



NOTICE OF ANNUAL STOCKHOLDERS' MEETING

Notice is hereby given that the Annual Stockholders Meeting of D&L INDUSTRIES, INC. will be held virtually on Monday, 05 June 2023 at 9:00 o'clock in the morning. The meeting and log-in credentials will be sent to the stockholders via email upon registration (guidelines in Annex "A"), The Agenda is as follows:

1. Call to Order
2. Certification of Notice and determination of Quorum
3. Approval of Minutes of Previous Meeting
4. Approval of Annual Report for the year ended December 31, 2022
5. Approval of Change in Directors' Fees
6. Election of Auditors
7. Election of Directors
8. Ratification of all acts of the Board of Directors and officers beginning June 07, 2022 to date
9. Consideration of such other business as may properly come before the meeting
10. Adjournment

Only stockholders of record as at the close of business on 11 May 2023 are entitled to notice, and to vote at the meeting. The Stock and Transfer Books of the Corporation will be closed from 12 May 2023 to 05 June 2023.

Pursuant to a resolution of the Board during its meeting on March 28, 2023, the meeting will be held virtually and stockholders may only attend by remote communication. Stockholders who wish to participate in the virtual meeting must register online at this link – <https://shareholder.dnl.com.ph/> on or before 29 May 2023. Guidelines for registration, participation and voting are in Annex "A". Stockholders may attend the virtual meeting in person or through your authorized representative with the execution of a proxy. Deadline for submission of proxies is on 29 May 2023. The proxy form is enclosed and stockholder may accomplish and submit the proxy form by uploading the same during online registration at the above link. Please note that the Corporation is not soliciting proxies.

Further, a stockholder may vote in *absentia* and in case the stockholder is unable to join or send a representative. Stockholders voting in *absentia* shall be considered present for purposes of determining quorum. Stockholders who wish to vote in *absentia* shall likewise register online at this link – https://shareholder.dnl.com.ph on or before 29 May 2023. Subject to registration and validation procedures, stockholders who registered to vote in *absentia* may cast their votes by the vote included in this notice and uploading the same during the online registration at the above link.

A video and audio recording of the meeting will be taken in accordance with the requirements of the Securities and Exchange Commission

Stockholders may submit written nominations for directors to the Corporate Secretary by mail or email at the addresses mentioned above not later than 11 May 2023. All nominations shall be in writing duly signed by the nominating stockholders or their duly authorized (in writing) representatives, with the written acceptance of the nominee. The nomination form is attached herewith. A copy of a valid government-issued identification card with photo of the nominee shall likewise be enclosed. All nominees for Directors and Independent Directors shall possess the qualifications and none of the disqualifications prescribed by law and the Corporation's policies. If a nominee for Independent Director, the nominee shall likewise submit a duly accomplished Certificate of Qualification in the form prescribed by the Securities and Exchange Commission in its Memorandum Circular No. 5, Series of 2017 dated March 7, 2017.

Electronic copies of the Information Statement, Management Report, SEC Form 17A and other pertinent documents are available on the Company's website (www.dnl.com.ph) and on PSE Edge (www.edge.pse.com.ph).

Thank you.

(ORIGINAL SIGNED)
KRISTINE ANN C. CATINDIG-ONG
Corporate Secretary

EXPLANATION OF AGENDA ITEMS FOR STOCKHOLDERS' APPROVAL

Approval of minutes of previous meeting

A copy of the minutes of the meeting held on 06 June 2022 will be sent to the stockholders by email and are available at the company website, www.dnl.com.ph.

Remarks: A resolution on this agenda item must be approved with the majority of the votes of the stockholders present and eligible to vote.

Annual report

The financial statements as of 31 December 2022 (FS) will be presented for approval by the stockholders. Prior thereto, the President, Mr. Alvin D. Lao, will deliver a report to the stockholders on the performance of the company in 2022 and the outlook for 2023. The FS is included in the Information Statement sent to the stockholders by email and posted on the company's website - www.dnl.com.ph.

Remarks: A resolution on this agenda item must be approved with the majority of the votes of the stockholders present and eligible to vote.

Approval of Change in Directors' Fees

The following changes in Director's Fee structure will be presented for approval by the stockholders and to take effect upon election of the next set of directors.

Description	From	To
Chairman of the Board	Php/60,000.00 per director per meeting	Php/60,000.00 per director per meeting
Board Member	Php/50,000.00 per director per meeting	Php/60,000.00 per director per meeting
Committee Chairman	Php/35,000.00 per director per meeting	Php/50,000.00 per director per meeting
Committee Member	Php/25,000.00 per director per meeting	Php/40,000.00 per director per meeting
Annual Retainer	none	Php/500,000.00 one-time fee per director

Remarks: A resolution on this agenda item must be approved with the majority of the votes of the stockholders present and eligible to vote.

Election of auditors

The appointment of the external auditor, Isla Lipana and Co., for the ensuing year will be endorsed to the stockholders. The profile of the external auditor will be provided in the Information Statement and in the company website for examination by the stockholders.

Remarks: A resolution on this agenda item must be approved with the majority of the votes of the stockholders present and eligible to vote.

Election of directors

In accordance with the By-laws, the Corporate Governance Manual, and SEC rules, any stockholder, including minority stockholders, may submit to the Corporate Secretary nominations to the Board by 11 May 2023. The Nomination Committee will determine whether the nominees for directors, including the nominees for independent directors, have all the qualifications and none of the disqualifications to serve as members of the Board before submitting the nominees for election by the stockholders. The profiles of the nominees to the Board will be provided in the Information Statement and in the company website for examination by the stockholders.

Remarks: The directors are elected by plurality of votes using the cumulative voting method. The tally of votes will be reflected in the minutes of the meeting.

Ratification of all acts of the Board of Directors and officers beginning June 07, 2022 to date

The matters acted upon or approved by the Board of Directors, its Committees, and Management include –

- (i) constitution of board committees and appointment of chairmen and members and lead independent director;
- (ii) appointment of officers;
- (iii) appointment of authorized representatives and signatories;
- (iv) ratification of the actions of the board committees;
- (v) approval of contracts, agreements transaction made in the ordinary course of business;
- (vi) treasury matters; and
- (vii) acts and resolutions covered by disclosures to the Securities and Exchange Commission and Philippine Stock Exchange.

Remarks: A resolution on this agenda item must be approved with the majority of the votes of the stockholders present and eligible to vote.

Consideration of such other business as may properly come before the meeting

The Chairman will open the floor for comments and questions by the stockholders. Stockholders may also propose to consider such other relevant matters or issues.