

PADINI HOLDINGS BERHAD

(197901005918 (50202-A))
(Incorporated in Malaysia)

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the Forty First Annual General Meeting ("41st AGM") of the Company will be conducted virtually through live streaming from the broadcast venue at Room 4.2, No. 19 Jalan Juranilal U1/20, Hicom Glenmarie Industrial Park, 40150 Shah Alam, Selangor Darul Ehsan and via the online meeting platform provided by SS E Solutions Sdn Bhd in Malaysia via its Securities Services e-Portal ("SSeP") at <https://sshsb.net.my/> on Friday, 25 November 2022 at 10:00 a.m. for the following purposes:-

AGENDA

Ordinary Business

- To lay before the Meeting the Audited Financial Statements for the financial year ended 30 June 2022 and the Reports of the Directors and Auditors thereon.
- To approve payment of Directors' fee of RM380,000 in respect of the financial year ended 30 June 2022. (Ordinary Resolution 1)
- To approve payment of Directors' fee of RM480,000 in respect of the financial year ending 30 June 2023. (Ordinary Resolution 2)
- To approve the payment of Directors' benefits (excluding Directors' Fees) up to an amount of RM50,000 payable to the Independent Directors from 1 July 2022 until the next Annual General Meeting of the Company to be held in the year 2023. (Ordinary Resolution 3)
- To re-elect the following Directors who are retiring in accordance with Clause 103(1) of the Company's Constitution:-
 - Ms Chong Chin Lin (Ordinary Resolution 4)
 - Mr Chia Swee Yuen (Ordinary Resolution 5)
 - Mr Andrew Yong Tze How (Ordinary Resolution 6)
- To re-elect the following Director who is retiring in accordance with Clause 110 of the Company's Constitution:-
 - Ms Tan Poh Ling (Ordinary Resolution 7)
- To re-appoint Messrs BDO PLT as the Auditors of the Company and to authorise the Directors to fix their remuneration. (Ordinary Resolution 8)

Special Business

- To consider and if thought fit, to pass the following as an ordinary resolution, with or without modification :-

Retention of Independent Director

"That Mr Foo Kee Fatt who has served the Board as an Independent Non-Executive Director for a cumulative term of more than nine years be retained as an Independent Non-Executive Director of the Company and to hold office until the conclusion of the next Annual General Meeting of the Company." (Ordinary Resolution 9)
- To consider and if thought fit, to pass the following as an ordinary resolution, with or without modification :-

Retention of Independent Director

"That Mr Lee Peng Khoo, who will be completing his term of nine years as an Independent Non-Executive Director of the Company on 5 January 2023, be retained as an Independent Non-Executive Director of the Company and to hold office until the conclusion of the next Annual General Meeting of the Company." (Ordinary Resolution 10)
- To consider and if thought fit, to pass the following as an ordinary resolution, with or without modification :-

Retention of Independent Director

"That Mr Chia Swee Yuen, who will be completing his term of nine years as an Independent Non-Executive Director of the Company on 1 May 2023, be retained as an Independent Non-Executive Director of the Company and to hold office until the conclusion of the next Annual General Meeting of the Company." (Ordinary Resolution 11)
- To consider and if thought fit, to pass the following as an ordinary resolution, with or without modification :-

Proposed Establishment of an Employees' Share Option Scheme ("ESOS") of up to 15% of the total number of Issued Shares of Padini (excluding Treasury Shares, if any) for the Executive Directors and Employees of Padini and its subsidiaries (excluding subsidiaries which are dormant) ("Padini Group" or the "Group") ("Proposed ESOS")

"THAT subject to the approvals of all relevant authorities/parties, approval is given to the Board of Directors ("Board") to undertake the proposed establishment of an ESOS involving up to 15% of the total number of issued shares of Padini (excluding treasury shares, if any) to enable the granting of new ordinary shares in Padini ("Padini Shares" or "Shares") at any point in time to the Executive Directors and employees of Padini Group in accordance with the by-laws governing the ESOS ("By-Laws") as set out in Appendix I of the Circular to Shareholders dated 26 October 2022, and to adopt and approve the By-Laws and to do all such acts, as may be necessary or expedient in order to give full effect to the Proposed ESOS;

AND THAT the Board be and is hereby authorised to allot and issue from time to time such number of new Padini Shares as may be required pursuant to the exercise of the options under the Proposed ESOS ("ESOS Options"), provided that the aggregate number of new Shares to be allotted and issued shall not exceed 15% of the total number of issued shares of the Company (excluding treasury shares, if any) at any point in time throughout the duration of the Proposed ESOS and such new Shares shall, upon allotment and issuance, rank equally in all respects with the existing issued shares of the Company, except that the new Shares so allotted and issued shall not be entitled to any dividends, rights, allotments and/or other forms of distribution, for which the entitlement date is prior to the date of allotment and issuance of such new Shares;

AND THAT the Board be and is hereby authorised to do all things necessary and make the necessary applications to Bursa Malaysia Securities Berhad ("Bursa Securities") for the listing of and quotation for new Padini Shares that may, hereafter from time to time, be allotted and issued under the Proposed ESOS;

AND THAT the Board be and is hereby authorised to extend the duration of the ESOS, provided always that such extension of the ESOS made pursuant to the By-Laws shall not in aggregate exceed a duration of ten (10) years from the date on which the Proposed ESOS shall take effect following full compliance of all relevant requirements or such longer period as may be permitted by Bursa Malaysia Securities Berhad ("Bursa Securities") or any other relevant authorities from time to time without having to obtain any further sanction, approval, consent or authorisation of the shareholders of the Company in a general meeting;

AND THAT the Board be and is hereby authorised to add, modify and/or amend the Proposed ESOS, By-Laws and all rules, regulations and administration relating to the Proposed ESOS and/or administration thereof, from time to time as may be permitted by the authorities or deemed necessary by the relevant regulatory authorities or the Board or ESOS Committee established to administer the Proposed ESOS, provided that such additions, modifications and/or amendments are effected and permitted in accordance with the provisions of the By-Laws;

AND THAT the Board be and is hereby authorised to do all such acts and things and to execute all such documents and enter into all such transactions, arrangements and agreements, deeds or undertakings, to make such rules or regulations, or impose such terms and conditions or delegate part of its power and to generally exercise such powers and perform such acts as may be necessary or expedient in order to give full effect to the Proposed ESOS and the terms of the By-Laws;

AND THAT in connection with the above, pursuant to Section 85 of the Companies Act 2016 ("the Act"), to be read together with Clause 13 of the Constitution of the Company, the shareholders of the Company do hereby waive their statutory pre-emptive rights to be offered ESOS Options and/or any new shares ranking equally to the existing issued shares of the Company."
- To consider and if thought fit, to pass the following ordinary resolutions, with or without modification :-

Proposed Allocation of ESOS Options to Executive Directors of Padini and Persons Connected with them pursuant to the Proposed ESOS

"THAT subject to the passing of Ordinary Resolution 12 as well as the approvals of all relevant authorities, and for so long as this approval remains in force, approval be and is hereby given to the Board to authorise the ESOS Committee at any time and from time to time during the duration of the Proposed ESOS, to offer and grant options to each of the executive directors and persons connected with them as named therein below:

 - Mr Yong Pang Chau (Ordinary Resolution 13)
 - Ms Chong Chin Lin (Ordinary Resolution 14)
 - Mr Andrew Yong Tze How (Ordinary Resolution 15)
 - Mr Benjamin Yong Tze Jet (Ordinary Resolution 16)
 - Ms Chew Voon Chyn (Ordinary Resolution 17)
 - Ms Sung Fong Fui (Ordinary Resolution 18)
 - Mr Christopher Yong Tze Yao (Ordinary Resolution 19)

to subscribe for such number of Shares to be issued under the Proposed ESOS subject always to the following provisions:

 - the aggregate number of Padini Shares which may be made available under the Proposed ESOS shall not in aggregate exceed 15% of the total number of issued Padini Shares (excluding treasury shares, if any) at any point in time during the duration of the Proposed ESOS;
 - not more than 10% of the total number of Shares to be issued under the Proposed ESOS shall be allocated to any Eligible Person who, either singly or collectively through persons connected with the Eligible Person, holds 20% or more of the total number of issued Padini Shares (excluding treasury shares, if any);
 - not more than 50% of the total ESOS Options available under the Proposed ESOS shall be allocated, in aggregate, to the executive directors and senior management of the Group who are Eligible Persons;
 - the executive directors and senior management of the Group who are Eligible Persons shall not participate in the deliberation or discussion of their respective allocations as well as to persons connected with them, if any; and
 - subject always to such terms and conditions and/or any adjustments which may be made in accordance with the provisions of the By-Laws of the Proposed ESOS, the Main Market Listing Requirements of Bursa Securities and any prevailing guidelines issued by Bursa Securities, or any other relevant authorities as amended from time to time.

AND THAT the Board be further authorised to allot and issue such number of new Shares arising from the exercise of the ESOS Options that may be granted to the abovementioned persons from time to time under the Proposed ESOS."

- To transact any other business of which due notice shall have been received.

FURTHER NOTICE IS HEREBY GIVEN THAT for the purpose of determining a member who shall be entitled to attend this 41st AGM, the Company shall be requesting Bursa Malaysia Depository Sdn. Bhd. ("Bursa Depository") in accordance with Clause 71 of the Company's Constitution and Section 34 (1) of the Securities Industry (Central Depositories) Act 1991 to issue a General Meeting Record of Depositors as at 18 November 2022. Only a depositor whose name appears on the Record of Depositors as at 18 November 2022 shall be entitled to attend the said meeting or appoint proxy/proxies to attend and/or vote on his/her behalf.

BY ORDER OF THE BOARD

HO MUN YEE (SSM PC NO. : 201908003292) (MAICSA 0877877)
CHO MEI THO (SSM PC NO. : 201908003284) (MAICSA 7036543)
Company Secretaries

Selangor
26 October 2022

Notes:

- The Broadcast Venue is strictly for the purpose of complying with Section 327(2) of the Companies Act 2016 which requires the Chairman of the meeting to be present at the main venue of the meeting together with essential individuals in accordance with Note 1.2 of the Guidance Note on the Conduct of General Meetings for Listed Issuers issued by the Securities Commission Malaysia.
- Shareholders/proxies from the public WILL NOT BE ALLOWED to attend the 41st AGM in person at the Broadcast Venue on the day of the meeting.
- Members are to attend, speak (in the form of real time submission of typed texts) and vote (collectively, "participate") remotely at the 41st AGM via the Remote Participation and Voting facilities ("RPV") provided by SS E Solutions Sdn. Bhd. in Malaysia via its Securities Services e-Portal ("SSeP") at <https://sshsb.net.my/>. In the event of any technical glitch, members, proxies or corporate representatives may email their questions to eservices@sshsb.com.my during the AGM. The questions and/or remarks submitted by the members, proxies and/or corporate representatives will be responded by the Chairman, Board of Directors and/or Management during the Meeting. Please follow the procedures for RPV in the Administrative Guide on 41st AGM.
- A member of the Company entitled to attend and vote at the above meeting, is entitled to appoint a proxy to attend and vote in his/her stead. A proxy may but need not be a member of the Company and a member may appoint any person to be his/her proxy without limitation.
- Where a member appoints more than one proxy, the appointment shall be invalid unless he/she specifies the proportions of his/her holdings to be represented by each proxy.
- The instrument appointing a proxy shall be in writing under the hand of the appointor or of his/her attorney duly authorised in writing or, if the appointor is a corporation, either under the corporation's seal or under the hand of an officer or attorney duly authorised.
- The instrument appointing a proxy must be completed and deposited at the office of the Poll Administrator, SS E Solutions Sdn Bhd at Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur, Malaysia not less than forty eight (48) hours before the time appointed for holding the meeting or adjourned meeting (or in the case of a poll, not less than twenty four (24) hours before the time appointed for the taking of the poll). Members can also have the option to submit the proxy appointment electronically via SSeP at <https://sshsb.net.my/> before the proxy form submission cut-off time as mentioned in the above. For further information on the electronic submission of proxy form, kindly refer to the Administrative Guide.

Notes:

- The Audited Financial Statements are for discussion only as they do not require shareholders' approval pursuant to Section 340(1) of the Companies Act 2016. Hence, this matter will not be put for voting.
- The Company is seeking shareholders' approval for the payment of Directors' Fees for the financial year ending 30 June 2023 because moving forward the Company wishes to seek shareholders' approval on a prospective basis instead of a retrospective basis. A prospective basis provides a forward looking approach to setting the remuneration of Directors and is expected to be more meaningful in reflecting the ongoing contributions of Directors to the Board.
- The benefits payable to the Directors (excluding Directors' Fees) comprises meeting allowances payable to the Independent Directors. The estimated meeting allowances payable to the Directors from 1 July 2022 until the next Annual General Meeting of the Company to be held in the year 2023, are calculated based on the number of scheduled meetings for Board of Directors, Board Committees and general meetings of the Company.

EXPLANATORY NOTE ON SPECIAL BUSINESS

1. Retention of Independent Director

Ordinary Resolution 9, if passed, will enable Mr Foo Kee Fatt who was appointed on 2 January 2009

and has served the Board as an Independent Non-Executive Director for a cumulative term of more than nine (9) years, to be retained as an Independent Non-Executive Director of the Company.

Mr Lee Peng Khoo and Mr Chia Swee Yuen, who were appointed on 6 January 2014 and 2 May 2014, respectively, will be completing their tenure of nine (9) years on 5 January 2023 and 1 May 2023, respectively. In line with the recommendation of the Malaysian Code on Corporate Governance (Practice 5.3), the Company is seeking shareholder's approval for their retention as Independent Non-Executive Directors of the Company beyond nine (9) years. Ordinary Resolutions 10 and 11, if passed, will enable Mr Lee and Mr Chia to be retained as Independent Non-Executive Directors of the Company.

The Board of Directors has vide the Nominating and Remuneration Committee conducted an assessment of independence on Mr Foo, Mr Lee and Mr Chia and recommended them to continue to act as Independent Non-Executive Directors based on the following justifications:-

Justifications

- They have met the independence guidelines as set out in Chapter 1 of the Bursa Malaysia Securities Berhad Main Market Listing Requirements and are therefore able to give independent opinion to the Board;
- Being directors for more than nine years has enabled them to contribute positively during deliberations/discussions at meetings as they are familiar with and possesses knowledge of the Company's operations;
- They have contributed sufficient time and exercised due care during their tenure as Independent Non-Executive Directors;
- They have discharged their professional duties in good faith and also in the best interest of the Company and shareholders;
- They have the calibre, qualifications, experiences and personal qualities to challenge management in an effective and constructive manner; and
- They have never compromised on their independent judgement.

2. Proposed ESOS

Ordinary Resolution 12, if passed, will give approval to the Company to establish an Employee Share Options Scheme ("ESOS") of up to 15% of the total number of issued shares of the Company (excluding treasury shares, if any) to enable the granting of new ordinary shares in the Company ("Padini Shares" or "Shares") at any point in time to the Executive Directors and employees of the Company and its subsidiaries (excluding subsidiaries which are dormant) in accordance with the by-laws governing the ESOS ("By-Laws") as set out in Appendix I of the Circular to Shareholders dated 26 October 2022 and to do all such acts, as may be necessary or expedient in order to give full effect to the Proposed ESOS, including the allotment and issuance of such number of new Padini Shares as may be required, pursuant to the exercise of the options under the Proposed ESOS. Ordinary Resolution 12, if passed, will exclude the statutory pre-emptive right of the Company's shareholders to be offered ESOS Options and/or any new Shares to be issued by the Company pursuant to the Proposed ESOS. Further details on Ordinary Resolution 12 are set out in the Circular to Shareholders dated 26 October 2022.

3. Proposed Allocation of ESOS Options to Executive Directors of Padini and Persons Connected with them pursuant to the Proposed ESOS

Ordinary Resolutions 13 to 19, if passed, will allow the Directors to offer and grant options to the executive directors and persons connected with them (as named in Ordinary Resolutions 13 to 19 above) to subscribe for such number of Shares to be issued under the Proposed ESOS.