

**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 advisor immediately.

Bursa Malaysia Securities Berhad (“**Bursa Securities**”) has not perused the contents of this Circular and 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.

The admission of Jishan Berhad to the LEAP Market was advised by our Approved Advisor, WYNCORP Advisory Sdn. Bhd.



**JISHAN BERHAD**

(Registration No. 201901013612 (1322940-P))  
(Incorporated in Malaysia under the Companies Act, 2016)

**CIRCULAR TO SHAREHOLDERS**

**IN RELATION TO THE**

**PROPOSED SHAREHOLDERS’ MANDATE FOR RECURRENT RELATED PARTY  
TRANSACTIONS OF A REVENUE OR TRADING NATURE**

*Continuing Advisor*

**WYNCORP**  
CORPORATE FINANCE ADVISOR

**WYNCORP ADVISORY SDN. BHD.**

(Registration No. 200301029902 (632322-H))

The Resolution in respect of the above will be tabled as Special Business at the 2<sup>nd</sup> Annual General Meeting (“**AGM**”) of Jishan Berhad (“**Jishan**” or “**Company**”), which will be held at Meeting Room of Jishan, Lot 20384, Mukim 7, Jalan Bukit Panchar, 14300 Nibong Tebal, Pulau Pinang on Tuesday, 15 June 2021 at 10.00 a.m. Notice of the AGM together with a Proxy Form are despatched together with this Circular.

Please complete and return the Proxy Form in accordance with the instruction thereon as soon as possible to the office of the Share Registrar of the Company at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, or alternatively, the Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur or by electronic lodgement via **TIH Online** website at <http://tiih.online>, in any event not less than 48 hours before the time set for holding the AGM or any adjournment thereof. The lodging of the Proxy Form will not preclude you from attending and voting in person at the AGM should you subsequently wish to do so, but if you do, your proxy shall be precluded from attending the AGM.

Last date and time for lodging the Proxy Form : Sunday, 13 June 2021 at 10.00 a.m.

Date and time of our 2<sup>nd</sup> AGM : Tuesday, 15 June 2021 at 10.00 a.m.

This Circular is dated 30 April 2021

**CHARACTERISTICS OF THE LEAP MARKET OF  
BURSA MALAYSIA SECURITIES BERHAD ("BURSA SECURITIES")**

**THE LEAP MARKET HAS BEEN POSITIONED AS THE MARKET DESIGNED TO ACCOMMODATE CORPORATIONS TO WHICH A HIGHER INVESTMENT RISK MAY BE ATTACHED THAN OTHER CORPORATIONS LISTED ON THE ACE MARKET OR MAIN MARKET OF BURSA SECURITIES. IT IS A QUALIFIED MARKET WHICH IS MEANT MAINLY FOR SOPHISTICATED INVESTORS ONLY. ONLY EXISTING SECURITIES HOLDERS AND SOPHISTICATED INVESTORS ARE ALLOWED TO PARTICIPATE IN CORPORATE EXERCISES UNDERTAKEN BY JISHAN BERHAD ("JISHAN" OR THE "COMPANY"). SOPHISTICATED INVESTORS SHOULD BE AWARE OF THE POTENTIAL RISKS OF INVESTING IN SUCH CORPORATIONS AND SHOULD MAKE THE DECISION TO INVEST ONLY AFTER DUE AND CAREFUL CONSIDERATION.**

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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 apply throughout this Circular:

Act	:	The Companies Act 2016, as amended from time to time including any re-enactment thereof
AGM	:	Annual General Meeting
Board	:	The Board of Directors of Jishan
Bursa Securities	:	Bursa Malaysia Securities Berhad (Registration No. 200301033577 (635998-W))
Circular	:	This circular to the shareholders of Jishan in relation to the Proposed Mandate dated 30 April 2021
CMSA	:	Capital Markets and Services Act 2007, as amended from time to time including any re-enactment thereof
Director(s)	:	Member(s) of our Board and shall have the meaning given in Section 2(1) of the CMSA. For the purpose of the Proposed Mandate, this includes any person who is or was within the preceding 6 months of the date on which the terms of the transaction were agreed upon, a director or chief executive of the Company
FYE	:	Financial year(s) ended / ending 31 December
Jishan Capital	:	Jishan Capital Sdn. Bhd. (Registration No. 200901016341 (859432-T))
Jishan or Company	:	Jishan Berhad (Registration No. 201901013612 (1322940-P))
Jishan Group or Group	:	Jishan and its subsidiaries, collectively
Listing Requirements	:	LEAP Market Listing Requirements of Bursa Securities
LPD	:	15 April 2021, being the latest practicable date before the printing of this Circular
Major Shareholder(s)	:	A person who has an interest of 10% or more of the total number of all the voting shares in the Company. For the purpose of the Proposed Mandate, this includes any person who is or was within the preceding 6 months of the date on which the terms of the transaction were agreed upon, a major shareholder of the Company as defined under Rule 1.01 of the Listing Requirements
NMSB	:	Nice Mold Sdn. Bhd. (Registration No. 201201013182 (986699-K))

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**DEFINITIONS (CONT'D)**

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Plant 1	:	A 2-storey office building annexed with a single-storey factory building bearing the postal address of Lot 4281, Mukim 7, Lorong Industri 6, Kawasan Perindustrian Bukit Panchor, 14300 Nibong Tebal, Pulau Pinang; which is currently used as our manufacturing facility for Plastic Packaging Products
Plant 2	:	A 2-storey office building annexed with a single-storey factory building bearing the postal address of Lot 20384, Mukim 7, Jalan Bukit Panchor, 14300 Nibong Tebal, Pulau Pinang; which is currently used as our office headquarters and manufacturing facility for Paper Packaging Products
Proposed Mandate	:	The proposed shareholders' mandate for Jishan Group to enter into Recurrent Related Party Transactions with the Related Parties, as set out in Section 2.2(a) of this Circular
Recurrent Related Party Transaction(s) or RRPT(s)	:	Related party transaction(s) which is recurrent, of a revenue or trading nature and which is necessary for day-to-day operations of the Group
Related Party or Related Parties	:	Director(s), Major Shareholder(s) and/or person connected with such Director(s) or Major Shareholder(s)
RM and sen	:	Ringgit Malaysia and sen respectively, the lawful currency of Malaysia
Share Registrar	:	Tricor Investor & Issuing House Services Sdn. Bhd. (Registration No.: 197101000970 (11324-H))
Substantial Shareholder	:	Has the meaning given in Section 136 of the Act
WYNCORP	:	WYNCORP Advisory Sdn. Bhd. (Registration No. 200301029902 (632322-H))

**TECHNICAL TERMS**

APET	:	Amorphous-polyethylene terephthalate, a thermal plastic which is a form of Polyester
Corrugated Paperboard	:	A material made from layers of thick paper, of which the middle layer is alternately grooved or ridged to form flute patterns
Corrugated Paper Packaging Products	:	Packaging products manufactured using Corrugated Paperboards. The primary Corrugated Paper Packaging Products manufactured by us consist of corrugated carton and die cut boxes
HIPS	:	High Impact Polystyrene, an impact-resistant lightweight polymer used to make films
Paper Packaging Products	:	Packaging products manufactured using any form of paper, including but not limited to, Corrugated Paper Packaging Products as well as offset printed boxes which are made from printed art paper

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**DEFINITIONS (CONT'D)**

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PET	:	Polyethylene Terephthalate, a form of Polyester
Plastic Packaging Products	:	Packaging products manufactured using plastic materials such as APET, PP, HIPS, PET and Polyester materials
Polyester	:	A polymer used to make fibres
PP	:	Polypropylene, a polymer used to make films, fibres and moulding materials

In this Circular, 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 gender and *vice versa*. Reference to persons shall include corporations, unless otherwise specified.

All references to “you” in this Circular are reference to the shareholders of the Company. All references to “we”, “us”, “our” and “ourselves” are to the Company and its subsidiaries, save where the context otherwise requires. Statements as to our beliefs, expectations, estimates and opinions are those of the Company.

Any reference to any provisions of the statutes, rules and regulations, enactments or rules of stock exchange shall (where the context admits), be construed as reference to provisions of such statutes, rules and regulations, enactments or rules of stock exchange (as the case may be) as modified by any written law or (if applicable) amendment or re-enactment to statutes, rules and regulations, enactments or rules of stock exchange for the time being in force.

All references to dates and times are references to dates and times in Malaysia, unless otherwise specified.

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## **JISHAN BERHAD**

(Registration No. 201901013612 (1322940-P))  
(Incorporated in Malaysia under the Companies Act, 2016)

**Registered Office**

39, Irving Road  
10400 Georgetown  
Pulau Pinang

30 April 2021

**Board of Directors**

Ng Eng Siong (*Managing Director*)  
Khor Keow Kuang (*Executive Director*)  
Ang Chee Beng (*Executive Director*)  
Cheah Teik Hee (*Executive Director*)  
Ir. Razali Bin Budin (*Independent Non-Executive Director*)

**To: The Shareholders of Jishan Berhad**

Dear Sir / Madam

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

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**1. INTRODUCTION**

The Company intends to seek its shareholders' approval at the forthcoming 2<sup>nd</sup> AGM for the Proposed Mandate to enter into RRPTs with Related Parties in the ordinary course of business based on commercial terms which are not more favourable to the Related Parties than those generally available to the public which are necessary for the Group's day-to-day operations.

**The purpose of this Circular is to provide the shareholders with the relevant information on the Proposed Mandate and to seek your approval for the ordinary resolution pertaining to the Proposed Mandate to be tabled at the forthcoming AGM.**

**YOU ARE ADVISED TO READ AND CAREFULLY CONSIDER THE CONTENTS OF THIS CIRCULAR TOGETHER WITH THE APPENDIX CONTAINED HEREIN BEFORE VOTING ON THE ORDINARY RESOLUTION PERTAINING TO THE PROPOSED MANDATE.**

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## 2. INFORMATION ON THE PROPOSED MANDATE

### 2.1 Principal Activities of Jishan Group

Jishan is principally an investment holding company whilst the principal activities of our subsidiaries are as follows:

Name of Company	Effective Equity Interest (%)	Principal Activities
Jishan Pack Sdn. Bhd. ("Jishan Pack")	100.00	Manufacturing and dealing in corrugated cartons and paper products, as well as manufacture of diverse plastic products.  Principally involved in the downstream manufacturing of both Paper and Plastic Packaging Products.
<u>Subsidiary of Jishan Pack</u> JSP Plas Sdn. Bhd. ("JSP Plas")	100.00	Manufacture of diverse plastic products and any other related products.  Principally involved in the upstream manufacturing of key raw material used in the production of thermoplastic trays, namely APET rolls.

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## 2.2 Information on the RRPTs under the Proposed Mandate

- a) The details of the RRPTs for which approval is sought at the forthcoming AGM of the Company pursuant to the Proposed Mandate are set out below:

Transacting Parties		Interested Directors, Major Shareholders and Persons Connected with Them	Nature of the RRPT	Actual Transacted Value <sup>(4)</sup>		Estimated Aggregate Value <sup>(5)</sup>
Our Group	Related Party			For the FYE 2020 (RM'000)	1.1.2021 to the LPD (RM'000)	For the Validity Period <sup>(6)</sup> to Next AGM (RM'000)
JSP Plas	Jishan Capital	Ng Eng Siong, Khor Keow Kuang and Jishan Capital <sup>(1)</sup>	Rental of 2 adjoining 1½-storey terrace light industrial building from Jishan Capital by JSP Plas for the manufacturing of Plastic Packaging Products.  <u>Address</u> No. 5 & 7, Lorong Industri 9 Kawasan Perindustrian Bukit Panchor 14300 Nibong Tebal Pulau Pinang.  <u>Built-up area</u> 752.50 square metres (376.25 square metres each)  <u>Frequency of payment</u> Monthly	96	32	100
Jishan Pack	NMSB	Khor Keow Kuang <sup>(2)</sup>	Purchase of die cut moulding materials from NMSB by Jishan Pack.	139	46	250
Jishan Pack	Jishan Capital	Ng Eng Siong, Khor Keow Kuang and Jishan Capital <sup>(1)</sup>	Purchase of solar energy from Jishan Capital by Jishan Pack produced from the generating facility installed on the rooftops of Plant 1 and Plant 2, respectively.	-	-	450

Transacting Parties		Interested Directors, Major Shareholders and Persons Connected with Them	Nature of the RRPT	Actual Transacted Value <sup>(4)</sup>		Estimated Aggregate Value <sup>(5)</sup>
Our Group	Related Party			For the FYE 2020 (RM'000)	1.1.2021 to the LPD (RM'000)	For the Validity Period <sup>(6)</sup> to Next AGM (RM'000)
Jishan Pack	Ng Swee Long	Khor Chew Wan, Ng Eng Siong, Khor Keow Kuang, and Ng Swee Long <sup>(3)</sup>	Rental of premises from Ng Swee Long by Jishan Pack for the accommodation of the Group's foreign workers.  <u>Address</u> No. 22, Lorong Ilmu Indah 1 Taman Ilmu Indah 14300 Nibong Tebal Pulau Pinang  <u>Built-up area</u> 170.01 square metres  <u>Frequency of payment</u> Monthly	14	5	16

Notes:

- (1) *Ng Eng Siong is our Managing Director and controlling shareholder by virtue of his shareholding in Jishan Capital. Khor Keow Kuang is our Executive Director and controlling shareholder by virtue of her shareholding in Jishan Capital, whilst Jishan Capital is our controlling shareholder.*
- (2) *Khor Keow Kuang is our Executive Director and controlling shareholder by virtue of her shareholding in Jishan Capital. Khor Keow Kuang is the controlling shareholder and director of NMSB.*
- (3) *Khor Chew Wan is our Substantial Shareholder. Ng Eng Siong is our Managing Director and controlling shareholder by virtue of his shareholding in Jishan Capital. Khor Keow Kuang is our Executive Director and controlling shareholder by virtue of her shareholding in Jishan Capital. Ng Swee Long is the spouse of Khor Chew Wan, and brother-in-law to Khor Keow Kuang and Ng Eng Siong.*
- (4) *The actual transacted values for the FYE 2020 and from 1 January 2021 up to the LPD are for information purposes only.*

Notes (cont'd):

- (5) *The estimated values of the RRPTs are based on information available at the point of estimation and taking into account the management's forecasts on transaction values which have been undertaken and anticipated. Due to the nature of the transactions, the actual value of transactions may vary from the estimated values disclosed above. Disclosure will be made in the next annual audited financial statements ("AFS") of the Group on the actual value of transactions conducted during the FYE 2021 and where applicable, in the next circular to shareholders seeking renewal of the Proposed Mandate.*

*The transactions are necessary for Jishan Group's day-to-day operations and are in the ordinary course of business and are on terms not more favourable to the Related Parties than those generally available to the public and are not to the detrimental of the minority shareholders of the Company.*

- (6) *As defined under Section 2.6 of this Circular.*

- b) Amount Due and Owing to Jishan Group pursuant to RRPTs

As at 31 December 2020, there is no amount due and owing to Jishan Group by the Related Parties (in this context, Jishan Capital, NMSB and Ng Swee Long) pursuant to the RRPTs.

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### **2.3 Review Procedures for RRPT(s)**

Our Group adheres to the following procedures and guidelines to ensure that RRPT(s) is undertaken on commercial terms that are not more favourable to the Related Parties than those generally available to the public and not to the detriment of the minority shareholders; and the transaction price is determined on arm's length basis:

- (a) Our Board and employees within the Group are notified that any RRPT(s) is required to be undertaken on an arm's length basis under normal commercial terms consistent with the Group's business practices and policies, and on terms not more favourable to the Related Parties than those generally available to the public and is not to the detriment of the minority shareholders;
- (b) Records shall be maintained by the Company to capture all RRPTs which are entered into pursuant to the Proposed Mandate;
- (c) All RRPTs entered into shall be reviewed by the non-interested Director(s) to ascertain that the procedures and guidelines established to monitor the RRPT(s) have been complied with;
- (d) All RRPTs shall be carried out on an arm's length basis and based on the Group's normal commercial terms which are not more favourable to the Related Parties than those generally available to the public and are not detrimental to the minority shareholders;
- (e) If a member of the Board has an interest in the RRPT(s), he/she shall abstain from any decision-making by the Board in respect of such transaction(s) and continue to abstain from voting on the resolution approving the transaction(s); and
- (f) At least 2 other contemporaneous transactions with / quotations from 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 by/to the Related Parties are fair and reasonable and comparable to those offered by/to other unrelated third parties for the same or substantially similar type of products, services and/or quantities.

In the event that quotation or comparative pricing from unrelated third parties cannot be obtained for the proposed transaction(s), the transaction price shall be determined based on the Group's usual business policies and practices to ensure that the RRPT(s) are not detrimental to the Group.

### **2.4 Threshold for Authority**

There is no specific threshold for approval of the RRPT(s) within the Group. However, all RRPTs shall be reviewed and authorised by an Executive Director of the Company, provided always that such personnel has no interest (direct or indirect) in the RRPT(s) and where necessary and applicable, the RRPT(s) has been approved pursuant to the shareholders' approval of the RRPT(s) in the general meetings.

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## **2.5 Disclosure in Annual Audited Consolidated Financial Statements**

Disclosure will be made in the next AFS of the Group on the actual value of transactions conducted during the FYE 2021 and where applicable, in the next circular to shareholders seeking renewal of the Proposed Mandate.

## **2.6 Validity Period for the Proposed Mandate**

If approved at the forthcoming AGM, the Proposed Mandate is subject to annual review. In this respect, any authority conferred by the Proposed Mandate shall only continue to be in force until:

- (a) the conclusion of the next AGM of the Company following the general meeting at which such mandate was passed, at which time it will lapse, unless by a resolution passed at the meeting, the authority is renewed;
- (b) the expiration of the period within which the next AGM of the Company after that date is required by law to be held pursuant to Section 340(2) of the Companies Act, 2016 (“**Act**”) (but shall not extend to such extension as may be allowed by law pursuant to Section 340(4) of the Act); or
- (c) revoked or varied by resolution passed by the shareholders in a general meeting;

whichever is the earlier.

Thereafter, if the Board (save for the interested Director(s)) decides that the renewal of the Proposed Mandate is desirable, shareholders’ approval for such renewal will be sought at each subsequent AGM of the Company.

## **3. RATIONALE AND BENEFITS FOR THE PROPOSED MANDATE**

### **3.1 Rationale**

- (a) The RRPTs envisaged under the Proposed Mandate are in the ordinary course of business of the Jishan Group undertaken on an arm’s length basis, based on normal commercial terms which are not more favourable to the Related Parties than those generally available to the public and not detrimental to the interests of the minority shareholders. They are recurring transactions of revenue or trading nature which are likely to occur with some degree of frequency and could arise at any time and from time to time. These transactions may be constrained by the time-sensitive nature of such transactions and it may be impractical to seek shareholders’ approval on a case-to-case basis before entering into such RRPTs;
- (b) The Proposed Mandate will eliminate the need to make regular announcements to Bursa Securities and to convene separate general meeting from time to time to seek shareholders’ approval as and when the need arises, thus enabling the Group to transact with the Related Parties in an expeditious manner to meet business needs that are necessary for its day-to-day operations; and
- (c) The Proposed Mandate will also reduce substantial administrative time, inconvenience and expenses associated with the convening of a separate meeting for approval of each transaction, without compromising the corporate objectives of the Group and adversely affecting the business opportunities available to, or operational matters in respect of, the Group.

### **3.2 Benefits**

For the renting of 2 adjoining 1½-storey terrace light industrial building by Jishan Pack from the Related Party (the details as disclosed under Section 2.2 of this Circular), it is beneficial to our Group for ease of management and supervision as the properties rented are located within close proximity to Plant 1. Furthermore, the Group also enjoys the renting of the properties at a competitive rate compared to the prevailing market rental rate in the surrounding area.

For the purchasing of solar energy by Jishan Pack from the Related Party (the details as disclosed under Section 2.2 of this Circular), it is beneficial to our Group as the normal electricity rate imposed by Tenaga Nasional Berhad is RM0.441 per kilowatt-hour ("kWh") whilst the agreed solar energy rate payable to the Related Party is RM0.415 per kWh representing a saving of approximately 5.90%.

For the purchasing of die cut moulding materials by Jishan Pack from the Related Party (the details as disclosed under Section 2.2 of this Circular), it is beneficial to our Group in terms of expeditious response time and hassle-free delivery of materials, due to the close proximity of NMSB's operations to our manufacturing facility.

For the renting of premises by Jishan Pack from the Related Party (the details as disclosed under Section 2.2 of this Circular), it is beneficial to our Group as the premises rented is within close proximity to Plant 1 and Plant 2 respectively.

## **4. EFFECTS OF THE PROPOSED MANDATE**

The Proposed Mandate will neither have any effect on the share capital and substantial shareholders' shareholdings of the Company, nor any significant effect on the earnings, net assets and gearing of the Group.

## **5. APPROVALS REQUIRED**

The Proposed Mandate is subject to the approval of the shareholders of the Company at the forthcoming AGM to be convened.

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

The following are the Directors, Major Shareholders and persons connected with them who are deemed interested in the Proposed Mandate:

- (a) Jishan Capital is our controlling shareholder and ultimate holding company.
- (b) Ng Eng Siong is our Managing Director and controlling shareholder.
- (c) Khor Keow Kuang is our Executive Director and controlling shareholder.
- (d) Khor Chew Wan is our Substantial Shareholder.
- (e) Ng Swee Long, is the spouse of Khor Chew Wan.

Ng Swee Long, Khor Chew Wan, Ng Eng Siong and Khor Keow Kuang are family members within the definitions set out under Rule 1.01 of the Listing Requirements; whereby Khor Keow Kuang and Khor Chew Wan are sisters whilst Ng Eng Siong is the spouse of Khor Keow Kuang and Ng Swee Long is the spouse of Khor Chew Wan.

*(Hereinafter, collectively referred to as "Interested Parties")*

The direct and indirect shareholdings of the interested Director(s), Major Shareholder(s) and persons connected with them as at the LPD are as follows:

Name	Direct Interest		Indirect Interest	
	No. of Shares	Shareholding (%)	No. of Shares	Shareholding (%)
Jishan Capital Sdn. Bhd.	133,835,002	56.92	-	-
Ng Eng Siong	25,000	0.01	133,835,002 <sup>(1)</sup>	56.92
Khor Keow Kuang	-	-	133,835,002 <sup>(1)</sup>	56.92
Khor Chew Wan	18,531,000	7.88	-	-
Ng Swee Long	-	-	18,531,000 <sup>(2)</sup>	7.88

Note:

- (1) Deemed interested by virtue of his/her shareholding of Jishan Capital pursuant to Section 8 of the Act.
- (2) Deemed interested by virtue of the shareholding of his spouse, Khor Chew Wan.

Ng Eng Siong and Khor Keow Kuang (collectively referred to as the “**Interested Directors**”) have abstained and shall continue to abstain from deliberating and voting on the Proposed Mandate at the relevant board meeting.

The Interested Parties have undertaken that they shall abstain from voting in respect of their direct and/or indirect shareholdings in the Company on the resolution pertaining to the Proposed Mandate to be tabled at the forthcoming AGM.

The Interested Parties have also undertaken that they will ensure that persons connected with them who hold shareholdings in the Company shall abstain from voting in respect of their direct and/or indirect shareholdings in the Company on the resolution pertaining to the Proposed Mandate to be tabled at the forthcoming AGM.

Save as disclosed above, no other Director and/or Major Shareholder and/or persons connected with them has any interest, direct or interest, in the Proposed Mandate.

## 7. DIRECTORS’ RECOMMENDATION

The Board (save for the Interested Directors), having considered all aspects of the Proposed Mandate, is of the opinion that the Proposed Mandate is in the best interest of the Company and its shareholders.

Accordingly, the Board (save for the Interested Directors) recommends that you vote in favour of the ordinary resolution pertaining to the Proposed Mandate to be tabled at the forthcoming AGM to be convened.

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**8. AGM**

The ordinary resolution to vote on the Proposed Mandate is set out in the Notice of the AGM accompanying this Circular. The Second AGM of the Company will be held at Meeting Room of Jishan, Lot 20384, Mukim 7, Jalan Bukit Panchor, 14300 Nibong Tebal, Pulau Pinang on Tuesday, 15 June 2021 at 10.00 a.m.

If you are unable to attend and vote in person at the forthcoming AGM, you should complete, sign and return the Proxy Form enclosed with the Notice of the AGM in accordance with the instructions thereon as soon as possible to the office of the Share Registrar of the Company at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, or alternatively, the Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur or by electronic lodgement via **TIH Online** website at <http://tiah.online> in any event not less than 48 hours before the time set for holding the AGM or any adjournment thereof. The lodging of the Proxy Form will not preclude you from attending and voting in person at the AGM should you subsequently wish to do so, but if you do, your proxy shall be precluded from attending the AGM.

**9. FURTHER INFORMATION**

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

Yours faithfully  
For and on behalf of the Board  
**JISHAN BERHAD**

**CHEAH TEIK HEE**  
Executive Director



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**APPENDIX I – FURTHER INFORMATION**

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**1. DIRECTORS' RESPONSIBILITY STATEMENT**

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

**2. WRITTEN CONSENTS AND CONFLICT OF INTEREST**

WYNCORP, being the Continuing Advisor to the Company has given and has not subsequently withdrawn its written consent to the inclusion in this Circular of its name and all references thereto in the form and context in which they appear in this Circular.

WYNCORP's role is to advise the Company on the disclosure requirements pertaining to the RRPTs.

WYNCORP is not aware of any conflict of interest which exists or is likely to exist in its capacity as the Continuing Advisor to the Company for the Proposed Mandate.

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

As at the LPD, neither the Company nor any of its subsidiaries are engaged in any material litigation, claims or arbitration, either as plaintiff or defendant, which has a material effect on the business or financial position of the Company and/or its subsidiaries and the Board has no knowledge of any proceeding pending or threatened against the Company and/or its subsidiaries or of any fact likely to give rise to any proceeding which might materially and adversely affect the business or financial position of the Company and/or its subsidiaries.

**4. MATERIAL CONTRACTS**

Save as disclosed in the Information Memorandum dated 11 December 2020, there are no other material contracts (not being contracts entered into in the ordinary course of business) which have been entered into by the Company and/or its subsidiaries for the past 2 years preceding the date of this Circular.

**5. DOCUMENTS AVAILABLE FOR INSPECTION**

Copies of the following documents are available for inspection at the registered office of the Company at 39, Irving Road, 10400 Georgetown, Pulau Pinang during normal business hours from Mondays to Fridays (except public holidays) from the date of this Circular up to and including the date of the AGM:

- (a) The Company's constitution;
- (b) The annual audited financial statements of the Company for the past 2 financial years ended 31 December 2020 and 31 December 2019; and
- (c) The letter of consent referred to in Paragraph 2 above.