

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

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

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

Bursa Securities has not perused this Circular prior to its issuance as they are exempt documents pursuant to the provisions of Practice Note 18 of Main Market Listing Requirements of Bursa Securities



**MILUX CORPORATION BERHAD**  
[Registration No. 199401027937 (313619-W)]  
(Incorporated in Malaysia)

**CIRCULAR TO SHAREHOLDERS**

**IN RELATION TO THE**

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

The resolution in respect of the above proposal will be tabled at the Twenty-Eighth Annual General Meeting (“**28th AGM**”) of the Company to be conducted on a virtual basis through live streaming from the broadcast venue and online remote voting via Remote Participation and Voting (“**RPV**”) facilities provided by Tricor Investor & Issuing House Services Sdn. Bhd. (“**Tricor**”) via TIIH Online website at <https://tiih.online> (“**TIIH Online**”) on Friday, 23 June 2023 at 2.30 p.m. or any adjournment thereof.

As a shareholder of the Company, you are entitled to participate and vote at the 28th AGM. If you wish to appoint a proxy to participate on your behalf at the 28th AGM, you may deposit your proxy form at Tricor’s office, the Poll Administrator at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur or its Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur or alternatively, to submit the proxy appointment electronically via TIIH Online website at <https://tiih.online>. Please refer to the Administrative Guide for 28th AGM for further information on electronic submission of proxy form via TIIH Online.

Last date and time for lodging the Form of Proxy : Wednesday, 21 June 2023 at 2.30 p.m.

Date and time of the 28th AGM : Friday, 23 June 2023 at 2.30 p.m., or any adjournment thereof

This Circular is dated 28 April 2023

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## DEFINITIONS

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For the purpose of this Circular, except where the context otherwise requires, the following definitions shall apply:

- Act** - The Companies Act 2016, as amended from time to time and any re-enactment thereof
- AGM** - Annual General Meeting
- ARC** - Audit and Risk Committee of Milux
- Board** - Board of Directors for the time being of Milux
- Bursa Securities** - Bursa Malaysia Securities Berhad [Registration No. 200301033577 (635998-W)]
- Circular** - This circular to shareholders dated 28 April 2023
- Director(s)** - The Directors for the time being of Milux and includes any person who is or was within the preceding 6 months of the date on which the terms of the transaction were agreed upon, a Director of Milux, its subsidiary or holding company or a chief executive of Milux, its subsidiary or holding company
- Linbaq** - Linbaq Holding Sdn. Bhd. [Registration No. 201701039303 (1253474-M)]
- Linbaq Group** - Linbaq and its subsidiaries, collectively
- Listing Requirements** - Main Market Listing Requirements of Bursa Securities, as amended from time to time and any re-enactment thereof
- LPD** - 1 April 2023, being the latest practicable date prior to the printing of this Circular
- Major Shareholder(s)** - A person who has an interest or interests in one or more voting shares in the Company and the number or aggregate number of those shares, is:
- (a) 10% or more of the total number of voting shares in the Company, or
  - (b) 5% or more of the total number of voting shares in the Company where such person is the largest shareholder of the Company.
- This includes any person who is or was within the preceding 6 months of the date on which the terms of the transaction were agreed upon, a Major Shareholder of Milux or any other corporation which is its subsidiary or holding company. For the purpose herein, “interest in shares” has the meaning given in Section 8 of the Act.
- Milux or the Company** - Milux Corporation Berhad [Registration No. 199401027937 (313619-W)]
- Milux Group or the Group** - Milux and its subsidiaries collectively

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**DEFINITIONS (cont'd)**

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- Person Connected** - In relation to a Director or a Major Shareholder, means a person who is:
- (i) a family member of the Director or Major Shareholder;
  - (ii) a trustee of a trust (other than a trustee for a share scheme for employees or pension scheme) under which the Director, Major Shareholder or a family member of the Director or Major Shareholder is the sole beneficiary;
  - (iii) a partner of the Director or Major Shareholder;
  - (iv) a person, or where the person is a body corporate, the body corporate or its directors, who is/are accustomed or under an obligation, whether formal or informal, to act in accordance with the directions, instructions or wishes of the Director or Major Shareholder;
  - (v) a person, or where the person is a body corporate, the body corporate or its directors, in accordance with whose directions, instructions or wishes the Director or Major Shareholder is accustomed or is under an obligation, whether formal or informal, to act;
  - (vi) a body corporate in which the Director, Major Shareholder and/or persons connected with him are entitled to exercise, or control the exercise of, not less than 20% of the votes attached to voting shares in the body corporate; or
  - (vii) a body corporate which is a related corporation of the Director or Major Shareholder.
- Proposed Renewal of RRPT Mandate** - Proposed renewal of the existing shareholders' mandate for Milux Group to enter into RRPT
- Recurrent Related Party Transaction or RRPT** - Recurrent Related party transactions of a revenue and/or trading nature which are necessary for its day-to-day operations and are in the ordinary course of business of the Milux Group involving the interest, direct or indirect, of the Related Party(ies)
- Related Party(ies)** - A Director, Major Shareholder or person connected with such Director or Major Shareholder
- Topspike** - Topspike Holding Sdn. Bhd. [Registration No. 201901002985 (1312311-D)]

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

Unless otherwise stated, the information set out above in relation to the Major Shareholder(s), Director(s) and Person(s) Connected is as at LPD.

Words denoting the singular shall, where applicable, include the plural and vice versa. Words denoting 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 is a reference to that enactment as for the time being amended or re-enacted.

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

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**MILUX CORPORATION BERHAD**  
[Registration No. 199401027937 (313619-W)]  
(Incorporated in Malaysia)

**Registered Office:**

Lot 5, Level 10  
Menara Great Eastern 2  
No. 50, Jalan Ampang  
50450 Kuala Lumpur

28 April 2023

**Board of Directors:**

Datuk Dr. Wong Lai Sum	(Independent Non-Executive Chairman)
Datuk Wira Ling Kah Chok	(Executive Vice Chairman)
Datuk Khoo Teck Kee	(Group Managing Director)
Tan Chee How	(Executive Director)
Ho Pui Hold	(Independent Non-Executive Director)
Datuk Haw Chin Teck	(Independent Non-Executive Director)
Dato' Sri Ir. Ts. Dr. Liew Mun Hon	(Independent Non-Executive Director)
Gan Boon Lay	(Non-Independent Non-Executive Director)
Yee Carine	(Non-Independent Non-Executive Director)
Teh Sok Hoon	(Non-Independent Non-Executive Director)

**To: The Shareholders of Milux**

Dear Sir/Madam

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

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**1. INTRODUCTION**

At the Twenty-Seventh ("27th") AGM of the Company held on 23 June 2022, the Company obtained the shareholders' approval on the resolution pertaining to a general mandate from its shareholders for Milux Group to enter into RRPT in the ordinary course of business based on commercial terms which are not more favourable to the Related Parties than those generally available to the public. The said authority shall, in accordance with the Listing Requirements, expire at the conclusion of the forthcoming AGM of the Company, unless authority for its renewal is obtained from the shareholders at the said AGM of the Company.

On 31 March 2023, the Board announced to Bursa Securities of its intention to seek the shareholders' approval for the Proposed Renewal of RRPT Mandate at the forthcoming AGM of the Company.

The purpose of this Circular is to provide you with the relevant details and information of the Proposed Renewal of RRPT Mandate and to seek your approval on the Ordinary Resolution in connection with the Proposed Renewal of RRPT Mandate to be tabled at the forthcoming AGM of the Company. The Notice of the 28th AGM together with the Form of Proxy are enclosed in the Annual Report 2022 of the Company.

## **2. DETAILS OF THE PROPOSED RENEWAL OF RRPT MANDATE**

The Company proposes to seek shareholders' approval for the Proposed Renewal of RRPT Mandate for Milux Group to enter into RRPT which are necessary for the day-to-day operations of the Group and are based on terms not more favourable to the Related Party(ies) than those generally available to the public and not detrimental to the minority shareholders.

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

Pursuant to Paragraph 10.09(2) of the Listing Requirements, a listed issuer may seek a mandate from its shareholders for recurrent related party transactions 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 shareholder mandate is subject to annual renewal and disclosure is made in the annual report of the aggregate value of transactions conducted pursuant to the shareholder mandate during the financial year where the aggregate value is equal to or more than the threshold prescribed under Paragraph 10.09(1) of the Listing Requirements;
- (c) the listed issuer's circular to shareholders in relation to the shareholder mandate shall include the information set out in Annexure PN12-A of Practice Note 12 of the Listing Requirements;
- (d) in a meeting to obtain shareholder mandate, the interested directors, interested major shareholders or interested persons connected with a director or major shareholder; and where it involves the interest of an interested person connected with a director or major shareholder, such director or major shareholder, must not vote on the resolution approving the transactions. An interested director or interested major shareholder must ensure that persons connected with him abstain from voting on the resolution approving the transactions; and
- (e) the listed issuer immediately announces to Bursa Securities when the actual value of a recurrent related party transaction entered into by the listed issuer, exceeds the estimated value of the recurrent related party transaction disclosed in the circular by 10% or more and must include the information as may be prescribed by Bursa Securities in its announcement.

### **2.2 Validity of the Proposed Renewal of RRPT Mandate**

The authority to be conferred by the Proposed Renewal of RRPT Mandate will take effect from the passing of the ordinary resolution proposed at the forthcoming AGM and will continue to be in force until:

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

whichever is the earlier.

### 2.3 Disclosure in Annual Report

Disclosure will be made in the Annual Report of the Company of the breakdown of the aggregate value of RRPT entered pursuant to the Proposed Renewal of RRPT Mandate during the financial year, based on the following information:

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

### 2.4 Principal Activities of Milux Group

The principal activity of Milux is investment holding and the provision of management services. The subsidiary companies and their principal activities are as follows:

Name of Company	Equity Interest (%)	Principal Activities
T.H. Hin Sdn. Bhd. [Registration No. 197701003521 (34573-X)]	100	Dealer in gas cookers, electrical household appliances and their related products (Inactive)
T.H. Hin Home Tech Sdn. Bhd. [Registration No. 198301016863 (112272-K)]	100	Trading of gas cookers, built-in hobs, rice cookers, roasted ovens, electrical household appliances and their related products
Brightyfield Sdn. Bhd. Registration No. 199101000399 (210709-P)]	100	Manufacturing of gas cookers component parts and their related products
Enamel Products Sdn. Bhd. [Registration No. 199201008698 (240201-H)]	100	Manufacturing of enamel products (Inactive)
Milux Sales & Service Sdn. Bhd. [Registration No. 199401016583 (302263-X)]	100	Dealer in gas cookers, electrical household appliances and their related products
Eurobay Industries Sdn. Bhd. [Registration No. 199501022757 (351960-P)]	100	Manufacturing and supplying of home electrical appliances (Inactive)
Milux International Sdn. Bhd. [Registration No. 198401008521 (121039-D)]	100	Investment holding
Pansprint Consolidated Sdn. Bhd. [Registration No. 199801016840 (472969-A)]	100	Construction of buildings (Inactive)
Milux Properties Sdn. Bhd. [Registration No. 201201019461 (989606-V)]	100	Engage in the business of acquiring land and building and to undertake the business of property development and other management consultancy activities (Inactive)

<b>Name of Company</b>	<b>Equity Interest (%)</b>	<b>Principal Activities</b>
T5 Digital Sdn. Bhd. [Registration No. 201701047138 (1261314-A)]	100	Carry out the business of retail sale for all kinds of product over the internet
Milux Greentech Resources Sdn. Bhd. [Registration No. 201201019462 (989607-D)]	100	Carry out business of agriculture farming, poultry farming, animal husbandry and related plantations and crops activities (Inactive)

It is envisaged that, in the normal course of Milux Group's businesses, transactions of a revenue or trading nature between companies in Milux Group and the Related Parties are likely to occur, which are necessary for its day-to-day operations.

## 2.5 Principal Activities of Linbaq Group

Linbaq was incorporated in Malaysia on 30 October 2017.

As at LPD, the sole shareholder of Linbaq is Datuk Wira Ling Kah Chok. The Directors of Linbaq as at LPD are Tan Sri Lau Yin Pin @ Lau Yen Beng, Mohamad Jaifuddin Bin Bujang Mohidin and Datuk Dr. Wong Lai Sum.

Linbaq's principal activity is investment holding. Its subsidiaries are principally involved in property development, construction, real estate, wholesale of goods and provision of pest control services. As at LPD, the principal activities of its subsidiaries are as follows:-

<b>Name of Company</b>	<b>Equity Interest (%)</b>	<b>Principal Activities</b>
Far East (Ulu Tiram) Sdn. Bhd. [Registration No. 201701046059 (1260235-X)]	100	Construction of buildings
Far East Central Sdn. Bhd. [Registration No. 201701047136 (1261312-V)]	100	Activities of holding companies, construction of buildings and wholesale of goods
Far East Bunkering Services (Melaka) Sdn. Bhd. [Registration No. 202001014987 (1371307-U)]	100	Port, harbours and piers operation services
Linbaq Construction Sdn. Bhd. (Registration No. 201801001038 (1263051-M))	100	Construction of buildings and wholesale of goods
Linbaq Education Sdn. Bhd. [Registration No. 202001041380 (1397701-V)]	60	Others, education
Linbaq Project Management Sdn. Bhd. [Registration No. 201901027339 (1336666-W)]	100	Provision of consultancy services



<b>Name of Company</b>	<b>Equity Interest (%)</b>	<b>Principal Activities</b>
Linbaq Realty Sdn. Bhd. [Registration No. 201801002311 (1264324-V)]	100	Realty marketing and promotional activities
Linbaq Trading Sdn. Bhd. [Registration No. 201701047134 (1261310-K)]	95	Wholesale of construction materials
Pest React Sdn. Bhd. [Registration No. 201801017402 (1279418-K)]	77	Renting and operational leasing of passenger cars, cleaning and pest control services and wholesale of goods
Vistana Tropika Sdn. Bhd. [Registration No. 200901021195 (864292-X)]	100	Property and housing, mixed and integrated development

For the purpose of this Circular, Linbaq Group shall also include all future subsidiaries of Linbaq.

## **2.6 Classes of RRPT**

Pursuant to the proposed diversification of the existing core business of Milux Group to include property development, property management and construction business, Milux Group will in its normal course of business:-

- (i) invite tenders for amongst others, construction works, supply of building materials and/or other related activities, for its property development projects;
- (ii) bid for construction contracts from property development and/or construction companies.

Amongst others, Milux Group (including future subsidiaries of Milux) intends to invite tenders and/or bid for contracts from the Linbaq Group (including future subsidiaries of Linbaq).

The Proposed Renewal of RRPT Mandate applies to the following classes of Related Parties:-

<b>Transacting Party</b>	<b>Principal Activities</b>	<b>Nature of Relationship</b>
Linbaq Group	Linbaq's principal activity is investment holding. Its subsidiaries are principally involved in property development, construction, real estate, wholesale of goods and provision of pest control services.	Datuk Wira Ling is the Executive Vice Chairman and a major shareholder of Milux.  He is also the major shareholder and Chief Executive Officer of Linbaq Holding Sdn. Bhd.

## 2.7 Details of the RRPT

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

<b>Transacting party within Milux Group</b>	<b>Transacting Related Party</b>	<b>Nature of transaction</b>	<b>Interested Directors/ Major Shareholders/ Persons Connected to Director or Major Shareholder (Interested Parties)</b>	<b>Estimated value as disclosed in the Circular dated 29 April 2022</b>	<b>Actual value transacted from the date of the 27th AGM on 23 June 2022 to LPD</b>	<b>Estimated Value of transaction from the forthcoming 28th AGM until the next AGM</b>
Milux Group (Buyer)	Linbaq Group (Seller)	Provision of construction works	(a) Datuk Wira Ling Kah Chok (b) Gan Boon Lay (c) Topspike (d) Datuk Dr. Wong Lai Sum (e) Datuk Khoo Teck Kee	Up to RM500.0 million	Nil	Up to RM500.0 million
Milux Group (Seller)	Linbaq Group (Buyer)	Award of construction works	(a) Datuk Wira Ling Kah Chok (b) Gan Boon Lay (c) Topspike (d) Datuk Dr. Wong Lai Sum (e) Datuk Khoo Teck Kee	Up to RM500.0 million	Nil	Up to RM500.0 million
Milux Group (Buyer)	Linbaq Group (Seller)	Purchase of building materials	(a) Datuk Wira Ling Kah Chok (b) Gan Boon Lay (c) Topspike (d) Datuk Dr. Wong Lai Sum (e) Datuk Khoo Teck Kee	Up to RM100.0 million	Nil	Up to RM100.0 million
Milux Group (Buyer)	Pest React Sdn. Bhd. (Seller)	Acquisition of pest control services	(a) Datuk Wira Ling Kah Chok (b) Gan Boon Lay (c) Topspike (d) Datuk Dr. Wong Lai Sum (e) Datuk Khoo Teck Kee	Up to RM0.1 million	RM15,700.00	Up to RM0.1 million

**Notes:-**

- (a) Milux Group may bid for construction contracts from the Linbaq Group as and when the opportunity arises. Due to the uncertainty of the number and size of construction contracts which Milux Group may be able to successfully bid from Linbaq Group, the Company is only able to ascribe an estimated value for the year. Due to the nature of the business and industry practice, the subsidiary of Milux or Linbaq to undertake the development/ construction business could not be identified as at the date of this Circular.
- (b) Milux Group may invite tenders for construction works for its development projects as and when such opportunity arises. Due to the uncertainty of the number and size of construction contracts which Milux Group may award, the Company is only able to ascribe an estimated value for the year. Due to the nature of the business and industry practice, the subsidiary of Milux or Linbaq to undertake the development/ construction business could not be identified as at the date of this Circular.
- (c) Milux Group may invite for tenders to purchase building materials for its development projects as and when such opportunity arises. Due to the uncertainty of the number and size of development projects, the Company is only able to ascribe an estimated value for building materials to be purchased for the year. Due to the nature of the business and industry practice, the subsidiary of Milux or Linbaq to undertake the development/ construction business could not be identified as at the date of this Circular.
- (d) The actual transacted value of the RRPT may vary and is subject to change. Disclosures will be made in the Annual Report of the Company of the actual breakdown of the aggregate value of transactions made during the financial year.
- (e) Provision of pest control services and disinfection treatment by Pest React Sdn Bhd to Milux Group are necessary and undertaken on normal commercial terms at the price comparable to those offered by other unrelated third parties for similar type of services.
- (f) The actual value of the transactions from the date on which the existing mandate was obtained at the 27th AGM of the Company on 23 June 2022 up to LPD did not exceed the estimated value as disclosed in the Circular to Shareholders dated 29 April 2022 by 10% or more.

## **2.8 Amount Due and Owning by Related Parties**

As at LPD, there was no amount due and owing to Milux Group by the Related Parties which has exceeded the credit term.

## **2.9 Guideline and Review Procedures for RRPT**

The Group has established the following procedures to ensure that the RRPT are undertaken on an arm's length basis and on normal commercial terms and transactions prices consistent with the Group's usual business practices and policies, which are not more favourable to the Related Parties than those extended to the public and are not to the detriment of the minority shareholders.

The review and approval procedures established by the Group for the RRPT are as follows:-

- (i) The identity of the Related Parties will be disclosed/circulated within the Group and at the same time, the Related Parties will be notified that all RRPT are required to be taken on an arm's length basis and on normal commercial terms not more favourable to the Related Parties than those generally available to the public;
- (ii) The thresholds for approvals of RRPT will be consistent with those transactions entered into with unrelated parties. The Group has in place internal levels of authority governing all business transactions. As the RRPT are conducted in the ordinary course of business, the transactions will be covered under the same levels of authority;
- (iii) Any tender, quotation or contract received from or proposed to be entered with a Related Party will be reviewed by Milux's senior management who will ascertain if it is an approved RRPT. Such tender, quotation or contract will not be approved unless the terms offered to the Group are comparable with those offered by other unrelated parties for the same or substantially similar type of transactions. The RRPT with a Related Party will only be entered into after taking into account the pricing, quality, deliverables, level of service and other related facts including competitor's prices of similar products and services in the open market;
- (iv) All RRPT shall be tabled for review by the ARC every quarter or from time to time, as needed and subsequently reported to the Board to ensure that the transactions are not more favourable to the Related Party than those generally available to the public, and will not be detrimental to the minority shareholders;
- (v) The Directors and/or major shareholders having interest in any RRPT shall abstain from board deliberation and voting on the relevant resolution in respect of the RRPT. The interested Directors and/or interested major shareholders shall ensure that persons connected with them abstain from voting on the resolution approving the RRPT;
- (vi) Records will be maintained by the Group to capture all RRPT entered into pursuant to the Proposed Renewal of RRPT Mandate to ensure that relevant approvals have been obtained and review procedures in respect of such transactions are adhered to;
- (vii) At least two other contemporaneous transactions with unrelated third parties for similar products/ services and/or quantities will be used as comparison, wherever possible, to determine whether the price and terms offered to/by the Related Parties are fair and reasonable and comparable to those offered to/by other unrelated third parties for the same or substantially similar type of products/ services and/or quantities.

Where quotation or comparative pricing from unrelated third parties cannot be obtained, the transaction price will be determined by the Group based on the usual business practices of the Group, consistent with the usual margin of the Group for the same or substantially similar type of transactions made by the Group with unrelated third parties or otherwise in accordance with other applicable industry norm/consideration;

- (viii) The ARC shall review the Internal Audit reports on an annual basis to ensure that the guidelines and procedures established to monitor the RRPT have been complied with;
- (ix) Immediate announcement will be made when the actual amount of a RRPT exceeds the estimated value disclosed in the Circular by 10% or more;
- (x) Disclosure will be made in the following year's annual report of the Company of the aggregate value of transactions conducted pursuant the Proposed Renewal of RRPT Mandate;
- (xi) In respect of any new RRPT not covered under a shareholders' mandate, it will be subject to review and approval by a Director and one Senior Management who has no interest in the transaction, in accordance with the internal levels of authority. The ARC and Board will be notified of any transaction which requires announcement to Bursa Securities pursuant to Paragraph 10.09(1) of the Listing Requirements; and
- (xii) Our Board and the ARC will have overall responsibility for the determination of the review procedures, including addition of new review procedures, as and when necessary. The Board and the ARC may also appoint individuals and committees to examine the RRPT, as they deem appropriate. If a member of the Board or the ARC has interest, direct or indirect, in any particular transactions, he or she will abstain from all deliberation and voting on the matter at the Board or the ARC meetings in respect of such transactions, as the case may be.

## **2.10 Thresholds for Approval of RRPT**

The thresholds for approvals of RRPT within the Group are as follows: -

- (i) Where the value of the RRPT is below RM500,000, it will be reviewed and approved by any two Directors of the Company who has no interest in the transaction.
- (ii) Where the value of the RRPT is equal to or in excess of RM500,000, it will be reviewed and approved by the ARC and the Board who has no interest in the transaction.

Where the RRPT are not comprised in the shareholders' mandate or where the actual value exceeds the estimated value by 10% or more, announcement shall be made to Bursa Securities in compliance with the Listing Requirements.

## **2.11 Statement by the ARC**

The ARC has the overall responsibility of determining whether the procedures for reviewing all RRPT are appropriate. The ARC also has the authority to delegate this responsibility to such individuals within the Company as it shall deem fit.

The ARC is satisfied that the review procedures for RRPT as set out in Section 2.9 above are sufficient and appropriate to ensure that the RRPT will be undertaken at arm's length and are on normal commercial terms consistent with the industry norms not more favourable to the Related Parties than those generally available to the public and that such terms will not be detrimental to the interests of the minority shareholders or disadvantageous to the Group.

The ARC will ensure that the Group has in place adequate procedures and processes to monitor, track and identify the RRPT in a timely and orderly manner. The ARC will review these procedures and processes on a yearly basis.

If during its periodic reviews, the ARC views that such procedures and processes are no longer appropriate or adequate to monitor, track and identify RRPT, the ARC will draw it to the attention of the Board and, if necessary, the ARC will request for additional procedures or new guidelines to be followed if it considers such a request to be appropriate.

## **2.12 Rationale for and Benefits of the RRPT**

The Proposed Renewal of RRPT Mandate will allow the Group to enter into transactions within the ordinary course of its business including property development, property management and construction business with Linbaq Group.

The Proposed Renewal of RRPT Mandate will also enable the Group to undertake RRPT necessary for day-to-day operations and pursue business opportunities which are time-sensitive in nature in a more expeditious manner.

The Proposed Renewal of RRPT Mandate will eliminate the need to announce and convene separate general meetings of Milux from time to time to seek shareholders' approval on each occasion pursuant to the requirements of Paragraph 10.09(2) of the Listing Requirements, as and when potential transactions with the specified classes of Related Party arise. This will also substantially reduce expenses associated with the convening of such meetings on an ad hoc basis, improve administrative efficiency, and allow human resources and time to be channeled towards attaining other corporate objectives and opportunities.

The Proposed Renewal of RRPT Mandate is expected to contribute positively to the Group's overall earnings moving forward.

## **3. FINANCIAL EFFECTS OF THE PROPOSED RENEWAL OF RRPT MANDATE**

The Proposed Renewal of RRPT Mandate will not have any effect on the share capital and substantial shareholders' shareholdings of Milux. The Proposed Renewal of RRPT Mandate is expected to have a positive effect on the consolidated earnings and net assets of the Milux Group.

## **4. APPROVALS REQUIRED**

The Proposed Renewal of RRPT Mandate is subject to your approval at the forthcoming AGM of the Company.

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

Save as disclosed below, none of the other Directors and/or major shareholders of the Company and/or persons connected with them have any interest, direct or indirect, in the Proposed Renewal of RRPT Mandate:-

- (i) Datuk Wira Ling Kah Chok is the Executive Vice Chairman and a major shareholder of Milux through his interest in Topspike, a major shareholder of Milux. He is also the Chief Executive Officer and a major shareholder of Linbaq;
- (ii) Gan Boon Lay is a Non-Independent Non-Executive Director and a major shareholder of Milux (through his interest in Topspike). He is deemed a Person Connected to Datuk Wira Ling Kah Chok by virtue of their substantial interest in Topspike;
- (iii) Topspike is a major shareholder of Milux and a Person Connected to Datuk Wira Ling Kah Chok and Gan Boon Lay;
- (iv) Datuk Dr. Wong Lai Sum is the Independent Non-Executive Chairman of Milux as well as a Non-Executive Director of Linbaq; and
- (v) Datuk Khoo Teck Kee is the Group Managing Director of Milux as well as an Executive Director of Pest React Sdn. Bhd., a subsidiary of Linbaq.

(Datuk Wira Ling Kah Chok, Gan Boon Lay, Datuk Dr. Wong Lai Sum and Datuk Khoo Teck Kee shall hereinafter be referred to as the “**Interested Directors**”)

(Topspike, Datuk Wira Ling Kah Chok and Gan Boon Lay shall hereinafter be referred to as the “**Interested Major Shareholders**”)

As at LPD, the direct and/or indirect shareholdings of the Interested Directors and Interested Major Shareholders in Milux are as follows:-

Interested Directors/ Interested Major Shareholders	Direct		Indirect	
	No. of Shares held	%	No. of Shares held	%
Topspike	78,833,540	33.54	-	-
Datuk Wira Ling	-	-	78,833,540 <sup>(a)</sup>	33.54
Gan Boon Lay	-	-	78,833,540 <sup>(a)</sup>	33.54
Datuk Dr. Wong Lai Sum	-	-	-	-
Datuk Khoo Teck Kee	310,000	0.13	-	-

*Notes:*

(a) Deemed interested by virtue of his shareholdings in Topspike pursuant to Section 8(4) of the Act.

The Interested Directors have abstained from and will continue to abstain from all deliberations and voting at the Board meetings of the Company pertaining to the Proposed Renewal of RRPT Mandate.

The Interested Directors and Interested Major Shareholders will abstain from voting in respect of their direct and/or indirect shareholdings in Milux, if any, on the resolution pertaining to the Proposed Renewal of RRPT Mandate to be tabled at the forthcoming AGM. The Interested Directors and Interested Major Shareholders have also undertaken to ensure that persons connected with them will abstain from voting in respect of their direct and/or indirect shareholdings in Milux, if any, on the resolution pertaining to the Proposed Renewal of RRPT Mandate to be tabled at the forthcoming AGM.

## 6. DIRECTORS' RECOMMENDATION

The Board, save for the Interested Directors, having considered all aspects of the Proposed Renewal of RRPT Mandate, including the rationale and review procedures, is of the opinion that the Proposed Renewal of RRPT Mandate is in the best interest of the Company, fair, reasonable and on normal commercial terms, and not detrimental to the interest of the minority shareholders of the Company.

The Board, save for the Interested Directors, recommends that you vote in favour of the Ordinary Resolution for the Proposed Renewal of RRPT Mandate to be tabled at the 28th AGM of the Company.

## 7. AGM

The 28th AGM will be conducted on a virtual basis through live streaming from the broadcast venue and online remote voting via Remote Participation and Voting (“RPV”) facilities provided by Tricor Investor & Issuing House Services Sdn. Bhd. (“Tricor”) via TIIH Online website at <https://tiih.online> (“TIIH Online”) on Friday, 23 June 2023 at 2.30 p.m. or any adjournment thereof, for the purpose of considering and if thought fit, passing the Ordinary Resolution on the Proposed Renewal of RRPT Mandate under the Notice of AGM.

The broadcast venue is strictly for the purpose of complying with Section 327(2) of the Companies Act 2016 which requires the Chairman of the meeting to be present at the main venue of the meeting. Members and proxies will not be allowed to attend the AGM in person at the broadcast venue on the day of the 28th AGM.

As a shareholder of the Company, you are entitled to participate and vote at the 28th AGM. Please follow the procedures stated in the Administrative Guide for the 28th AGM in order to register, participate and vote remotely via the RPV facilities.

If you wish to appoint a proxy to participate on your behalf at the 28th AGM, you may deposit your proxy form at Tricor's office, the Poll Administrator at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur or its Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur or alternatively, to submit the proxy appointment electronically via TIIH Online website at <https://tiih.online> not less than forty-eight (48) hours before the time for holding the 28th AGM. Please refer to the Administrative Guide for 28th AGM for further information on electronic submission of proxy form via TIIH Online.

## **8. FURTHER INFORMATION**

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

Yours faithfully,  
For and on behalf of the Board of  
**MILUX CORPORATION BERHAD**

**HO PUI HOLD**  
Independent Non-Executive Director



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**APPENDIX I – FURTHER INFORMATION**

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**1. DIRECTORS' RESPONSIBILITY STATEMENT**

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

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

As at LPD, neither the Company nor its subsidiary companies is engaged in any material litigation, claim or arbitration, either as plaintiff or defendant, which has a material effect on the financial position of the Company or its subsidiaries and the Board is not aware of any proceeding pending or threatened or of any fact likely to give rise to any proceeding which might materially and adversely affect the financial position or business of the Company and/or its subsidiaries.

**3. MATERIAL CONTRACTS**

On 2 December 2021, T.H. Hin Home Tech Sdn. Bhd., a wholly-owned subsidiary of Milux, had entered into a conditional sale and purchase agreement with Update Paper Sdn. Bhd. for the disposal of a piece of leasehold land located at Mukim 01, Seberang Perai Tengah, Pulau Pinang and building erected thereon for a total cash consideration of RM11.0 million.

Save as disclosed above, as at LPD, there are no other material contracts, not being contracts in the ordinary course of business which have been entered into by the Group within two years preceding the date of this Circular

**4. DOCUMENTS AVAILABLE FOR INSPECTION**

Copies of the following documents will be available for inspection at the Registered Office of the Company at Lot 5, Level 10, Menara Great Eastern 2, No. 50, Jalan Ampang, 50450 Kuala Lumpur during normal business hours from Monday to Friday (except public holidays) from the date of this Circular up to and including the date of the forthcoming AGM: -

- (a) The Constitution of Milux;
- (b) The audited financial statements of Milux Group for the past two (2) financial years ended 31 December 2022 and 31 December 2021; and
- (c) The material contracts referred to in Section 3 of this Appendix I.