



NI HSIN GROUP BERHAD

[Registration No. 200401014850 (653353-W)]

(Incorporated in Malaysia)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Nineteenth Annual General Meeting of the Company will be held at Langkawi Ballroom, Bukit Jalil Golf & Country Resort, Jalan 3/155B, Bukit Jalil, 57000 Kuala Lumpur, Malaysia on Wednesday, 21 June 2023 at 9.30 a.m. to transact the following businesses:-

AGENDA

As Ordinary Business

- To receive the Audited Financial Statements for the financial year ended 31 December 2022 together with the Directors' and Auditors' Reports thereon.
- To approve the Directors' fees and benefits payable to the Directors of the Company and its subsidiaries up to an aggregate amount of RM350,000 only for the period from 22 June 2023 and up to date of the next Annual General Meeting ("AGM") of the Company, to be paid quarterly in arrears.
- To re-elect the following Directors who are retiring pursuant to Clause 95 of the Constitution of the Company:-
 - Encik Sofiyan Bin Yahya
 - Ms Ng Shwu Ching
- To re-elect Mr Tung Fook Heng who is retiring pursuant to Clause 102 of the Constitution of the Company.
- To re-appoint KPMG PLT as Auditors of the Company and to authorise the Directors to fix their remuneration.

As Special Business

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

- Authority under Section 76 of the Companies Act 2016 ("the Act") for the Directors to allot and issue shares**

"THAT pursuant to Section 76 of the Act, the Directors be and are hereby authorised to allot and issue shares in the Company at any time until the conclusion of the next AGM and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion, deem fit, provided that the aggregate number of shares to be issued does not exceed ten per centum (10%) of the total number of issued shares of the Company for the time being, subject always to the approval of all relevant regulatory bodies being obtained for such allotment and issuance.

THAT in connection with the above, pursuant to Section 85 of the Act and Clause 10 of the Constitution of the Company, the shareholders do hereby waive the statutory pre-emptive rights of the offered shares in proportion of their holdings at such price and at such terms to be offered arising from any issuance of new shares pursuant to this mandate by the Company.

AND THAT the new shares to be issued shall, upon allotment and issuance, rank equally in all respects with the existing shares of the Company, save and except that they shall not be entitled to any dividends, rights, allotments and/or any other forms of distribution that which may be declared, made or paid before the date of allotment of such new shares."

- Proposed Renewal of Authority for the Company to Purchase its own Ordinary Shares ("Proposed Renewal of Share Buy-Back Authority")**

"THAT subject to the Act, the provisions of the Constitution of the Company, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") ("Listing Requirements") and any other relevant authority or approval for the time being in force or as may be amended from time to time, the Directors of the Company be and are hereby authorised to utilise an amount not exceeding the audited retained profits of 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, necessary and expedient in the interest of the Company, provided that:-

- the aggregate number of ordinary shares which may be purchased and/or held by the Company as treasury shares shall not exceed ten per centum (10%) of the total number of issued shares of the Company at any point in time of the said purchase(s);
- 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 at the time of purchase; and
- the authority conferred by this resolution shall continue to be in force until:-
 - the conclusion of the next AGM of the Company following the general meeting at which such resolution was passed at which time the said authority shall lapse unless by 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 AGM of the Company is required by law to be held; or
 - revoked or varied by an ordinary resolution passed by the shareholders in general meeting,whichever occurs first, but not so as to prejudice the completion of the purchase(s) by the Company before the aforesaid expiry date and in any event, in accordance with the provisions of the guidelines issued by Bursa Securities and/or any other relevant governmental and/or regulatory authorities (if any).

THAT upon completion of the purchase by the Company of its own ordinary shares, the Directors of the Company be and are hereby authorised to deal with the ordinary shares purchased in their absolute discretion in the following manner:-

- distribute the shares as share dividends to the shareholders; and/or
- resell the shares or any of the shares on Bursa Securities; and/or
- transfer the shares or any of the shares for the purposes of or under an employees' shares scheme; and/or
- transfer the shares or any of the shares as purchase consideration; and/or
- cancel all the ordinary shares so purchased; and/or
- sell, transfer or otherwise use the shares for such other purposes as allowed by the Act.

AND THAT the Directors of the Company be and are hereby authorised to take all such steps as are necessary (including executing all such documents as may be required) and enter into any agreements, arrangements and guarantees with any party or parties to implement, finalise and give full effect to the Proposed Renewal of Share Buy-Back Authority with full powers to assent to any conditions, modifications, revaluations, variations and/or amendments (if any) as may be imposed by the relevant authorities from time to time or as the Directors may in their discretion deem necessary and to do all such acts and things as the said Directors may deem fit and expedient in the best interests of the Company."

- To transact any other business for which due notice shall have been given in accordance with the Act.

BY ORDER OF THE BOARD

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

TAN AI NING (SSM PC No. 202008000067) (MAICSA 7015852)

Company Secretaries

Selangor Darul Ehsan

Date: 20 April 2023

NOTES:-

- A member of the Company entitled to attend and vote at the meeting is entitled to appoint a proxy or proxies to attend and vote in his stead. A proxy may but need not be a member of the Company. There shall be no restriction as to the qualification of the proxy.

(Please refer to Note 9)

Ordinary Resolution 1

Ordinary Resolution 2

Ordinary Resolution 3

Ordinary Resolution 4

Ordinary Resolution 5

Ordinary Resolution 6

Ordinary Resolution 7

- A member of the Company may appoint up to two (2) proxies to attend and vote at the same meeting. Where a member of the Company appoints two (2) proxies, the appointment shall be invalid unless the member specifies the proportion of his shareholdings to be represented by each proxy.
 - Where a member of the Company is an exempt authorised nominee 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.
 - The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, the instrument appointing a proxy must be executed under its Common Seal or under the hand of an officer or attorney duly authorised.
 - The instrument appointing a proxy, with the power of attorney or other authority (if any) under which it is signed or a notarially certified or office copy of such power or authority, shall be deposited at the office of the Company's Share Registrar, Bina Management (M) Sdn. Bhd. at Lot 10, The Highway Centre, Jalan 51/205, 46050 Petaling Jaya, Selangor Darul Ehsan, Malaysia not less than 48 hours before the time appointed for holding the AGM or any adjournment thereof, otherwise the instrument of proxy should not be treated as valid. Any notice of termination of person's authority to act as a proxy must be forwarded to the Company prior to the commencement of the AGM or Adjourned AGM.
 - Pursuant to Paragraph 8.29A(1) of the Listing Requirements, all the resolutions set out in the notice of the general meeting will be put to vote by way of poll. Poll Administrator and Independent Scrutineers will be appointed to conduct the polling process and verify the results of the poll respectively.
 - For the purpose of determining who shall be entitled to attend this meeting, the Company shall be requesting Bursa Malaysia Depository Sdn. Bhd. to make available to the Company a Record of Depositors as at 14 June 2023 and only a Depositor whose name appears in such Record of Depositors shall be entitled to attend and vote at this meeting and entitled to appoint proxy or proxies.
 - The Board wishes to highlight that the Nineteenth AGM may be re-scheduled and/or postponed in view of the current Covid-19 situation and the Malaysian Government's announcements or guidelines made from time to time. Rest assured, all members/proxies including attendees shall be kept informed of any unexpected changes.
 - The Audited Financial Statements in Agenda 1 is meant for discussion only as approval from shareholders is not required pursuant to the provision of Section 340(1)(a) of the Act. Hence, this Agenda is not put forward for voting by shareholders of the Company.
- #### 10. EXPLANATORY NOTES
- (i) **Ordinary Resolution 1 on Directors' fees and benefits payable to Directors**

Payment of Directors' fees and benefits under Section 230(1) of the Act provides amongst others, that the Directors' fees and any benefits payable to the Directors of the Company and its subsidiaries shall be approved at a general meeting. There is no revision to the amount proposed.

The amount of Directors' fees and benefits payable to each Director of the Company are as follows:-

Directors	Amount (RM)
Encik Sofiyan Bin Yahya	119,000
Mr Ler Leong Keh	59,500
Mr Tung Fook Heng	51,000
Ms Poo Chii Miin @ Chermaine Poo	68,000
Ms Ng Shwu Ching	-
Encik Rizvi Bin Abdul Halim	-
Mr Lai Kian Huat	-
Ms Khoo Wuan Ru	-

In determining the estimated total amount of Directors' fees and benefits payable to the Directors of the Company, the Board has considered various factors including the number of scheduled meetings for the Board and Board Committees and the current Board size. The estimated amount of remuneration also caters for unforeseen circumstances, including change of financial year end and/or additional unscheduled Board meetings.

The Executive Directors have voluntarily waived their entitlement for Directors' fees and benefits payable, hence, the amount has reduced comparatively with the Directors' fees and benefits approved during the Eighteenth AGM held on 23 May 2022.

(ii) Ordinary Resolutions 2, 3 and 4 on Re-election of Directors

Pursuant to Malaysian Code on Corporate Governance, the profiles of the Directors who are standing for re-election as per Agenda items 3 and 4 are set out in the Board of Directors' profile of the Annual Report 2022.

The performance, contribution, effectiveness and independence (as the case may be) of the retiring Directors, namely Encik Sofiyan Bin Yahya, Ms Ng Shwu Ching and Mr Tung Fook Heng (collectively "**Retiring Directors**") have been assessed by the Nomination Committee ("NC"). In addition, the NC has also conducted an assessment on the fitness and propriety of the Retiring Directors including the review of their fit and proper declarations and results of their background checks in accordance with the Fit & Proper Policy. The Retiring Directors have abstained from deliberations and decision on their own eligibility and suitability to stand for re-election.

Based on the recommendation of NC, the Board endorsed the same, having been satisfied with performance as well as fitness and propriety of the Retiring Directors.

(iii) Ordinary Resolution 6 - Authority under Section 76 of the Act for the Directors to allot and issue shares

The Company had, during its Eighteenth AGM held on 23 May 2022, obtained its shareholders' approval for the general mandate for issuance of shares pursuant to the Section 76 of the Act. As at the date of this notice, the Company did not issue any shares pursuant to this mandate obtained.

The Ordinary Resolution 6 proposed under item 6 of the Agenda is to seek shareholders' approval of the general mandate for issuance of shares by the Company under Section 76 of the Act.

This proposed Ordinary Resolution 6, if passed, will provide additional flexibility for the Company for fund raising and enable the Company, should it required to allot and issue new shares in the Company up to an amount not exceeding in total ten per centum (10%) of the total number of issued shares of the Company to meet its funding requirements for working capital or strategic development of the Group and operational expenditure, expeditiously and efficiently during this challenging time to ensure the long-term sustainability of the Company and safeguard the interest of the Company and the shareholders. 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 AGM.

The waiver of pre-emptive rights pursuant to Section 85 of the Act and Clause 10 of the Company's Constitution 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 the new shares to all existing shareholders of the Company prior to the issuance of new shares in the Company under the General Mandate.

At this juncture, there is no decision to issue new shares. If there should be a decision to issue new shares after the general mandate is sought, the Company will make an announcement in respect thereof.

(iv) Ordinary Resolution 7 - Proposed Renewal of Authority for the Company to Purchase its own Ordinary Shares

The explanatory notes on Ordinary Resolution 7 are set out in the Statement to Shareholders dated 20 April 2023.

Personal data privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the AGM and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure 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 AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "Purposes"), (ii) warrants that where the member discloses the personal data of the member's 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 collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) 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.