



DYNACIATE GROUP BERHAD
(Registration No.: 200601012544 (732294-W))
(Incorporated in Malaysia)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT an Extraordinary General Meeting of Dynaciate Group Berhad (“**DGB**” or “**Company**”) will be held at ME Hub Kota Damansara, 3rd Floor, 28-3, Jalan PJU 5/4, Dataran Sunway, Kota Damansara, 47810 Petaling Jaya, Selangor, Malaysia on Tuesday, 16 November 2021 at 11.00 a.m. or at any adjournment thereof, for the purpose of considering and, if thought fit, passing with or without modifications, the following resolutions:

ORDINARY RESOLUTION 1

PROPOSED ACQUISITION OF 19,000,000 ORDINARY SHARES IN MGUDANG SDN. BHD. (“MGSB”) (“MGSB SHARE(S)”), REPRESENTING 74.51% EQUITY INTEREST IN MGSB, BY THE COMPANY FROM MMAG HOLDINGS BERHAD (“MMAG”), FOR A TOTAL PURCHASE CONSIDERATION OF RM17,830,000, TO BE SATISFIED VIA A COMBINATION OF CASH OF RM534,900 AND ISSUANCE OF 180,157,290 NEW ORDINARY SHARES IN THE COMPANY (“DGB SHARE(S)”) (“CONSIDERATION SHARE(S)”) AT AN ISSUE PRICE OF RM0.0960 EACH (“PROPOSED ACQUISITION OF MGSB FROM MMAG”)

“THAT subject to the approvals of the relevant authorities and/or parties having been obtained (if required), approval be and is hereby granted to the Board of Directors of the Company (“**Board**”) to acquire 19,000,000 MGSB Shares, representing 74.51% equity interest in MGSB, by the Company from MMAG, for a total purchase consideration of RM17,830,000, to be satisfied via a combination of cash of RM534,900 and issuance of 180,157,290 Consideration Shares, subject to and upon such terms and conditions as set out in the conditional shares sale agreement dated 4 May 2021 entered into between the Company and MMAG in relation to the Proposed Acquisition of MGSB from MMAG (“**MGSB SSA-MMAG**”) and the supplemental conditional shares sale agreement dated 28 September 2021 entered into between the Company and MMAG to amend and vary certain provisions of the MGSB SSA-MMAG (“**Supplemental MGSB SSA-MMAG**”), in particular the obligations and timeline for MMAG to furnish evidence of debt satisfaction and/or release of all the existing charges on the properties of MGSB prior to issuance and allotment of Consideration Shares and completion of the MGSB SSA-MMAG.

THAT the Consideration Shares will be issued and allotted at the issue price of RM0.0960 each, which represents a discount of approximately 9.09% to the 5-day volume weighted average market price (“**5D-VWAP**”) of DGB Share up to and including 3 May 2021 (being the last trading day prior to the date of the MGSB SSA-MMAG) of RM0.1056.

THAT approval be and is hereby granted to the Company to allot and issue 180,157,290 Consideration Shares to MMAG in accordance to the terms and conditions as set out in the MGSB SSA-MMAG and the Supplemental MGSB SSA-MMAG.

THAT such Consideration Shares shall, upon allotment and issuance, rank equally in all respects with the then existing DGB Shares, save and except that the Consideration Shares will not be entitled to any dividends, rights, allotments and/or any other forms of distributions, the entitlement date of which is prior to the date of allotment and issuance of such Consideration Shares.

AND THAT the Board be and is hereby authorised to do all acts, deeds and things and to execute, sign and deliver, on behalf of the Company, all such documents to give full effect to and complete the Proposed Acquisition of MGSB from MMAG with full powers to assent to any conditions, modifications, variations and/or amendments in any manner as may be required or imposed by the relevant authorities and/or parties, and to take all steps and actions as the Board may deem fit or expedient in order to carry out, finalise and give full effect to the Proposed Acquisition of MGSB from MMAG.”

ORDINARY RESOLUTION 2

PROPOSED SETTLEMENT OF AN AMOUNT OWING BY MGSB TO MMAG OF RM4,500,000 (“SETTLEMENT SUM”) VIA ISSUANCE OF 46,875,000 NEW DGB SHARES (“SETTLEMENT SHARE(S)”) AT AN ISSUE PRICE OF RM0.0960 EACH UPON COMPLETION OF THE PROPOSED ACQUISITION OF MGSB FROM MMAG (“PROPOSED SETTLEMENT”)

“THAT subject to and contingent upon the passing of Ordinary Resolution 1, the completion of Proposed Acquisition of MGSB from MMAG and the approvals of the relevant authorities and/or parties having been obtained (if required), approval be and is hereby granted to the Board to settle an amount owing by MGSB to MMAG of RM4,500,000 via issuance of 46,875,000 Settlement Shares, subject to and upon such terms and conditions as set out in the settlement agreement dated 4 May 2021 entered into between the Company and MMAG in relation to the Proposed Settlement (“**Settlement Agreement**”).

THAT the Settlement Shares will be issued and allotted at the issue price of RM0.0960 each, which represents a discount of approximately 9.09% to the 5D-VWAP of DGB Share up to and including 3 May 2021 (being the last trading day prior to the date of the Settlement Agreement) of RM0.1056.

THAT approval be and is hereby granted to the Company to allot and issue 46,875,000 Settlement Shares to MMAG in accordance with the terms and conditions as set out in the Settlement Agreement.

THAT such Settlement Shares shall, upon allotment and issuance, rank equally in all respects with the then existing DGB Shares, save and except that the Settlement Shares will not be entitled to any dividends, rights, allotments and/or any other forms of distributions, the entitlement date of which is prior to the date of allotment and issuance of such Settlement Shares.

THAT upon completion of the Proposed Settlement, any remaining amount owing by MGSB to MMAG (after deducting Settlement Sum and being an amount mutually agreed by the Company and MMAG) shall be repayable by MGSB in its ordinary course of business.

AND THAT the Board be and is hereby authorised to do all acts, deeds and things and to execute, sign and deliver, on behalf of the Company, all such documents to give full effect to and complete the Proposed Settlement with full powers to assent to any conditions, modifications, variations and/or amendments in any manner as may be required or imposed by the relevant authorities and/or parties, and to take all steps and actions as the Board may deem fit or expedient in order to carry out, finalise and give full effect to the Proposed Settlement.”

ORDINARY RESOLUTION 3

PROPOSED NEW SHAREHOLDERS’ MANDATE FOR NEW RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE (“PROPOSED NEW SHAREHOLDERS’ MANDATE”)

“THAT subject to and condition upon the passing of Ordinary Resolutions 1 and 2 above and the completion of Proposed Acquisition of MGSB from MMAG, approval be and is hereby given for the Company and/or its subsidiaries (“**Group**”) to enter into recurrent transactions of a revenue or trading nature with the Related Parties as set out in Part B, Section 2.5 of the circular to shareholders of the Company dated 26 October 2021, which are subject to the approval of the Proposed New Shareholders’ Mandate, provided that such recurrent transactions are necessary for the day-to-day operations and are carried out in the ordinary course of business and at arm’s-length basis on normal commercial terms which are consistent with the Group’s normal business practices and policies and on terms not more favourable to the related parties than those generally available to the public and on terms not to the detriment of the minority shareholders, AND THAT such approval shall be in force until:

- (i) the conclusion of the next Annual General Meeting of the Company (“**AGM**”) at which time it will lapse, unless by a resolution passed at that meeting, the authority is renewed;
- (ii) the expiration of the period within which the next AGM is required to be held under Section 340(2) of the Companies Act 2016 (but must not extend to such extension as may be allowed under Section 340(4) of the Companies Act 2016); or
- (iii) revoked or varied by ordinary resolution passed by the shareholders of the Company in a general meeting,

whichever is the earlier.

AND THAT the Directors of the Company be and are hereby authorised to do all such acts and things (including, without limitation, to execute all such documents) in the interest of the Company to give effect to the aforesaid shareholders' mandate.

AND THAT in making the appropriate disclosure of the aggregate value of the recurrent transactions conducted pursuant to the shareholders' mandate in the Company's annual report, the Company must provide a breakdown of the aggregate value of the recurrent transactions made during the financial year, amongst others, based on the following information:

- (i) the type of the recurrent transactions entered into; and
- (ii) the names of the related parties involved in each type of the recurrent transaction and their relationship with the Group."

By Order of our Board

TAI YIT CHAN (MAICSA 7009143) (SSM PC No. 202008001023)

ONG TZE-EN (MAICSA 7026537) (SSM PC NO. 202008003397)

Joint Company Secretaries

Pulau Pinang, 26 October 2021

Notes:

1. A member of the Company entitled to attend and vote at a meeting of the Company, or at a meeting of any class of members of the Company, shall be entitled to appoint not more than two (2) proxies to attend and vote in his stead at the meeting, and that a proxy may but need not be a member. There shall be no restriction as to the qualification of the proxy. Where a member appoints more than one (1) proxy, he shall specify the proportion of his holdings to be represented by each proxy, failing which the appointment shall be invalid. A proxy appointed to attend and vote at a meeting of the Company shall have the same rights as the member to speak at the meeting.
2. Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991 ("SICDA"), it may appoint not more than two (2) proxies in respect of each securities account it holds with ordinary shares in the Company standing to the credit of the said securities account. The appointment of two (2) proxies in respect of any particular securities account shall be invalid unless the authorised nominee specifies the proportion of its shareholding to be represented by each proxy.
3. Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("**Omnibus Account**"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each Omnibus Account it holds. Where an exempt authorised nominee appoints more than one (1) proxy in respect of each Omnibus Account, the appointment shall be invalid unless the exempt authorised nominee specifies the proportion of its shareholding to be represented by each proxy. An exempt authorised nominee refers to an authorised nominee defined under the SICDA which is exempted from compliance with the provisions of subsection 25A(1) of SICDA.
4. The instrument appointing a proxy shall be in writing under the hand of the appointer or of his attorney duly authorised in writing, or, if the appointer is a corporation, either under its Common Seal, or under the hand of an officer or attorney duly authorised. A proxy must be of full age. An instrument appointing a proxy to vote shall be deemed to include the power to demand or concur in demanding a poll on behalf of the appointer. Members not resident in Malaysia may appoint and revoke proxies by cable.
5. For the proxy to be valid, the Form of Proxy duly completed must be deposited at the Company's Registered Office at 170-09-01, Livingston Tower, Jalan Argyll, 10050 George Town, Pulau Pinang at least forty-eight (48) hours before the time appointed for holding the meeting or any adjournment thereof.
6. In respect of deposited securities, only a depositor whose name appears on the Record of Depositors of the Company on 8 November 2021 (General Meeting Record of Depositors) shall be eligible to attend the meeting or appoint proxies to attend and/or vote on his/her behalf.