



NOTICE OF 53RD ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Fifty-Third Annual General Meeting (“**53rd AGM**”) of Dagang NeXchange Berhad (“**DNeX**” or the “**Company**”) will be conducted virtually from the broadcast venue at the Multipurpose Hall, Level 3A, Dagang Net Tower, Block 10 (A&B) Corporate Park, Star Central, Lingkaran Cyberpoint Timur, Cyber 12, 63000 Cyberjaya, Selangor, Malaysia on Wednesday, 19 June 2024 at 10.00 a.m. for the following purposes:

AGENDA

AS ORDINARY BUSINESS

- To receive the Audited Financial Statements for the financial period ended 31 December 2023 together with the reports of the Directors and Auditors thereon.
- To re-elect the following Directors who retire pursuant to Clause 131 of the Company's Constitution and being eligible have offered themselves for re-election:
 - Datuk Johar bin Che Mat
 - Dato’ Robert Fisher
- To re-elect Tan Sri Acryl Sani bin Haji Abdullah Sani who retires pursuant to Clause 116 of the Company’s Constitution and being eligible has offered himself for re-election.
- To re-elect Muhammad Saifullah bin Mohd Isa who retires pursuant to Clause 116 of the Company's Constitution and being eligible has offered himself for re-election.
- To re-elect Mohd Isa bin Ismail who retires pursuant to Clause 116 of the Company's Constitution and being eligible has offered himself for re-election.
- To approve the payment of Directors’ fees and benefits to the Directors of the Company and its subsidiaries up to an aggregate amount of RM4,000,000.00 for the period from 20 June 2024 until the next Annual General Meeting of the Company.
- To re-appoint Crowe Malaysia PLT as auditors of the Company until the conclusion of the next Annual General Meeting and to authorise the Directors to determine their remuneration.

Please refer to
Explanatory Note 1

Ordinary Resolution 1
Ordinary Resolution 2
Ordinary Resolution 3

Ordinary Resolution 4

Ordinary Resolution 5
Ordinary Resolution 6

Ordinary Resolution 7

AS SPECIAL BUSINESS

To consider and if thought fit, to pass the following resolutions:

- AUTHORITY UNDER SECTIONS 75 AND 76 OF THE COMPANIES ACT 2016 FOR THE DIRECTORS TO ALLOT SHARES OR GRANT RIGHTS**

“THAT pursuant to Sections 75 and 76 of the Companies Act 2016, the Directors be and are hereby empowered to allot and issue shares in the Company, at any time, at such price, upon such terms and conditions, for such purpose and to such person or persons whomsoever as the Directors may in their absolute discretion deem fit provided that the aggregate number of shares to be issued does not exceed ten per centum (10%) of the total issued shares/total number of voting shares of the Company (excluding treasury shares) at the time of issue.

THAT pursuant to Section 85 of the Companies Act 2016, approval be and is hereby given to waive the statutory pre-emptive rights of the shareholders of the Company to be offered new shares of the Company ranking equally to the existing issued Company’s shares arising from any issuance of new Company’s shares pursuant to Sections 75 and 76 of the Companies Act 2016.

THAT the Directors be and are hereby also empowered to obtain the approval for the listing of and quotation for the additional shares so issued on the Bursa Malaysia Securities Berhad (“**Bursa Securities**”) and THAT such authority shall continue to be in force until the conclusion of the next Annual General Meeting of the Company.”
- PROPOSED ALLOCATION OF EMPLOYEES’ SHARE OPTION SCHEME (“ESOS”) OPTIONS**

“THAT subject to the approvals of the relevant authorities for the ESOS, including the approval from Bursa Securities for the listing of and quotation for the Company's Shares to be issued arising from the exercise of the ESOS options, approval be and is hereby given to the Directors of the Company to authorise the ESOS Committee, at any time and from time to time throughout the duration of the ESOS, to offer and grant to the following persons, ESOS options to subscribe for the Company's Shares under the ESOS:-

 - Tan Sri Acryl Sani bin Haji Abdullah Sani
 - Mohd Isa bin Ismail

Provided always that:

 - he must not participate in the deliberation and/or discussion of his own allocation;
 - not more than 10% of the total number of new Company's Shares to be issued under the ESOS would be allocated to him who, either individually or collectively through persons connected to him, holds 20% or more of the total number of issued shares of the Company; and
 - the allocation of ESOS Options to him shall be subject always to such terms and conditions and/or any adjustments which may be made in accordance with the provisions of the ESOS By-Laws, the Main Market Listing Requirements (“**MMLR**”) of Bursa Securities, or any prevailing guidelines issued by Bursa Securities, as amended from time to time.
- To transact any other business of which due notice shall have been given in accordance with the Companies Act 2016 and the Company's Constitution.

Ordinary Resolution 8

Ordinary Resolution 9
Ordinary Resolution 10

BY ORDER OF THE BOARD

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

Kuala Lumpur
30 April 2024

EXPLANATORY NOTES ON ORDINARY AND SPECIAL BUSINESSES:

- Item 1 of the Agenda**

Agenda item 1 is meant for discussion only as the provisions of Section 340 of the Companies Act 2016 do not require formal approval of shareholders for the Audited Financial Statements. Hence, this Agenda item is **not put forward for voting**.
- Items 2, 3, 4 and 5 of the Agenda**

The Nomination and Remuneration Committee (“**NRC**”) have considered the performance and contribution of each of the retiring Directors and have also assessed the independence of the Independent Non-Executive Directors seeking for re-election.

Based on the results of the Board Evaluation conducted for the financial period ended 31 December 2023, the performance of each of the retiring Directors was found to be satisfactory. In addition, each of the retiring Directors had provided their annual declaration/confirmation on their fitness and propriety as well as independence, where applicable.

Based on the recommendation of the NRC, the Board supports the re-election of the Directors based on the following justifications:

| | |
|---|---|
| Datuk Johar bin Che Mat | Datuk Johar bin Che Mat has approximately more than 30 years of experience in the banking industry, and the Board believes his extensive experience is hugely beneficial to the Company. He remains objective and independent in expressing his views and participating in the Board's deliberations and decision-making process. |
| Dato’ Robert Fisher | Dato’ Robert Fisher has approximately more than 45 years of experience in the oil and gas industry and the Board believes his extensive experience is hugely beneficial to the Company. He remains objective and independent in expressing his views and participating in the Board's deliberations and decision-making process. |
| Tan Sri Acryl Sani bin Haji Abdullah Sani | Tan Sri Acryl Sani bin Haji Abdullah Sani fulfils the requirements of independence set out in the MMLR of Bursa Securities. He remains objective and independent in expressing his views and participating in the Board's deliberations and decision-making process. |
| Muhammad Saifullah bin Mohd Isa | Muhammad Saifullah bin Mohd Isa has the overall responsibility for leading the planning of the Group's medium and long-term growth and strategy plan as well as overseeing the execution of the strategy. |
| Mohd Isa bin Ismail | Mohd Isa bin Ismail has been a valuable asset to the Board and with his diligent and proficient performance as a Non-Independent Non-Executive Director, he has greatly contributed to the Company's strategic direction. |
- Item 6 of the Agenda**

The Company had, during its Fifty-Second Annual General Meeting (“**52nd AGM**”) held on 6 December 2022, obtained shareholders’ approval in relation to the Directors’ fees and benefits payable to the Non-Executive Directors of the Company and its subsidiaries for the period from 7 December 2022 until the 53rd AGM of the Company. The proposed Ordinary Resolution 6, if passed, will give authority to the Company and its subsidiaries to pay the Directors’ fees and benefits to our Directors, on a monthly basis and after each month of completed service of our Directors. The benefits payable to the Directors comprise allowances and other emolument payable to the Chairman and members of the Board, Board of subsidiaries, Board Committees and such other committees as may be established by the Board. The payment of Directors’ fees and benefits to the Directors of the Company and its subsidiaries are based on among others, the following rates maintained as per the 52nd AGM:

| Description | The Company | |
|--|------------------------|-------------------------|
| | Chairman | Non-Executive Directors |
| Monthly Directors’ Fee | | |
| (a) Board | RM18,000.00 per annum | RM12,000.00 per annum |
| (b) Audit Committee | RM6,000.00 per annum | RM3,000.00 per annum |
| (c) Other Committees | RM1,000.00 per annum | RM800.00 per annum |
| Meeting Allowances | | |
| (a) Board | RM2,250.00 per annum | RM2,250.00 per annum |
| (b) Board Committees | RM1,500.00 per annum | RM1,500.00 per annum |
| Benefits | | |
| Medical and Hospitalisation | | |
| Description | Company's subsidiary | |
| | Chairman | Non-Executive Directors |
| Directors’ Fee | | |
| (a) Dagang Net Technologies Sdn. Bhd. | RM48,000.00 per annum | RM24,000.00 per annum |
| (b) SilTerra Malaysia Sdn. Bhd. | RM72,000.00 per annum | RM54,000.00 per annum |
| (c) PING Petroleum Limited | USD30,000.00 per annum | USD20,000.00 per annum |
| (d) Innovation Associates Consulting Sdn. Bhd. | RM60,000.00 per annum | RM60,000.00 per annum |

- The rapid growth of the Company has resulted in greater responsibilities, risk and time taken by the Directors to contribute their expertise to the Company. The Board is of the view that the proposed payment of Directors’ fees and benefits to the Directors commensurate with the level of responsibility and accountability of the Directors and the amount of time that they are expected to devote in discharging their roles.
- In determining the estimated total amount of Directors’ fees and benefits for the Directors, the Board has considered various factors including the number of scheduled and special meetings for the Board, Board Committees and Boards of the Company's subsidiaries and the number of Non-Executive Directors involved in these meetings based on the current number of Directors as well as inclusion of provisional sum as a contingency for future appointment of Directors on the Boards of the Company's subsidiaries and increase in the number of Board and Board Committees meetings.
- The Board is of the view that it is just and equitable for the Directors to be paid the Directors’ fees and benefits on a monthly basis and/or as and when they are incurred, particularly after the Directors have discharged their responsibilities and rendered their services to the Company and its subsidiaries throughout their tenure as Directors.
- Item 8 of the Agenda**

The Ordinary Resolution 8 proposed under item 8 of the Agenda is to seek the shareholders’ approval of a new general mandate for the issuance of shares by the Company under Sections 75 and 76 of the Companies Act 2016. The mandate, if passed, will provide flexibility for the Company and empower the Directors to allot and issue new shares speedily in the Company up to an amount not exceeding in total ten per centum (10%) of the issued share capital of the Company for purpose of funding the working capital or strategic development of the Group. This would eliminate any delay arising from and cost involved in convening a general meeting to obtain approval of the shareholders for such issuance of shares. This authority, unless revoked or varied by the Company at a general meeting, will expire at the next Annual General Meeting of the Company.

The waiver of pre-emptive rights pursuant to Section 85 of the Companies Act 2016 will allow the Directors of the Company to issue new shares of the Company which rank equally to existing issued shares of the Company, to any person without having to offer new shares to all the existing shareholders of the Company prior to issuance of new shares in the Company under the general mandate.
 - Item 9 of the Agenda**

The ESOS was implemented on 6 April 2021 following the shareholders’ approval obtained at the Extraordinary General Meeting of the Company held on 1 April 2021.

The proposed Ordinary Resolutions 9 and 10 if passed, will provide flexibility to the Directors to grant ESOS Options to the following Directors to subscribe for new Company's Shares, subject to the By-Laws of the ESOS:

 - Tan Sri Acryl Sani bin Haji Abdullah Sani, the Independent Non-Executive Director and Deputy Chairman of the Company; and
 - Mohd Isa bin Ismail, the Non-Independent Non-Executive Director of the Company.

- NOTES:**
- The 53rd AGM of the Company will be conducted virtually from the broadcast venue at the Multipurpose Hall, Level 3A, Dagang Net Tower, Block 10 (A&B) Corporate Park, Star Central, Lingkaran Cyberpoint Timur, Cyber 12, 63000 Cyberjaya, Selangor, Malaysia. Please refer to the Administrative Guide for the procedures to register, participate and vote remotely through the remote participation and electronic voting facilities.
 - The Broadcast Venue mentioned above is strictly for the purpose of complying with Section 327 of the Companies Act 2016. **Shareholders and/or proxies are not allowed to be physically present at the Broadcast Venue as the venue is only meant to facilitate the conduct of the 53rd AGM.** Shareholders or proxies who turn up at the Broadcast Venue would be requested to leave the venue politely.
 - A member entitled to attend and vote at the meeting is entitled to appoint proxy/proxies to attend, participate, speak and vote in his/her stead. A proxy may but need not be a member of the Company.
 - In the case of a corporate member, the instrument appointing a proxy (“**Form of Proxy**”) shall be either (a) under its Common Seal or (b) under the hand of a duly authorised officer or attorney and in the case of (b), be supported by a certified true copy of the resolution appointing such officer or certified true copy of the power of attorney.
 - Where a member appoints more than one (1) proxy, the appointment shall be invalid unless the member specifies the proportion of his/her shareholding to be represented by each proxy.
 - Where a member is an authorised nominee, as defined under the Securities Industry (Central Depositories) Act 1991, it may appoint at least one (1) proxy in respect of each securities account it holds which is credited with ordinary shares of the Company. Where an authorised nominee appoints more than one (1) proxy, the appointment shall be invalid unless the authorised nominee specifies the proportion of its shareholding to be represented by each proxy.
 - Where a member is an exempt authorised nominee (“**EAN**”) as defined under the Securities Industry (Central Depositories) Act 1991, which holds ordinary shares in the Company for multiple beneficial owners in one securities account (omnibus account), there is no limit to the number of proxies which the EAN may appoint in respect of each omnibus account it holds. EAN is advised to list down the name of proxies and the particulars of their NRIC No. (both new and old) and attach it to the Form of Proxy.
 - The appointment of proxy may be made in a hard copy form or by electronic means, not less than forty-eight (48) hours before the time for holding the 53rd AGM or at any adjournment thereof, as follows:
 - In hard copy form**

The original instrument appointing a proxy (“**Form of Proxy**”) must be deposited at KPMG Management & Risk Consulting Sdn. Bhd. at Concourse, KPMG Tower, No. 8, First Avenue, Bandar Utama, 47800 Petaling Jaya, Selangor Darul Ehsan, Malaysia.
 - By electronic means**

The electronic proxy can also be lodged electronically via ConveneAGM Meeting Platform at <https://conveneagm.my/dnexagm2024> or by email to support_conveneagm@kpmg.com.my. Please follow the procedures provided in the Administrative Guide for the 53rd AGM in order to deposit the Form of Proxy electronically.
 - The Form of Proxy, if submitted by a member, will not preclude that member from attending, participating and voting in person at the 53rd AGM should the member subsequently decide to do so.
 - For the purpose of determining whether a member is entitled to attend, participate and vote at the 53rd AGM, the Company shall be requesting the Record of Depositors as at 11 June 2024. Only depositors whose names appear in the Record of Depositors as at 11 June 2024 shall be entitled to attend, participate and vote at the 53rd AGM or appoint proxy/proxies on his/her behalf.
 - Pursuant to paragraph 8.29A(1) of the MMLR of Bursa Securities, voting at the 53rd AGM will be conducted by poll.
- PERSONAL DATA PRIVACY:**
- By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the 53rd AGM and/or any adjournment thereof, a member of the Company:
- consents to the collection, use and disclose of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the 53rd AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the 53rd AGM (including any adjournment thereof), and in order for the Company (or its agent) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the “**Purposes**”);
 - warrants that the member has obtained the prior consent of such proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies), and/or representative(s) for the Purposes; and
 - agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses, and damages as a result of the member's breach of warranty.