

**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 ADVISER IMMEDIATELY.**

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**MAJUPERAK HOLDINGS BERHAD**

*(Registration No. 200201017726 (585389-X))*

*(Incorporated in Malaysia)*

**CIRCULAR TO SHAREHOLDERS IN RELATION TO:**

**THE PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE**

The Resolutions in respect of the above proposal will be tabled at the Nineteenth (19<sup>th</sup>) Annual General Meeting ("AGM") of Majuperak Holdings Berhad ("MHB") to be held at Casuarina Convention Centre 3, Casuarina@Meru, Bandar Meru Raya, 30020 Ipoh, Perak Darul Ridzuan on Tuesday, 28 June 2022 at 10.00 a.m. Notice of the AGM together with the Form of Proxy are enclosed in the Annual Report 2021 of MHB.

Form of Proxy must be deposited at the office of the Share Registrar of the Company situated at 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan. In the case of an appointment of a proxy made in electronic form, the Proxy Form must be deposited through the Share Registrar's website, Boardroom Smart Investor Portal at <https://investor.boardroomlimited.com>. Please refer to the procedures as set out in the Administrative Guide for the electronic lodgement of Proxy Form. All Proxy Form submitted must be received by the Company on or before the date and time indicated below in order for it to be valid. The lodgement of the Form of Proxy will not preclude you from attending and voting in person at the meeting should you subsequently wish to do so.

Last date and time for lodging of the Form of Proxy : Sunday, 26 June 2022 at 10.00 a.m.

Date and time of the AGM : Tuesday, 28 June 2022 at 10.00 a.m.

This Circular is dated 29 April 2022

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## DEFINITIONS

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For the purpose of this Circular, except where the context otherwise requires, the following terms and expressions shall have the following meanings:

“Act”	:	Companies Act, 2016, and any amendment thereto
“AGM”	:	Annual General Meeting
“Board”	:	Board of Directors of MHB
“Bursa Securities”	:	Bursa Malaysia Securities Berhad [200301033577(635998-W)]
“Bursa Securities LR”	:	Bursa Malaysia Securities Berhad Main Market Listing Requirements, as amended from time to time
“FYE”	:	Financial year ended/ending
“MPU”	:	Majuperak Urus Sdn Bhd (1341498-D)
“LTSB”	:	Lagenda Tapah Sdn Bhd (1389426-M)
“MBR”	:	Majuperak Bio Resources Sdn. Bhd. (226087-T)
MBSB”	:	Perak Builders Sdn. Bhd. (289265-P) [previously known as Majuperak Bina Sdn Bhd]
“MDB”	:	Majuperak Development Berhad (5990-P)
“MER”	:	Majuperak Energy Resources Sdn. Bhd. (32089-H)
“MPM”	:	Majuperak Property Management Sdn. Bhd. (32326-U)
“MPL”	:	Majuperak Land Sdn. Bhd. (537239-M)
“MPSB”	:	Majuperak Properties Sdn Bhd (298025-U)
“MUSJV”	:	Majuperak United Solar JV Sdn Bhd (1414657-V)
“NJSB”	:	Nexus Jade Sdn. Bhd. (1109457-T)
“MHB” or “the Company”	:	Majuperak Holdings Berhad (585389-X)
“MPG”	:	Majuperak Petrolife Gas Sdn Bhd (1369524-K)
“MRSB”	:	Majuperak Realty Sdn Bhd (1002029-A)
“MPEdu”	:	Majuperak FSV Edu Sdn Bhd (1388335-V)
“TDSB”	:	Tenaga Danawa Sdn Bhd (24571-A)
“JJSB”	:	Jua Juara Sdn Bhd (537257-H)
“Trong”	:	Trong Development Sdn Bhd (1405530-M)
“MHB Group” or “the Group”	:	MHB and its subsidiary companies collectively “MHB”
Shares”	:	Ordinary shares in MHB
“PKNP”	:	Perbadanan Kemajuan Negeri Perak, a state incorporated body formed under the Perak State Development Corporation Enactment No.3 of 1967 in Perak Darul Ridzuan
“PKNP Group”	:	PKNP and its subsidiaries
“Proposed Shareholders’ Mandate”	:	Proposed Renewal Shareholders’ Mandate for recurrent related party transactions of a revenue or trading nature.

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## DEFINITIONS (Cont'd)

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“Proposed Shareholders’ Mandate of RRPT”	:	Proposed Renewal Shareholders’ Mandate for the Recurrent Related Party Transactions to be entered into from the date of the AGM to the next AGM
“SMB”	:	Syarikat Majuperak Berhad (29020-X)
“SPSB”	:	Silverpower Sdn Bhd (1399172-U)
“Recurrent Related Party Transaction(s) or RRPT”	:	A transaction which is a recurrent related party transaction of a revenue or trading nature and which are necessary for the day-to-day operations of MHB Group and are in the ordinary course of business, entered into/to be entered into by MHB or its subsidiary companies which involve the interest, direct or indirect, of a Related Party
“Related Party(ies)”	:	A Director, Major Shareholder and/or person connected with such Director or Major Shareholder of MHB Group who are interested in the Proposals. For the purpose of this definition, “Director” and “Major Shareholder” shall have the meanings given in paragraph 10.02 of the Bursa Securities LR
“Related Party Transaction or RPT”	:	A transaction entered into by the MHB Group which involves the interest, direct or indirect, of a Related Party
“RM”	:	Ringgit Malaysia and sen respectively Words

importing the singular shall, where applicable, include the plural and vice versa.

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## CONTENTS

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SECTION	PAGE
<b>PROPOSED SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE</b>	
1. INTRODUCTION	1
2. DETAILS OF THE PROPOSED SHAREHOLDERS' MANDATE	2
3. CONDITIONS OF THE PROPOSED SHAREHOLDERS	6
4. DIRECTORS' AND MAJOR SHAREHOLDERS' INTERESTS	6
5. DIRECTORS' RECOMMENDATION	7
6. AGM	7
7. FURTHER INFORMATION	7
<b>APPENDIX</b>	
I ADDITIONAL INFORMATION	8



# MAJUPERAK HOLDINGS BERHAD

(Company No.: 585389-X)

(Incorporated in Malaysia under the Companies Act, 1965)

**Registered Office**  
55A, Medan Ipoh 1A  
Medan Ipoh Bistari  
31400 Ipoh  
Perak Darul Ridzuan  
Malaysia

29 April 2022

## Board of Directors:

Datuk Redza Rafiq Bin Abdul Razak (*Executive Chairman*)  
Encik Nizran Bin Noordin (*Executive Director cum Group Chief Executive Officer*)  
Mr Lim Tian Huat (*Senior Independent Non-Executive Director*)  
Encik Ahmad Najmi Bin Kamaruzaman (*Independent Non-Executive Director*)  
Dato' Tun Hisan Bin Dato' Tun Hamzah (*Independent Non-Executive Director*)  
Datuk Abu Bakar Bin Hassan (*Independent Non-Executive Director*)  
Dato' Mohd Azmi Bin Othman (*Non-Independent Non-Executive Director*)  
Dato' Aminuddin Bin Md Hanafiah (*Independent Non-Executive Director*)  
Encik Norazali Bin Nordin (*Independent Non-Executive Director*)

## To: The Shareholders of MHB

Dear Sir/Madam,

## PROPOSED SHAREHOLDERS' MANDATE FOR RRPT

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### 1. INTRODUCTION

At the 18<sup>th</sup> AGM of the Company held on 29 June 2021, MHB had obtained a shareholders' mandate for MHB Group to enter into RRPT. The authority conferred by the shareholders' mandate shall, in accordance with the Bursa Securities LR, lapse at the conclusion of the forthcoming 19<sup>th</sup> AGM of the Company ("forthcoming AGM") which will be held on Tuesday, 28 June 2022 unless the renewal of the shareholders' mandate is obtained at the forthcoming AGM.

On 21 April 2022, MHB announced its intention to seek renewal of shareholders' mandate on RRPT at the forthcoming AGM.

The purpose of this Circular is to provide shareholders with the details of the Proposed Shareholders' Mandate and to seek shareholders' approval for the Ordinary Resolution pertaining to the Proposed Shareholders' Mandate to be tabled at the forthcoming AGM of the Company.

The Notice of the AGM together with the Form of Proxy has been sent to shareholders together with this Circular.

**YOU ARE ADVISED TO READ THE CONTENTS AND THE APPENDIX OF THIS CIRCULAR AND TO CONSIDER CAREFULLY THE RECOMMENDATIONS BEFORE VOTING ON THE ORDINARY RESOLUTION PERTAINING TO THE PROPOSED SHAREHOLDERS' MANDATE.**

## 2. DETAILS OF THE PROPOSED SHAREHOLDERS' MANDATE

Pursuant to paragraph 10.09, Part E of Chapter 10 of the Bursa Securities LR, a listed issuer may seek a shareholders' mandate in respect of RPT involving recurrent transactions of revenue or trading nature which are necessary for its day-to-day operations subject to the following:

- a) 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;
- b) 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:
  - (i) the consideration, value of the assets, capital outlay or costs of the aggregated transactions is equal to or exceeds RM1million; or
  - (ii) any one of the percentage ratios of such aggregated transactions is equal to or exceeds 1%, whichever is the higher;
- c) issuance of circular to shareholders for the shareholders' mandate which includes the information as may be prescribed by Bursa Securities. The draft circular must be submitted to Bursa Securities together with a checklist showing compliance with such information.
- d) in a meeting to obtain shareholders' mandate, the interested Directors, interested Major Shareholders or interested Persons Connected with a Director or Major Shareholder, where it involves the interest of an interested Person Connected with a Director or Major Shareholder, must not vote on the resolution approving the transactions. An interested Director or interested Major Shareholder must ensure that persons connected with him abstain from voting on the resolution approving the transactions.
- e) an immediate announcement is made to Bursa Securities when the actual value of an RRPT entered into by the MHB Group exceeds the estimated value of the RRPT disclosed in this circular by 10% or more and the announcement must include the information as may be prescribed by Bursa Securities in its announcement.

MHB is principally an investment holding company and the principal activities of the Company's subsidiary companies are as follows:

Subsidiary Companies	Effective Equity Interest (%)	Principal Activities
<u>Direct Subsidiaries of MHB</u>		
SMB	100	Property Development
MBR	100	Contract Management
MER	100	Property Development
MDB	100	Development Services
MPL	100	Dormant
MPM	100	Property Management
<u>Indirect Subsidiaries of MHB</u>		
a) <u>Subsidiaries of SMB</u>		
MPSB	100	Property Development
MBSB	100	Property Development
MMS	100	Management Services
PBSB	100	Property Development ( <i>inactive</i> )
b) <u>Subsidiary of MPM</u>		
MPU	99	Property Management

Subsidiary Companies	Effective Equity Interest (%)	Principal Activities
c) <u>Subsidiaries of MDB</u>		
TDSB	100	Property Development
JJSB	100	Property Development
d) <u>Subsidiary of MER</u>		
MPR ( <i>formerly known as Majuperak Kinta Hydro Sdn. Bhd.</i> )	100	Dormant
MPG	100	Energy
MPEdu	100	Education
SPSB	100	Energy
e) <u>Subsidiary of MPL</u>		
MRSB	100	Property Development
f) <u>Subsidiary of Majuperak Properties Sdn Bhd</u>		
NJSB	100	Merchandise sourcing
g) <u>Subsidiary of Majuperak Bio Resources Sdn Bhd</u>		
MGG	51	Agri products
h) <u>Subsidiary of TDSB</u>		
LTSB	50	Property Development
Trong	100	Property Development

In its ordinary course of business, MHB Group has entered and is anticipated to enter into RRPT with the Related Party for day-to-day operations, the particulars of which are set out in Section 2.1 of this Circular.

The Board is seeking shareholders' approval for the Proposed Shareholders' Mandate for MHB Group to enter into the RRPT in the normal course of business with the Related Party as set out in Section 2.1, provided such transactions are made at arms' length and on normal commercial terms of MHB Group and are on terms not more favorable to the Related Party than those generally available to the public and are not to the detriment of the minority shareholders. The RRPT are subjected to the review procedures set out in Section 2.2.

The Proposed Shareholders' Mandate is subject to annual renewal and, if approved by the Company's shareholders at the forthcoming AGM, will continue to be in force until:

- (i) the conclusion of the next AGM of MHB to be held in the year 2023, at which time it will lapse, unless by a resolution passed at the general meeting, the mandate is renewed;
- (ii) the expiration of the period within which the next AGM 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
- (iii) revoked or varied by resolution passed by the shareholders in a general meeting; whichever is earlier.

## 2.1 Details of the Recurrent Related Party Transactions

The Proposed Shareholders' Mandate will apply to transactions with the following Related Party and will enable MHB Group to undertake transactions between the period of 28 June 2022 (date of AGM) to 28 June 2023 (expected date of next AGM) as follows:

(a) Renewal of Recurrent Related Party Transactions

Name of Related Party	Relationship with Company-Interested Director, Major Shareholder and Person Connected	Type of Recurrent Related Party Transaction	**** Estimated transaction value during the validity of the Proposed Shareholders' Mandate (RM)	Actual value transacted from 29 September 2021 to latest practicable date on 3 May 2022 (RM) (A)	Estimated value as disclosed in the Circular to Shareholders dated 29 September 2021 (RM) (B)	Reasons for deviation where (A) EXCEEDS (B) by 10% or more	Frequency of transaction
MHB							
Perak Industrial Resources Sdn Bhd + (PIRSB)	MHB Group	Provision of corporate services by PIRSB **	1,200,000	35,100	1,200,000	N/A	continuous
PKNP *Group	Majuperak Urus Sdn Bhd (MPU)^	Provision of assets and Facilities Management Services by MPU ***	2,000,000	83,498	2,000,000	N/A	Monthly
PKNP * Group	MHB Group	Provision of Project management & development and other services	50,000,000	NIL	80,000,000	N/A	continuous
PKNP * Group	MHB Group	Leasing of land for commercial purposes @	5,000,000	NIL	5,000,000	N/A	continuous

**Notes:**

^ MPU is a 51% subsidiary of MHB via MPM. MPM is a wholly-owned subsidiary of MHB.

+ PIRSB is a wholly-owned subsidiary of PKNP. PKNP is the holding company of MHB.

\* PKNP is the holding company of PCB and MHB. PKNP was formed on 7 October 1967 as a state incorporated body under the Perak State Development Corporation Enactment No.3 of 1967 in Perak Darul Ridzuan. Its principal activities include investment holding and property and infrastructure development, tourism, entrepreneur development, manufacturing, industrial development and industrial promotional activities in Perak Darul Ridzuan.

\*\*\* Provision of assets management includes managing buildings, offices, land, infrastructure etc. while facilities management services include cleaning and waste management services.

\*\*Provision of Corporate services includes providing tax, training, consultancy and other services.

@ Leasing of land from PKNP to MHB Group and vice versa for commercial purposes

∞ Certain directors, Datuk Redza Rafiq bin Abdul Razak, Encik Nizran bin Noordin and Dato' Mohd Azmi bin Othman are nominee Directors of PKNP on the Board of MHB.

## 2.2 Review Procedures for the RRPT

The MHB Group has established various procedures to ensure that the RRPT are conducted at arm's length basis and on normal commercial terms that are consistent with the MHB Group's usual business practices and policies and will not be prejudicial to shareholders. The MHB Group will ensure that transactions with Related Parties will only be entered into after taking into account the pricing, level of service, quality of product, market forces and other related factors on terms which are not more favourable to the Related Parties than those generally available to the public and not to the detriment of the minority shareholders of the Company.

The review and disclosure procedures shall include the following:

- (i) The identity of the Related Party is disclosed/circulated within the Group and at the same time, the Related Party is notified that all RRPT are required to be taken on arms' length basis and on normal



commercial terms not more favourable to the Related Party than those generally available to the public;

- (ii) All RRPT to be entered into will be reviewed by the Audit Committee and reported to the Board to ensure that the transactions are not more favourable to the Related Party and will not be detrimental to the minority shareholders. As such, there are no thresholds for the approval of the RRPT within the Group;
- (iii) Records will be maintained by the Company to capture all RRPT which are entered into pursuant to the Proposed Shareholders' Mandate;
- (iv) The transactions prices are determined by the prevailing market rates/prices that are agreed upon under similar commercial terms for transactions with third parties, business practices and policies and on terms which are generally in line with industry norms;
- (v) The annual internal audit plan shall incorporate a review of all RRPT to be entered into pursuant to the Proposed Shareholders' Mandate to ensure that the relevant approvals have been obtained and the review procedures in respect of such transactions are adhered to;
- (vi) The Board and the Audit Committee shall review the internal audit reports to ascertain that the guidelines and procedures established to monitor the RRPT have been complied with and the review shall be done at every quarter with the review of quarterly results; and
- (vii) The Board and the Audit Committee will have overall responsibility for the determination of the review procedures, including addition of new review procedures, as and when necessary. The Board and the Audit Committee may also appoint individuals and committees to examine the RRPT, as they deem appropriate. If a member of the Board or the Audit Committee has an interest, direct or indirect, in any particular transaction, he or she will abstain from any deliberation and voting on the matter at the Board or Audit Committee meetings in respect of such transactions. An interested Director or interested Major Shareholder will also ensure that persons connected with him or her abstain from voting on the resolution approving the transactions.
- (viii) At least 2 other contemporaneous transactions with unrelated third parties for similar products/services and/or quantities will be used as a 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 substantially similar type of products/services and/or quantities.
- (ix) In the event that quotation or comparative pricing from unrelated third parties cannot be obtained, the transaction price will be determined by the MHB Group based on the usual commercial terms, business practices and policies or otherwise in accordance with other applicable industry norms/considerations to ensure that the RRPT are not detrimental to the MHB Group.
- (x) There is no specific threshold for approval of the RRPT within the MHB Group. However, all RRPT are to be reviewed by the Audit Committee and subject to the approval of the Board.

### **2.3 Statement by Audit Committee**

The Audit Committee has the overall responsibility of determining whether the procedures for reviewing the RRPT mentioned in Section 2.2 above are appropriate. The Audit Committee will review and ascertain whether the guidelines and procedures established to monitor RRPT have been complied with at least once a year. If it is determined that the guideline and/or procedures stated in Section 2.2 above are inadequate, to ensure that:

- i) the RRPT will be conducted at arm's length and on normal commercial terms which are not more favourable to the Related Parties than those generally available to the public; and
- ii) such transactions are not to the detriment of the minority shareholders of the Company or prejudicial to the interests of the shareholders, the Company will obtain a fresh shareholders' mandate based on new guidelines and procedures.

The Audit Committee shall also have the discretion to request for limits to be imposed or for additional procedures to be followed if it considers such a request to be appropriate. In that event, such limits or procedures may be implemented without the approval of shareholders, provided that they are more stringent than the existing limits or procedures.

The Audit Committee of the Company has reviewed the terms of the Proposed Shareholders' Mandate and is satisfied that the procedures for RRPT, as well as the annual reviews by the Audit Committee in relation thereto, are sufficient to ensure that RRPT will be made at arm's length and in accordance with MHB Group's normal commercial terms which are not more favorable to the Related Parties than those generally available to the public and are not detrimental to the minority shareholders and hence, will not be prejudicial to the shareholders or disadvantageous to the Group.

The Audit Committee is of the opinion that the MHB Group has in place adequate procedures and processes to monitor, track and identify RRPT in a timely and orderly manner.

## **2.4 Rationale and Benefits of the Recurrent Related Party Transactions**

The RRPT entered and to be entered into by the MHB Group are recurrent transactions of a revenue and trading nature conducted in the ordinary course of business of the MHB Group, which are likely to occur at least once in three (3) years in the course of MHB's business for a duration not exceeding three (3) years.

These transactions may be constrained by the time-sensitive nature and confidentiality of the same may render it impractical to seek shareholders' approval on a case-by-case basis before entering into such RRPT. As such, the Board is seeking a shareholders' mandate pursuant to paragraph 10.09 of the Bursa Securities LR for the RRPT as described in Section 2.1, which has been or is to be entered into on an arms' length basis and on normal commercial terms which are not more favorable to the Related Parties than those generally available to the public and are not detrimental to the minority shareholders of the Company and which are not prejudicial to the interests of the shareholders.

By obtaining the shareholders' mandate and renewing the same on an annual basis, the Company does not need to convene separate meetings from time to time to seek the shareholders' approval as and when such RRPT occurs. Besides facilitating smoother and more efficient conduct of our business, this would substantially reduce administrative time, inconvenience, and expenses associated with the convening of such meetings. It would also enable the MHB Group to meet its corporate objectives and realize business opportunities, as and when they shall become available to the MHB Group in a more timely and effective manner.

In respect of the provision of project management and development services to PKNP Group, MHB Group shall benefit from the RRPT by obtaining a steady revenue stream by charging rates that are on par with the prevailing market rates. In addition, as PKNP being the ultimate holding company via its other subsidiaries have a long-established business relationship with the Group, PIRSB is familiar with the Group's operation and is able to provide satisfactory services and meet the Group's business requirements in a timely manner.

The provision of corporate services by PIRSB to MHB Group, will allow the latter to tap on the experience and expertise of PIRSB which would lead to better compliance and fast workflow. The provision of property management by MPU to CMSB and PKNP Group will bring synergies within MHB Group in achieving their business objective. In addition, the leasing of land from PKNP would pave the way for MHB Group to seek business opportunities and fully utilize the land commercially so as to provide a recurrence income stream to the MHB Group.

The Board is also of the view that this close working relationship allows the MHB group to be more competitive in the market.

## **2.5 Amount Due and Owing by Related Parties**

As at the financial year ended 31 December 2021, there is no amount due and owing by the Related Party to MHB Group under the RRPT which has exceeded the credit term.

## **3. CONDITIONS OF THE PROPOSED SHAREHOLDERS MANDATE**

The Proposed Shareholders' Mandate is conditional upon the approval of the shareholders of MHB being obtained at the forthcoming AGM and is subject to annual renewal.

## **4. DIRECTORS' AND MAJOR SHAREHOLDERS' INTERESTS**

According to the Register of Directors' Shareholdings and Register of Substantial Shareholders, as at 22 April 2022, none of the Directors or Major Shareholders of MHB or Persons Connected with the Directors and/or Major Shareholders of MHB, have any interest, whether directly or indirectly, in the Proposed Shareholders' Mandate saved as disclosed below:

### **(i) Interested Directors**

Name	Direct		Indirect	
	No. of MHB Shares held	% held	No. of MHB Shares held	% held
Datuk Redza Rafiq Bin Abdul Razak	-	-	-	-
Nizran Bin Noordin	400,000	0.14	-	-
Dato' Mohd Azmi Bin Othman	-	-	-	-

(ii) **Interested Major Shareholder**

Name	Direct		Indirect	
	No. of MHB Shares held	% held	No. of MHB Shares held	% held
PKNP	141,682,309	49.81	4,538,773	1.60

Datuk Redza Rafiq Bin Abdul Razak, Encik Nizran Bin Noordin and Dato' Mohd Azmi Bin Othman ("Interested Directors"), who are interested parties in the Proposed Shareholders' Mandate by virtue of them being persons connected to the Interested Major Shareholder, PKNP ("Interested Major Shareholder"), shall abstain and will continue to abstain from all Board deliberations and voting pertaining to the Proposed Shareholders' Mandate.

The Interested Directors, Interested Major Shareholders and/or Persons Connected with them (as disclosed above), which have any interest, direct or indirect, in MHB Group, will also abstain from voting in respect of their direct and/or indirect shareholdings (if any) on the Ordinary Resolution pertaining to the Proposed Shareholders' Mandate at the forthcoming AGM.

The Interested Director and/or Interested Major Shareholder (as disclosed above) has/have undertaken to ensure that the Persons Connected to them, will abstain from deliberating and voting on the Ordinary Resolution pertaining to the Proposed Shareholders' Mandate at the forthcoming AGM in respect of their direct and/or indirect shareholdings in MHB, if any.

Save as aforesaid, none of the other Directors or Major Shareholders of MHB or Persons Connected to these parties have any interest, direct or indirect, in the Proposed Shareholders' Mandate.

**5. DIRECTORS' RECOMMENDATION**

Having considered all aspects of the Proposed Shareholders' Mandate, the Board (save for the Interested Directors) are of the opinion that the Proposed Shareholders' Mandate are in the best interests of the shareholders and the Company and therefore recommend that you vote in favour of the Ordinary Resolution pertaining to the Proposed Shareholders' Mandate to be tabled at the forthcoming AGM.

**6. AGM**

The Ordinary Resolution pertaining to the Proposed Shareholders' Mandate is set out as Special Business in the Notice of the 19<sup>th</sup> AGM of the Company, which is being sent to you together with this Circular. The 19<sup>th</sup> AGM of the Company is to be held at Casuarina Convention Centre 3, Casuarina@Meru, Bandar Meru Raya, 30020 Ipoh, Perak Darul Ridzuan on Tuesday, 28 June 2022 at 10.00 a.m.

If you are unable to attend and vote in person at the AGM of the Company, you are requested to complete, sign and return the Form of Proxy in accordance with the instructions printed thereon, as soon as possible, so as to arrive at the Registered Office of the Company at 55A, Medan Ipoh 1A, Medan Ipoh Bistari, 31400 Ipoh, Perak Darul Ridzuan not later than 48 hours before the time fixed for the AGM. The lodging of the Form of Proxy will not preclude you from attending and voting in person at the AGM should you subsequently wish to do so.

**7. FURTHER INFORMATION**

Shareholders are requested to refer to the attached Appendix I for further information.

Yours faithfully  
For and on behalf of the Board of  
**MAJUPERAK HOLDINGS BERHAD**

**LIM TIAN HUAT**  
Senior Independent Director

## FURTHER INFORMATION

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### 1. DIRECTORS' RESPONSIBILITY STATEMENT

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

### 2. MATERIAL LITIGATION, CLAIMS OR ARBITRATION

Save as disclosed below, our Group is not engaged in any material litigation, claims or arbitration, either as plaintiff or defendant, and our Board is not aware of any proceedings pending or threatened against our Group or of any facts likely to give rise to any such proceedings which might materially and adversely affect the position or business of our Group:

#### (a) **Canggih Kilat Sdn Bhd v Majuperak Land Sdn Bhd ("MPLSB")**

The Company's wholly-owned subsidiary, MPLSB ("the Respondent") was served with a Notice of Adjudication on 13 December 2021 filed by Canggih Kilat Sdn. Bhd. ("**CKSB or the Claimant**") in relation to disputes arising from an alleged payment claim from its sub-contractor, CKSB under Section 7 and 8 of the CIPAA for the contract works known as "Cadangan Membaiki, Menaik Taraf Dan Penjenamaan Semula Kompleks Silveritage Galleria at Bandaraya Ipoh, Perak Darul Ridzuan" ("**Works**") awarded to CKSB at a contract sum of RM16,937,000.00 ("**Contract**").

CKSB has claimed the following reliefs or remedies against MPLSB:

1. The sum of RM4,309,064.12 to be paid forthwith;
2. Interest on the adjudicated amount based on any rate and for such period as the learned Adjudicator determines.
3. Cost; and
4. Such further and/or any other relief that learned Adjudicator may deem fit.

The Adjudicator has delivered in favour of CKSB via their Adjudication Decision dated 4 April 2022 and duly received by MPLSB on 8 April 2022. MPLSB has made full payment of the RM4,304,346.41, being the adjudicated sum together with interest and costs of the adjudication, to the Claimant on 15 April 2022.

### 3. MATERIAL CONTRACTS

There are no material contracts (not being contracts entered into in the ordinary course of business) entered into by MHB and/or its subsidiary companies within the two (2) years immediately preceding the date of this Circular:

### 4. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at the Registered Office of the Company at 55A, Medan Ipoh 1A, Medan Ipoh Bistari, 31400 Ipoh, Perak Darul Ridzuan, during office hours and on Mondays to Fridays (except public holidays) from the date of this Circular up to and including the date of the forthcoming AGM:

- (i) The Constitution of MHB; and
- (ii) The Audited Financial Statements of MHB Group for the past (2) financial years ended 31 December 2020 and 31 December 2021 and the Unaudited Results for the period ended 31 December 2021; and