

**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

If you are in any doubt as to the course of action to be taken, you should consult your stockbroker, bank manager, solicitor, accountant or other professional advisers immediately.

Bursa Malaysia Securities Berhad (“**Bursa Securities**”) has not perused the contents of this Circular prior to its issuance as it is an Exempt Circular pursuant to the provisions of Practice Note 18 of the Main Market Listing Requirements of Bursa Securities.

Bursa Securities takes no responsibility for the contents of this Circular, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Circular.



**MINHO (M) BERHAD**

[Registration No. 199001009358 (200930-H)]

(Incorporated in Malaysia)

**CIRCULAR TO SHAREHOLDERS IN RELATION TO THE PROPOSED RENEWAL OF EXISTING SHAREHOLDERS’ MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE**

The ordinary resolution in respect of the above proposal will be tabled as special business at the Thirty-Second Annual General Meeting (“**32nd AGM**”) of Minho (M) Berhad (“**Minho**” or “**the Company**”) to be held at the Board Room of the Company, Lot 6476, Lorong Sg. Puluh, Batu 6, Off Jalan Kapar, 42100 Klang, Selangor Darul Ehsan on Tuesday, 27 June 2023 at 10.30 a.m. The Notice of 32nd AGM together with the Proxy Form set out in the Company’s 2022 Annual Report and this Circular are available on the Company’s website at <https://www.minhomalaysia.com>.

A member entitled to attend and vote at the 32nd AGM is entitled to appoint a proxy or proxies to attend and vote on his/her behalf by executing the enclosed Proxy Form in accordance with the instructions printed thereon. The Proxy Form must be completed and lodged at the registered office of the Company at No. 808, Jalan 17/24, 46400 Petaling Jaya, Selangor Darul Ehsan not less than forty-eight (48) hours before the time appointed for holding the 32nd AGM or any adjournment thereof. The lodging of the Proxy Form will not preclude you from attending and voting in person at the 32nd AGM should you subsequently wish to do so.

The date and time of the 32nd AGM are as indicated below:-

Last date and time of lodging the Proxy Form	:	<b>Sunday, 25 June 2023 at 10.30 a.m.</b>
Date and time of the 32nd AGM	:	<b>Tuesday, 27 June 2023 at 10.30 a.m.</b>

This Circular is dated 28 April 2023

---

## DEFINITIONS

---

For the purpose of this Circular and the accompanying appendix, except where the context otherwise requires, or where otherwise defined herein, the following words and abbreviations shall apply throughout this Circular and shall have the following meanings:

Act	:	Companies Act 2016 as amended from time to time and any re-enactment thereof.
AGM	:	Annual General Meeting
Board	:	The Board of Directors of Minho
Bursa Securities	:	Bursa Malaysia Securities Berhad
Circular	:	This circular to shareholders dated 28 April 2023
Director(s)	:	Shall have the meaning given in Section 2(1) of the Capital Markets and Services Act, 2007; and for the purposes of the Proposed Renewal of Existing Shareholders' Mandate includes any person who is or was within the preceding six (6) months of the date on which the terms of transactions were agreed upon, a Director of Minho, and any other company which is its subsidiary or holding company or a chief executive of Minho, its subsidiary or holding company
EPS	:	Earnings per share
Interested Directors	:	Collectively, Dato' Loo Keng An @ Lee Kim An and Loo Say Leng
Interested Major Shareholders	:	Collectively, Interested Directors and Minho Holdings Sdn. Bhd. (" <b>Minho Holdings</b> ")
Listing Requirements	:	Main Market Listing Requirements of Bursa Securities, including any amendments, modifications and additions that may be made from time to time
LPD	:	31 March 2023, being the latest practicable date prior to the date of this Circular
Major Shareholder(s)	:	A person who has an interest or interests in one or more voting shares in the Company and the number or aggregate number of those shares, is –  (a) 10% or more of the total number of voting shares in the Company; or  (b) 5% or more of the total number of voting shares in the corporation where such person is the largest shareholder of the Company.

For the purpose of this definition, "interest" shall have the meaning of "interest in shares" given in Section 8 of the Act.

---

**DEFINITIONS (Cont'd)**

---

For the purposes of the Proposed Renewal of Existing Shareholders' Mandate, it includes any person who is or was within the preceding six (6) months of the date on which the terms of the transactions were agreed upon, a major shareholder of the Company or any other company which is its subsidiary or holding company.

Market Day	:	Means a day on which the stock market of Bursa Securities is open for trading in securities
Minho or the Company	:	Minho (M) Berhad [Registration No. 199001009358 (200930-H)]
Minho Group or Group	:	Minho and its subsidiary companies, collectively
NA	:	Net assets attributable to ordinary equity holders of the Company
Person(s) Connected	:	Person(s) connected as defined in paragraph 1.01 of the Listing Requirements
Proposed Renewal of Existing Shareholders' Mandate	:	A proposal to seek for renewal of the existing shareholders' mandate pursuant to Chapter 10, paragraph 10.09 of the Listing Requirements in relation to RRPTs.
Recurrent Related Party Transaction(s) or RRPT(s)	:	Recurrent related party transactions of a revenue and/or trading nature which are necessary for the Group's day-to-day operations and are entered into or to be entered into by the Group in the ordinary course of business which involves the interest, direct or indirect, of Related Parties.
Related Party(ies)	:	Director(s), Major shareholder(s) and/or Person(s) Connected with such Director(s) or Major Shareholder(s) as defined herein
RM and sen	:	Ringgit Malaysia and sen respectively
Share(s) or Minho Share(s)	:	Ordinary share(s) in Minho
2022 Annual Report	:	Annual Report of Minho issued for the financial year ended 31 December 2022.

Words importing the singular shall, where applicable, include the plural and vice versa and words importing the masculine gender shall, where applicable, include the feminine and neuter genders and *vice versa*. References to persons shall include company or corporations, unless otherwise specified.

All references to "you" in this Circular are to the shareholders of our Company.

Any reference in this Circular to any enactment is a reference to that enactment as for the time being amended or re-enacted.

Any reference to a time of day in this Circular shall be reference to Malaysian time, unless otherwise stated.

---

---

**TABLE OF CONTENTS**

---

---

**CIRCULAR TO SHAREHOLDERS IN RELATION TO THE PROPOSED RENEWAL OF EXISTING SHAREHOLDERS' MANDATE**

	PAGE
1. INTRODUCTION	5
2. DETAILS OF THE PROPOSED RENEWAL OF EXISTING SHAREHOLDERS' MANDATE	6-20
2.1 Paragraph 10.09, Part E of Chapter 10 of the Listing Requirements	
2.2 Validity Period	
2.3 Principal Activities of Minho Group	
2.4 Class and nature of RRPT and Estimated Values	
2.5 Outstanding amount due under the RRPT	
2.6 Guidelines and review procedures in relation to RRPT	
2.7 Statement by the Audit and Risk Management Committee	
3. RATIONALE	20
4. EFFECTS	20
5. APPROVALS REQUIRED	21
6. INTEREST OF DIRECTORS, MAJOR SHAREHOLDERS AND/OR PERSONS CONNECTED TO THEM	21
7. DIRECTORS' RECOMMENDATION	21-22
8. THIRTY-SECOND ANNUAL GENERAL MEETING	22
9. FURTHER INFORMATION	22

*The rest of this page has been intentionally left blank*

**MINHO (M) BERHAD**  
[Registration No. 199001009358 (200930-H)]  
(Incorporated in Malaysia)

**Registered Office**  
No. 808, Jalan 17/24  
46400 Petaling Jaya  
Selangor Darul Ehsan

28 April 2023

**The Board of Directors**

Dato' Loo Keng An @ Lee Kim An	<i>(Managing Director)</i>
Loo Say Leng	<i>(Executive Director)</i>
Khibir Bin Razali	<i>(Executive Director)</i>
Lim Kim Meng	<i>(Independent Non-Executive Director)</i>
Tuan Haji Mohd Faizal Bin Haji Abdual Majid	<i>(Independent Non-Executive Director)</i>
Jeannie Lim Li Tein	<i>(Independent Non-Executive Director)</i>

**To : The Shareholders of Minho**

Dear Sir/Madam,

**PROPOSED RENEWAL OF EXISTING SHAREHOLDERS' MANDATE**

**1. INTRODUCTION**

The Company had at its Thirty-First AGM held on 28 June 2022 obtained a mandate from its shareholders for the Group to enter into RRPTs with Related Parties based on the terms set out in the circular to shareholders dated 29 April 2022. The authority conferred by the existing shareholders' mandate shall, in accordance with the Listing Requirements, lapse at the conclusion of the forthcoming Thirty-Second AGM ("**32nd AGM**") unless authority for its renewal is obtained from the shareholders at the said AGM.

The Board had on 7 April 2023 announced the Company's intention to seek approval from its shareholders for the ordinary resolution in respect of the Proposed Renewal of Existing Shareholders' Mandate at the forthcoming 32nd AGM.

The purpose of this Circular is to provide you with the details of the Proposed Renewal of Existing Shareholders' Mandate and to seek your approval for the ordinary resolution pertaining to the Proposed Renewal of Existing Shareholders' Mandate to be tabled at the forthcoming 32nd AGM.

**SHAREHOLDERS ARE ADVISED TO READ THE CONTENTS OF THIS CIRCULAR TOGETHER WITH THE APPENDIX HEREIN CAREFULLY BEFORE VOTING ON THE ORDINARY RESOLUTION PERTAINING TO THE PROPOSAL TO BE TABLED AT THE FORTHCOMING 32ND AGM.**

## **2. DETAILS OF THE PROPOSED RENEWAL OF EXISTING SHAREHOLDERS' MANDATE**

### **2.1 Paragraph 10.09 of Chapter 10 and Paragraph 3.1.4 of Practice Note 12 of the Listing Requirements in relation to the RRPTs**

Pursuant to paragraph 10.09(2) of the Listing Requirements, a listed issuer may seek a shareholders' mandate in respect of RRPTs which are necessary for the day-to-day operations, subject to, inter alia, the following:-

- (i) the transactions are in the ordinary course of business and are on terms not more favourable to the Related Party than those generally available to the public;
- (ii) the shareholders' mandate is subject to annual renewal and disclosure is made in the annual report of the aggregate value of transactions conducted pursuant to the shareholders' mandate during the financial year where the aggregate value is equal to or more than the following threshold in relation to a listed issuer with a share capital of RM60.0 million and above:-
  - (a) the consideration, value of the assets, capital outlay or costs of the aggregated transactions is equal to or exceeds RM1.0 million; or
  - (b) the percentage ratios of such transactions are equal to or exceed 1%,  
whichever is the higher,
- (iii) issuance of a circular to shareholders for the shareholders' mandate by the Company, which includes the information as may be prescribed in the Listing Requirements, together with a checklist showing compliance with such information when submitting to Bursa Securities;
- (iv) in a meeting to obtain shareholders' mandate, where it involves the interest of the Interested Directors, Interested Major Shareholders or Persons Connected with them, such Director or Major Shareholder must not vote on the resolution approving the transactions. The Interested Directors and/or Interested Major Shareholders must ensure that Persons Connected with them will also abstain from voting on the resolution approving the transactions; and
- (v) the Company must immediately announce to Bursa Securities when the actual value of the RRPT entered into by the Company exceeds the estimated value of the RRPT disclosed in the previous circular to shareholders by 10% or more, and must include the information as may be prescribed by Bursa Securities in its announcement.

*- The rest of this page has been intentionally left blank -*

## 2.2 Principal Activities of Minho Group

Minho is an investment holding company and the principal activities of its subsidiary companies are manufacturing, exporting and dealing of timber and timber related products.

As at LPD, the principal activities of the subsidiaries of Minho are as follows:

Name of Subsidiaries	Principal activities	Ownership Interest (%)
Syarikat Minho Kilning Sdn. Bhd. (“SMK”)	Timber kiln drying processing and its related activities	100%
Lionvest Corporation (Pahang) Sdn. Bhd. (“LCPSB”)	Exploitation of timber concessions, trading in timber logs and operation of an integrated timber complex and letting of premises	100%
Victory Enterprise Sdn. Bhd. (“VESB”)	Manufacturing and exporting of sawn timber, dealing in moulded timber and trading of garden furniture	100%
Euro-CGA Sdn. Bhd. (“ECSB”)	Manufacturing, marketing and exporting of moulded timber products	63.40%
Costraco Sdn. Bhd. (“CSB”)	Exports of processed timber products	51%
Lionvest Timber Industries Sdn. Bhd. (“LTI”)	Sawmills, dealing in timber and its related products	51%
My Squares Development Sdn. Bhd. (“MSD”)	Property development and building construction	51%
Indah Wood Products Sdn. Bhd. (“IWP”) <i>(In Members’ Voluntary Winding Up)</i>	Exports of processed timber products	51%
Syarikat Vinco Timber Industries Sdn. Bhd.	Investment holding	100%
Indah Paper Industries Sdn. Bhd.	Manufacturing and distribution of industrial paper bags	100%
Lionvest Plantation Sdn. Bhd.	Dormant	100%
Abadi Canggih Sdn. Bhd.	Dormant	100%
Solivance Industry Sdn. Bhd.	Dormant	100%
Idaman Heights Sdn. Bhd.	Investment Holding	100%

## 2.3 Class and nature of the RRPT

Details of the RRPTs, including the classes of Related Parties with whom the transactions will be carried out and the nature of such transactions contemplated are set out below:

Nature of Transaction(s)	Transacting Parties		Interested Directors/Major Shareholders/ Persons Connected to Directors or Major Shareholders (“Interested Parties”)	Estimated aggregate value of transactions as disclosed in the previous year’s circular to shareholders dated 29 April 2022 (RM’000)		Actual aggregate value transacted from 28 June 2022 (preceding AGM) until LPD* (RM’000)		Estimated aggregate value of transactions from 27 June 2023 (date of 32nd AGM) to the next AGM in 2024 (RM’000)	
	Related Parties	Minho Group		Receivables	Payable	Receivables	Payable	Receivables	Payable
Purchase of timber	D. M. Timber Sdn Bhd (“DM”)	LTI	<ul style="list-style-type: none"> <li>Minho Holdings<sup>(1)</sup></li> <li>Dato’ Loo Keng An @ Lee Kim An<sup>(2)</sup> (“Dato’ Loo”)</li> <li>Loo Say Leng<sup>(3)</sup> (“LSL”)</li> <li>Loo Say Cheng<sup>(4)</sup> (“LSC”)</li> </ul>	-	15,000	-	550	-	15,000
Rental & storage charges <sup>(6)</sup>	Minho Kilning (Klang) Sdn Bhd (“MKK”), a wholly owned subsidiary company of Minho Holdings	SMK	<ul style="list-style-type: none"> <li>Minho Holdings<sup>(1)</sup></li> <li>Dato’ Loo<sup>(2)</sup></li> <li>LSL<sup>(3)</sup></li> </ul>	-	9,000	-	3,315	-	9,000
Insurance brokerage fee	Oak Three Sdn. Bhd. (“OT”)	SMK	<ul style="list-style-type: none"> <li>LSL<sup>(3)</sup></li> </ul>	-	800	-	25	-	800



Nature of Transaction(s)	Transacting Parties		Interested Directors/Major Shareholders/ Persons Connected to Directors or Major Shareholders (“Interested Parties”)	Estimated aggregate value of transactions as disclosed in the previous year’s circular to shareholders dated 29 April 2022 (RM’000)		Actual aggregate value transacted from 28 June 2022 (preceding AGM) until LPD* (RM’000)		Estimated aggregate value of transactions from 27 June 2023 (date of 32nd AGM) to the next AGM in 2024 (RM’000)	
	Related Parties	Minho Group		Receivables	Payable	Receivables	Payable	Receivables	Payable
Sales of sawn timber and its related products	Mahawangsa Timber Industries Sdn Bhd (“MTI”)	LTI	<ul style="list-style-type: none"> <li>• Minho Holdings <sup>(1)</sup></li> <li>• Dato’ Loo<sup>(2)</sup></li> <li>• LSL<sup>(3)</sup></li> <li>• LSC<sup>(4)</sup></li> <li>• DM, a major shareholder of MTI</li> </ul>	4,000	-	595	-	4,000	-
Purchase of logs				-	20,000	-	821	-	20,000
Construction cost for infrastructure & building works	Pembinaan Infra E&J Sdn Bhd (“EJ”)	MSD	<ul style="list-style-type: none"> <li>• EJ is a Major Shareholder of MSD.</li> </ul>	-	20,000	-	-	Not seeking shareholders’ mandate at the 32nd AGM	
Purchase of timber	MTI	CSB	<ul style="list-style-type: none"> <li>• Minho Holdings <sup>(1)</sup></li> <li>• Dato’ Loo<sup>(2)</sup></li> <li>• LSL<sup>(3)</sup></li> <li>DM</li> </ul>	-	19,000	-	2,246	-	19,000
Purchase of timber	MTI	IWP (In Members’ Voluntary Winding-Up)	<ul style="list-style-type: none"> <li>• Minho Holdings <sup>(1)</sup></li> <li>• Dato’ Loo<sup>(2)</sup></li> <li>• LSL<sup>(3)</sup></li> <li>DM</li> </ul>	-	3,500	-	-	Not seeking shareholders’ mandate at the 32nd AGM	
Purchase of timber	MTI	ECSB	<ul style="list-style-type: none"> <li>• Minho Holdings <sup>(1)</sup></li> <li>• Dato’ Loo<sup>(2)</sup></li> <li>• LSL<sup>(3)</sup></li> <li>DM</li> </ul>	-	5,500	-	-	-	5,500

Nature of Transaction(s)	Transacting Parties		Interested Directors/Major Shareholders/ Persons Connected to Directors or Major Shareholders (“Interested Parties”)	Estimated aggregate value of transactions as disclosed in the previous year’s circular to shareholders dated 29 April 2022 (RM’000)		Actual aggregate value transacted from 28 June 2022 (preceding AGM) until LPD* (RM’000)		Estimated aggregate value of transactions from 27 June 2023 (date of 32nd AGM) to the next AGM in 2024 (RM’000)	
	Related Parties	Minho Group		Receivables	Payable	Receivables	Payable	Receivables	Payable
Purchase of timber	MTI	VESB	<ul style="list-style-type: none"> <li>• Minho Holdings <sup>(1)</sup></li> <li>• Dato’ Loo<sup>(2)</sup></li> <li>• LSL<sup>(3)</sup></li> <li>• DM</li> </ul>	-	5,500	-	-	-	5,500
Sales of sawn timber	Lucky Star Diversified Sdn. Bhd. (“LSDSB”)	LCPSB	<ul style="list-style-type: none"> <li>• Dato’ Loo</li> <li>• LSC<sup>(4)</sup></li> <li>• Tan Ah Tin<sup>(5)</sup> (“TAT”)</li> </ul>	9,500	-	-	-	9,500	-
Rental <sup>(7)</sup>	LSDSB	LCPSB	<ul style="list-style-type: none"> <li>• Dato’ Loo</li> <li>• LSC<sup>(4)</sup></li> <li>• TAT<sup>(5)</sup></li> </ul>	48	-	18	-	48	-
Rental <sup>(8)</sup>	DM	LCPSB	<ul style="list-style-type: none"> <li>• Minho Holdings <sup>(1)</sup></li> <li>• Dato’ Loo<sup>(2)</sup></li> <li>• LSL<sup>(3)</sup></li> <li>• LSC<sup>(4)</sup></li> <li>•</li> </ul>	48	-	18	-	48	-
Rental <sup>(9)</sup>	Loo Lay Hooi	SMK	<ul style="list-style-type: none"> <li>• Minho Holdings <sup>(1)</sup></li> <li>• Dato’ Loo<sup>(2)</sup></li> </ul>	-	100	-	54	-	100
Buying timber	LSDSB	LTI	<ul style="list-style-type: none"> <li>• Dato’ Loo</li> <li>• LSC<sup>(4)</sup></li> <li>• TAT<sup>(5)</sup></li> </ul>	-	20,000	-	4,338	-	20,000

Nature of Transaction(s)	Transacting Parties		Interested Directors/Major Shareholders/ Persons Connected to Directors or Major Shareholders (“Interested Parties”)	Estimated aggregate value of transactions as disclosed in the previous year’s circular to shareholders dated 29 April 2022 (RM’000)		Actual aggregate value transacted from 28 June 2022 (preceding AGM) until LPD* (RM’000)		Estimated aggregate value of transactions from 27 June 2023 (date of 32nd AGM) to the next AGM in 2024 (RM’000)	
	Related Parties	Minho Group		Receivables	Payable	Receivables	Payable	Receivables	Payable
Renting of equipment <sup>(v)</sup>	MKK	SMK	<ul style="list-style-type: none"> <li>• Minho Holdings <sup>(1)</sup></li> <li>• Dato’ Loo<sup>(2)</sup></li> <li>• LSL<sup>(3)</sup></li> </ul>	-	500	-	48	-	500

**Notes:**

- (1) *Minho Holdings is a Major Shareholder of the Company (28.33%) and DM (51%).*
- (2) *Dato’ Loo is a Director of Minho, DM, MTI, CSB, IWP, ECSB, LCPSB. He has deemed interest in Minho through Minho Holdings pursuant to Section 8 of the Companies Act 2016 (“the Act”). He is also a Major Shareholder of Minho Holdings. He is the father of LSL, brother of Loo Lay Hooi, uncle of LSC and brother-in-law of TAT.*
- (3) *LSL is a Director of Minho, SMK and OT. He has deemed interest in Minho through Minho Holdings pursuant to Section 8 of the the Act. He is also a Major Shareholder of Minho Holdings. LSL is the son of Dato’ Loo, nephew of Loo Lay Hooi and cousin of LSC.*
- (4) *LSC is a Director of MTI, LTI, LCPSB. He is the nephew of Dato’ Loo and cousin of LSL.*
- (5) *TAT is a Director and Major Shareholder of LSDSB. She is the mother of LSC and sister-in-law of Dato’ Loo.*
- (6) *The rental and storage charges are paid on a monthly basis for warehouses at Lot 6478 and Lot 6468, Lorong Sg. Puluh, Batu 6, Off Jalan Kapar, 42100 Klang, Selangor. The size and monthly rental charges are as below:*  
*(a) Lot 6478 – 10acres and RM190,238/month*  
*(b) Lot 6468 – 5acres and RM100,000/month*
- (7) *Rental received by LCPSB for letting of office space to LSDSB at RM2,000/month.*
- (8) *Rental received by LCPSB for letting of office space to DM at RM2,000/month.*

(9) *Rental payable by SMK for renting workers' quarter from Ms. Loo Lay Hooi, the sister of Dato' Loo at RM6,000/month. The demised premises is a freehold land held under GRN 93053, Lot 3413 Mukim Kapar, District of Klang, State of Selangor measuring approximately 186 square meters together with a one and half storey (1½) light industrial factory erected thereon and bearing postal address at No. 10, Jalan Pelaburann 15D, Jalan Sg Puluh, Off Batu 5¾, 42200 Jalan Kapar, Klang, Selangor Darul Ehsan.*

(10) *Rental received by MKK for letting of machinery to SMK at RM8,000/month.*

\* *Actual value transacted since last AGM up to LPD.*

# *The estimated value of transactions stated above are based on estimations by Minho's management of the value of transactions to be undertaken for the period from the forthcoming 32nd AGM to the next AGM in 2024. Accordingly, the actual value transacted may vary from, exceed or lower than the estimates shown above.*

The shareholdings of the Interested Parties in the related companies as at LPD are as follows:

	<b>Minho Holdings</b>			
	<b>Direct</b>		<b>Indirect</b>	
	<b>No. of shares</b>	<b>%</b>	<b>No. of shares</b>	<b>%</b>
Dato' Loo	2,755,930	36.15	-	-
LSL	527,502	6.92	-	-

	<b>DM</b>			
	<b>Direct</b>		<b>Indirect</b>	
	<b>No. of shares</b>	<b>%</b>	<b>No. of shares</b>	<b>%</b>
Minho Holdings	2,550,001	51.00	-	-
Dato' Loo	-	-	2,550,001	51.00

	<b>MKK</b>			
	<b>Direct</b>		<b>Indirect</b>	
	<b>No. of shares</b>	<b>%</b>	<b>No. of shares</b>	<b>%</b>
Minho Holdings	20,000,000	100.00	-	-
Dato' Loo	-	-	20,000,000	100.00

	<b>OT</b>			
	<b>Direct</b>		<b>Indirect</b>	
	<b>No. of shares</b>	<b>%</b>	<b>No. of shares</b>	<b>%</b>
LSL	211,000	50	-	-

	<b>MTI</b>			
	<b>Direct</b>		<b>Indirect</b>	
	<b>No. of shares</b>	<b>%</b>	<b>No. of shares</b>	<b>%</b>
DM	1,456,000	65	-	-
Minho Holdings	-	-	1,456,000	65
Dato' Loo	-	-	1,456,000	65

	<b>LSDSB</b>			
	<b>Direct</b>		<b>Indirect</b>	
	<b>No. of shares</b>	<b>%</b>	<b>No. of shares</b>	<b>%</b>
TAT (Director)	50,001	99	-	-

## 2.4 Validity Period

The Proposed Renewal of Existing Shareholders' Mandate will, if approved by the shareholders at the forthcoming 32nd AGM, be subject to annual renewal and shall only continue to be in force until:

- (a) the conclusion of the next AGM of the Company following the forthcoming 32nd AGM at which such mandate was passed, at which time it will lapse, unless by a resolution passed at the next AGM, the authority is renewed;

- (b) the expiration of the period within which the next AGM of the Company is required to be held pursuant to Section 340(2) of the Act (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or
- (c) revoked or varied by a resolution passed by the Company's shareholders in a general meeting,

whichever is the earlier.

## **2.5 Outstanding Amount Due under the RRPT**

There is no outstanding amount due and owing to the Group by its Related Parties under the RRPT which has exceeded the credit term as at LPD. As such, the disclosures required under Paragraphs 16A and 16B in Annexure PN12-A of the Listing Requirements are not applicable.

## **2.6 Guidelines and Review Procedures in relation to RRPT(s)**

The terms of each proposed transaction with an interested Related Party will be made at arm's length, on normal commercial terms, on terms not more favorable to the Related Party than those generally available to the public and on terms not to the detriment of the minority shareholders.

The Management will ensure that the transactions with the Related Parties will only be entered into after taking into account the pricing, level of service, quality of product and other related factors. The pricing, level of service and quality of product shall be at prevailing market rates/prices of the service or product including where appropriate, preferential rates and discounts accorded for bulk purchases (the same as are accorded to third party bulk purchase) and on the service or product provider's usual commercial terms, and otherwise in accordance with applicable industry norm.

The Management will endeavour to ensure that at least two (2) other contemporaneous transactions with unrelated third parties for similar products/services and/or quantities will be used as comparison, wherever possible, to determine whether the price and terms offered to/by the related parties are fair and reasonable and comparable to those offered to/by other unrelated third parties for the same or substantial similar type of products/services and/or quantities.

In the event that quotation or comparative pricing from unrelated third parties cannot be obtained, the Audit and Risk Management Committee may in its review of the RRPT as it deems fit and whenever available, request for additional information pertaining to the transactions from independent source or advisers and the transaction price will be determined based on those offered to/by other unrelated parties for substantially similar types of transactions, to ensure that the RRPTs are not detrimental to the Minho Group.

In accordance with Section 3.1.5 of Practice Note No. 12 of the Listing Requirements, disclosures will be made in the Company's annual report of the actual breakdown of the aggregate value of RRPTs conducted pursuant to the shareholders' mandate for RRPT during the financial year, amongst others, based on the following information:-

- (a) the type of RRPT; and
- (b) the names of the Related Parties involved in each type of the transactions made and their relationship with the Company.

Disclosure will also be made in the Company's annual reports for subsequent financial years during which the mandate remains in force.

The Audit and Risk Management Committee of Minho will review the RRPTs that may arise within the Company or the Group to ensure that such transactions will be carried out at arm's length and on normal commercial terms, on terms not more favorable than those generally available to the public and on terms not to the detriment of minority shareholders.

The Audit and Risk Management Committee shall have the discretion to request for limits to be imposed or for additional procedures to be forwarded if it considers such request to be appropriate.

Where the RRPT is one with a value equal to or more than RM1,000,000.00, it will be reviewed by the Audit and Risk Management Committee and to make recommendation to the Board for approval. Where the RRPT is one with a value of below RM1,000,000.00, it will be reviewed and approved by the Group Managing Director or Executive Director or the Board.

Further, where any Director has an interest, direct or indirect, in any RRPT, such Director (or his alternate, where applicable) shall abstain from deliberations and voting on any matter relating to any decision to be taken by the Board or the Audit and Risk Management Committee with respect to such RRPT.

## **2.7 Statement by the Audit and Risk Management Committee**

The Audit and Risk Management Committee has reviewed the guidelines and review procedures as outlined in Section 2.6 above and is of the view that the existing procedures are sufficient to ensure that the RRPTs are transacted on terms which are not more favourable to the Related Parties than those generally available to the public and are not detrimental to the interests of the minority shareholders of Minho. None of the members of the Audit and Risk Management Committee is interested in any RRPT.

The Audit and Risk Management Committee is also of the view that the Group has in place adequate procedures and processes to monitor, track and identify RRPTs in a timely and orderly manner. The Audit and Risk Management Committee performed quarterly reviews of the existing procedures and processes to ascertain that they have been complied with.

## **3. RATIONALE**

The RRPTs entered and/or to be entered into by the Group are recurrent transactions of a revenue and/or trading nature conducted in the ordinary course of business and which are likely to occur with some degree of frequency and arise at any time and from time to time.

The Proposed Renewal of Existing Shareholders' Mandate will benefit the Company by facilitating the Group to enter into the transactions as described in Section 2.4 above in a timely manner, and to eliminate the need for the Company on each occasion to seek the shareholders' approval pursuant to Paragraph 10.09 of the Listing Requirements as and when potential transactions with the Related Parties arise. This would substantially reduce the administrative time and costs associated with the convening of such general meetings without compromising the corporate objectives and adversely affecting the business opportunities available to the Minho Group.

The Related Parties are both good customers of the Minho Group as well as reliable suppliers of goods and services required by the Group for its business. The RRPTs are carried out at arm's length basis and on normal commercial terms which are not prejudicial to the interests of the shareholders and are on terms not more favourable to the Related Parties than those generally available to the public and are not detrimental to the interests of the minority shareholders.

#### 4. EFFECTS

The Proposed Renewal of Existing Shareholders' Mandate will not have impact on the share capital and shareholding structure of the Company, dividend, gearing, consolidated NA or EPS and the shareholdings of the Directors and Major Shareholders of Minho.

#### 5. APPROVALS REQUIRED

The Proposed Renewal of Existing Shareholders' Mandate is subject to the approval of the shareholders of Minho at the forthcoming 32nd AGM to be convened or at any adjournment thereof. Save for the approval of the shareholders of Minho, there are no other approvals required.

#### 6. INTERESTS OF DIRECTORS, MAJOR SHAREHOLDERS AND/OR PERSONS CONNECTED TO THEM

Save as disclosed below, none of the other Directors and/or Major Shareholders of the Company and/or Persons Connected to such other Directors and/or Major Shareholders has any interest, whether direct or indirect, in the Proposed Renewal of Existing Shareholders' Mandate.

Based on the Register of Directors' Shareholdings and Register of Substantial Shareholders as at LPD, the direct and indirect shareholdings of the Interested Directors and/or Interested Major Shareholder and/or Persons Connected to the Interested Directors and/or Interested Major Shareholders in Minho are as follows:

Interested Parties	No. of ordinary shares as at 31 March 2023			
	Direct	%	Indirect	%
<b>Interested Directors:</b>				
Dato' Loo <sup>(1)</sup>	-	-	87,960,280 <sup>(1)</sup>	24.66
LSL <sup>(2)</sup>	-	-	60,376,894 <sup>(2)</sup>	16.93
<b>Interested Major Shareholder:</b>				
Minho Holdings	101,074,973	28.33	-	-
<b>Interested Persons Connected to Directors and/or Major Shareholders:</b>				
TAT <sup>(5)</sup>	2,861,651	0.80	-	-
LSC <sup>(4)</sup>	8,022,225	2.25	9,649,535	2.71

Notes:

<sup>(1)</sup> Deemed interest through his direct and indirect shareholding in Loo Keng An Sdn. Bhd. which holds 36% in Minho Holdings and through his direct and indirect shareholdings of his children and their spouses and his siblings and their spouses.

<sup>(2)</sup> LSL is the son of Dato' Loo. He is deemed interested through his direct shareholding in Minho Holdings and his direct and indirect shareholding in Loo Keng An Sdn Bhd.

Dato' Loo, LSL and Minho Holdings, being the Interested Directors and Interested Major Shareholders of Minho; TAT and LSC, being family members of Dato' Loo and LSL, are deemed interested in the Proposed Renewal of Existing Shareholders' Mandate.



Accordingly, the Interested Directors and Interested Major Shareholders will abstain and have undertaken to ensure that the persons connected to them will also abstain from voting in respect of their direct and/or indirect shareholdings on the resolution pertaining to Proposed Renewal of Existing Shareholders' Mandate to be tabled at the forthcoming 32nd AGM of the Company .

## **7. DIRECTORS' RECOMMENDATION**

The Board (save and except for the Interested Directors who have abstained and will continue to abstain from making any opinion and/or recommendation in respect of the Proposed Renewal of Existing Shareholders' Mandate) having considered all aspects of the Proposed Renewal of Existing Shareholders' Mandate, is of the opinion that the Proposed Renewal of Existing Shareholders' Mandate is in the best interest of the Group and accordingly recommend that you vote in favour of the ordinary resolution pertaining to the Proposed Renewal of Existing Shareholders' Mandate to be tabled at the forthcoming 32nd AGM of the Company.

## **8. 32ND AGM**

The ordinary resolution pertaining to the Proposed Renewal of Existing Shareholders' Mandate is set out as special business in the notice of AGM contained in the 2022 Annual Report of the Company, which is available on the Company's website at <https://www.minhomalaysia.com>. The 32nd AGM will be held at Board Room of the Company, Lot 6476, Lorong Sg. Puluh, Batu 6, Off Jalan Kapar, 42100 Klang, Selangor Darul Ehsan on Tuesday, 27 June 2023 at 10:30 a.m.

If you are unable to attend and vote in person at the 32nd AGM, you are requested to complete, sign and return the Form of Proxy in accordance with the instructions contained therein as soon as possible, so as to arrive at the Company's registered office at No. 808, Jalan 17/24, 46400 Petaling Jaya, Selangor Darul Ehsan not less than forty-eight (48) hours before the time appointed for holding the AGM or any adjournment thereof.

The completion and lodgement of the Form of Proxy will not preclude you from attending and voting in person at the 32nd AGM should you subsequently wish to do so.

## **9. FURTHER INFORMATION**

Shareholders are advised to refer to the enclosed Appendix I for further information.

Yours faithfully,  
**For and on behalf of the Board of  
MINHO (M) BERHAD**

**TUAN HAJI MOHD FAIZAL BIN HAJI ABDUAL MAJID**  
**Independent Non-Executive Director**

**FURTHER INFORMATION**

**1. DIRECTORS' RESPONSIBILITY STATEMENT**

This Circular has been seen and approved by the Directors of Minho who collectively and individually accept full responsibility for the accuracy of the information contained in this Circular and confirmed that after making all reasonable enquiries and to the best of their knowledge and belief, there are no false or misleading statements or other facts, the omission of which would make any statement misleading in this Circular.

**2. MATERIAL LITIGATION, CLAIMS OR ARBITRATION**

Neither Minho nor any of its subsidiaries is engaged in any material litigation, claims and/or arbitrations, either as plaintiff or defendant, and the Board of Minho have no knowledge of any proceedings, pending or threatened against Minho Group, or of any facts likely to give rise to any proceedings, which may materially and adversely affect the financial position or business of Minho Group.

**3. MATERIAL CONTRACTS**

Neither Minho nor its subsidiaries have entered into any contracts which are or may be material during the last two (2) years preceding the date of this Circular, other than the contracts entered into in the ordinary course of business.

**4. DOCUMENTS FOR INSPECTION**

The following documents are available for inspection at the registered office of the Company at No. 808, Jalan 17/24, 46400 Petaling Jaya, Selangor Darul Ehsan during normal office hours from Mondays to Fridays (exclude public holidays) from the date of this Circular up to the date of the 32nd AGM:-

- (a) Constitution of Minho;
- (b) Audited Financial Statements of Minho for the past two (2) financial years ended 31 December 2021 and 31 December 2022; and
- (c) Unaudited quarterly results for the period ended 31 March 2023.

*The rest of this page has been intentionally left blank*