

**THIS CIRCULAR/STATEMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.**

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

Bursa Malaysia Securities Berhad (“**Bursa Securities**”) has not perused Part A of this Circular/Statement prior to its issuance as Leong Hup International Berhad has been selected by Bursa Securities as one of the eligible listed issuers under the Green Lane Policy whilst Part B of this Circular/Statement is categorised under Exempt Circulars prescribed by Bursa Securities. Bursa Securities takes no responsibility for the contents of this Circular/Statement, 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/Statement.



**LEONG HUP INTERNATIONAL BERHAD**

Registration No. 201401022577 (1098663-D)  
(Incorporated in Malaysia)

**PART A**

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

**PART B**

**STATEMENT TO SHAREHOLDERS IN RELATION TO THE PROPOSED RENEWAL OF AUTHORITY FOR THE COMPANY TO PURCHASE ITS OWN SHARES**

The ordinary resolutions in respect for the above proposals will be tabled at the Seventh Annual General Meeting (“**AGM**”) of Leong Hup International Berhad (“**LHI**”) which will be held entirely through live streaming from the Broadcast Venue. The date, time and Broadcast Venue of the Seventh AGM are as follows:

Date and time : **Friday, 25 June 2021 at 10.30 a.m.** or at any adjournment thereof  
Broadcast Venue : Summit 3 Conference Room, 3rd Floor, Wisma Westcourt, 126, Jalan Klang Lama, 58000 Kuala Lumpur, Malaysia

If you are unable to attend and vote remotely at the Seventh AGM, you may complete, sign and return the proxy form in accordance with the instructions printed thereon. The completed proxy form must be deposited at the office of the Share Registrar of the Company, Tricor Investor & Issuing House Services Sdn Bhd at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or the Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or alternatively, to submit the proxy form electronically via TIIH Online at <https://tiih.online> not later than 48 hours before the time set for holding the AGM or at any adjournment thereof. Please refer to the Administrative Guide on the procedures for electronic lodgement of proxy form via TIIH Online.

**Last date and time for lodging the proxy form : Wednesday, 23 June 2021 at 10.30 a.m.**

## DEFINITIONS

Except where the context otherwise requires, the following definitions shall apply throughout this Circular/Statement:

“Act”	:	The Companies Act 2016, as may be amended from time to time and any enactment thereof
“AGM”	:	Annual General Meeting
“ARC”	:	Audit and Risk Committee of LHI
“Board”	:	The Board of Directors of LHI for the time being
“Bursa Securities”	:	Bursa Malaysia Securities Berhad [Registration No. 200301033577 (635998-W)]
“Circular”	:	This circular to shareholders dated 25 May 2021 in relation to the Proposals
“CMSA”	:	Capital Market and Services Act 2007, as amended, supplemented or modified from time to time
“CNL&S”	:	CN Lau & Sons Sdn Bhd [Registration No. 199601012172 (384521-D)] Lau Chia Nguang and his children, Lau Joo Hwa, Lau Joo Pern and Lau Joo Kiang are directors and major shareholders of CNL&S
“CNLH”	:	CN Lau Holdings Sdn Bhd [Registration No. 201801044353 (1306385-T)] Lau Chia Nguang and his children, Lau Joo Hwa, Lau Joo Pern and Lau Joo Kiang are directors and major shareholders of CNLH
“Code”	:	Malaysian Code on Take-Overs and Mergers 2016 and any amendments made thereto from time to time
“CWL&S”	:	CW Lau & Sons Sdn Bhd [Registration No. 199501025932 (355137-H)] Datuk Lau Joo Hong, Lau Jui Peng and Lau Joo Heng are brothers. They are directors and major shareholders of CWL&S
“Director(s)”	:	Shall have the same meaning given in Section 2(1) of the CMSA and for the purpose of the Proposals, includes any person who is or was within the preceding six (6) months of the date on which the terms of the transaction were agreed upon, a director or chief executive of LHI, its subsidiary or holding company, in accordance with the definition in Chapter 10 of the Listing Requirements
“EGSB” or “Emerging Glory”	:	Emerging Glory Sdn Bhd [Registration No. 201001019033 (902741-V)] CWL&S, HNL&S, Lau Chia Nguang, Dato’ Lau Eng Guang, Tan Sri Lau Tuang Nguang and Lau Joo Han are major shareholders of EGSB Lau Chia Nguang, Dato’ Lau Eng Guang, Tan Sri Lau Tuang Nguang, Datuk Lau Joo Hong, Lau Joo Han and Lau Joo Keat are directors of EGSB
“EPS”	:	Earnings per share
“ESOS”	:	The existing employees’ share option scheme of the Company, which is

effective from 11 April 2019 and expires on 10 April 2024

- “FYE” : Financial year ended
- “Grantee” : An eligible employee who has accepted an offer of Options
- “HNL&S” : HN Lau & Sons Sdn Bhd [Registration No. 199401022329 (308008-P)]  
Lau Hai Nguan and his spouse, Lai Chong Koo and their children, Lau Joo Keat, Lau Joo Ping and Lau Joo Hau are directors of HNL&S  
Lai Chong Koo and her children are major shareholders of HNL&S
- “LHI” or the “Company” : Leong Hup International Berhad [Registration No. 201401022577 (1098663-D)]
- “LHI Group” or “the Group” : LHI and its subsidiaries, collectively
- “Listing Requirements” : Main Market Listing Requirements of Bursa Securities and any Practice Notes issued in relation thereto, including any amendments that may be made from time to time
- “LHM” : Leong Hup Management Sdn Bhd [Registration No.198701005024 (163695-A)]  
Major shareholders of LHM  
(a) Lau Chia Nguang;  
(b) Goh Cha Boh @ Goh Hui Siang;  
(c) Datin Goh Kim Kooi;  
(d) Tan Sri Lau Tuang Nguang;  
(e) Lai Chong Koo;  
(f) Datuk Lau Joo Hong;  
(g) Lau Jui Peng ;  
(h) Lau Joo Heng;  
(i) Lau Joo Han;  
(j) Lau Joo Keat;  
(k) Lau Joo Ping;  
(l) Lau Joo Hau; and  
(m) Lau Joo Yong.  
Directors of LHM  
(a) Lau Chia Nguang;  
(b) Dato’ Lau Eng Guang;  
(c) Lau Hai Nguan;  
(d) Tan Sri Lau Tuang Nguang;  
(e) Datuk Lau Joo Hong;  
(f) Lau Joo Han;  
(g) Lau Jui Peng (alternate director to Datuk Lau Joo Hong);  
(h) Lau Joo Keat;  
(i) Lau Joo Hwa (alternate director to Lau Chia Nguang); and  
(j) Lau Joo Yong (alternate director to Dato’ Lau Eng Guang).
- “LPD” : 30 April 2021, being the latest practicable date prior to the issuance of this Circular/Statement
- “LTN” : LTN Resources Sdn Bhd [Registration No. 200601018656 (738409-A)]  
Tan Sri Lau Tuang Nguang and his spouse, Puan Sri Wong Kee Choo and their child, Lau Wee Fong are directors and shareholders of LTN
- “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 total 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 Company 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.

For the purpose of the Proposals, Major Shareholder 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 or any other corporation which is the Company’s subsidiary or holding company, in accordance with the definition in Chapter 10 of the Listing Requirements.

“Market Day”	:	A day on which Bursa Securities is open for trading in securities
“Minister”	:	Minister charged with the responsibility for companies, currently the Minister of Domestic Trade and Consumer Affairs, Malaysia
“NA”	:	Net assets attributable to ordinary equity holders of the Company
“Options”	:	The right of a Grantee to subscribe for new ordinary shares in the Company at the Option Price under the ESOS
“Option Price”	:	The price at which the Grantee shall be entitled to subscribe for new ordinary shares in the Company by exercising his Options
“Outstanding Options”	:	33,959,000 Options which have been granted under the ESOS and are still outstanding as at the LPD
“Person(s) Connected”	:	Shall have the same meaning as in Paragraph 1.01 Chapter 1 of the Listing Requirements
“Proposals”	:	Proposed Renewal of Shareholders’ Mandate and Proposed New Shareholders’ Mandate, collectively
“Proposed New Shareholders’ Mandate”	:	Proposed new shareholders’ mandate for RRPT to be entered into from the date of the forthcoming AGM until the next AGM
“Proposed Renewal of Shareholders’ Mandate”	:	Proposed renewal of shareholders’ mandate for LHI Group to enter into the existing RRPTs with the Related Parties from the date of the forthcoming AGM until the next AGM
“Proposed Renewal of Share Buy-Back Authority”	:	Proposed renewal of authority for the Company to purchase its own shares of up to ten percent (10%) of its total number of issued shares at any point in time
“Related Party(ies)”	:	Directors, Major Shareholders and/or Person(s) Connected with such Directors and/or Major Shareholders
“RRPT(s)”	:	Recurrent related party transactions entered into or proposed to be entered into that involve the interests, direct or indirect, of the Related Parties and which are recurrent, of a revenue or trading nature and necessary for the day-to-day operations
“RM”	:	Ringgit Malaysia, the lawful currency of Malaysia

- “Rules” : Rules on Take-Overs, Mergers and Compulsory Acquisition issued by the Securities Commission Malaysia, including any amendment thereto that may be made from time to time
- “Statement” : This statement to shareholders dated 25 May 2021 in relation to the Proposed Renewal of Share Buy-Back Authority
- “Substantial Shareholder(s)” : A person who has an interest or interests in one or more voting shares in the Company and the number or the aggregate number of such shares is not less than 5% of the total number of all the voting shares in the Company
- “TNLH” : TN Lau Holdings Sdn Bhd [Registration No. 201801044301 (1306333-A)]  
Tan Sri Lau Tuang Nguang and his spouse, Puan Sri Wong Kee Choo and their children, Lau Wee Fong and Lau Ying Fong are directors and shareholders of TNLH
- “Transacting Party” : A party with which LHI Group has entered, or may or intend to enter, into a RRPT under the Proposals
- “Treasury Shares” : The purchased shares which are retained by the Company and shall have the meaning given under Section 127 of the Act

#### **Interested Directors and Major shareholders**

- “Datuk Lau Joo Hong” : Director and Major Shareholder of LHI
- “Lau Joo Han” : Director and Major Shareholder of LHI

#### **Interested Directors**

- “Lau Chia Nguang” : Director of LHI
- “Dato’ Lau Eng Guang” : Director of LHI
- “Tan Sri Lau Tuang Nguang” : Director of LHI
- “Lau Joo Keat” : Director of LHI

#### **Interested Major Shareholders**

- “Lau Jui Peng” : Major Shareholder of LHI
- “Lau Joo Heng” : Major Shareholder of LHI

#### **Persons Connected**

- “Datuk Lau Chir Nguan” : Brother of Lau Chia Nguang, Dato’ Lau Eng Guang and Tan Sri Lau Tuang Nguang
- “Lau Hai Nguan” : Father of Lau Joo Keat  
Brother of Lau Chia Nguang, Dato’ Lau Eng Guang and Tan Sri Lau Tuang Nguang
- “Datin Heng Ah Pee” : Mother of Datuk Lau Joo Hong, Lau Jui Peng and Lau Joo Heng
- “Datin Chua Ah Nia @ Chua Kah Nui” : Mother of Lau Joo Han

- “Goh Cha Boh @ Goh Hui Siang” : Spouse of Lau Chia Nguang
- “Datin Goh Kim Kooi” : Spouse of Dato' Lau Eng Guang
- “Lai Chong Koo” : Mother of Lau Joo Keat
- “Puan Sri Wong Kee Choo” : Spouse of Tan Sri Lau Tuang Nguang
- “Lau Lee Eng” : Sister of Lau Chia Nguang, Dato' Lau Eng Guang and Tan Sri Lau Tuang Nguang
- “Lau Joo Yong and Lau Joo Kien Brian” : Children of Dato' Lau Eng Guang
- “Lau Meng Hong” : Sister of Lau Joo Han

All references in this Circular/Statement to “we”, “us”, “our” and “ourselves” are to LHI and, where the context requires, to LHI Group. All references to “you” in this Circular/Statement are to the shareholders of LHI.

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. Reference to persons shall include corporations, unless otherwise specified.

Any reference to any enactment in this Circular/Statement is a reference to that enactment as amended or re-enacted from time to time.

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

Any discrepancy in the tables included in this document between the amounts listed, actual figures and the totals thereof are due to rounding.

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**PART A**

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



# LEONG HUP INTERNATIONAL BERHAD

Registration No. 201401022577 (1098663-D)  
(Incorporated in Malaysia)

Registered Office:  
Unit 30-01, Level 30, Tower A  
Vertical Business Suite  
Avenue 3, Bangsar South  
No. 8, Jalan Kerinchi  
59200 Kuala Lumpur  
Malaysia

25 May 2021

## Board of Directors:

Lau Chia Nguang (Non-Independent Executive Chairman)  
Dato' Lau Eng Guang (Non-Independent Executive Director)  
Tan Sri Lau Tuang Nguang (Non-Independent Executive Director/ Group Chief Executive Officer)  
Datuk Lau Joo Hong (Non-Independent Executive Director/ Group Chief Operating Officer)  
Lau Joo Han (Non-Independent Executive Director)  
Lau Joo Keat (Non-Independent Executive Director)  
Benny Lim Jew Fong (Non-Independent Non-Executive Director)  
Low Han Kee (Senior Independent Non-Executive Director)  
Datin Paduka Rashidah Binti Ramli (Independent Non-Executive Director)  
Mahani Binti Amat (Independent Non-Executive Director)  
Chu Nyet Kim (Independent Non-Executive Director)  
Goh Wen Ling (Independent Non-Executive Director)  
Tay Tong Poh (Independent Non-Executive Director)

## To: The Shareholders of Leong Hup International Berhad

Dear Sir/Madam,

## PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE AND PROPOSED NEW SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING IN NATURE

### 1. INTRODUCTION

At the Sixth AGM of the Company held on 26 June 2020, the Company had obtained a mandate from its shareholders to allow LHI Group to enter into RRPTs on terms that are not more favourable to the Related Parties than those generally available to the public as set out in the circular to the shareholders dated 28 May 2020. This shareholders' mandate shall, in accordance with the Listing Requirements, lapse at the conclusion of the forthcoming Seventh AGM to be convened on 25 June

2021, unless approval for its renewal is obtained from the shareholders of the Company at the Seventh AGM.

The Company had, on 20 May 2021, announced its intention to seek shareholders' approval for the Proposed Renewal of Shareholders' Mandate and Proposed New Shareholders' Mandate in accordance with Paragraph 10.09 and Practice Note 12 of the Listing Requirements at the forthcoming AGM of the Company.

The purpose of this Circular is to provide you with relevant information of the Proposals and to seek your approval for ordinary resolutions pertaining to the Proposals to be tabled as Special Business at the forthcoming Seventh AGM of the Company. The Notice of the Seventh AGM and the proxy form are enclosed in the Annual Report 2020 of the Company.

**YOU ARE ADVISED TO READ AND CONSIDER CAREFULLY THE CONTENTS OF THIS CIRCULAR TOGETHER WITH THE APPENDIX CONTAINED HEREIN BEFORE VOTING ON THE ORDINARY RESOLUTIONS PERTAINING TO THE PROPOSALS TO BE TABLED AT THE FORTHCOMING SEVENTH AGM.**

## **2. DETAILS OF THE PROPOSALS**

### **2.1. Provisions under the Listing Requirements**

Paragraph 10.09(2) and Practice Note 12 of the Listing Requirements provides that a listed issuer may seek its shareholders' mandate for RRPTs 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 (based on the type of transactions, names of related parties involved in each type of transactions made and their relationship with the listed issuer) where the aggregate value is equal to or more than the threshold prescribed under Paragraph 10.09(1) of the Listing Requirements;
- (c) the issuance of a circular to shareholders for the shareholders' mandate includes such information as may be prescribed by Bursa Securities;
- (d) in a meeting to obtain the shareholders' mandate, a related party with any interest, direct or indirect, must not vote on the resolution approving the RRPTs. An interested Director or interested Major Shareholder must also ensure that the Person(s) Connected with them abstain from voting on the resolution approving the RRPTs; and
- (e) to immediately announce to Bursa Securities when the actual value of RRPTs entered into by the Company, exceeds the estimated value of the RRPTs disclosed in the circular by 10% or more of the aggregate value and must include the information as may be prescribed by Bursa Securities in its announcement.

Where a listed issuer has procured a shareholders' mandate pursuant to Paragraph 10.09(2) of the Listing Requirements, the provisions of Paragraph 10.08 of the Listing Requirements will not apply.

### **2.2. Proposed Renewal of Shareholders' Mandate and Proposed New Shareholders' Mandate**

The Board proposes to seek shareholders' mandate for the RRPTs to be entered into by LHI Group from the date of the forthcoming Seventh AGM until the next AGM of the Company. Such RRPTs have been/will be conducted in the ordinary course of business with the Related Parties and are on normal commercial terms and transaction prices which are not more favourable to the Related Parties

than those generally available to the public and are not detrimental to the interest of the minority shareholders of the Company.

The Proposed Renewal of Shareholders' Mandate and Proposed New Shareholders' Mandate, if approved, will take effect from the date of the passing of the proposed ordinary resolutions at the forthcoming Seventh AGM and shall continue to be in force until:

- (a) the conclusion of the next AGM of the Company following the forthcoming Seventh AGM at which the Proposed Renewal of Shareholders' Mandate and Proposed New Shareholders' Mandate were passed, at which time it will lapse, unless by a resolution passed in a general meeting whereby the authority is renewed; or
- (b) the expiration of the period within which the next AGM after that date is required to be held pursuant to Section 340 of the Act (but must not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or
- (c) the mandate is revoked or varied by an Ordinary Resolution passed by the shareholders in a general meeting,

whichever is the earlier.

Thereafter, approval from shareholders will be sought for the renewal of the shareholders' mandate for RRPTs at each subsequent AGM of the Company if the Directors decide that the renewal of the mandate is desirable.

### 2.3. Principal business activities of LHI Group

As at the LPD, the principal business activity of the Company is investment holding whilst its subsidiaries are principally involved in the integrated poultry industry, the production of feed products for livestock and consumer food products as follows:

	<b>Name of company</b>	<b>Country of incorporation</b>	<b>Equity interest held (%)</b>	<b>Principal activities</b>
	<b>Wholly-owned subsidiaries of LHI</b>			
1	Dragon Amity Pte Ltd	Singapore	100.00	Investment holding
2	Leong Hup Corporate Services Sdn Bhd	Malaysia	100.00	Management services provider
3	Leong Hup (Malaysia) Sdn Bhd	Malaysia	100.00	Investment holding
4	Leong Hup Myanmar Co., Ltd	Myanmar	100.00	Crop and animal production, hunting and related service activities - Dormant
5	Leong Hup (Philippines), Inc	Philippines	100.00	Raising, breeding, cross-breeding, fattening and pasturing of poultry and similar stocks
6	Leong Hup Singapore Pte Ltd	Singapore	100.00	Investment holding
7	United Global Resources Limited	Labuan, Malaysia	100.00	Investment holding and trading of materials

	<b>Name of company</b>	<b>Country of incorporation</b>	<b>Equity interest held (%)</b>	<b>Principal activities</b>
8	<b>Subsidiary of Dragon Amity Pte Ltd</b> PT Malindo Feedmill Tbk	Indonesia	57.80	Investment holding, poultry feed industry and day-old- chick farming
9	<b>Subsidiaries of PT Malindo Feedmill Tbk</b> PT Bibit Indonesia	Indonesia	57.72	Broiler grandparent stock farming
10	PT Leong Ayamsatu Primadona	Indonesia	57.77	Day-old-chick and broiler chicken farm
11	PT Malindo Food Delight	Indonesia	57.79	Processing and preserving of meat
12	PT Mitra Bebek Persada	Indonesia	57.22	Duck farming
13	PT Prima Fajar	Indonesia	57.78	Trading and service and broiler chicken farm
14	PT Quality Indonesia	Indonesia	40.44	Duck farming
15	<b>Subsidiaries of Leong Hup (Malaysia) Sdn Bhd</b> Ayam A1 Food Corporation Sdn Bhd	Malaysia	100.00	Provision of manufacturing related services and investment holding
16	Advantage Valuations Sdn Bhd	Malaysia	51.00	Investment holding
17	Beaming Agrotrade Sdn Bhd	Malaysia	100.00	Investment holding
18	F.E. Venture Sdn Bhd	Malaysia	51.00	Trading of animal feeds and veterinary products
19	Ladang Ternakan Maju Sdn Bhd	Malaysia	100.00	Provision of farming related services and investment holding
20	Leong Hup Feedmill Sdn Bhd	Malaysia	100.00	Provision of manufacturing related services
21	Leong Hup (G.P.S.) Farm Sdn Bhd	Malaysia	100.00	Provision of farming related services and investment holding
22	Leong Hup Agrobusiness Sdn Bhd	Malaysia	100.00	Production and distribution of breeder and broiler day-old-chick, broiler chicken, animal feeds and consumer food products and operating of

	<b>Name of company</b>	<b>Country of incorporation</b>	<b>Equity interest held (%)</b>	<b>Principal activities</b>
				food and beverages retail outlets
23	Leong Hup Broiler Farm Sdn Bhd	Malaysia	100.00	Provision of farming related services and investment holding
24	Leong Hup Feedmill Malaysia Sdn Bhd	Malaysia	100.00	Manufacturing and marketing of animal feeds and transportation services
25	Leong Hup Poultry Farm Sdn Bhd	Malaysia	100.00	Provision of farming related services
26	Leong Hup Poultry Farm (Sabah) Sdn Bhd	Malaysia	100.00	Rearing broiler chicken for sales - Dormant
27	Leong Hup Ruminant Farm Sdn Bhd	Malaysia	100.00	Investment holding
28	New Soon Teng Poultry Sdn Bhd	Malaysia	70.00	Poultry farming and trading of broiler chicken
29	Sri Medan Duck Farm Sdn Bhd	Malaysia	100.00	Provision of farming related services
30	The Baker's Cottage Sdn Bhd	Malaysia	100.00	Manufacturing, trading and distribution of food products
31	The Baker's Cottage Restaurant Sdn Bhd	Malaysia	100.00	Operating a restaurant dealing with food and beverage
	<b>Subsidiary of Ayam A1 Food Corporation Sdn Bhd</b>			
32	Ayam A1 Food Processing Sdn Bhd	Malaysia	100.00	Provision of manufacturing related services
	<b>Subsidiary of Advantage Valuations Sdn Bhd</b>			
33	Teo Seng Capital Berhad	Malaysia	29.02	Investment holding and provision of management services
	<b>Subsidiaries of F.E. Venture Sdn Bhd</b>			
34	Farm Excel Distribution Sdn Bhd	Malaysia	51.00	Distribution of pharmaceutical and veterinary products
35	Laboratorios Reveex (Asia) Sdn Bhd	Malaysia	26.01	Trading of veterinary products

	<b>Name of company</b>	<b>Country of incorporation</b>	<b>Equity interest held (%)</b>	<b>Principal activities</b>
	<b>Subsidiaries of Ladang Ternakan Maju Sdn Bhd</b>			
36	Rising Momentum Sdn Bhd	Malaysia	51.00	Rearing of broiler chicken for sales
37	Ternakan Emas Sdn Bhd	Malaysia	100.00	Raising and breeding of other poultry - Dormant
	<b>Subsidiaries of Leong Hup Agrobusiness Sdn Bhd</b>			
38	Exclusive Treasures Sdn Bhd	Malaysia	100.00	Rearing of broiler chicken for sales
39	J.B. Kim Farm Sdn Bhd	Malaysia	51.00	Rearing of broiler chicken for sales
40	Leong Hup Capital Sdn Bhd (formerly known as Bridgespace Sdn Bhd)	Malaysia	100.00	Funding vehicle, investment advisory services, other financial activities except insurance/takaful and pension funding
41	Mantap Untung Sdn Bhd	Malaysia	51.00	Rearing of broiler chicken for sales
42	Mighty Farms Sdn Bhd	Malaysia	51.00	Rearing of broiler chicken for sales
	<b>Subsidiary of Leong Hup Broiler Farm Sdn Bhd</b>			
43	Goldkist Breeding Farms Sdn Bhd	Malaysia	100.00	Provision of farming related services
	<b>Subsidiaries of Leong Hup Feedmill Sdn Bhd</b>			
44	Ideal Multifeed (Malaysia) Sdn Bhd	Malaysia	100.00	Manufacturing and marketing of animal feeds
45	Jaco Nutrimix Sdn Bhd	Malaysia	100.00	Manufacturing and marketing of feed additive premix and other related business
	<b>Subsidiary of Leong Hup (G.P.S.) Farm Sdn Bhd</b>			
46	Leong Hup Aquaculture Sdn Bhd	Malaysia	100.00	Sales of aquaculture produce
	<b>Subsidiary of Leong Hup Ruminant Farm Sdn Bhd</b>			
47	Leong Hup Agriculture (Desaru) Sdn Bhd	Malaysia	60.00	Plantation of coconut and pineapple
	<b>Subsidiary of Sri Medan Duck Farm Sdn Bhd</b>			
48	Prima Anjung Sdn Bhd	Malaysia	100.00	Poultry farming, sale of poultry and related products and aquaculture

	<b>Name of company</b>	<b>Country of incorporation</b>	<b>Equity interest held (%)</b>	<b>Principal activities</b>
	<b>Subsidiary of Ternakan Emas Sdn Bhd</b>			
49	Golden Egg Sdn Bhd	Malaysia	100.00	Business of breeder, hatcherer and seller of day-old-chick and eggs - Dormant
	<b>Subsidiaries of Teo Seng Capital Berhad</b>			
50	Premium Egg Products Pte Ltd	Singapore	29.02	Wholesaler importers, exporters of eggs products
51	Pioneer Prosperity Sdn Bhd	Malaysia	29.02	General trading and livestock, poultry and fowl activities – Dormant, under members’ voluntary winding up process
52	Ritma Prestasi Sdn Bhd	Malaysia	29.02	Distribution of pet food, medicine and other animal health related products
53	Success Century Sdn Bhd	Malaysia	29.02	Poultry farming
54	Teo Seng Farming Sdn Bhd	Malaysia	29.02	Poultry farming and investment holding
55	Teo Seng Feedmill Sdn Bhd	Malaysia	29.02	Manufacturing and marketing of animal feeds
56	Teo Seng Paper Products Sdn Bhd	Malaysia	29.02	Manufacturing and marketing of egg trays
	<b>Subsidiary of Premium Eggs Product Pte Ltd</b>			
57	BH Fresh Food Pte Ltd	Singapore	29.02	To carry on business of provide cold room services and other investment holding including renting of factory space to derive rental income
	<b>Subsidiary of Ritma Prestasi Sdn Bhd</b>			
58	B-Tech Aquaculture Sdn Bhd	Malaysia	29.02	General trading and aquaculture, livestock and poultry activities - Dormant
59	Ritma Premier Pte Ltd	Singapore	29.02	Distribution of pet food, medicine and other animal health related products



	<b>Name of company</b>	<b>Country of incorporation</b>	<b>Equity interest held (%)</b>	<b>Principal activities</b>
60	Professional Vet Enterprise Sdn Bhd	Malaysia	29.02	Trading of veterinary pharmaceutical biological products and farming equipment
	<b>Subsidiaries of Teo Seng Farming Sdn Bhd</b>			
61	Great Egg Industries Sdn Bhd	Malaysia	29.02	Manufacturing and marketing of egg related products - Dormant
62	Laskar Fertiliser Sdn Bhd	Malaysia	29.02	Waste management services, dealing in fertiliser, conduct research on the fertiliser and agricultural business process and to carry on the business of processing of value added products and farm produce
63	Teo Seng Integrated Farming Sdn Bhd (formerly known as Liberal Energy Sdn Bhd)	Malaysia	29.02	Poultry farming, manufacturing and marketing of animal feed, fertilizer and related poultry products
	<b>Subsidiaries of The Baker's Cottage Sdn Bhd</b>			
64	Baker's Cottage Training Academy Sdn Bhd (formerly known as B C Confectionary Sdn Bhd)	Malaysia	100.00	Bakery, cafeteria and restaurant and retailing of confectionery food products, provision of training and consultancy services.
65	Selasih Prospek Sdn Bhd	Malaysia	100.00	Bakery, cafeteria and restaurant and retailing of confectionery food products
	<b>Subsidiaries of Leong Hup Singapore Pte Ltd</b>			
66	Lee Say Group Pte Ltd	Singapore	100.00	Slaughtering, processing and sale of fresh and frozen poultry and investment holding
67	ES Food International Pte Ltd	Singapore	100.00	Investment holding
	<b>Subsidiaries of Lee Say Group Pte Ltd</b>			
68	Hup Heng Poultry Industries Pte Ltd	Singapore	67.18	Slaughtering of poultry, wholesale, processing and preserving of meat and meat product
69	Kendo Trading Pte Ltd	Singapore	51.00	Slaughtering, processing

	<b>Name of company</b>	<b>Country of incorporation</b>	<b>Equity interest held (%)</b>	<b>Principal activities</b>
				and sale of fresh and frozen poultry products
70	Lee Say Breeding Farm Sdn Bhd	Malaysia	100.00	Provision of farming related services and investment holding
71	Lee Say Food Holdings Pte Ltd	Singapore	100.00	Investment holding
72	Tasty Meat Products Pte Ltd	Singapore	80.00	Manufacturer, importers, exporters, stores and packers of processed meats
	<b>Subsidiaries of ES Food Pte Ltd</b>			
73	Leong Hup Food Pte Ltd	Singapore	100.00	General importers and distributor of chickens and other meat products
74	Leong Hup Distribution Pte Ltd	Singapore	100.00	General trading of frozen food products and provision of warehousing activities
75	Safa Gourmet Food Pte Ltd	Singapore	100.00	Halal meat processing, manufacturing, wholesale and retail
76	Soonly Food Processing Industries Pte Ltd	Singapore	100.00	Slaughtering, processing and sale of fresh and frozen poultry
	<b>Subsidiaries of Lee Say Breeding Farm Sdn Bhd</b>			
77	Heng Kai Hock Farm Sdn Bhd	Malaysia	100.00	Poultry farming and related products
78	My-Kando Food Industries Sdn Bhd	Malaysia	100.00	Poultry farming, rental of chicken coops and related activities
79	Prestige Fortune Sdn Bhd	Malaysia	55.00	Poultry farming operations and the provision of consultancy services relating to poultry farming operations
	<b>Subsidiary of Prestige Fortune Sdn Bhd</b>			
80	Prestige Fortune (S) Pte Ltd	Singapore	55.00	Wholesale and distribution of poultry
	<b>Subsidiary of Kendo Trading Pte Ltd</b>			
81	Wang Xiang Shun Food Industry Pte Ltd	Singapore	26.01	Production, processing and preserving of meat

	<b>Name of company</b>	<b>Country of incorporation</b>	<b>Equity interest held (%)</b>	<b>Principal activities</b>
				and meat products
	<b>Subsidiaries of Leong Hup (Philippines), Inc</b>			
82	Leong Hup Foods (Philippines), Inc	Philippines	100.00	Processing, packaging and distributing all kinds of livestock products
	<b>Subsidiaries of United Global Resources Limited</b>			
83	Emivest Feedmill (TG) Vietnam Limited Liability Company	Vietnam	100.00	Producing animal and poultry feed
84	Emivest Feedmill Vietnam Co., Limited	Vietnam	100.00	Operating poultry hatcheries and breeder farms and producing animal poultry feed
85	Leong Hup (Cambodia) Limited	Cambodia	100.00	Trading of animals feed
86	Leong Hup Feedmill Vietnam Limited Liability Company	Vietnam	100.00	Producing animal and poultry feed
	<b>Associate company of Leong Hup Feedmill Sdn Bhd</b>			
87	Indahgrains Logistics Sdn Bhd	Malaysia	20.00	Operating of warehouse and provision of warehouse management services
	<b>Associate company of Leong Hup (Philippines), Inc</b>			
88	Greatmammoth Properties, Inc	Philippines	40.00	Engaging in the business of acquiring by purchase, lease or otherwise, and to own, use, improve, manage, develop, subdivide, sell, mortgage, exchange, lease, develop and hold for agricultural, commercial, industrial, investment or other purposes.

#### 2.4. Classes of Related Parties and details of RRPTs

The details of the RRPTs entered and/or to be entered into by LHI Group with the Related Parties under the Proposals are as follows:

(i) Proposed Renewal of Shareholders' Mandate

Transacting Party	Nature of transaction in LHI Group	Names of interested Related Parties	2020 Shareholders' Mandate		Proposed Renewal of Shareholders' Mandate
			Estimated aggregate value as disclosed in the circular to shareholders dated 28 May 2020 (RM)	Actual aggregate value transacted from the date on which the existing mandate was obtained i.e. 26 June 2020 up to the LPD (RM)	
A'Famosa Golf Resort Bhd and its subsidiaries ("A'Famosa Group")	<p>Sale of poultry products &amp; processed food</p> <p>Purchase of goods and services including:</p> <ul style="list-style-type: none"> <li>• admission ticket</li> <li>• golf services</li> <li>• hotel accommodation services</li> <li>• cleaning and maintenance services</li> </ul>	<p>Interested Directors<sup>(1)</sup></p> <ul style="list-style-type: none"> <li>• Lau Chia Nguang</li> <li>• Dato' Lau Eng Guang</li> <li>• Tan Sri Lau Tuang Nguang</li> </ul>	4,000	1,400	Estimated aggregate value to be transacted from the forthcoming AGM on 25 June 2021 to the next AGM (RM)
					2,100
			62,000	0	3,000

Transacting Party	Nature of transaction in LHI Group	Names of interested Related Parties	2020 Shareholders' Mandate		Proposed Renewal of Shareholders' Mandate
			Estimated aggregate value as disclosed in the circular to shareholders dated 28 May 2020 (RM)	Actual aggregate value transacted from the date on which the existing mandate was obtained i.e. 26 June 2020 up to the LPD (RM)	
Aispuri Sdn Bhd	Sale of chicken and processed food  Procurement of hotel accommodation services	<u>Interested Major Shareholders and Directors<sup>(2)</sup></u> <ul style="list-style-type: none"> <li>● Datuk Lau Joo Hong</li> <li>● Lau Joo Han</li> </ul> <u>Interested Major Shareholders<sup>(2)</sup></u> <ul style="list-style-type: none"> <li>● CWL&amp;S</li> <li>● Lau Joo Heng</li> <li>● Lau Jui Peng</li> </ul> <u>Interested Directors<sup>(2)</sup></u> <ul style="list-style-type: none"> <li>● Lau Chia Nguang</li> <li>● Dato' Lau Eng Guang</li> <li>● Tan Sri Lau Tuang Nguang</li> <li>● Lau Joo Keat</li> </ul>	16,000  70,000	0  37,241	0  0
Alam Muhibah Sdn Bhd	Sale of litters	<u>Interested Major Shareholders and Directors<sup>(3)</sup></u> <ul style="list-style-type: none"> <li>● Datuk Lau Joo Hong</li> <li>● Lau Joo Han</li> </ul> <u>Interested Major Shareholders<sup>(3)</sup></u> <ul style="list-style-type: none"> <li>● CWL&amp;S</li> <li>● Lau Joo Heng</li> <li>● Lau Jui Peng</li> </ul> <u>Interested Directors<sup>(3)</sup></u> <ul style="list-style-type: none"> <li>● Lau Chia Nguang</li> <li>● Dato' Lau Eng Guang</li> <li>● Tan Sri Lau Tuang Nguang</li> <li>● Lau Joo Keat</li> </ul>	10,000	0	0

Transacting Party	Nature of transaction in LHI Group	Names of interested Related Parties	2020 Shareholders' Mandate		Proposed Renewal of Shareholders' Mandate
			Estimated aggregate value as disclosed in the circular to shareholders dated 28 May 2020 (RM)	Actual aggregate value transacted from the date on which the existing mandate was obtained i.e. 26 June 2020 up to the LPD (RM)	
Amalan Tepat Sdn Bhd	Maintenance service fee expenses	<u>Interested Directors<sup>(4)</sup></u> <ul style="list-style-type: none"> <li>● Lau Chia Nguang</li> <li>● Dato' Lau Eng Guang</li> <li>● Tan Sri Lau Tuang Nguang</li> </ul>	10,000	5,307	0
Astaka Shopping Centre (Muar) Sdn Bhd	Sale of goods including: <ul style="list-style-type: none"> <li>● chicken</li> <li>● processed products</li> <li>● scraps</li> </ul> Purchase of goods and services including: <ul style="list-style-type: none"> <li>● chicken</li> <li>● processed products</li> <li>● stationery and sundries</li> <li>● cash vouchers and hampers</li> <li>● utilities fees, cleaning and washing services</li> </ul>	<u>Interested Major Shareholders and Directors<sup>(5)</sup></u> <ul style="list-style-type: none"> <li>● Datuk Lau Joo Hong</li> <li>● Lau Joo Han</li> </ul> <u>Interested Major Shareholders<sup>(5)</sup></u> <ul style="list-style-type: none"> <li>● Lau Jui Peng</li> <li>● Lau Joo Heng</li> </ul> <u>Interested Directors<sup>(5)</sup></u> <ul style="list-style-type: none"> <li>● Lau Chia Nguang</li> <li>● Dato' Lau Eng Guang</li> <li>● Tan Sri Lau Tuang Nguang</li> <li>● Lau Joo Keat</li> </ul>	9,001,500	6,098,154	7,210,000
			1,427,569	3,184,220	3,183,199

Transacting Party	Nature of transaction in LHI Group	Names of interested Related Parties	2020 Shareholders' Mandate		Proposed Renewal of Shareholders' Mandate
			Estimated aggregate value as disclosed in the circular to shareholders dated 28 May 2020 (RM)	Actual aggregate value transacted from the date on which the existing mandate was obtained i.e. 26 June 2020 up to the LPD (RM)	
Chiap Hup Known You Agriculture Sdn Bhd	Provision of maintenance service income  Purchase of agriculture related product and transportation expenses	<u>Interested Major Shareholder and Director<sup>(6)</sup></u> ● Lau Joo Han	10,000  61,245	0  85,302	26,200  66,576
Emerging Success Pte Ltd ("Emerging Success")	Sale of goods and services including: ● food products ● management fees ● rental  Purchase of food products	<u>Interested Major Shareholders and Directors<sup>(7)</sup></u> ● Datuk Lau Joo Hong ● Lau Joo Han <u>Interested Major Shareholders<sup>(7)</sup></u> ● Lau Jui Peng ● Lau Joo Heng <u>Interested Directors<sup>(7)</sup></u> ● Lau Chia Nguang ● Dato' Lau Eng Guang ● Tan Sri Lau Tuang Nguang ● Lau Joo Keat	17,702,745	4,569,321  1,390,109	7,124,094  1,575,000
Hornbill Restoran & Kafe Sdn Bhd	Sale of fresh chicken & processed products	<u>Interested Directors<sup>(8)</sup></u> ● Lau Chia Nguang ● Dato' Lau Eng Guang ● Tan Sri Lau Tuang Nguang	80,000	17,971	30,000

Transacting Party	Nature of transaction in LHI Group	Names of interested Related Parties	2020 Shareholders' Mandate		Proposed Renewal of Shareholders' Mandate
			Estimated aggregate value as disclosed in the circular to shareholders dated 28 May 2020 (RM)	Actual aggregate value transacted from the date on which the existing mandate was obtained i.e. 26 June 2020 up to the LPD (RM)	
Ikatan Kayangan Sdn Bhd	Sale of fresh chicken & processed products	<u>Interested Directors<sup>(9)</sup></u> <ul style="list-style-type: none"> <li>● Lau Chia Nguang</li> <li>● Dato' Lau Eng Guang</li> <li>● Tan Sri Lau Tuang Nguang</li> <li>● Lau Joo Keat</li> </ul>	1,000	0	0
Jordon International Food Processing Pte Ltd ("Jordon")	Sale of goods including: <ul style="list-style-type: none"> <li>● fresh chicken</li> <li>● fresh duck</li> <li>● meat products</li> </ul> Purchase of goods and services including : <ul style="list-style-type: none"> <li>● frozen foods</li> <li>● sundries</li> <li>● management service and storage expense</li> <li>● rental payable</li> </ul>	<u>Interested Directors<sup>(10)</sup></u> <ul style="list-style-type: none"> <li>● Lau Chia Nguang</li> <li>● Dato' Lau Eng Guang</li> <li>● Tan Sri Lau Tuang Nguang</li> <li>● Lau Joo Keat</li> </ul>	22,962,870	12,024,929	16,441,471
			4,182,738	1,345,493	2,113,205



Transacting Party	Nature of transaction in LHI Group	Names of interested Related Parties	2020 Shareholders' Mandate		Proposed Renewal of Shareholders' Mandate
			Estimated aggregate value as disclosed in the circular to shareholders dated 28 May 2020 (RM)	Actual aggregate value transacted from the date on which the existing mandate was obtained i.e. 26 June 2020 up to the LPD (RM)	
Kemajuan Mariwan Sdn Bhd	Procurement of services including: <ul style="list-style-type: none"> <li>• hotel accommodation services</li> <li>• rental payable</li> </ul>	<u>Interested Major Shareholders and Directors<sup>(11)</sup></u> <ul style="list-style-type: none"> <li>• Datuk Lau Joo Hong</li> <li>• Lau Joo Han</li> </ul> <u>Interested Major Shareholders<sup>(11)</sup></u> <ul style="list-style-type: none"> <li>• CWL&amp;S</li> <li>• Lau Jui Peng</li> <li>• Lau Joo Heng</li> </ul> <u>Interested Directors<sup>(11)</sup></u> <ul style="list-style-type: none"> <li>• Lau Chia Nguang</li> <li>• Dato' Lau Eng Guang</li> <li>• Tan Sri Lau Tuang Nguang</li> <li>• Lau Joo Keat</li> </ul>	640,000	2,954	Estimated aggregate value to be transacted from the forthcoming AGM on 25 June 2021 to the next AGM (RM)

Transacting Party	Nature of transaction in LHI Group	Names of interested Related Parties	2020 Shareholders' Mandate		Proposed Renewal of Shareholders' Mandate
			Estimated aggregate value as disclosed in the circular to shareholders dated 28 May 2020 (RM)	Actual aggregate value transacted from the date on which the existing mandate was obtained i.e. 26 June 2020 up to the LPD (RM)	
Kemajuan Mesju Sdn Bhd	<p>Sale of goods including chicken and related product</p> <p>Procurement of services including:</p> <ul style="list-style-type: none"> <li>• hotel accommodation services</li> <li>• rental payable</li> </ul>	<p><u>Interested Major Shareholders and Directors<sup>(12)</sup></u></p> <ul style="list-style-type: none"> <li>• Datuk Lau Joo Hong</li> <li>• Lau Joo Han</li> </ul> <p><u>Interested Major Shareholders<sup>(12)</sup></u></p> <ul style="list-style-type: none"> <li>• Lau Jui Peng</li> <li>• Lau Joo Heng</li> </ul> <p><u>Interested Directors<sup>(12)</sup></u></p> <ul style="list-style-type: none"> <li>• Lau Chia Nguang</li> <li>• Dato' Lau Eng Guang</li> <li>• Tan Sri Lau Tuang Nguang</li> <li>• Lau Joo Keat</li> </ul>	43,200	0	0
Lau Joo Han	Rental payable	<p><u>Interested Major Shareholder and Director<sup>(13)</sup></u></p> <ul style="list-style-type: none"> <li>• Lau Joo Han</li> </ul>	84,500	60,537	132,000
			26,000	22,000	0

Transacting Party	Nature of transaction in LHI Group	Names of interested Related Parties	2020 Shareholders' Mandate		Proposed Renewal of Shareholders' Mandate
			Estimated aggregate value as disclosed in the circular to shareholders dated 28 May 2020 (RM)	Actual aggregate value transacted from the date on which the existing mandate was obtained i.e. 26 June 2020 up to the LPD (RM)	
Leong Hup Corporation Sdn Bhd ("LHC")	Procurement of services including: <ul style="list-style-type: none"> <li>• rental payable</li> <li>• management service and storage expenses</li> </ul>	<u>Interested Major Shareholders and Directors<sup>(14)</sup></u> <ul style="list-style-type: none"> <li>• Datuk Lau Joo Hong</li> <li>• Lau Joo Han</li> </ul> <u>Interested Major Shareholders<sup>(14)</sup></u> <ul style="list-style-type: none"> <li>• Lau Jui Peng</li> <li>• Lau Joo Heng</li> </ul> <u>Interested Directors<sup>(14)</sup></u> <ul style="list-style-type: none"> <li>• Lau Chia Nguang</li> <li>• Dato' Lau Eng Guang</li> <li>• Tan Sri Lau Tuang Nguang</li> <li>• Lau Joo Keat</li> </ul>	152,342	258,452	323,074
LHM and its subsidiaries ("LHM Group")	Procurement of services including: <ul style="list-style-type: none"> <li>• rental payable</li> <li>• utilities fees expenses</li> <li>• trademark license expenses</li> </ul>	<u>Interested Major Shareholders and Directors<sup>(15)</sup></u> <ul style="list-style-type: none"> <li>• Datuk Lau Joo Hong</li> <li>• Lau Joo Han</li> </ul> <u>Interested Major Shareholders<sup>(15)</sup></u> <ul style="list-style-type: none"> <li>• Lau Jui Peng</li> <li>• Lau Joo Heng</li> </ul> <u>Interested Directors<sup>(15)</sup></u> <ul style="list-style-type: none"> <li>• Lau Chia Nguang</li> <li>• Dato' Lau Eng Guang</li> <li>• Tan Sri Lau Tuang Nguang</li> <li>• Lau Joo Keat</li> </ul>	2,674,413	2,640,392	3,089,624

Transacting Party	Nature of transaction in LHI Group	Names of interested Related Parties	2020 Shareholders' Mandate		Proposed Renewal of Shareholders' Mandate
			Estimated aggregate value as disclosed in the circular to shareholders dated 28 May 2020 (RM)	Actual aggregate value transacted from the date on which the existing mandate was obtained i.e. 26 June 2020 up to the LPD (RM)	
Leong Hup Industries Sdn Bhd	Rental payable	<u>Interested Major Shareholders and Directors<sup>(16)</sup></u> ● Datuk Lau Joo Hong ● Lau Joo Han <u>Interested Major Shareholders<sup>(16)</sup></u> ● Lau Joo Heng ● Lau Jui Peng <u>Interested Directors<sup>(16)</sup></u> ● Lau Chia Nguang ● Dato' Lau Eng Guang ● Tan Sri Lau Tuang Nguang ● Lau Joo Keat	5,000	0	0
Leong Hup Pedagang Sayur	Purchase of vegetables	<u>Interested Director<sup>(17)</sup></u> ● Lau Joo Keat	290,000	220,301	250,000
Pengangkutan Mekar Sdn Bhd	Sale of goods and services including chicken product and sundries  Procurement of services including transportation and related services expense	<u>Interested Directors<sup>(18)</sup></u> ● Lau Chia Nguang ● Dato' Lau Eng Guang ● Tan Sri Lau Tuang Nguang	1,000	0	0
			15,806,945	13,166,641	15,023,812

Transacting Party	Nature of transaction in LHI Group	Names of interested Related Parties	2020 Shareholders' Mandate		Proposed Renewal of Shareholders' Mandate
			Estimated aggregate value as disclosed in the circular to shareholders dated 28 May 2020 (RM)	Actual aggregate value transacted from the date on which the existing mandate was obtained i.e. 26 June 2020 up to the LPD (RM)	
Perfect Breeding And Aquatic Corporation	Sale of goods including sale of raw material and medicine	<u>Interested Major Shareholder and Director<sup>(19)</sup></u> <ul style="list-style-type: none"> <li>● Datuk Lau Joo Hong</li> </ul>	2,460,000	1,022,730	2,000,000
	Purchase of feed additives, chicken vaccines and antibiotics	<u>Interested Major Shareholders<sup>(19)</sup></u> <ul style="list-style-type: none"> <li>● Lau Jui Peng</li> <li>● Lau Joo Heng</li> </ul> <u>Interested Directors<sup>(19)</sup></u> <ul style="list-style-type: none"> <li>● Lau Chia Nguang</li> <li>● Dato' Lau Eng Guang</li> <li>● Tan Sri Lau Tuang Nguang</li> </ul>	5,700,000	3,391,624	5,998,032
Perfect Food Solutions Pte Ltd	Sale of poultry products	<u>Interested Directors<sup>(20)</sup></u> <ul style="list-style-type: none"> <li>● Lau Chia Nguang</li> <li>● Dato' Lau Eng Guang</li> <li>● Tan Sri Lau Tuang Nguang</li> <li>● Lau Joo Keat</li> </ul>	23,540,980	12,068,638	15,977,800

Transacting Party	Nature of transaction in LHI Group	Names of interested Related Parties	2020 Shareholders' Mandate		Proposed Renewal of Shareholders' Mandate
			Estimated aggregate value as disclosed in the circular to shareholders dated 28 May 2020 (RM)	Actual aggregate value transacted from the date on which the existing mandate was obtained i.e. 26 June 2020 up to the LPD (RM)	
Phil Malay Poultry Breeders, Inc	<p>Sale of goods and services including:</p> <ul style="list-style-type: none"> <li>• hatching eggs</li> <li>• laboratory services income</li> </ul> <p>Purchase of goods including:</p> <ul style="list-style-type: none"> <li>• grandparent stock and day-old-chick</li> <li>• veterinary products</li> </ul>	<p><u>Interested Major Shareholders and Directors<sup>(21)</sup></u></p> <ul style="list-style-type: none"> <li>• Datuk Lau Joo Hong</li> <li>• Lau Joo Han</li> </ul> <p><u>Interested Major Shareholders<sup>(21)</sup></u></p> <ul style="list-style-type: none"> <li>• EGSB</li> <li>• CWL&amp;S</li> <li>• Lau Jui Peng</li> <li>• Lau Joo Heng</li> </ul> <p><u>Interested Directors<sup>(21)</sup></u></p> <ul style="list-style-type: none"> <li>• Lau Chia Nguang</li> <li>• Dato' Lau Eng Guang</li> <li>• Tan Sri Lau Tuang Nguang</li> </ul>	2,000,000	1,408,611	3,001,000
			10,500,000	5,345,550	14,995,080
Poly-Yarn Industries Sdn Bhd	<p>Sale of goods and services including:</p> <ul style="list-style-type: none"> <li>• fresh chicken</li> <li>• processed products</li> <li>• rental income</li> <li>• cleaning and washing services income</li> </ul> <p>Purchase of packing material</p>	<p><u>Interested Major Shareholders and Directors<sup>(22)</sup></u></p> <ul style="list-style-type: none"> <li>• Datuk Lau Joo Hong</li> <li>• Lau Joo Han</li> </ul> <p><u>Interested Major Shareholders<sup>(22)</sup></u></p> <ul style="list-style-type: none"> <li>• Lau Jui Peng</li> <li>• Lau Joo Heng</li> </ul> <p><u>Interested Directors<sup>(22)</sup></u></p> <ul style="list-style-type: none"> <li>• Lau Chia Nguang</li> <li>• Dato' Lau Eng Guang</li> <li>• Tan Sri Lau Tuang Nguang</li> <li>• Lau Joo Keat</li> </ul>	504,946	(42,819)	0
			11,613,594	7,379,012	9,351,705

Transacting Party	Nature of transaction in LHI Group	Names of interested Related Parties	2020 Shareholders' Mandate		Proposed Renewal of Shareholders' Mandate
			Estimated aggregate value as disclosed in the circular to shareholders dated 28 May 2020 (RM)	Actual aggregate value transacted from the date on which the existing mandate was obtained i.e. 26 June 2020 up to the LPD (RM)	
Popular Yield Sdn Bhd	Rental income	<u>Interested Major Shareholders and Directors<sup>(23)</sup></u> <ul style="list-style-type: none"> <li>● Datuk Lau Joo Hong</li> <li>● Lau Joo Han</li> </ul> <u>Interested Major Shareholders<sup>(23)</sup></u> <ul style="list-style-type: none"> <li>● Lau Jui Peng</li> <li>● Lau Joo Heng</li> </ul> <u>Interested Directors<sup>(23)</sup></u> <ul style="list-style-type: none"> <li>● Lau Chia Nguang</li> <li>● Dato' Lau Eng Guang</li> <li>● Tan Sri Lau Tuang Nguang</li> <li>● Lau Joo Keat</li> </ul>	245,273	122,474	131,838
PT Leong Hup Jayando	Sale of goods and services including: <ul style="list-style-type: none"> <li>● raw material and livestock</li> <li>● internal audit services income</li> </ul> Purchase of raw material and livestock	<u>Interested Directors<sup>(24)</sup></u> <ul style="list-style-type: none"> <li>● Lau Chia Nguang</li> <li>● Dato' Lau Eng Guang</li> <li>● Tan Sri Lau Tuang Nguang</li> <li>● Datuk Lau Joo Hong</li> <li>● Lau Joo Han</li> <li>● Lau Joo Keat</li> </ul>	114,356,468	62,490,517	119,772,010
			99,921,967	60,282,059	70,079,488

Transacting Party	Nature of transaction in LHI Group	Names of interested Related Parties	2020 Shareholders' Mandate		Proposed Renewal of Shareholders' Mandate
			Estimated aggregate value as disclosed in the circular to shareholders dated 28 May 2020 (RM)	Actual aggregate value transacted from the date on which the existing mandate was obtained i.e. 26 June 2020 up to the LPD (RM)	
PT Sehat Cerah Indonesia	Sale of premix and raw material Purchase of animal healthcare and premix	<u>Interested Directors<sup>(25)</sup></u> <ul style="list-style-type: none"> <li>●Lau Chia Nguang</li> <li>●Dato' Lau Eng Guang</li> <li>●Tan Sri Lau Tuang Nguang</li> <li>●Datuk Lau Joo Hong</li> <li>●Lau Joo Han</li> <li>●Lau Joo Keat</li> </ul>	41,278,746  138,943,673	31,135,302  127,188,057	41,659,700  153,547,393
Safari Bird Park & Wonderland Sdn Bhd	Sale of goods, including: <ul style="list-style-type: none"> <li>● processed and animal foods</li> <li>● raw material and livestock feed</li> <li>● fresh chicken</li> </ul> Purchase of sundries	<u>Interested Directors<sup>(26)</sup></u> <ul style="list-style-type: none"> <li>●Lau Chia Nguang</li> <li>●Dato' Lau Eng Guang</li> <li>●Tan Sri Lau Tuang Nguang</li> </ul>	99,201	4,200	7,800
Safari Wonderland Sdn Bhd	Sale of good including sale of fresh chicken Purchase of sundries and admission tickets	<u>Interested Directors<sup>(27)</sup></u> <ul style="list-style-type: none"> <li>●Lau Chia Nguang</li> <li>●Dato' Lau Eng Guang</li> <li>●Tan Sri Lau Tuang Nguang</li> </ul>	220,000  6,200	(40,134)  0	360,000  2,000



Transacting Party	Nature of transaction in LHI Group	Names of interested Related Parties	2020 Shareholders' Mandate		Proposed Renewal of Shareholders' Mandate
			Estimated aggregate value as disclosed in the circular to shareholders dated 28 May 2020 (RM)	Actual aggregate value transacted from the date on which the existing mandate was obtained i.e. 26 June 2020 up to the LPD (RM)	
Teratai Agriculture Sdn Bhd	Sale of goods including: <ul style="list-style-type: none"> <li>• livestock feed</li> <li>• veterinary products</li> <li>• provision of laboratory services income</li> </ul>	<u>Interested Major Shareholders and Directors<sup>(28)</sup></u> <ul style="list-style-type: none"> <li>• Datuk Lau Joo Hong</li> <li>• Lau Joo Han</li> </ul> <u>Interested Major Shareholders<sup>(28)</sup></u> <ul style="list-style-type: none"> <li>• Lau Joo Heng</li> <li>• Lau Jui Peng</li> </ul> <u>Interested Directors<sup>(28)</sup></u> <ul style="list-style-type: none"> <li>• Lau Chia Nguang</li> <li>• Dato' Lau Eng Guang</li> <li>• Tan Sri Lau Tuang Nguang</li> <li>• Lau Joo Keat</li> </ul>	86,286,336	65,530,520	101,113,052
Teratai Agriculture Vietnam Limited	Sale of goods including: <ul style="list-style-type: none"> <li>• livestock feed</li> <li>• commercial egg</li> <li>• broiler chicken</li> </ul>	<u>Interested Major Shareholders and Directors<sup>(29)</sup></u> <ul style="list-style-type: none"> <li>• Datuk Lau Joo Hong</li> <li>• Lau Joo Han</li> </ul> <u>Interested Major Shareholders<sup>(29)</sup></u> <ul style="list-style-type: none"> <li>• Lau Joo Heng</li> <li>• Lau Jui Peng</li> </ul>	384,523,606	279,600,368	444,320,000
<b>Total</b>			<b>1,034,032,462</b>	<b>702,017,433</b>	<b>1,038,910,253</b>

**Notes:**

- (1) A'Famosa Group  
Datuk Lau Chir Nguan is a director and shareholder of A'Famosa Golf Resort Bhd.
- (2) Aispuri Sdn Bhd  
Aispuri Sdn Bhd is owned by CWL&S, CNL&S, HNL&S, LTN, Lau Joo Han and Lau Joo Yong collectively. Datuk Lau Joo Hong and Lau Joo Han are directors of Aispuri Sdn Bhd.
- (3) Alam Muhibah Sdn Bhd  
CWL&S, CNL&S, HNL&S, LTN, Dato' Lau Eng Guang, Lau Joo Han and Lau Joo Yong collectively hold the entire equity interests in Alam Muhibah. Dato' Lau Eng Guang and Tan Sri Lau Tuang Nguang are directors of Alam Muhibah Sdn Bhd.
- (4) Amalan Tepat Sdn Bhd  
Datuk Lau Chir Nguan is a director and shareholder of Amalan Tepat Sdn Bhd.
- (5) Astaka Shopping Centre (Muar) Sdn Bhd  
Astaka Shopping Centre (Muar) Sdn Bhd is a wholly-owned subsidiary of Xing Ji Food Products Sdn Bhd, which in turn is wholly-owned by LHM. Datuk Lau Joo Hong, Lau Jui Peng, Lau Joo Han and Lau Joo Ping are directors of Astaka Shopping Centre (Muar) Sdn Bhd.
- (6) Chiap Hup Known You Agriculture Sdn Bhd  
Galaxy Boulevard Sdn Bhd is the ultimate holding company of Chiap Hup Known You Agriculture Sdn Bhd. Galaxy Boulevard Sdn Bhd is owned by Lau Joo Han and his spouse, Ng Swee Kheng. Lau Joo Han is a director of Chiap Hup Known You Agriculture Sdn Bhd.
- (7) Emerging Success  
The ultimate shareholders of Emerging Success are Lau Chia Nguang, Dato' Lau Eng Guang, Tan Sri Lau Tuang Nguang, Datuk Lau Joo Hong, Lau Jui Peng, Lau Joo Heng, Lau Joo Han and HNL&S. Lau Chia Nguang and Dato' Lau Eng Guang are directors of Emerging Success.

- (8) Hornbill Restoran & Kafé Sdn Bhd  
Hornbill Restoran & Kafé Sdn Bhd is owned by Dato' Lau Eng Guang's spouse, Datin Goh Kim Kooi and their children, Lau Joo Yong, Lau Geok Hong and Lau Geok Jade collectively. Lau Geok Hong is a director of Hornbill Restoran & Kafé Sdn Bhd.
- (9) Ikatan Kayangan Sdn Bhd  
Gabungan Mayang Plantation Sdn Bhd (“**GMP**”) and Tan Sri Lau Tuang Nguang are shareholders of Ikatan Kayangan Sdn Bhd. GMP is owned by:  
(a) CWL&S;  
(b) CNL&S;  
(c) HNL&S;  
(d) LTN;  
(e) Ritz Valley Sdn Bhd, a company owned by Lau Ah Lek, Lau Cheh Eng, Lau Lee Eng and Lau Kiow Eng. They are the sisters of Lau Chia Nguang,  
Dato' Lau Eng Guang and Tan Sri Lau Tuang Nguang;  
(f) Datin Chua Ah Nia @ Chua Kah Nui;  
(g) Dato' Lau Eng Guang;  
(h) Lau Joo Han; and  
(i) Lau Joo Yong collectively.
- Dato' Lau Eng Guang and Tan Sri Lau Tuang Nguang are directors of Ikatan Kayangan Sdn Bhd.
- (10) Jordon  
Jordon is a wholly-owned subsidiary of Muar Regent Holdings Pte Ltd. Lau Chia Nguang, Dato' Lau Eng Guang, Tan Sri Lau Tuang Nguang, Datuk Lau Joo Hong, Lau Jui Peng, Lau Joo Heng, Lau Joo Han and HNL&S collectively own the entire equity interests in Muar Regent Holdings Pte Ltd. Lau Chia Nguang is a director of Jordon and Muar Regent Holdings Pte Ltd.
- (11) Kemajuan Mariwan Sdn Bhd  
CWL&S, CNL&S, HNL&S, LTN, Lau Joo Han and Lau Joo Yong collectively owned the entire equity interests in Kemajuan Mariwan Sdn Bhd. Lau Joo Han is a director of Kemajuan Mariwan Sdn Bhd.

- (12) Kemajuan Mesju Sdn Bhd  
LHM is a shareholder of Kemajuan Mesju Sdn Bhd. Lau Hai Nguan is a director of Kemajuan Mesju Sdn Bhd.
- (13) Lau Joo Han  
Lau Joo Han is the owner of the property.
- (14) LHC  
LHC is owned by Lau Chia Nguang, Dato' Lau Eng Guang, Tan Sri Lau Tuang Nguang, Lau Hai Nguan, Datuk Lau Joo Hong, Lau Jui Peng, Lau Joo Heng and Lau Joo Han collectively. Lau Jui Peng and Lau Joo Ping are directors of LHC.
- (15) LHM  
LHM is owned by Lau Chia Nguang, Tan Sri Lau Tuang Nguang, Datuk Lau Joo Hong, Lau Jui Peng, Lau Joo Heng, Lau Joo Han, Lau Joo Keat and persons connected to them collectively.
- (16) Leong Hup Industries Sdn Bhd  
Leong Hup Industries Sdn Bhd is owned by Lau Chia Nguang, Dato' Lau Eng Guang, Tan Sri Lau Tuang Nguang, Lau Hai Nguan, Datuk Lau Joo Hong, Lau Jui Peng, Lau Joo Heng and Lau Joo Han collectively. Dato' Lau Eng Guang and Lau Joo Han are directors of Leong Hup Industries Sdn Bhd.
- (17) Leong Hup Pedagang Sayur  
Lau Joo Ping, is the sole proprietor of Leong Hup Pedagang Sayur.
- (18) Pengangkutan Mekar Sdn Bhd  
Tan Sri Lau Tuang Nguang is a shareholder and a director of Pengangkutan Mekar Sdn Bhd.
- (19) Perfect Breeding And Aquatic Corporation  
Tan Sri Lau Tuang Nguang and Lau Jui Peng are shareholders and directors of Perfect Breeding And Aquatic Corporation.

- (20) Perfect Food Solutions Pte Ltd  
Perfect Food Solutions Pte Ltd is a wholly-owned subsidiary of Muar Regent Holdings Pte Ltd. Lau Chia Nguang, Dato' Lau Eng Guang, Tan Sri Lau Tuang Nguang, Datuk Lau Joo Hong, Lau Jui Peng, Lau Joo Heng, Lau Joo Han and HNL&S collectively own the entire equity interests in Muar Regent Holdings Pte Ltd. Lau Chia Nguang is a director of Muar Regent Holdings Pte Ltd.
- (21) Phil Malay Poultry Breeders, Inc  
Estate of Dato' Lau Bong Wong, Tan Sri Lau Tuang Nguang and Lau Jui Peng collectively own the entire equity interests in Phil Malay Poultry Breeders, Inc. Tan Sri Lau Tuang Nguang and Lau Jui Peng are directors of Phil Malay Poultry Breeders, Inc. Lau Joo Han is deemed interested in Phil Malay Poultry Breeders, Inc by virtue of him being the sole beneficiary of Estate of Dato' Lau Bong Wong.
- (22) Poly-Yarn Industries Sdn Bhd  
LHM, LHC and Estate of Dato' Lau Bong Wong collectively own the entire equity interests in Poly-Yarn Industries Sdn Bhd. Lau Joo Han is deemed interested in Poly-Yarn Industries Sdn Bhd by virtue of him being the sole beneficiary of Estate of Dato' Lau Bong Wong. Lau Joo Han is a director of Poly-Yarn Industries Sdn Bhd.
- (23) Popular Yield Sdn Bhd  
Popular Yield Sdn Bhd is owned by Lau Chia Nguang, Dato' Lau Eng Guang, Tan Sri Lau Tuang Nguang, Lau Hai Nguan, Datuk Lau Joo Hong, Lau Jui Peng, Lau Joo Heng and Lau Joo Han collectively. Lau Joo Pern and Lau Joo Yong are directors of Popular Yield Sdn Bhd.
- (24) PT Leong Hup Jayaindo  
Emerging Success and Lau Chia Nguang collectively own the entire equity interests in PT Leong Hup Jayaindo. The ultimate shareholders of Emerging Success are Lau Chia Nguang, Dato' Lau Eng Guang, Tan Sri Lau Tuang Nguang, Datuk Lau Joo Hong, Lau Jui Peng, Lau Joo Heng, Lau Joo Han and HNL&S. Dato' Lau Eng Guang and Lau Joo Hwa sit on the board of commissioners of PT Leong Hup Jayaindo.
- (25) PT Sehat Cerah Indonesia  
PT Sehat Cerah Indonesia is a subsidiary of PT Leong Hup Jayaindo which in turn is collectively owned by Emerging Success and Lau Chia Nguang.

(26) Safari Bird Park & Wonderland Sdn Bhd

Dato' Lau Eng Guang and his spouse, Datin Goh Kim Kooi, own the entire equity interests in Safari Bird Park & Wonderland Sdn Bhd. Dato' Lau Eng Guang is a director of Safari Bird Park & Wonderland Sdn Bhd.

(27) Safari Wonderland Sdn Bhd

Datuk Lau Chir Nguan is a director and shareholder of Safari Wonderland Sdn Bhd

(28) Teratai Agriculture Sdn Bhd

Teratai Agriculture Sdn Bhd is owned by Datin Heng Ah Pee, Datin Chua Ah Nia @ Chua Kah Nui, Goh Cha Boh @ Goh Hui Siang, Datin Goh Kim Kooi, Lai Chong Koo and Puan Sri Wong Kee Choo collectively. Lau Joo Han and Lau Joo Ping are directors of Teratai Agriculture Sdn Bhd.

(29) Teratai Agriculture Vietnam Limited

Teratai Agriculture Vietnam Limited is a subsidiary of Joint Honest International Enterprise Limited (“**Joint Honest**”). The ultimate shareholders of Joint Honest are Datuk Lau Joo Hong and Lau Joo Han.

(ii) Proposed New Shareholders' Mandate

Transacting Party	Nature of transaction in LHI Group	Names of interested Related Parties	Actual aggregate value transacted from 26 June 2020 to LPD (RM)	Estimated aggregate value to be transacted from the forthcoming AGM on 25 June 2021 to the next AGM (RM)
Chiap Hup Known You Agriculture Sdn Bhd	Rental payable	<u>Interested Major Shareholder and Director<sup>(2)</sup></u> ●Lau Joo Han	0	30,000
Goh Cha Boh @ Goh Hui Siang	Rental payable <sup>(1)</sup>	<u>Interested Directors<sup>(3)</sup></u> ●Lau Chia Nguang	75,000	90,000
Jaya Belembang Sdn Bhd	Rental payable <sup>(1)</sup>	<u>Interested Major Shareholders and Directors<sup>(4)</sup></u> ●Datuk Lau Joo Hong ●Lau Joo Han <u>Interested Major Shareholders<sup>(4)</sup></u> ●CWL&S ●Lau Joo Heng ●Lau Jui Peng <u>Interested Directors<sup>(4)</sup></u> ●Lau Chia Nguang ●Dato' Lau Eng Guang ●Tan Sri Lau Tuang Nguang ●Lau Joo Keat	30,000	36,000
Lau Jui Peng	Rental Payable <sup>(1)</sup>	<u>Interested Major Shareholders<sup>(5)</sup></u> ●Lau Jui Peng	2,600	7,800

Transacting Party	Nature of transaction in LHI Group	Names of interested Related Parties	Actual aggregate value transacted from 26 June 2020 to LPD (RM)	Estimated aggregate value to be transacted from the forthcoming AGM on 25 June 2021 to the next AGM (RM)
Peninsular Forest Management Sdn Bhd	Sale of goods including <sup>(1)</sup> : <ul style="list-style-type: none"> <li>● fresh chicken</li> <li>● veterinary products</li> </ul>	<u>Interested Major Shareholders and Directors<sup>(6)</sup></u> <ul style="list-style-type: none"> <li>● Datuk Lau Joo Hong</li> <li>● Lau Joo Han</li> </ul> <u>Interested Major Shareholders<sup>(6)</sup></u> <ul style="list-style-type: none"> <li>● CWL&amp;S</li> <li>● Lau Joo Heng</li> <li>● Lau Jui Peng</li> </ul> <u>Interested Directors<sup>(6)</sup></u> <ul style="list-style-type: none"> <li>● Lau Chia Nguang</li> <li>● Dato' Lau Eng Guang</li> <li>● Tan Sri Lau Tuang Nguang</li> <li>● Lau Joo Keat</li> </ul>	39,284	50,000
Sri Menawan Sdn Bhd	Procurement of services including <sup>(1)</sup> : <ul style="list-style-type: none"> <li>● hotel accommodation services</li> <li>● rental payable</li> </ul>	<u>Interested Major Shareholders and Directors<sup>(7)</sup></u> <ul style="list-style-type: none"> <li>● Datuk Lau Joo Hong</li> <li>● Lau Joo Han</li> </ul> <u>Interested Major Shareholders<sup>(7)</sup></u> <ul style="list-style-type: none"> <li>● Lau Joo Heng</li> <li>● Lau Jui Peng</li> </ul> <u>Interested Directors<sup>(7)</sup></u> <ul style="list-style-type: none"> <li>● Lau Chia Nguang</li> <li>● Dato' Lau Eng Guang</li> <li>● Tan Sri Lau Tuang Nguang</li> <li>● Lau Joo Keat</li> </ul>	468,057	602,000



Transacting Party	Nature of transaction in LHI Group	Names of interested Related Parties	Actual aggregate value transacted from 26 June 2020 to LPD (RM)	Estimated aggregate value to be transacted from the forthcoming AGM on 25 June 2021 to the next AGM (RM)
Teratai Agriculture Sdn Bhd	Rental payable <sup>(1)</sup>	<u>Interested Major Shareholders and Directors<sup>(8)</sup></u> ●Datuk Lau Joo Hong ●Lau Joo Han <u>Interested Major Shareholders<sup>(8)</sup></u> ●Lau Joo Heng ●Lau Jui Peng <u>Interested Directors<sup>(8)</sup></u> ●Lau Chia Nguang ●Dato' Lau Eng Guang ●Tan Sri Lau Tuang Nguang ●Lau Joo Keat	650	7,800
		<b>Total</b>	615,591	823,600

**Notes:**

(1) These are on-going transactions during the period from 26 June 2020 up to the LPD and the aggregate value of the transactions was not more than the threshold as prescribed under Paragraph 10.09(1) of the Listing Requirements.

(2) Chiap Hup Known You Agriculture Sdn Bhd

Galaxy Boulevard Sdn Bhd is the ultimate holding company of Chiap Hup Known You Agriculture Sdn Bhd. Galaxy Boulevard Sdn Bhd is owned by Lau Joo Han and his spouse, Ng Swee Kheng. Lau Joo Han is a director of Chiap Hup Known You Agriculture Sdn Bhd.

(3) Goh Cha Boh @ Goh Hui Siang

Goh Cha Boh @ Goh Hui Siang, spouse of Lau Chia Nguang is the owner of the property.

(4) Jaya Belembang Sdn Bhd

Jaya Belembang Sdn Bhd is owned by CWL&S, CNL&S, HNL&S, LTN, Lau Joo Han and Lau Joo Yong collectively. Lau Joo Han and Lau Joo Yong are directors of Jaya Belembang Sdn Bhd.

(5) Lau Jui Peng

Lau Jui Peng is the owner of the property.

(6) Peninsular Forest Management Sdn Bhd

Mega Perfect Sdn Bhd (“MP”) is shareholder of Peninsular Forest Management Sdn Bhd. MP is owned by CWL&S, CNL&S, HNL&S, LTN, Datin Goh Kim Kooi, Lau Joo Han and Lau Joo Yong collectively. Dato’ Lau Eng Guang and Tan Sri Lau Tuang Nguang are directors of Peninsular Forest Management Sdn Bhd.

(7) Sri Menawan Sdn Bhd

Sri Menawan Sdn Bhd is owned by Datin Heng Ah Pee, Datin Chua Ah Nia @ Chua Kah Nui, Goh Cha Boh @ Goh Hui Siang, Datin Goh Kim Kooi, Lai Chong Koo and Puan Sri Wong Kee Choo collectively. Datin Heng Ah Pee, Lai Chong Koo and Puan Sri Wong Kee Choo are directors of Sri Menawan Sdn Bhd.

(8) Teratai Agriculture Sdn Bhd

Teratai Agriculture Sdn Bhd is owned by Datin Heng Ah Pee, Datin Chua Ah Nia @ Chua Kah Nui, Goh Cha Boh @ Goh Hui Siang, Datin Goh Kim Kooi, Lai Chong Koo and Puan Sri Wong Kee Choo collectively. Lau Joo Han and Lau Joo Ping are directors of Teratai Agriculture Sdn Bhd.

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## 2.5. Amount due and owing by the Related Parties pursuant to the RRPTs

As at 31 December 2020, there was no amount due and owing by the Related Parties to the Company that has exceeded the credit term given.

## 2.6. Review procedures for the RRPTs

To ensure that the RRPTs are undertaken on an arm's length basis and on normal commercial terms that are consistent with LHI Group's usual business practices and policies and on transaction prices and terms not more favourable to the Related Parties than those generally available to the public, and are not detrimental to the interest of the minority shareholders of the Company, the ARC has been tasked with the review of related party transactions.

The Company has established the following procedures for the review of RRPT:

- (a) A list of Related Parties shall be circulated to the operating divisions and the Company's subsidiaries to notify that all RRPTs are required to be undertaken on (i) an arm's length basis and (ii) normal commercial terms and transaction prices which are not more favourable to the Related Parties than those generally available to the public;
- (b) All RRPTs entered or to be entered into will be reviewed by the ARC and reported to the Board to ensure the transactions are not more favourable to the Related Parties and are not to the detriment of the minority shareholders;
- (c) Proper records shall be maintained to record all RRPTs entered or to be entered into pursuant to the Proposed Renewal of Shareholders' Mandate and Proposed New Shareholders' Mandate to ensure the accurate disclosure thereof;
- (d) The transaction prices are based on prevailing market rates or prices that are agreed upon under normal commercial terms for transactions with third parties, business practices and policies and on terms which are generally in line with industry norms;
- (e) The ARC shall review the internal audit reports to ascertain that the guidelines and procedures established to monitor the RRPT are complied with and the review shall be done quarterly with the review of the quarterly financial result;
- (f) Where a member of the Board or the ARC has an interest (direct or indirect) in any particular RRPT, he/she shall declare his/her interest in the RRPT and will have to refrain from deliberation and abstain from voting on the matter at the Board or ARC meetings in respect of that RRPT; and
- (g) The internal threshold approval of all RRPTs entered into by LHI Group is subject to the review by the ARC and approval by the Board regardless of the amount.

Generally, the prices and terms and conditions of the RRPTs are based on market rates and industry practices, the availability of the amount to be transacted and negotiated are on a "willing buyer-willing seller" basis, so that there is no conflict of interest. Whilst assessing a memorandum to be put up before the ARC and/or Board for approval, the ARC and/or Board may review the following documents or seek the following information from the management in order to determine if the transaction is in the ordinary course of business and whether it is at arm's length:

- (a) Nature of transaction, such as details of sales and purchase of goods, or property to be acquired/sold, or services to be rendered;
- (b) Key terms, such as price and other commercial terms and conditions stipulated under the contract of the proposed transaction, including its value and quantum;
- (c) Key covenants as per contract to be entered into for such transaction;

- (d) Benchmarking information that may have an impact on the arm's length assessment such as:
  - (i) Management's assessment of pricing terms and business justification for the proposed transaction;
  - (ii) Comparative analysis, if any, of such other transaction entered into by LHI Group;
  - (iii) Market analysis, industry trends, financial forecast or price publication such as consumer price index, property prices, interest rate, commodity prices, whichever is relevant; and
  - (iv) Whether the transactions are in the ordinary course of business.

Wherever practical or feasible, at least 2 other contemporaneous transactions with unrelated third parties for similar product/services and/or quantities will be used as comparison, 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 product/services and/or quantities. In the event that quotation or comparative pricing from unrelated third parties cannot be obtained, the transaction price will be determined by LHI Group based on those offered to/by other independent third parties for the same or substantially similar type of transaction to ensure that the RRPTs are not detrimental to LHI Group.

## **2.7. Statement by the ARC**

The ARC has seen and reviewed the procedures in Section 2.6 above and is satisfied that the processes and procedures established for RRPTs are sufficient to ensure that the RRPTs are conducted at arm's length basis, and they are fair, reasonable, and on normal commercial terms and transaction prices which are not more favourable to the Related Parties than those generally available to the public and are not detrimental to the interest of the minority shareholders.

The ARC is of the view that LHI Group has put in place adequate procedures and processes to monitor, track and identify RRPTs in a timely and orderly manner. Furthermore, the ARC shall also have the discretion to amend the procedures which are no longer appropriate or adequate, to ensure the RRPTs are, at all times, carried out on terms which are consistent with LHI Group's practices and are not detrimental to the interest of the minority shareholders. These processes and procedures are reviewed on an annual basis or whenever the need arises.

## **3. RATIONALE AND BENEFITS FOR THE PROPOSALS**

The RRPTs entered or to be entered into by LHI Group are recurrent transactions of revenue or trading in nature conducted in the ordinary course of business of LHI Group and reflect the long term commercial relationship with the Related Parties, which are likely to continue in the future on a frequent and recurrent basis from time to time.

These RRPTs may be constrained by the time-sensitive nature and confidentiality of the same, and it may be impractical to seek shareholders' approval on a case-to-case basis before entering into such RRPT. In this regard, the Company is seeking its shareholders' approval for the mandate pursuant to Paragraph 10.09 of the Listing Requirements for the RRPTs, as described in Section 2.4, which have been entered or to be entered into on an arm's length basis, are on normal commercial terms and transaction prices which are not more favourable to the Related Parties than those generally available to the public and are not to the detriment of the minority shareholders.

The Proposed Renewal of Shareholders' Mandate and Proposed New Shareholders' Mandate would eliminate the need to make announcements to Bursa Securities and/or to convene separate general meetings from time to time to seek shareholders' approval as and when the RRPTs occur. This would substantially reduce the administrative time, inconvenience and resources associated with the convening of such meetings, without compromising the corporate objectives or adversely affecting the business opportunities available to LHI Group.

LHI Group has a long standing business relationship with the Related Parties. The Directors are of the view that the close working relationship of LHI Group and the Related Parties has over the years benefited LHI Group's overall business and boosted business volume of LHI Group.

It should also be emphasised that the Related Parties are not under any obligation to enter into transactions with LHI Group and vice versa. Ultimately, all business transactions are entered into with the intention of profiting from market situations within normal trade practices. Therefore, external market prices and conditions are important factors that determine transaction prices between LHI Group and the Related Parties.

#### 4. EFFECTS OF THE PROPOSALS

The Proposals are not expected to have any effect on the issued and paid-up share capital of the Company and its substantial shareholders' shareholdings and are not expected to have a material effect on the NA per share, gearing or EPS of LHI Group.

The Proposals are in relation to the transactions which are of revenue or trading nature and form part of LHI Group's day-to-day operations. As such, those transactions will contribute positively to LHI Group's financial performance and EPS.

#### 5. APPROVALS REQUIRED

The Proposals are subject to the approval of the shareholders of LHI at the forthcoming Seventh AGM.

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

Save as disclosed below, none of the Directors or Major Shareholders and/or Persons Connected to them have any interests, direct or indirect, in the Proposals:

	Direct		Indirect	
	No. of Shares	%	No. of Shares	%
<b>Interested Directors</b>				
Lau Chia Nguang	-	-	58,633,207 <sup>(1)</sup>	1.606
Dato' Lau Eng Guang	52,247,007	1.431	11,439,500 <sup>(2)</sup>	0.313
Tan Sri Lau Tuang Nguang	-	-	62,721,960 <sup>(3)</sup>	1.718
Datuk Lau Joo Hong	27,670,543	0.758	1,927,201,000 <sup>(4)</sup>	52.800
Lau Joo Han	90,499,132	2.479	1,927,201,000 <sup>(5)</sup>	52.800
Lau Joo Keat	-	-	58,633,207 <sup>(6)</sup>	1.606
<b>Interested Major Shareholders</b>				
EGSB	1,927,201,000	52.800	-	-
CWL&S	-	-	1,927,201,000 <sup>(7)</sup>	52.800
Datuk Lau Joo Hong	27,670,543	0.758	1,927,201,000 <sup>(4)</sup>	52.800
Lau Jui Peng	24,583,822	0.674	1,927,201,000 <sup>(4)</sup>	52.800
Lau Joo Heng	24,583,822	0.674	1,927,201,000 <sup>(4)</sup>	52.800
Lau Joo Han	90,499,132	2.479	1,927,201,000 <sup>(5)</sup>	52.800
<b>Persons connected to the Interested Directors and/or Major Shareholders</b>				
CNLH	58,633,207	1.606	-	-
TNLH	62,721,960	1.718	-	-

	Direct		Indirect	
	No. of Shares	%	No. of Shares	%
HNL&S	58,633,207	1.606	-	-
Lau Joo Yong	2,554,500	0.070	-	-
Lau Joo Kien Brian	8,885,000	0.243	-	-
Lau Lee Eng	2,000	Negligible	-	-
Lau Meng Hong	6,400,000	0.175	-	-

**Notes:**

- (1) Deemed interested by virtue of his shareholdings in CNLH pursuant to Section 8(4) of the Act.
- (2) Deemed interested by virtue of his children's shareholdings in LHI pursuant to Section 59(11)(c) of the Act.
- (3) Deemed interested by virtue of his shareholdings in TNLH pursuant to Section 8(4) of the Act.
- (4) Deemed interested by virtue of his shareholdings in EGSB through his shareholdings held in CWL&S pursuant to Section 8(4) of the Act.
- (5) Deemed interested by virtue of his shareholdings in EGSB pursuant to Section 8(4) of the Act.
- (6) Deemed interested by virtue of his shareholdings in HNL&S pursuant to Section 8(4) of the Act.
- (7) Deemed interested by virtue of its shareholdings in EGSB pursuant to Section 8(4) of the Act.

The interested Directors have abstained and will continue to abstain from all Board's deliberations and voting in respect of the Proposals. Further, they will abstain from voting in respect of their direct or indirect interests on the resolution approving the Proposals at the forthcoming Seventh AGM.

In addition, the interested Major Shareholders will abstain from voting in respect of their direct or indirect shareholdings in the Company, on the resolution approving the Proposals at the forthcoming Seventh AGM.

The aforesaid interested Directors and interested Major Shareholders have also undertaken and will ensure that the Persons Connected with them will abstain from voting in respect of their direct or indirect shareholdings in the Company on the resolution deliberating or approving the Proposals at the forthcoming Seventh AGM.

Save as disclosed above, none of the other Directors, Major Shareholders and/or Persons Connected to them have any interest, direct or indirect, in the Proposals.

## **7. DIRECTORS' RECOMMENDATION**

Having considered all aspects of the Proposals, the Board (save for the interested Directors), is of the opinion that the Proposals are in the best interest of the Company and accordingly recommends that you vote in favour of the ordinary resolutions pertaining to the Proposals to be tabled at the forthcoming Seventh AGM.

## **8. AGM**

The ordinary resolutions in respect of the Proposals are set out in the Notice of the Seventh AGM contained in the Annual Report 2020 of the Company. The Seventh AGM of the Company will be held entirely through live streaming from the Broadcast Venue at Summit 3 Conference Room, 3rd Floor, Wisma Westcourt, 126, Jalan Klang Lama, 58000 Kuala Lumpur, Malaysia on Friday, 25 June 2021 at 10.30 a.m. or at any adjournment thereof.

If you are unable to attend and vote remotely at the Seventh AGM, you may complete, sign and return the proxy form enclosed in the Annual Report 2020 of the Company, in accordance with the instructions printed thereon as soon as possible and in any event, so as to arrive at the office of the Share Registrar of the Company, Tricor Investor & Issuing House Services Sdn Bhd at Unit 32-01,

Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or the Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or alternatively, to submit your proxy form electronically via TIIH Online at <https://tiah.online> not less than 48 hours before the time set for holding the meeting or at any adjournment thereof.

## **9. FURTHER INFORMATION**

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

Yours faithfully,  
For and on behalf of the Board of  
**LEONG HUP INTERNATIONAL BERHAD**

**LOW HAN KEE**  
Senior Independent Non-Executive Director



**PART B**

**STATEMENT TO SHAREHOLDERS IN RELATION TO  
THE PROPOSED RENEWAL OF AUTHORITY FOR THE COMPANY TO PURCHASE ITS  
OWN SHARES**



## **LEONG HUP INTERNATIONAL BERHAD**

Registration No. 201401022577 (1098663-D)  
(Incorporated in Malaysia)

Registered Office:  
Unit 30-01, Level 30, Tower A  
Vertical Business Suite  
Avenue 3, Bangsar South  
No. 8, Jalan Kerinchi  
59200 Kuala Lumpur  
Malaysia

25 May 2021

### **Board of Directors:**

Lau Chia Nguang (Non-Independent Executive Chairman)  
Dato' Lau Eng Guang (Non-Independent Executive Director)  
Tan Sri Lau Tuang Nguang (Non-Independent Executive Director/ Group Chief Executive Officer)  
Datuk Lau Joo Hong (Non-Independent Executive Director/ Group Chief Operating Officer)  
Lau Joo Han (Non-Independent Executive Director)  
Lau Joo Keat (Non-Independent Executive Director)  
Benny Lim Jew Fong (Non-Independent Non-Executive Director)  
Low Han Kee (Senior Independent Non-Executive Director)  
Datin Paduka Rashidah Binti Ramli (Independent Non-Executive Director)  
Mahani Binti Amat (Independent Non-Executive Director)  
Chu Nyet Kim (Independent Non-Executive Director)  
Goh Wen Ling (Independent Non-Executive Director)  
Tay Tong Poh (Independent Non-Executive Director)

### **To: The Shareholders of Leong Hup International Berhad**

Dear Sir/Madam,

### **PROPOSED RENEWAL OF AUTHORITY FOR THE COMPANY TO PURCHASE ITS OWN SHARES**

#### **1. INTRODUCTION**

At the Sixth AGM of the Company held on 26 June 2020, the Company had obtained a mandate from its shareholders to allow the Company to buy back up to 10% of its total number of issued shares. The said mandate shall, in accordance with the Listing Requirements, lapse at the conclusion of the forthcoming Seventh AGM to be convened on 25 June 2021, unless a fresh mandate is obtained from the shareholders.

The Company had, on 20 May 2021, announced its intention to seek shareholders' approval for the proposed renewal of authority for the Company to purchase its own ordinary shares.

The purpose of this Statement is to provide you with details of the Proposed Renewal of Share Buy-Back Authority and to seek your approval for the proposed resolution to be tabled as Special Business at the forthcoming Seventh AGM of the Company. The Notice of the Seventh AGM and the proxy form are enclosed in the Annual Report 2020 of the Company.

**YOU ARE ADVISED TO READ AND CONSIDER CAREFULLY THE CONTENTS OF THIS STATEMENT BEFORE VOTING ON THE ORDINARY RESOLUTION PERTAINING TO THE PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY TO BE TABLED AT THE FORTHCOMING SEVENTH AGM.**

## **2. DETAILS OF THE PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY**

The Board is proposing to seek its shareholders' approval for the renewal of authority for the Company to purchase its own shares of up to ten percent (10%) of its total number of issued shares at any point in time, subject to the compliance with the Act, the Listing Requirements and any prevailing laws, rules, regulations, guidelines and other requirements issued by the relevant authorities.

The approval from shareholders for the Proposed Renewal of Share Buy-Back Authority, shall be effective immediately upon the passing of the ordinary resolution on the Proposed Renewal of Share Buy-Back Authority at the forthcoming Seventh AGM and will continue to be in force until:

- (i) the conclusion of the next AGM of the Company at which time the authority shall lapse unless by an ordinary resolution passed at the general meeting, the authority is renewed, either unconditionally or subject to conditions; or
- (ii) the expiration of the period within which the next AGM after that date is required by law to be held; or
- (iii) revoked or varied by an ordinary resolution passed by the shareholders of the Company in a general meeting,

whichever occurs first.

Shareholders' approval for the Proposed Renewal of Share Buy-Back Authority does not impose an obligation on the Company to purchase its own shares on Bursa Securities. The Proposed Renewal of Share Buy-Back Authority will allow the Board to exercise the power of the Company to purchase its own shares at any time within the abovementioned time period.

## **3. QUANTUM**

As at the LPD, the total number of shares issued by the Company is 3,650,000,000 shares. For illustration purposes, the maximum number of shares which may be purchased and/or held by the Company will not be more than 365,000,000 shares, based on the total number of issued shares as at the LPD.

The Company also has an ESOS of which any exercise of vested ESOS options by the Grantees will increase the total number of issued shares of the Company. As at the LPD, the Company has 33,959,000 Outstanding Options. Should the number of issued shares increase due to the exercise of Outstanding Options, the maximum aggregate number of shares that can be purchased by the Company is up to ten percent (10%) of the enlarged total number of issued shares at the time of purchase.

#### **4. FUNDING**

The Proposed Renewal of Share Buy-Back Authority will be funded through internally generated funds and/or bank borrowings, the proportion of which will depend on, among others, the availability of internally generated funds, the actual number of shares to be purchased and other relevant cost factors at the time of purchase(s). The actual number of shares to be purchased and/or held will also depend on the market conditions, sentiments of the stock market as well as financial resources available to the Company. In the event the purchase of shares is to be partly financed by bank borrowings, the Board will ensure that it has capability of repaying the borrowings and the repayment of borrowings will not have any material effect on the Company's cash flows. In addition, the Board will ensure that the Company satisfies the solvency test as stated under Section 112(2) of the Act before executing the Proposed Renewal of Share Buy-Back Authority.

In accordance with the Listing Requirements, the funds for the Proposed Renewal of Share Buy-Back Authority must be made wholly out of retained profits of the Company. As such, the Board proposes to allocate a maximum amount not exceeding the aggregate sum of the retained profits of the Company at the time of such purchase(s). Based on the Company's latest audited financial statements for the FYE 31 December 2020 and the unaudited financial results for the period ended 31 March 2021, the accumulated retained earnings of the Company were RM32,945,000 and RM31,307,000 respectively.

#### **5. TREATMENT OF PURCHASED SHARES**

Pursuant to the provision of Section 127(4) of the Act, the Board may resolve, at its discretion, to deal with the purchased shares in the following manner:

- (i) cancel the shares so purchased; or
- (ii) retain the shares so purchased in treasury which is known as "treasury shares" in the Act; or
- (iii) retain a portion of the shares so purchased as treasury shares and cancel the remainder of the shares.

Accordingly, based on Section 127(7) of the Act, where such shares are held as treasury shares, the Board may, at its discretion:

- (i) distribute the treasury shares as dividends to shareholders, such dividends to be known as "share dividends";
- (ii) resell the treasury shares, or any of the treasury shares, in accordance with the relevant rules of Bursa Securities;
- (iii) transfer the treasury shares, or any of the treasury shares, for the purpose of or under an employees' share scheme or such other purposes as allowed under the Act;
- (iv) transfer the treasury shares, or any of the treasury shares as purchase consideration;
- (v) cancel the treasury shares, or any of the treasury shares; or
- (vi) sell, transfer or otherwise use the treasury shares for such other purposes as the Minister may by order prescribe.

Upon each purchase of the shares pursuant to the Proposed Renewal of Share Buy-Back Authority, an immediate announcement will be made to Bursa Securities in respect of the intention of the Board to either retain the shares purchased as treasury shares or cancel them or a combination of both. An immediate announcement will also be made to Bursa Securities of any resale, transfer or cancellation of shares so purchased.

While the purchased shares are held as treasury shares, the right attached to them as to voting, dividends and participation in any other distribution or otherwise are suspended, and the treasury shares shall not be taken into account in calculating the number or percentage of shares or a class of shares in the Company for any purposes including substantial shareholdings, takeovers, notices, the requisitioning of meetings, the quorum for meetings and the result of a vote on a resolution at a meeting of the shareholders.

## **6. PRICING**

Pursuant to the Listing Requirements, the Company may only purchase its own shares at a price which is not more than fifteen percent (15%) above the weighted average market price of the shares for the five (5) market days immediately preceding the date of any purchase(s).

In the case of a resale or transfer of the treasury shares on Bursa Securities, the Company may only resell any treasury shares at:

- (i) a price which is not less than the weighted average market price of the shares for five (5) market days immediately prior to the date of the resale or transfer; or
- (ii) a discounted price of not more than five percent (5%) to the weighted average market price for the shares for five (5) market days immediately prior to the date of the resale or transfer, provided that:
  - a. the resale or transfer takes place not earlier than thirty (30) days from the date of the purchase; and
  - b. the resale or transfer price is not less than the cost of purchase of the shares being resold or transferred.

## **7. PURCHASE, RESALE, TRANSFER AND CANCELLATION OF SHARES MADE IN THE PREVIOUS 12 MONTHS**

The Company does not hold any treasury shares and has not purchased, resold, transferred or cancelled any of its shares during the last 12 months preceding the LPD.

## **8. PUBLIC SHAREHOLDING SPREAD**

The Proposed Renewal of Share Buy-Back Authority will be carried out in compliance with the prevailing laws at the time of purchase including compliance with Paragraph 8.02(1) of the Listing Requirements which requires at least 25% of the total number of issued shares (excluding treasury shares) of the Company to be in the hands of public shareholders.

In this regard, the Company will ensure that prior to any share buy-back exercise, the minimum public shareholding spread of at least 25% is met and maintained. As at the LPD, the public shareholding spread of the Company was approximately 26.52%.

## **9. RATIONALE FOR THE PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY**

The Proposed Renewal of Share Buy-Back Authority will provide the Company with an additional option to utilise its surplus financial resources, which is not immediately required for other uses, to purchase its own shares from the open market at market prices which the Board views as favourable to help stabilise the supply and demand of shares traded on the Bursa Securities and thereby support its fundamental value.

If the purchased shares are subsequently cancelled and subsequently a lower number of shares being used for the purpose of computing EPS, all things being equal, long-term investors are expected to enjoy a corresponding increase in the value of their investments in the Company with the proportionate strengthening of the EPS and the NA per share may improve, which is in turn expected to have a positive impact on the market price of the shares.

If the purchased shares are kept as treasury shares, it will provide the Company an opportunity to resell the treasury shares at higher price in future and may potentially generate capital gains for the Company. Should the treasury shares be distributed as share dividends and/or issued under an employees' share scheme, this would serve to reward the shareholders of LHI and/or eligible employees.

## **10. POTENTIAL ADVANTAGES AND DISADVANTAGES OF THE PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY**

### **10.1. Potential advantages**

The potential advantages of the Proposed Renewal of Share Buy-Back Authority to the Company and its shareholders are as follows:

- (i) Allows the Company to take preventive measures against speculation, particularly when the shares are undervalued and this would, in turn, stabilise the market price of the shares and hence, enhance investors' confidence;
- (ii) Allows the Company the flexibility to achieve the desired capital structure, in terms of debt and equity composition and size of equity;
- (iii) Provides the Company with opportunities for potential gains if the purchased shares which are retained as treasury shares, are resold at a higher price than they were bought for; and
- (iv) Serves to reward the shareholders of the Company and/or eligible employees if the purchased shares which are retained as treasury shares, are distributed as share dividends to the shareholders and/or issued under an employees' share scheme.

### **10.2. Potential disadvantages**

The potential disadvantages of the Proposed Renewal of Share Buy-Back Authority to the Company and its shareholders are as follows:

- (i) Temporally reduces the financial resources of the Company, which may result in the Company foregoing feasible investment opportunities that may emerge in the future; and
- (ii) Reduces the financial resources available for distribution of dividends to shareholders in the immediate future as the funds to be allocated for the Proposed Renewal of Share Buy-Back Authority must be made wholly out of the retained profits of the Company.

Nevertheless, the Proposed Renewal of Share Buy-Back Authority is not expected to have any material disadvantages to the Company and its shareholders, as it will be implemented only after due consideration of the financial resources of the Company and of the resultant impact to the Company and its shareholders. The Board, in exercising any decision to purchase any of the shares, will be mindful of the Company's and its shareholders' interest.

## **11. EFFECTS OF THE PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY**

### **11.1. Issued share capital**

The Proposed Renewal of Share Buy-Back Authority will have no effect on the number of issued share capital of LHI if the purchased shares are held as treasury shares. However, the rights attaching to the treasury shares as to voting, dividends and participation in any other distributions or otherwise are suspended, and the treasury shares shall not be taken into account in calculating the number or percentage of shares or a class of shares in the Company for any purposes including substantial shareholdings, takeovers, notices, the requisitioning of meetings, the quorum for meetings and the result of a vote on a resolution at a meeting of the shareholders.

The Proposed Renewal of Share Buy-Back Authority will result in a reduction of the total number of issued shares of the Company if the purchased shares are cancelled. The effects on the issued share capital of the Company assuming up to ten percent (10%) of the issued share capital are purchased and cancelled entirely, are illustrated below:-

## Minimum Scenario

Assuming that no Options are exercised and converted into new shares during the implementation of the Proposed Renewal of Share Buy-Back Authority, the Proposed Renewal of Share Buy-Back Authority will have no effect on the issued share capital as the shares purchased are to be retained as treasury shares, resold or distributed to the shareholders.

## Maximum Scenario

Assuming that all Options are exercised and converted into new shares during the implementation of the Proposed Renewal of Share Buy-Back Authority, the effects shall be as follows-

	<u>No. of Shares</u>
Issued share capital as at the LPD	3,650,000,000
Add: Exercise of Options	33,959,000 <sup>(1)</sup>
Enlarged total number of issued shares after the exercise of Options	3,683,959,000
Less: Maximum number of shares that may be purchased and cancelled pursuant to the Proposed Renewal of Share Buy-Back Authority <sup>(2)</sup>	(368,395,900 )
Resultant share capital	<u>3,315,563,100</u>

### Notes:

(1) Assuming all the outstanding 33,959,000 Options as at the LPD are exercised.

(2) Assuming all shares purchased are cancelled.

## 11.2. NA

The effects of the Proposed Renewal of Share Buy-Back Authority on the consolidated NA of LHI Group will depend on the actual number of shares purchased, purchase price of the shares, the effective funding cost, if any, and the subsequent treatment of the shares so purchased.

The NA of LHI Group would decrease if the shares bought back are cancelled. The Proposed Renewal of Share Buy-Back Authority will reduce the consolidated NA per share if the purchase price exceeds the consolidated NA per share at the time of purchase and vice versa.

The consolidated NA of LHI Group would decrease by the cost of the treasury shares due to the requirement for treasury shares to be carried at cost and be offset against equity if the shares bought back are retained as treasury shares.

Should the shares so purchased be held as treasury shares and later resold, the consolidated NA per share of LHI Group will increase if the Company realise a gain from the resale, and vice versa. Should the treasury shares are distributed as share dividends or issued under an employees' share scheme, the NA per share of LHI Group will decrease by the cost of the treasury shares.

## 11.3. Earnings and EPS

The effects of the Proposed Renewal of Share Buy-Back Authority on the earnings and EPS of LHI Group will depend on the number of shares purchased, purchase price of the shares and the effective funding cost or loss of interest income to the Group, or opportunity cost in relation to other investment opportunities. Nevertheless, all things being equal, assuming the purchased shares are retained as treasury shares, the Proposed Renewal of Share Buy-Back Authority is expected to increase the EPS of LHI Group.

If the purchased shares are treated as treasury shares and subsequently resold, the extent of the effect to the earnings of LHI Group will depend on the actual selling price, the number of treasury shares resold and the effective gain or interest savings.

If the purchased shares are cancelled, the number of shares applied in the computation of EPS will reduce and accordingly, all things being equal, the Proposed Renewal of Share Buy-Back Authority will increase the EPS of LHI Group.

#### **11.4. Working Capital**

The Proposed Renewal of Share Buy-Back Authority will reduce the working capital and cash flow of LHI Group, the quantum of which will depend on the actual purchase price of the shares and number of shares purchased and the funding cost, if any.

For shares purchased which are kept as treasury shares, upon resale of such shares, the working capital and cash flow of LHI Group will increase assuming that a gain has been realised. The quantum of the increase in the working capital will depend on the actual selling price of the treasury shares and the number of treasury shares resold.

#### **11.5. Dividends**

The Proposed Renewal of Share Buy-Back Authority must be wholly made out of the Company's retained profits and thus, may have impact on the Company dividend rate as it will reduce the cash available for distribution of dividends to the shareholders of the Company.

Nonetheless, if the shares purchased are retained as treasury shares, the treasury shares may be distributed as dividends to the shareholders, if the Company so decides. If the shares purchased are cancelled, the Proposed Renewal of Share Buy-Back Authority will have the effect of increasing the dividend rate of the Company as a result of the reduction in the number of issued shares.

Barring any unforeseen circumstances, the Proposed Renewal of Share Buy-Back Authority is not expected to have any material impact on the policy of the Board in recommending dividends for the financial year ending 31 December 2021, which would depend on, amongst others, the profitability, cash flow position and financing requirements of the Company.



## 12. DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' SHAREHOLDINGS

### 12.1. Directors' shareholdings

The effects of the Proposed Renewal of Share Buy-Back Authority on the shareholdings of the Directors in LHI are illustrated as follows:-

**Minimum Scenario** – Assuming that no Options are exercised into new shares during the implementation of the Proposed Renewal of Share Buy-Back Authority

	As at the LPD			After the Proposed Renewal of Share Buy-Back Authority			
	Direct No. of Shares	% <sup>(1)</sup>	Indirect No. of Shares	Direct No. of Shares	% <sup>(2)</sup>	Indirect No. of Shares	% <sup>(2)</sup>
Lau Chia Nguang	-	-	58,633,207 <sup>(a)</sup>	-	-	58,633,207 <sup>(a)</sup>	1.785
Dato' Lau Eng Guang	52,247,007	1.431	11,439,500 <sup>(b)</sup>	52,247,007	1.590	11,439,500 <sup>(b)</sup>	0.348
Tan Sri Lau Tuang Nguang	-	-	62,721,960 <sup>(c)</sup>	-	-	62,721,960 <sup>(c)</sup>	1.909
Datuk Lau Joo Hong	27,670,543	0.758	1,927,201,000 <sup>(d)</sup>	27,670,543	0.842	1,927,201,000 <sup>(d)</sup>	58.667
Lau Joo Han	90,499,132	2.479	1,927,201,000 <sup>(e)</sup>	90,499,132	2.755	1,927,201,000 <sup>(e)</sup>	58.667
Lau Joo Keat	-	-	58,633,207 <sup>(f)</sup>	-	-	58,633,207 <sup>(f)</sup>	1.785
Benny Lim Jew Fong	-	-	-	-	-	-	-
Datin Paduka Rashidah Binti Ramli	500,000	0.014	-	500,000	0.015	-	-
Chu Nyet Kim	600,000	0.016	-	600,000	0.018	-	-
Goh Wen Ling	600,000	0.016	-	600,000	0.018	-	-
Mahani Binti Amat	500,000	0.014	-	500,000	0.015	-	-
Low Han Kee	500,000	0.014	10,000 <sup>(g)</sup>	500,000	0.015	10,000 <sup>(g)</sup>	Negligible
Tay Tong Poh	500,000	0.014	-	500,000	0.015	-	-

#### Notes:

- (1) Calculated based on 3,650,000,000 shares as at the LPD.
- (2) Assuming the Proposed Renewal of Share Buy-Back Authority is undertaken in full and a maximum of 365,000,000 shares are purchased from the open market, representing 10% of the total number of issued shares of LHI as at the LPD of 3,650,000,000.
  - (a) Deemed interested by virtue of his shareholdings in CNLH pursuant to Section 8(4) of the Act.
  - (b) Deemed interested by virtue of his children's shareholdings in LHI pursuant to Section 59(11)(c) of the Act.
  - (c) Deemed interested by virtue of his shareholdings in TNLH pursuant to Section 8(4) of the Act.
  - (d) Deemed interested by virtue of his shareholdings in EGSB through its shareholdings held in CWL&S pursuant to Section 8(4) of the Act.
  - (e) Deemed interested by virtue of his shareholdings in EGSB pursuant to Section 8(4) of the Act.
  - (f) Deemed interested by virtue of his shareholdings in HNL&S pursuant to Section 8(4) of the Act.
  - (g) Deemed interested by virtue of his spouse's shareholdings in LHI pursuant to Section 59(11)(c) of the Act.

**Maximum Scenario** – Assuming that the Outstanding Options are exercised into new shares during the implementation of the Proposed Renewal of Share Buy-Back Authority

	As at the LPD			After the full exercise of Options			After the Proposed Renewal of Share Buy-Back Authority					
	Direct No. of Shares	% <sup>(1)</sup>	Indirect No. of Shares	% <sup>(2)</sup>	Direct No. of Shares	% <sup>(2)</sup>	Indirect No. of Shares	% <sup>(3)</sup>	Direct No. of Shares	% <sup>(3)</sup>	Indirect No. of Shares	% <sup>(3)</sup>
Lau Chia Nguang	-	-	58,633,207 <sup>(a)</sup>	1.606	1,530,000	0.042	60,171,207 <sup>(a)</sup>	1.633	1,530,000	0.046	60,171,207 <sup>(a)</sup>	1.815
Dato' Lau Eng Guang	52,247,007	1.431	11,439,500 <sup>(b)</sup>	0.313	53,777,007	1.460	11,439,500 <sup>(b)</sup>	0.311	53,777,007	1.622	11,439,500 <sup>(b)</sup>	0.345
Tan Sri Lau Tuang Nguang	-	-	62,721,960 <sup>(c)</sup>	1.718	1,530,000	0.042	62,721,960 <sup>(c)</sup>	1.703	1,530,000	0.046	62,721,960 <sup>(c)</sup>	1.892
Datuk Lau Joo Hong	27,670,543	0.758	1,927,201,000 <sup>(d)</sup>	52.800	29,020,543	0.788	1,927,201,000 <sup>(d)</sup>	52.313	29,020,543	0.875	1,927,201,000 <sup>(d)</sup>	58.126
Lau Joo Han	90,499,132	2.479	1,927,201,000 <sup>(e)</sup>	52.800	91,774,132	2.491	1,927,201,000 <sup>(e)</sup>	52.313	91,774,132	2.768	1,927,201,000 <sup>(e)</sup>	58.126
Lau Joo Keat	-	-	58,633,207 <sup>(f)</sup>	1.606	1,275,000	0.035	58,633,207 <sup>(f)</sup>	1.592	1,275,000	0.038	58,633,207 <sup>(f)</sup>	1.768
Benny Lim Jew Fong	-	-	-	-	-	-	-	-	-	-	-	-
Datin Paduka Rashidah Binti Ramli	500,000	0.014	-	-	500,000	0.014	-	-	500,000	0.015	-	-
Chu Nyet Kim	600,000	0.016	-	-	600,000	0.016	-	-	600,000	0.018	-	-
Goh Wen Ling	600,000	0.016	-	-	600,000	0.016	-	-	600,000	0.018	-	-
Mahani Binti Amat	500,000	0.014	-	-	500,000	0.014	-	-	500,000	0.015	-	-
Low Han Kee	500,000	0.014	10,000 <sup>(g)</sup>	Negligible	500,000	0.014	10,000 <sup>(g)</sup>	Negligible	500,000	0.015	10,000 <sup>(g)</sup>	Negligible
Tay Tong Poh	500,000	0.014	-	-	500,000	0.014	-	-	500,000	0.015	-	-

**Notes:**

- (1) Calculated based on 3,650,000 shares as at the LPD.
- (2) Assuming all Outstanding Options of 33,959,000 as at LPD are exercised.
- (3) Assuming all Outstanding Options are exercised and the Proposed Renewal of Share Buy-Back Authority is undertaken in full and a maximum of 368,395,900 shares are purchased from the open market, representing 10% of the total number of issued shares of LHI of 3,683,959,000.
  - (a) Deemed interested by virtue of his shareholdings in CNLH pursuant to Section 8(4) of the Act and deemed interested by virtue of his children's shareholdings in LHI pursuant to Section 59(1)(c) of the Act.
  - (b) Deemed interested by virtue of his children's shareholdings in LHI pursuant to Section 59(1)(c) of the Act.
  - (c) Deemed interested by virtue of his shareholdings in TNLH pursuant to Section 8(4) of the Act.
  - (d) Deemed interested by virtue of his shareholdings in EGSB through its shareholdings held in CWL&S pursuant to Section 8(4) of the Act.
  - (e) Deemed interested by virtue of his shareholdings in EGSB pursuant to Section 8(4) of the Act.
  - (f) Deemed interested by virtue of his shareholdings in HNL&S pursuant to Section 8(4) of the Act.
  - (g) Deemed interested by virtue of his spouse's shareholdings in LHI pursuant to Section 59(1)(c) of the Act.

## 12.2. Substantial shareholders' shareholdings

The effects of the Proposed Renewal of Share Buy-Back Authority on the shareholdings of the Substantial Shareholders in LHI are illustrated as follows:

**Minimum Scenario** – Assuming that no Options are exercised into new shares during the implementation of the Proposed Renewal of Share Buy-Back Authority

	As at the LPD			After the Proposed Renewal of Share Buy-Back Authority			
	Direct No. of Shares	% <sup>(1)</sup>	Indirect No. of Shares	% <sup>(1)</sup>	Direct No. of Shares	Indirect No. of Shares	% <sup>(2)</sup>
EGSB	1,927,201,000	52.800	-	-	1,927,201,000	-	58.667
Clarinden Investments Pte Ltd	328,898,300	9.011	-	-	328,898,300	-	10.012
Concordant Investments Pte Ltd	-	-	328,898,300 <sup>(a)</sup>	9.011	-	328,898,300 <sup>(a)</sup>	10.012
Affinity Asia Pacific Fund IV L.P.	-	-	328,898,300 <sup>(b)</sup>	9.011	-	328,898,300 <sup>(b)</sup>	10.012
Affinity Asia Pacific Fund IV (No. 2) L.P.	-	-	328,898,300 <sup>(b)</sup>	9.011	-	328,898,300 <sup>(b)</sup>	10.012
CWL&S	-	-	1,927,201,000 <sup>(c)</sup>	52.800	-	1,927,201,000 <sup>(c)</sup>	58.667
Datuk Lau Joo Hong	27,670,543	0.758	1,927,201,000 <sup>(d)</sup>	52.800	27,670,543	1,927,201,000 <sup>(d)</sup>	58.667
Lau Jui Peng	24,583,822	0.674	1,927,201,000 <sup>(d)</sup>	52.800	24,583,822	1,927,201,000 <sup>(d)</sup>	58.667
Lau Joo Heng	24,583,822	0.674	1,927,201,000 <sup>(d)</sup>	52.800	24,583,822	1,927,201,000 <sup>(d)</sup>	58.667
Lau Joo Han	90,499,132	2.479	1,927,201,000 <sup>(c)</sup>	52.800	90,499,132	1,927,201,000 <sup>(c)</sup>	58.667

### Notes:

- (1) Calculated based on 3,650,000,000 shares as at the LPD.
- (2) Assuming the Proposed Renewal of Share Buy-Back Authority is undertaken in full and a maximum of 365,000,000 shares are purchased from the open market, representing 10% of the total number of issued shares of LHI as at the LPD of 3,650,000,000.
  - (a) Deemed interested by virtue of its shareholdings in Clarinden Investments Pte Ltd pursuant to Section 8(4) of the Act.
  - (b) Deemed interested by virtue of its shareholdings in Clarinden Investments Pte Ltd through its shareholdings held in Concordant Investments Pte Ltd pursuant to Section 8(4) of the Act.
  - (c) Deemed interested by virtue of its/his shareholdings in EGSB pursuant to Section 8(4) of the Act.
  - (d) Deemed interested by virtue of his shareholdings in EGSB through its shareholdings held in CWL&S pursuant to Section 8(4) of the Act.

**Maximum Scenario** – Assuming that the Outstanding Options are exercised into new shares during the implementation of the Proposed Renewal of Share Buy-Back Authority

	As at the LPD		After the full exercise of Options		After the Proposed Renewal of Share Buy-Back Authority	
	Direct No. of Shares	% <sup>(1)</sup> No. of Shares	Direct No. of Shares	% <sup>(2)</sup> No. of Shares	Direct No. of Shares	% <sup>(3)</sup> No. of Shares
EGSB	1,927,201,000	52.800	1,927,201,000	52.313	1,927,201,000	58.126
Clarinden Investments Pte Ltd	328,898,300	9.011	328,898,300	8.928	328,898,300	9.920
Concordant Investments Pte Ltd	-	-	-	-	-	-
Affinity Asia Pacific Fund IV L.P.	-	-	328,898,300 <sup>(a)</sup>	8.928	328,898,300 <sup>(a)</sup>	9.920
Affinity Asia Pacific Fund IV (No. 2) L.P.	-	-	328,898,300 <sup>(b)</sup>	8.928	328,898,300 <sup>(b)</sup>	9.920
CWL&S	-	-	328,898,300 <sup>(b)</sup>	8.928	328,898,300 <sup>(b)</sup>	9.920
Datuk Lau Joo Hong	27,670,543	0.758	29,020,543	0.788	29,020,543	0.875
Lau Jui Peng	24,583,822	0.674	25,858,822	0.702	25,858,822	0.780
Lau Joo Heng	24,583,822	0.674	25,783,822	0.700	25,783,822	0.778
Lau Joo Han	90,499,132	2.479	91,774,132	2.491	91,774,132	2.768
			1,927,201,000 <sup>(c)</sup>	52.313	1,927,201,000 <sup>(c)</sup>	58.126
			1,927,201,000 <sup>(d)</sup>	52.800	1,927,201,000 <sup>(d)</sup>	58.126
			1,927,201,000 <sup>(d)</sup>	52.800	1,927,201,000 <sup>(d)</sup>	58.126
			1,927,201,000 <sup>(d)</sup>	52.800	1,927,201,000 <sup>(d)</sup>	58.126
			1,927,201,000 <sup>(c)</sup>	52.800	1,927,201,000 <sup>(c)</sup>	58.126

**Notes:**

- (1) Calculated based on 3,650,000,000 shares as at the LPD.
- (2) Assuming all Outstanding Options of 33,959,000 as at LPD are exercised.
- (3) Assuming all Outstanding Options are exercised and the Proposed Renewal of Share Buy-Back Authority is undertaken in full and a maximum of 368,395,900 shares are purchased from the open market, representing 10% of the total number of issued shares of LHI of 3,683,959,000.
  - (a) Deemed interested by virtue of its shareholdings in Clarinden Investments Pte Ltd pursuant to Section 8(4) of the Act.
  - (b) Deemed interested by virtue of its shareholdings in Clarinden Investments Pte Ltd through its shareholdings held in Concordant Investments Pte Ltd pursuant to Section 8(4) of the Act.
  - (c) Deemed interested by virtue of its/his shareholdings in EGSB pursuant to Section 8(4) of the Act.
  - (d) Deemed interested by virtue of his shareholdings in EGSB through its shareholdings held in CWL&S pursuant to Section 8(4) of the Act.

### **13. IMPLICATIONS OF THE PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY RELATING TO THE CODE AND THE RULES**

The Company does not intend to undertake the Proposed Renewal of Share Buy-Back Authority such that it will trigger any obligation to undertake a mandatory general offer pursuant to the Code and the Rules.

In the event the Proposed Renewal of Share Buy-Back Authority results in any parties triggering a mandatory offer obligation under the Code and the Rules, which is an action outside their direct participation, the relevant parties shall make the necessary application to the Securities Commission Malaysia for a waiver to undertake a mandatory offer pursuant to the Rules.

### **14. HISTORICAL SHARE PRICE**

The monthly highest and lowest prices at which the shares as traded on Bursa Securities for the preceding twelve (12) months from May 2020 up to April 2021 are as follows:-

<b>Month and Year</b>	<b>Highest (RM)</b>	<b>Lowest (RM)</b>
<b>2020</b>		
May	0.630	0.590
June	0.830	0.640
July	0.935	0.805
August	0.880	0.765
September	0.795	0.640
October	0.760	0.665
November	0.710	0.660
December	0.765	0.685
<b>2021</b>		
January	0.695	0.667
February	0.710	0.670
March	0.790	0.690
April	0.760	0.690

The last transacted price of the shares as at the LPD was RM 0.710.

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

Save for the proportionate increase in the percentage of shareholdings and/or voting rights of the Directors and Major Shareholders of the Company in their capacities as the shareholders of the Company as a result of the implementation of the Proposed Renewal of Share Buy-Back Authority, none of the Directors, Major Shareholders and/or Person(s) Connected to them, if any, have any interest, direct or indirect, in the Proposed Renewal of Share Buy-Back Authority.

### **16. APPROVALS REQUIRED**

The Proposed Renewal of Share Buy-Back Authority is subject to the approval of the shareholders of LHI at the forthcoming Seventh AGM.

## **17. DIRECTORS' STATEMENT AND RECOMMENDATION**

The Board, having considered all aspects of the Proposed Renewal of Share Buy-Back Authority, is of the opinion that the Proposed Renewal of Share Buy-Back Authority is in the best interest of the Company and accordingly recommends that you vote in favour of the ordinary resolution pertaining to the Proposed Renewal of Share Buy-Back Authority to be tabled at the forthcoming Seventh AGM.

## **18. AGM**

The ordinary resolution in respect of the Proposed Renewal of Share Buy-Back Authority is set out in the Notice of the Seventh AGM contained in the Annual Report 2020 of the Company. The Seventh AGM of the Company will be held entirely through live streaming from the Broadcast Venue at Summit 3 Conference Room, 3rd Floor, Wisma Westcourt, 126, Jalan Klang Lama, 58000 Kuala Lumpur, Malaysia on Friday, 25 June 2021 at 10.30 a.m. or at any adjournment thereof.

If you are unable to attend and vote remotely at the Seventh AGM, you may complete, sign and return the proxy form enclosed in the Annual Report 2020 of the Company, in accordance with the instructions printed thereon as soon as possible and in any event, so as to arrive at the office of the Share Registrar of the Company, Tricor Investor & Issuing House Services Sdn Bhd at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or the Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or alternatively, to submit your proxy form electronically via TIIH Online at <https://tiih.online> not less than 48 hours before the time set for holding the meeting or at any adjournment thereof.

## **19. FURTHER INFORMATION**

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

Yours faithfully,  
For and on behalf of the Board of  
**LEONG HUP INTERNATIONAL BERHAD**

**LAU CHIA NGUANG**  
Non-Independent Executive Chairman

## FURTHER INFORMATION

**1. DIRECTORS' RESPONSIBILITY STATEMENT**

The Directors of LHI have seen and approved this Circular/Statement and they collectively and individually accept full responsibility for the accuracy of the information contained in this Circular/Statement. Having made all reasonable enquiries, and to the best of their knowledge and belief, they confirm there are no other facts, the omission of which would make any statement in this Circular/Statement misleading.

**2. MATERIAL LITIGATION**

As at the LPD, LHI Group is not engaged in any material litigation, claim or arbitration, either as plaintiff or defendant, and the Directors of LHI confirm that there are no proceedings pending or threatened or any fact likely to give rise to any proceedings which might materiality and adversely affect the financial or business position of LHI Group.

**3. MATERIAL CONTRACTS**

Save as disclosed below, LHI Group has not entered into any material contracts, which are not in the ordinary course of business during the past two (2) years preceding the date of this Circular/Statement:

**(i) Sale and Purchase Agreement dated 28 November 2019 in respect of the acquisition of a parcel of leasehold industrial land**

On 28 November 2019, Leong Hup Feedmill Malaysia Sdn Bhd, a wholly-owned subsidiary of LHI, entered into a sale and purchase agreement with Darma Canggih Sdn Bhd for the acquisition of a parcel of 9,902 square meters leasehold industrial land held under title PN 24346, Lot 102515, Mukim Klang, District Klang, State of Selangor for a total cash consideration of RM6,300,000.

**(ii) Sale and Purchase Agreements dated 28 February 2020 in respect of the acquisition of a feedmill factory and motor vehicles**

On 28 February 2020, Emivest Feedmill (TG) Vietnam Limited Liability Company ("EFTG"), a wholly-owned subsidiary of LHI, entered into two (2) separate sale and purchase agreements with Hung VuongTay Nam Panga Feed Join Stock Company to acquire a feedmill factory and motor vehicles for an aggregate cash consideration of VND231,023,099,980 (equivalent to approximately RM41,935,578).

**(iii) Sale and Purchase Agreements dated 9 March 2020 in respect of the acquisition of machineries and equipment**

On 9 March 2020, EFTG entered into two (2) separate sale and purchase agreements with Hung VuongTay Nam Panga Feed Join Stock Company for the acquisition of machineries and equipment for an aggregate cash consideration of VND138,249,000,020 (equivalent to approximately RM25,095,117).

**(iv) Sale and Purchase Agreement dated 1 June 2020 in respect of the acquisition of the entire issued and paid-up share capital**

On 1 June 2020, Leong Hup (Malaysia) Sdn Bhd ("LHMsia"), a wholly-owned subsidiary of LHI, entered into share acquisition agreement with Emerging Glory Sdn Bhd ("EGSB") for the acquisition of the entire 43,432,000 ordinary shares representing 100% of the issued and paid-

up share capital of The Baker's Cottage Sdn Bhd ("TBC") of which EGSB is the registered and beneficial owner of all the shares for a total cash consideration of RM17,937,574. The sale and purchase was completed on September 2020.

**(v) Sale and Purchase Agreement dated 1 June 2020 in respect of the acquisition of the retail business**

On 1 June 2020, Leong Hup Agrobusiness Sdn Bhd ("LHAB"), a wholly-owned subsidiary of LHMsia, entered into business acquisition agreement with Astaka Shopping Centre (Muar) Sdn Bhd ("ASTAKA") for the acquisition of TBC retail business owned and operated by ASTAKA for a total cash consideration of RM1,531,300. The sale and purchase was completed on September 2020.

**(vi) Sale and Purchase Agreement dated 1 June 2020 in respect of the acquisition of the retail business**

On 1 June 2020, LHAB, a wholly-owned subsidiary of LHMsia, entered into business acquisition agreement with Poly-Yarn Industries Sdn Bhd ("PYISB") for the acquisition of TBC retail business owned and operated by PYISB for a total cash consideration of RM862,126. The sale and purchase was completed on September 2020.

**(vii) Establishment of Unrated Islamic Medium Term Notes Programme up to RM1.0 billion in nominal value under the Shariah Principle of Mudharabah**

- i. Programme Agreement dated 7 December 2020 entered into between Leong Hup Capital Sdn Bhd ("LHCap") and AmInvestment Bank Berhad ("AIBB") in relation to establishment of Sukuk Mudharabah Programme up to RM1.0 billion in nominal value under the Shariah principle of Mudharabah ("Sukuk Mudharabah programme").
- ii. Trust Deed dated 7 December 2020 entered into between LHCap and MTrustee Berhad ("MTB") as sukuk trustee to protect the interest/rights of sukuk holders of the Sukuk Mudharabah Programme.
- iii. Kafalah Guarantee dated 7 December 2020 entered into by LHMsia in favour of MTB to provide irrevocable and unconditional corporate guarantee under the Shariah principle of Kafalah in favour of the MTB.
- iv. Master Mudharabah Agreement, Master Purchase Undertaking Agreement and Master Sales Undertaking Agreement dated 7 December 2020 entered into between LHCap and MTB to facilitate future issuances in relation to the Sukuk Mudharabah Programme.

**(viii) Issuance of Sukuk Mudharabah Programme**

- i. Subscription Agreement dated 15 December 2020 entered into between LHCap, AIBB and AmBank Islamic Berhad in relation to issuance of the Sukuk Mudharabah of RM100.0 million in nominal value on 22 December 2020 pursuant to the Sukuk Mudharabah Programme.
- ii. Mudharabah Agreement dated 15 December 2020 entered into between LHCap and MTB in relation to issuance of the Sukuk Mudharabah of RM100.0 million in nominal value on 22 December 2020 pursuant to the Sukuk Mudharabah Programme.



#### **4. DOCUMENTS AVAILABLE FOR INSPECTION**

Copies of the following documents may be inspected at the registered office of LHI during normal business hours for the period commencing from the date of this document up to and including the date of the forthcoming Seventh AGM:

- (i) the Constitution of LHI;
- (ii) the unaudited consolidated financial results of LHI for the period ended 31 March 2021;
- (iii) the audited consolidated financial statements of LHI for the past two (2) financial years ended 31 December 2019 and 31 December 2020; and
- (iv) the material contracts referred to in Section 3 of Appendix I.