment will be effective (if appropriate, retroactively) from the commencement of the next Market Day immediately following the Entitlement Date for such issue.

- (vi) If and whenever the Company makes an allotment to its ordinary shareholders as provided in By-Law 15.9(ii) hereof and also makes an offer or invitation to acquire or subscribe for DXN Shares to its ordinary shareholders as provided in By-Law 15.9(iii)(b) hereof, together with rights to acquire or subscribe for securities convertible into DXN Shares or with rights to acquire or subscribe for DXN Shares as provided in By-Law 15.9(iii)(c) hereof, and the Entitlement Date for the purpose of allotment is also the Entitlement Date for the purpose of the offer or invitation, the Exercise Price shall be adjusted in the following manner:

$$\text{New Exercise Price} = S \times \left[\frac{(G \times C) + (H \times I) + (J \times K)}{(G + H + J + B) \times C} \right]$$

and the number of additional Options to be issued shall be calculated in the following manner:

$$\text{Number of additional Options} = T \times \left[\frac{(G + H^* + B) \times C}{(G \times C) + (H^* \times I^*)} \right] - T$$

Where:

- B = as B in By-Law 15.9(ii) hereof;
- C = as C in By-Law 15.9(iii) hereof;
- G = as G in By-Law 15.9(iv) hereof;
- H = as H in By-Law 15.9(iv) hereof;
- H* = as H* in By-Law 15.9(iv) hereof;
- I = as I in By-Law 15.9(iv) hereof;
- I* = as I* in By-Law 15.9(iv) hereof;
- J = as J in By-Law 15.9(v) hereof;
- K = as K in By-Law 15.9(v) hereof;
- S = as S in By-Law 15.9(i) hereof; and
- T = as T in By-Law 15.9(i) hereof.

ANNEXURE D: BY-LAWS GOVERNING THE ESOS (Cont'd)

Such adjustment will be effective (if appropriate, retroactively) from the commencement of the next Market Day immediately following the Entitlement Date for such issue.

- (vii) If and whenever (otherwise than pursuant to a rights issue available to all ordinary shareholders of DXN and requiring an adjustment under By-Laws 15.9(iii)(b), (iii)(c), (iv), (v) or (vi) hereof), the Company shall issue either any DXN Shares or any securities convertible into DXN Shares or any rights to acquire or subscribe for DXN Shares, and in any such case, the Total Effective Consideration per DXN Share (as defined below) is less than ninety per cent (90%) of the Average Price for one (1) Share (as defined below) or, as the case may be, the price at which the DXN Shares will be issued and/or transferred upon conversion of such securities or exercise of such rights is determined, the Exercise Price shall be adjusted in the following manner:

$$\text{New Exercise Price} = S \times \left[\frac{L + M}{L + N} \right]$$

Where:

- L = the number of DXN Shares in issue at the close of business on the Market Day immediately preceding the date on which the relevant adjustment becomes effective;
- M = the number of DXN Shares which the Total Effective Consideration (as defined below) would have purchased at the Average Price (as defined below) (exclusive of expenses);
- N = the aggregate number of DXN Shares so issued or, in the case of securities convertible into DXN Shares or rights to acquire or subscribe for DXN Shares, the maximum number (assuming no adjustment of such rights) of DXN Shares issuable upon full conversion of such securities or the exercise in full of such rights; and
- S = as S in By-Law 15.9(i) hereof.

For the purpose of By-Law 15.9(vii), the "Total Effective Consideration" shall be determined by the Board with the concurrence of an external auditor of the Company and shall be:

- (a) in the case of the issue of DXN Shares, the aggregate consideration receivable by the Company on payment in full for such DXN Shares; or
- (b) in the case of the issue by the Company of securities wholly or partly convertible into Shares, the aggregate consideration receivable by the Company on payment in full for such securities or such part of the securities as is convertible together with the total amount receivable by the Company upon full conversion of such securities (if any); or
- (c) in the case of the issue by the Company of securities with rights to acquire or subscribe for DXN Shares, the aggregate consideration attributable to the issue of such rights together with the total amount receivable by the Company upon full exercise of such rights;

ANNEXURE D: BY-LAWS GOVERNING THE ESOS (Cont'd)

in each case without any deduction of any commissions, discounts or expenses paid, allowed or incurred in connection with the issue thereof, and "Total Effective Consideration per DXN Share" shall be the Total Effective Consideration divided by the number of DXN Shares issued as aforesaid or, in the case of securities convertible into DXN Shares or securities with rights to acquire or subscribe for DXN Shares, by the maximum number of DXN Shares issuable on full conversion of such securities or on exercise in full of such rights.

For the purpose of By-Law 15.9(vii), the Average Price of a DXN Share shall be the average price of one (1) DXN Share as derived from the last dealt prices for one (1) or more board lots of DXN Shares as quoted on Bursa Securities on the Market Days comprised in the period used as a basis upon which the issue price of such DXN Shares is determined.

Each such adjustment will be calculated (if appropriate, retroactively) from the close of business on Bursa Securities on the Market Day next following the date on which the issue is announced, or (failing any such announcement) on the Market Day next following the date on which the Company determines the offering price of such DXN Shares. Each such adjustment will be effective (if appropriate, retroactively) from the commencement of the Market Day immediately following the date of the completion of the above transaction.

For the purposes of By-Law 15.9(iii), (iv), (v) and (vi) the current market price in relation to one (1) existing DXN Shares for any relevant day shall be the volume weighted average market price for the five (5) consecutive Market Days before such date or during such other period as may be determined in accordance with any guidelines issued, from time to time, by the relevant authorities.

- (viii) The foregoing provisions on adjustment of the Exercise Price shall be subject to the following:
- (a) On any such adjustment the resultant Exercise Price shall be rounded up to the nearest one (1) sen and in no event shall any adjustment involve an increase in the Exercise Price or reduce the number of Options so far as unexercised to which the Grantee is already entitled to;
 - (b) No adjustment shall be made to the Exercise Price in any case in which the amount by which the same would be reduced in accordance with the foregoing provisions of "would be less than one (1) sen" or the number of Options so far as unexercised is less than one (1) Option and any adjustment that would otherwise be required then to be made will not be carried forward;
 - (c) If an event giving rise to any such adjustment shall be capable of falling within any two (2) or more of paragraphs (i) to (ii) of By-Law 15.1 hereof (both inclusive) or if such event is capable of giving rise to more than one (1) adjustment, the adjustment shall be made in such manner as the Directors of the Company and the external auditor of the Company may agree;
 - (d) If for any reason an event giving rise to an adjustment to the Exercise Price and/or the number of Options so far as unexercised to which a Grantee may be entitled to is cancelled, revoked or not completed, the adjustment shall not be required to be made or shall be reversed with effect from such date and in such manner as the Directors of the Company and the external auditor of the Company may agree;

ANNEXURE D: BY-LAWS GOVERNING THE ESOS (Cont'd)

- (e) In any circumstances where the Board considers that adjustments to the Exercise Price and/or the number of Options so far as unexercised as provided for hereunder should be made or should not be made or should be calculated on a different basis or different date, the Company may appoint the external auditors of the Company or the Adviser to consider whether for any reasons whatsoever (to the extent permissible by the Listing Requirements or any other relevant regulations) the adjustment calculation or determination to be made (or the absence of an adjustment calculation or determination) is appropriate or inappropriate as the case may be. If such external auditor or Adviser shall consider the adjustment calculation or determination to be inappropriate, the adjustment shall be modified or nullified (or an adjustment calculation or determination made even though not required to be made) in such manner as may be considered by such external auditors or Adviser to be appropriate;
- (f) If the Board and the external auditors of the Company or Adviser are unable to agree upon any adjustment required under these provisions, the Boards shall refer the adjustment to the decision of another external auditor or Adviser; and
- (g) In making adjustments hereunder, the other external auditor or Adviser (as the case may be) shall be deemed to be acting as experts and not as arbitrators and, in the absence of manifest error, their decisions shall be conclusive and binding on all person having an interest in the Options.

16. LISTING AND QUOTATION OF NEW SHARES

If at the time of allotment of the new DXN Shares pursuant to the exercise of the Options, the then existing issued Shares of the Company are quoted on Bursa Securities, the Company shall make an application to Bursa Securities within eight (8) Market Days after the receipt of the notice of exercise and remittance from the Grantee or such other period as may be prescribed by Bursa Securities, for the listing and quotation of such new DXN Shares and use its best endeavours to obtain such approval unless a blanket approval for the listing and quotation of the new DXN Shares arising from the ESOS has been obtained.

17. RETENTION PERIOD

The new DXN Shares to be allotted and issued to the Grantees pursuant to the exercise of the Options under the ESOS may be dealt with or disposed of by such Grantees who will not be subject to any retention period.

18. ADMINISTRATION

18.1 This ESOS shall be administered by the ESOS Committee comprising such number of Directors and/or Senior Management personnel as shall be appointed by the Board from time to time. The ESOS Committee shall, subject to these By-Laws administer the ESOS and regulate the ESOS Committee's own proceedings in such manner as it shall think fit.

ANNEXURE D: BY-LAWS GOVERNING THE ESOS (Cont'd)

- 18.2 Without limiting the generality of By-Law 18.1 hereof, the ESOS Committee may, for the purpose of administering the ESOS, do all acts and things, rectify any errors in its Offers, recommend to the Board to establish, amend and revoke rules and regulations relating to the ESOS and its administration, execute all documents and delegate any of its powers and duties relating to the ESOS as it may in its discretion consider to be necessary or desirable for giving effect to the ESOS.
- 18.3 The Board shall have power at any time and from time to time to rescind the appointment of any person in the ESOS Committee as it shall deem fit and may appoint replacement members to the ESOS Committee.
- 18.4 The Board shall have the power to determine all matters pertaining to the ESOS Committee, including without limitation setting the terms of reference for the ESOS Committee, composition, duties, powers and limitations. The Board is entitled at any time and from time to time to change the terms of reference of the ESOS Committee.

19. AMENDMENT AND/OR MODIFICATION TO THE SCHEME

- 19.1 Subject to the compliance with the Listing Requirements and any laws and/or regulations of other relevant authorities, the ESOS Committee may at any time and from time to time recommend to the Board any additions or amendments to or deletions of these By-Laws as it shall in its discretion think fit and the Board shall have the power by resolution to add, amend or delete all or any of these By-Laws upon such recommendation **PROVIDED ALWAYS THAT** no additions or amendments to or deletions of these By-Laws shall be made which will:
- (i) prejudice any rights then accrued to any Grantee without the prior consent or sanction of that Grantee; or
 - (ii) increase the number of DXN Shares available under the ESOS beyond the maximum imposed by By-Law 4.2 hereof; or
 - (iii) alter to the advantage of any Eligible Person in respect of any matters which are required to be contained in these By-Laws by virtue of Appendix 6E of the Listing Requirements, without the prior approval of the Company's shareholders in a general meeting unless allowed otherwise by the provisions of the Listing Requirements.
- 19.2 Any amendments/modifications to these By-Laws shall not contravene any of the provisions of the guidelines on employees' share option schemes as stipulated under the Listing Requirements and/or by any other relevant regulatory authority in relation to ESOS.
- 19.3 Upon amending and/or modifying all or any of the provisions of the ESOS, the Company shall within five (5) Market Days, submit a confirmation letter to Bursa Securities for the amendments made, that the said amendment and/or modification complies and does not contravene any of the provisions of the Listing Requirements pertaining to ESOS pursuant to Paragraph 2.12 of the Listing Requirements. In such event, the ESOS Committee shall furnish a written notification to all Grantees and the Company shall make all necessary announcements to Bursa Securities in respect of such amendments and/or modifications.

ANNEXURE D: BY-LAWS GOVERNING THE ESOS (Cont'd)

20. DISPUTES

In the event of any dispute or difference arising between the ESOS Committee and an Eligible Person or a Grantee, as to any matter or thing of any nature arising hereunder, the ESOS Committee shall determine such dispute or difference by a written decision (without the obligation to give any reason thereof) to the Eligible Person or the Grantee, as the case may be **PROVIDED ALWAYS THAT** where the dispute or difference is raised by a member of the ESOS Committee, the said member shall abstain from voting in respect of the decision of the ESOS Committee in that instance. The said decision shall be final and binding on the parties unless the Eligible Person or the Grantee, as the case may be, shall dispute the same by written notice to the ESOS Committee within fourteen (14) calendar days of the receipt of the written decision, in which case such dispute or difference shall be referred to the decision of the Board, whose decision shall be final and binding in all respects.

21. SCHEME NOT A TERM OF EMPLOYMENT

The ESOS shall not form part of or constitute or in any way be construed as a term or condition of employment of any employee. The ESOS shall not confer or be construed to confer on an Eligible Person any special rights or privileges over the Eligible Person's terms and conditions of employment in the DXN Group under which the Eligible Person is employed or any rights additional to any compensation or damages that the Eligible Person may be normally entitled to arising from the cessation of such employment.

22. COSTS AND EXPENSES

All fees, costs and expenses incurred in relation to the administration and management of the ESOS including but not limited to the fees, costs and expenses relating to the allotment and issuance of new DXN Shares pursuant to the exercise of the Options shall be borne by the Company. Notwithstanding this, the Grantee shall bear any fees, costs (including any taxes and stamp duty) and expenses incurred in relation to his/ her acceptance and exercise of the Options (including all brokerage fees, commission and such other incidental costs arising from the sale of the Shares).

23. CONSTITUTION

Notwithstanding the terms and conditions contained in these By-Laws, if a situation of conflict should arise between these By-Laws and the Constitution of the Company, the provisions of the Constitution of the Company shall prevail at all times save and except where such provisions of the By-Laws are included pursuant to the Listing Requirements in which event such provisions of the By-Laws shall prevail.

24. INSPECTION OF AUDITED FINANCIAL STATEMENTS

All Grantees are entitled to inspect the latest audited financial statements of the Company during the normal business hours on any working day at the registered office of the Company.

25. TRANSFER FROM OTHER COMPANIES TO THE DXN GROUP

In the event that:

- (i) a director or employee who was employed in a company related to but not within the DXN Group and is subsequently transferred from such company to any company within the DXN Group; or

ANNEXURE D: BY-LAWS GOVERNING THE ESOS (Cont'd)

- (ii) a director or employee who was in the employment of a company which subsequently becomes a company within the DXN Group as a result of a restructuring exercise or otherwise involving DXN and/or any company within the DXN Group,

(the first mentioned company in (i) and (ii) above are hereinafter referred to as the “**Previous Company**”), such a director or employee of the Previous Company (“**the Affected Director/Employee**”), subject to By-Law 7 hereof, will:

- (i) be entitled to continue to exercise all such unexercised Option(s) which were granted to him/her under the Previous Company’s employees’ share option scheme (“**Previous Company’s ESOS**”) in accordance with the by-laws of the Previous Company’s ESOS but he shall not, upon such transfer or restructuring or divestment as the case may be, be eligible to participate for further options of such Previous Company’s ESOS; and/or
- (ii) be eligible to participate in the ESOS only for the remaining duration of the ESOS, subject to the ESOS Committee’s approval; and/or
- (iii) if the Affected Director/Employee had participated in the Previous Company’s ESOS, the number of DXN Shares to be offered to such Affected Director/Employee under the ESOS shall be subject to the sole and absolute discretion of the ESOS Committee.

26. DIVESTMENT FROM THE DXN GROUP

If a Grantee who was in the employment of a company in the DXN Group, which was subsequently divested wholly, or in part, from the DXN Group, resulting in such company no longer be a subsidiary of DXN pursuant to Section 4 of the Act, then such Grantee:

- (i) notwithstanding such divestment and subject to the provisions of By-Laws 11 and 14.2 hereof will be entitled to continue to exercise all such unexercised Options which were granted to him/her under the ESOS within a period of three (3) months from the date of completion of such divestment or within the Exercise Period, whichever ends earlier, failing which the right of such Grantee to subscribe for that number of the DXN Shares or any part thereof granted under such unexercised Options shall automatically lapse and be null and void and of no further force and effect; and
- (ii) shall not be eligible to participate for further Options under the ESOS.

For the avoidance of doubt, where the Grantee was in the employment of a company in the DXN Group and that company was subsequently partially divested but remained as a subsidiary of DXN pursuant to Section 4 of the Act, then such Grantee shall continue to be entitled to all his/ her rights in relation to the unexercised Options and he shall be eligible for further participation of the Options under the ESOS.

27. TAKE-OVER AND MERGERS

Notwithstanding By-Law 11 hereof and subject to the provisions of any applicable statutes, rules, regulations and/or conditions issued by the relevant regulatory authorities, in the event of:

- (i) a take-over offer being made for the Company, under the Rules on Take-overs, Mergers and Compulsory Acquisitions, to acquire the whole of the issued ordinary share capital of the Company (or such part thereof not at the time held by the person making the take-over offer (“**Offeror**”) or any persons acting in concert with the Offeror), any unexercised Options shall remain in force and be exercisable until the expiry of the Exercise Period applicable thereto; and

ANNEXURE D: BY-LAWS GOVERNING THE ESOS (Cont'd)

- (ii) the Offeror becoming entitled or bound to exercise the right of compulsory acquisition of new DXN Shares under the provisions of the Capital Markets and Services Act, 2007 (or other legislation applicable at the point of time), and gives notice to the Company and Grantee that it intends to exercise such right on a specific date, a Grantee will be entitled to exercise any unexercised Options from the date of service of the said notice until and inclusive of the date on which the right of compulsory acquisition is exercised **PROVIDED ALWAYS THAT** any Options to the extent unexercised after the date on which the right of compulsory acquisition is exercised shall lapse and immediately cease to have any effect.

28. SUBSEQUENT EMPLOYEES' SHARE OPTION SCHEMES

- 28.1 Subject to the approval of the relevant authorities and compliance with the requirements of the relevant authorities, the Company may establish a new employees' share option scheme after the Expiry Date if the ESOS is not renewed or after termination of the ESOS pursuant to By-Law 5.6 hereof. Where the ESOS has been renewed (in accordance with By-Law 5.3 hereof), a new employees' share option scheme may be established upon expiry of the renewed ESOS, if any.
- 28.2 The Company may establish more than one (1) employees' share option scheme during the duration of the ESOS as provided in By-Law 5.3 hereof provided always that the aggregate number of Shares available under all the employees' share option schemes does not exceed five per centum (5%) of the total number of issued Shares of the Company (excluding treasury shares) at any point in time or such other limit in accordance with any guidelines or regulations issued by Bursa Securities or any other relevant authorities as may be amended from time to time.

29. NO COMPENSATION

- 29.1 A Grantee who ceases to hold office or employment shall not be entitled to any compensation for the loss of any right or benefit or prospective right or benefit under the ESOS which he might otherwise have enjoyed whether such compensation is claimed by way of damages for wrongful dismissal or other breach of contract or by way of compensation for loss of office.
- 29.2 No Eligible Person or Grantee or legal personal representatives shall bring any claim, action or proceeding against the Company, the Board, the ESOS Committee or any other party for compensation, loss or damages whatsoever and howsoever arising from the suspension of his rights to exercise his Options or his Options ceasing to be valid pursuant to the provisions of these By-Laws, as may be amended from time to time in accordance with By-Law 19 hereof or termination of the ESOS in accordance with By-Law 5 hereof.

30. TAXES

All taxes (including income tax), if any, arising from the exercise of any Option under the ESOS shall be borne by the Grantee.

31. WINDING UP

In the event of a members' voluntary winding-up and a resolution is passed for the winding-up or liquidation of the Company, all unexercised Options shall automatically lapse and be null and void and of no further force and effect from the date of the members' resolution for such winding-up or liquidation of the Company.

ANNEXURE D: BY-LAWS GOVERNING THE ESOS (Cont'd)

In the event a petition is presented in court for the winding-up or liquidation of the Company, all rights to exercise the Options shall automatically be suspended from the date of the presentation of the petition. If a court order for winding-up the Company pursuant to the petition for winding-up is made, all unexercised Options shall automatically lapse and be null and void and of no further force and effect from the date of the court order. Conversely, if the petition for winding-up is dismissed by the court, the right to exercise the Options shall accordingly be unsuspended.

32. RIGHTS OF A GRANTEE

The Options shall not carry any rights to vote at any general meeting of the Company. The Grantee shall not in any event be entitled to any dividends, rights or other entitlements on his unexercised Options.

33. SEVERABILITY

Any term, condition, stipulation or provision in these By-Laws which is illegal, void, prohibited or unenforceable shall be ineffective to the extent of such illegality, voidness, prohibition or unenforceability without invalidating the remaining provisions hereof, and any such illegality, voidness, prohibition or unenforceability shall not invalidate or render illegal, void or unenforceable any other term, condition, stipulation and provision herein contained.

34. GOVERNING LAW AND JURISDICTION

34.1 The ESOS shall be governed by and construed in accordance with the laws of Malaysia. The Grantee, by accepting the Options in accordance with these By-Laws and terms of the ESOS, irrevocably submits to the exclusive jurisdiction of the courts of Malaysia.

34.2 In order to facilitate the making of any Offer under the ESOS, the Board may provide for such special terms to the Eligible Person(s) who are employed by any corporation in the Group in a particular jurisdiction as the Board may consider necessary or appropriate for the purposes of complying with differences in local law, tax, policy or custom of that jurisdiction. The Board may further approve such supplements to or amendments, restatements or alternative versions of the ESOS as it may consider necessary or appropriate for such purposes without thereby affecting the terms of the ESOS as in effect for any other purpose, and the appropriate officer of the Company may certify any such document as having been approved and adopted in the same manner as the ESOS. No such special terms, supplements, amendments or restatements, however, shall include any provisions that are inconsistent with the terms of the ESOS, as then in effect, unless the ESOS has been amended to eliminate such inconsistency. Notwithstanding the above, any Offer made to such Eligible Person(s) pursuant to the ESOS shall be valid strictly in Malaysia only unless specifically mentioned otherwise by the ESOS Committee in the Offer.

35. NOTICE

35.1 Any notice or request which the Company is required to give, or may desire to give, to any Eligible Person or the Grantee pursuant to the ESOS shall be in writing and shall be deemed to be sufficiently given:

- (i) if it is sent by ordinary post by the Company to the Eligible Person or the Grantee at the last address known to the Company as being his address, such notice shall be deemed to have been received three (3) Market Days after posting; or

ANNEXURE D: BY-LAWS GOVERNING THE ESOS *(Cont'd)*

- (ii) if it is given by hand to the Eligible Person or the Grantee, such notice or request shall be deemed to have been received on the date of delivery; or
- (iii) if it is sent by electronic media, including but not limited to electronic mail, to the Eligible Person or the Grantee, such notice or request shall be deemed to have been received upon confirmation or notification received after the sending of notice or request by the Company.

Any change of address of the Eligible Person or the Grantee shall be communicated in writing to the Company and the ESOS Committee.

- 35.2 Any notification or other notice required to be given to the Company or the ESOS Committee shall be properly given if sent by registered post or delivered by hand to the Company at its business address or any other address which may be notified in writing by the ESOS Committee from time to time.