



NYLEX (MALAYSIA) BERHAD

[Registration No.: 197001000148 (9378-T)]
(Incorporated in Malaysia)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the 52nd Annual General Meeting ("AGM") of the Company will be conducted entirely through live streaming from the broadcast venue at No. 2A, Jalan 13/2, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia ("Broadcast Venue") on Thursday, 27 October 2022 at 9:30 a.m. using remote participation and voting facilities provided by the Company's Share Registrar, Tricor Investor & Issuing House Services Sdn Bhd, via TIH Online website at <https://tjih.online>, to transact the following businesses:

AGENDA

AS ORDINARY BUSINESS

- To receive the Audited Financial Statements for the financial year ended 31 May 2022 together with the Reports of the Directors and the Auditors thereon. **(Please refer to Explanatory Note 1)**
- To re-elect the following Directors who are retiring by rotation, pursuant to Clause 125 of the Company's Constitution:
 - Khamis Bin Awal
 - Tan Sri Dato' Dr Lin See Yan**[Ordinary Resolution 1]**
[Ordinary Resolution 2]
- To approve the payment of Non-Executive Directors' fees for the financial year ended 31 May 2022. **[Ordinary Resolution 3]**
- To approve the payment of Directors' benefits (excluding Non-Executive Directors' fees) for the Non-Executive Directors from the date of the forthcoming AGM until the next annual general meeting of the Company. **[Ordinary Resolution 4]**
- To re-appoint Messrs BDO PLT as Auditors of the Company and to authorise the Directors to fix their remuneration. **[Ordinary Resolution 5]**

AS SPECIAL BUSINESS

To consider and, if thought fit, with or without modification(s) to pass the following resolutions:

- PROPOSED RENEWAL OF AUTHORITY FOR SHARE BUY-BACK MANDATE** **[Ordinary Resolution 6]**
"THAT subject always to the Companies Act 2016 ("Act"), the Constitution of the Company, the Main Market Listing Requirements ("Listing Requirements") of Bursa Malaysia Securities Berhad ("Bursa Securities") and all other applicable laws, guidelines, rules and regulations, approval be and is hereby given for the Company to purchase such amount of ordinary shares in the Company as may be determined by the Directors of the Company from time to time through Bursa Securities upon such terms and conditions as the Directors may deem fit and expedient in the interest of the Company ("Share Buy-Back Mandate") provided that:
 - the aggregate number of ordinary shares in the Company purchased and/or held as treasury shares pursuant to this ordinary resolution does not exceed ten percent (10%) of the total number of issued shares of the Company at any point in time;
 - the maximum funds to be allocated by the Company for the purpose of purchasing its ordinary shares shall not exceed the total retained profits of the Company based on the latest audited financial statements and/or the latest management accounts (where applicable) available at the time of the purchase; and
 - the Directors of the Company may decide either to retain the shares so purchased as treasury shares or cancel the shares so purchased or retain part of the shares so purchased and cancel the remainder or resell the treasury shares on Bursa Securities or distribute the treasury shares as dividends or transfer the treasury shares under an employees' share scheme or as purchase consideration or otherwise use the treasury shares for such other purpose in the manner as prescribed by the applicable laws, guidelines, rules and regulations.

THAT the authority conferred by this resolution will be effective upon passing of this resolution and will continue to be in force until:

- the conclusion of the next annual general meeting of the Company, at which time it shall lapse, or subject to an ordinary resolution passed at that meeting, the authority is renewed, either unconditionally or subject to conditions;
- the expiration of the period within which the next annual general meeting of the Company after that date is required by law to be held; or
- revoked or varied by ordinary resolution passed by the Company's shareholders in a general meeting;

whichever occurs first, but shall not prejudice the completion of purchase(s) by the Company of its own shares before the aforesaid expiry date and, in any event, in accordance with the Listing Requirements and any applicable laws, rules, regulations, orders, guidelines and requirements issued by any relevant authorities.

AND THAT authority be and is hereby given to the Directors of the Company to take all such steps to implement, finalise and give full effect to the Share Buy-Back Mandate with full power to assent to any conditions, modifications, variations and/or amendments as may be required by the relevant authorities or as the Directors deem fit and expedient at their discretion in the best interest of the Company."

- PROPOSED AUTHORITY TO ISSUE AND ALLOT SHARES** **[Ordinary Resolution 7]**
"THAT pursuant to Sections 75 and 76 of the Companies Act 2016 ("Act") and subject to the Constitution of the Company, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") and the approvals of the relevant governmental/regulatory authorities, where such approval is required, the Directors be and are hereby empowered to issue and allot new ordinary shares in the Company from time to time, at such price, upon such terms and conditions, to such persons and for such purposes as the Directors may in their absolute discretion deem fit PROVIDED THAT the aggregate number of ordinary shares to be issued does not exceed ten percent (10%) of the total number of issued ordinary shares (excluding treasury shares) of the Company for the time being and that such authority shall continue to be in force until the conclusion of the next annual general meeting of the Company, AND THAT the Directors be authorised to do all such things as they deem fit and expedient in the best interest of the Company to give effect to the issuance of new ordinary shares under this resolution including making such applications to Bursa Securities for the listing of and quotation for the new ordinary shares so issued on Bursa Securities pursuant to this resolution."

- PROPOSED CONTINUATION IN OFFICE AS INDEPENDENT DIRECTOR** **[Ordinary Resolution 8]**
"THAT approval be and is hereby given to Edmond Cheah Swee Leng, who has served as an Independent Director of the Company for a cumulative term of more than twelve (12) years, to continue to serve as an Independent Director of the Company until 31 May 2023."

9. OTHER ORDINARY BUSINESS

To transact any other business which due notice shall have been given in accordance with the Constitution of the Company and the Companies Act 2016.

By Order of the Board,

CHOO SE ENG (MIA 5876) (SSM PC No. 202208000036)
STEPHEN GEH SIM WHYIE (MICPA 1810) (SSM PC No. 201908001029)
Company Secretaries

Petaling Jaya
28 September 2022

NOTES:

- Pursuant to Section 327(2) of the Companies Act 2016, the Chairman will be present at the Broadcast Venue being the main venue of the AGM. **Members will not be allowed to attend the 52nd AGM in person at the Broadcast Venue on the day of the meeting.** Members are to participate, speak (via real time submission of typed texts only) and vote remotely. Please refer to the Administrative Guide available on the Company's website at <http://www.nylex.com/aggm.php> for information on registration, participation and voting at the AGM.
- In respect of deposited securities, only members whose names appear on the Record of Depositors as at 18 October 2022 shall be entitled to participate, speak and vote or appoint proxy(ies) to participate, speak and vote on his behalf at the AGM.
- A member, including an authorised nominee, who is entitled to participate, speak and vote at the AGM may appoint not more than two (2) proxies to participate and vote for him. A proxy may but need not be a member of the Company. There is no restriction as to the qualification of the proxy.
- Where a member is an exempt authorised nominee 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 exempt authorised nominee may appoint in respect of each omnibus account it holds.
- Where a member, an authorised nominee or an exempt authorised nominee appoints more than one (1) proxy, the appointment shall be invalid unless he specifies the proportion of his holding to be represented by each proxy in the Proxy Form.
- The appointment of proxy may be made in a hard copy form or by electronic means in the following manner and must be received by the Company's Share Registrar at least forty-eight (48) hours before the time appointed for holding the AGM or any adjourned meeting at which the person named in the appointment proposes to vote:
 - In hardcopy form**
Tricor Investor & Issuing House Services Sdn Bhd at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or alternatively, the Customer Service Centre, Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia.
 - By electronic means**
The Proxy Form can be electronically lodged with the Share Registrar of the Company via TIH Online website at <https://tjih.online>. Please refer to the Administrative Guide for Shareholders on the appointment and registration of proxy for the AGM by electronic means.

- Any authority pursuant to which such an appointment is made by a Power of Attorney must be deposited at the Share Registrar of the Company at Tricor Investor & Issuing House Services Sdn Bhd at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or alternatively, the Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia not less than forty-eight (48) hours before the time appointed for holding the AGM at which the person named in the appointment proposes to vote. A copy of the Power of Attorney may be accepted provided that it is certified notarially and/or in accordance with the applicable legal requirements in the relevant jurisdiction in which it is executed.
- For a corporate member who has appointed an authorised representative, please deposit the ORIGINAL Certificate of Appointment of Authorised Representative ("Certificate") with the Share Registrar of the Company at Tricor Investor & Issuing House Services Sdn Bhd at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or alternatively, Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia before the time appointed for holding the AGM or adjourned meeting at which the person named in the appointment proposes to vote. The Certificate should be executed in the following manner:
 - If the corporate member has a Common Seal, the Certificate should be executed under seal in accordance with the constitution of the corporate member.
 - If the corporate member does not have a Common Seal, the Certificate should be affixed with the rubber stamp of the corporate member (if any) and executed by: (a) at least two (2) authorised officers, of whom one shall be a director; or, (b) any director and/or authorised officers in accordance with the laws of the country under which the corporate member is incorporated.
- A member who has appointed a proxy or attorney or authorised representative to participate in the AGM must request his/her proxy or attorney or authorised representative to register himself/herself for the remote participation and voting facilities (RPV) at the Share Registrar's TIH Online website at <https://tjih.online>. Please read and follow the procedures provided in the Administrative Guide for Shareholders.
- Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all the resolutions set out in this Notice of AGM will be put to vote by way of poll.

EXPLANATORY NOTES

- Item 1 of the Agenda – Audited Financial Statements for the Financial Year Ended 31 May 2022**
This Agenda item is meant for discussion only. The provision of Sections 248(2) and 340(1)(a) of the Companies Act 2016 require the audited financial statements and the reports of the Directors and Auditors thereon be laid before the Company at its AGM. As such, this Agenda item is not a business which requires a motion to be put forward for voting by shareholders.
- Ordinary Resolutions 1 and 2 – Re-election of Retiring Directors**
The profiles of the retiring Directors are as disclosed in the Board of Directors in the Annual Report.

All the retiring Directors have no conflict of interest with the Company. The Board had, through the Remuneration and Nomination Committee, carried out the necessary assessment on the aforesaid Directors and concluded that they met the criteria as prescribed under Paragraph 2.20A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad on character, experience, integrity, competence and time commitment to effectively discharge their roles as Directors. The aforesaid Directors have devoted sufficient time to carry out their responsibilities throughout their tenure. They also possess relevant qualification, knowledge and experience which complement the Board's competencies.

- Ordinary Resolution 3 – Non-Executive Directors' Fees**
Pursuant to Section 230(1) of the Companies Act 2016, the Directors' fees and benefits payable to the Directors of the listed company and its subsidiaries shall be approved at a general meeting. In this respect, the Board of Directors is recommending to the shareholders for approval to pay fees to the Non-Executive Directors of the Company and of the Group amounting to RM460,000 respectively for the financial year ended 31 May 2022.

- Ordinary Resolution 4 – Directors' Benefits**
The Directors' benefits comprise the meeting attendance allowance and other benefits (car, fuel, driver, allowance and other emoluments) payable to the Non-Executive Directors ("NEDs").

In determining the estimated total amount of benefits (excluding Directors' fees) for the NEDs, the Board considered various factors including the number of scheduled meetings for the Board, Board Committees as well as the number of Directors involved. The Board is recommending to the shareholders for approval to pay benefits to the NEDs of up to RM60,000 from the date of the forthcoming AGM until the next annual general meeting of the Company. In the event the proposed amount is insufficient (due to more meetings/enlarged board size), approval will be sought at the next annual general meeting for the shortfall.

- Ordinary Resolution 5 – Re-appointment of Auditors**
The Audit Committee has evaluated the performance of BDO PLT, the External Auditors, as enumerated in the Audit Committee Report and has recommended the re-appointment of BDO PLT as the External Auditors of the Company.

The Board has concurred with the recommendation of the Audit Committee.

- Ordinary Resolution 6 – Proposed Renewal of Authority for Share Buy-Back Mandate**
This proposed resolution, if passed, will empower the Company to purchase its own shares up to ten percent (10%) of the total number of issued ordinary shares of the Company. This authority, unless revoked or varied at a general meeting, will expire at the next annual general meeting of the Company.

Further details relating to this proposed resolution are set out in the Company's Share Buy-Back Statement dated 28 September 2022.

- Ordinary Resolution 7 – Proposed Authority to Issue and Allot Shares**
The Company had, during its 51st AGM held on 26 October 2021, obtained its shareholders approval for the general mandate for issuance of shares up to a maximum of 20% of the total number of issued shares of the Company ("20% General Mandate").

As at the date of this Notice, the Company did not implement its proposal for new allotment of shares under the 20% General Mandate and the general mandate has been reinstated from a 20% limit to a 10% limit with effect from 1 January 2022 ("10% General Mandate"). The authority for the 10% General Mandate will expire at the conclusion of the 52nd AGM.

This proposed resolution is a new mandate. It is to provide flexibility to the Company for any possible fund-raising exercises including but not limited to further placement of shares for purpose of funding current and/or future investment projects, working capital, repayment of borrowings, acquisitions and/ or for issuance of shares as settlement of purchase consideration or such other application as the Directors may deem fit and in the best interest of the Company, without the need to convene separate general meeting to obtain shareholders' approval so as to avoid incurring additional costs and time.

This proposed resolution, if passed, will empower the Directors to issue and allot up to a maximum of 10% of the total number of issued shares of the Company for the time being for such purposes as the Directors consider would be in the best interest of the Company. This authority will, unless revoked or varied by the Company at a general meeting, will expire at the conclusion of the next annual general meeting or the expiration of the period within which the next annual general meeting is required by law to be held, whichever is the earlier.

The Board, having considered the current and future financial positions of the Company, is of the view that this mandate is in the best interest of the Company and its shareholders to ensure the long term sustainability of the Company.

- Ordinary Resolution 8 – Proposed Continuation in Office as Independent Director**
Edmond Cheah Swee Leng, Independent Director, who was appointed to the Board on 26 August 2005, has served a cumulative period of more than 12 years as at the date of the AGM.

Pursuant to Practice 5.3 of the MCGG, the tenure of an Independent Director should not exceed a cumulative term of nine (9) years. Upon completion of the nine (9) years, an Independent Director may continue to serve on the Board subject to the director's re-designation as a Non-Independent Director. The Board must justify and seek shareholders' approval in the event it retains as an Independent Director, a person who has served in that capacity for more than nine (9) years. If the board continues to retain the independent director after the twelfth year, the board will seek annual shareholders' approval through a two-tier voting process.

The R&N Committee will recommend to the Board to retain Edmond Cheah Swee Leng as independent Director until 31 May 2023 with the following justifications:

- He has fulfilled the criteria under the definition of Independent Director as stated in the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and his ability to bring an element of objectivity to the Board, saved and except the tenure of his respective directorship in the Company;
- He understands the Company's business operations which enable him to participate actively and contribute during the deliberations or discussions at the meetings;
- He is well respected in his professions and is knowledgeable and has vast experience that could be shared with the Board; and
- He has exercised due care during his tenure as Independent Non-Executive Director of the Company and carried out his professional duties in the interest of the Company.

The profile of Edmond Cheah Swee Leng is set out in the Company's Annual Report 2022.

The Board will adopt the two-tier voting process for the approval to retain Edmond Cheah Swee Leng as Independent Director of the Company.