

**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**") has not perused this Circular prior to its issuance as it falls under the category of Rule 2.1 of Guidance Note 22 of the ACE Market Listing Requirements of Bursa Securities.

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

M & A Securities Sdn Bhd, the Sponsor of the Company has reviewed this Circular pursuant to Rule 4.27 of the ACE Market Listing Requirements of Bursa Securities prior to the issuance of this Circular.



**PANDA ECO SYSTEM BERHAD**

Registration No. 202201028635 (1474332-M)  
(Incorporated in Malaysia)

**CIRCULAR TO SHAREHOLDERS**

**IN RELATION TO THE**

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

The Ordinary Resolution in respect of the Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature will be tabled as Special Business at Panda Eco System Berhad's ("**Panda**" or "**the Company**") Third Annual General Meeting ("**3<sup>rd</sup> AGM**") to be held at Ames Hotel Melaka, Jalan PKAK 2, Pusat Komersial Ayer Keroh, 75450, Ayer Keroh, Melaka on Monday, 26 May 2025 at 10.00 a.m. The Notice of 3<sup>rd</sup> AGM together with the Proxy Form are set out in the Annual Report 2024 of the Company.

You are requested to complete the Proxy Form and deposit the hard copy to the Company Share Registrar's Office at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No.8, Jalan Kerinchi, 59200 Kuala Lumpur, Wilayah Persekutuan, Malaysia before the time and date indicated below should you be unable to attend the meeting. The lodging of the Proxy Form will not preclude you from attending and voting in person at the meeting should you subsequently wish to do so.

Last date and time for lodging the Form of Proxy : 25 May 2025 at 10.00 a.m.

Date and time of the 3<sup>rd</sup> AGM : 26 May 2025 at 10.00 a.m.

This Circular is dated 25 April 2025

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## DEFINITIONS

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In this Circular and the accompanying appendices, the following abbreviations shall have the following meanings unless otherwise stated:

“Act”	: Companies Act 2016 as amended from time to time and any re-enactment thereof
“AGM”	: Annual General Meeting
“ARMC”	: The Audit and Risk Management Committee of Panda Eco System Berhad (“Panda” or “the Company”)
“Board”	: Board of Directors of Panda
“Bursa Securities”	: Bursa Malaysia Securities Berhad [Registration No. 200301033577 (635998-W)]
“Centra Solutions”	Centra Solutions Sdn Bhd [Registration No. 202401047153 (1592999-K)]
“Director(s)”	: Shall have the meaning given in Section 2(1) of the Capital Markets and Services Act 2007 and 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 of Panda or any other company which is its subsidiary or holding company or a chief executive officer of Panda, its subsidiary or holding company
“E-Tech IT”	: E-Tech IT Sdn. Bhd. [Registration No. 199701009758 (425254-X)]
“FYE”	: Financial year ended/ ending, as the case may be
“Goldcoin Capital”	Goldcoin Capital Sdn. Bhd. [Registration No. 202201035217 (1480914-W)]
“Goldcoin Pavilion”	Goldcoin Pavilion Sdn. Bhd. [Registration No. 201301022414 (1052243-X)]
“KK Computer”	KK Computer Sdn. Bhd. [Registration No. 199701026999 (442497-A)]
“LPD”	: 18 April 2025, being the latest practicable date prior to the printing and despatch of this Circular
“Listing Requirements”	: ACE Market Listing Requirements of Bursa Securities

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## DEFINITIONS

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“Major Shareholder(s)”	<p data-bbox="630 199 1398 302">: A person who has an interest or interests in one (1) or more voting shares in the Company and the number or aggregate number of those shares, is: -</p> <ul data-bbox="686 324 1398 515" style="list-style-type: none"><li data-bbox="686 324 1398 392">(a) equal to or more than 10% of the total number of voting shares in the Company; or</li><li data-bbox="686 414 1398 515">(b) equal to or more than 5% of the total number of voting shares in Company where such person is the largest shareholder of the Company.</li></ul> <p data-bbox="686 537 1398 705">This includes any person who is or was within the preceding six (6) months of the date on which the terms of the transactions were agreed upon, a major shareholder of Panda as defined above or any other company which is a subsidiary or holding company of Panda.</p> <p data-bbox="686 728 1398 795">For the purpose of this definition, “interest in shares” shall have the meaning given in Section 8(4) of the Act.</p>
“Mandate Period”	<p data-bbox="630 817 1398 974">: The period during which the RRPTs are to be entered into for which the Proposal is being sought. This period shall commence immediately upon passing of the ordinary resolution for the Proposal during the forthcoming AGM or any adjournment thereof until:</p> <ul data-bbox="686 996 1398 1332" style="list-style-type: none"><li data-bbox="686 996 1398 1064">(a) The conclusion of the next AGM, unless the authority is renewed by a resolution passed at the next AGM;</li><li data-bbox="686 1086 1398 1243">(b) The expiration of the period within which the next AGM after that date it is required to be held pursuant to Section 340(2) of the Act (but will not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or</li><li data-bbox="686 1265 1398 1332">(c) Revoked or varied by an ordinary resolution passed by the shareholders in a general meeting,</li></ul> <p data-bbox="686 1355 1398 1400">whichever is earlier.</p>
“Panda” or “Company”	: Panda Eco System Berhad [Registration No. 202201028635 (1474332-M)]
“Panda Group” or “the Group”	: Panda and its subsidiaries, collectively
“Panda Software”	: Panda Software House Sdn. Bhd. [Registration No. 200901011049 (854073K)]

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## DEFINITIONS

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“Persons Connected”	: In relation to any person (referred to as “said Person”), means such person who falls under any one of the following categories: <ul style="list-style-type: none"><li>(a) a family member of the said Person;</li><li>(b) a trustee of a trust (other than a trustee for a share scheme for employees or pension scheme) under which the said Person, or a family member of the said Person, is the sole beneficiary;</li><li>(c) a partner of the said Person;</li><li>(d) 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 said Person;</li><li>(e) 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 said Person is accustomed or is under an obligation, whether formal or informal, to act;</li><li>(f) a body corporate in which the said Person, or persons connected with the said Person 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</li><li>(g) a body corporate which is a related corporation of the said Person.</li></ul>
“Promoters”	: Collectively, Goldcoin Capital, Loo Chee Wee and Tay Kheng Seng
“Proposal”	: Proposed Renewal of Shareholders’ Mandate for RRPT
“Proposed Renewal of Shareholders’ Mandate”	: The proposed renewal of shareholders’ mandate for RRPT to be entered into for the period from the date of the forthcoming AGM until the next AGM
“Related Party(ies)”	: Director(s), Major Shareholder(s) and/or person(s) connected with such Director(s) or Major Shareholder(s)
“Related Party Transactions” or “RRPTs”	: A transaction entered into by the Panda Group, which involves the interests, direct or indirect of the Related Party
“Rexbridge”	Rexbridge Sdn. Bhd. [Registration No. 201401030716 (1106802-H)]
“RM”	: Ringgit Malaysia
“RRPTs”	: Related party transaction(s) which is/are recurrent, of a revenue or trading nature and which is/are necessary for the day-to-day operations of the Panda Group

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**DEFINITIONS**

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“Substantial Shareholder(s)” : Shall have the meaning given in Section 136 of the Act

“020 Digital” 020 Digital Sdn. Bhd. [Registration No. 202001021320  
(1377640-W)]

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Words denoting the singular shall, where applicable, include the plural and vice-versa and words denoting the masculine gender shall, where applicable, include the feminine gender, neuter gender and vice versa. Reference to persons shall include corporations.

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

Any reference to any statute is a reference to that statute as for the time being amended or re-enacted and any subsequent amendment thereof.

All references to “you” and “your” in this Circular are to the shareholders of the Company.

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**PANDA ECO SYSTEM BERHAD**  
Registration No. 202201028635 (1474332-M)  
(Incorporated in Malaysia)

**Registered office**

Level 5, Tower 8, Avenue 5, Horizon 2,  
Bangsar South City,  
59200 Kuala Lumpur,  
Wilayah Persekutuan.

25 April 2025

**The Board of Directors:**

Loo Chee Wee	<i>(Executive Director / Chief Executive Officer)</i>
Tay Kheng Seng	<i>(Executive Director / Chief Technology Officer)</i>
Chan Kam Chiew	<i>(Independent Non-Executive Director)</i>
Dato' Leanne Koh Li Ann	<i>(Independent Non-Executive Director)</i>
Siew Suet Wei	<i>(Independent Non-Executive Director)</i>

Dear Shareholders,

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

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**1. INTRODUCTION**

- 1.1** At the Company's last AGM held on 19 June 2024, the Company had obtained our shareholders' approval for the Group to enter into RRPTs as stipulated in the Circular to Shareholders dated 30 April 2024 in relation to Proposed Shareholders' Ratification and Proposed New Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature ("Proposals").

The Proposals shall lapse at the conclusion of the forthcoming Third AGM ("3<sup>rd</sup> AGM"), which has been scheduled to be held on 26 May 2025 unless it is renewed by a resolution passed at the forthcoming 3<sup>rd</sup> AGM.

On 15 April 2025, our Board announced its intention to seek your approval for the Proposed Renewal of Shareholders' Mandate at the forthcoming 3<sup>rd</sup> AGM.

The purpose of this Circular is to provide you with details of the Proposal and to seek your approval on the ordinary resolution relating to the Proposal to be tabled at the forthcoming 3<sup>rd</sup> AGM. The Notice of 3<sup>rd</sup> AGM and the Form of Proxy are enclosed with our Annual Report 2024 of the Company which are available for viewing/downloading from the Company's corporate website at <https://panda-eco.com/>.

**SHAREHOLDERS OF PANDA ARE ADVISED TO READ AND CONSIDER CAREFULLY THE CONTENTS OF THIS CIRCULAR TOGETHER WITH THE APPENDIX CONTAINED HEREIN BEFORE VOTING ON THE RESOLUTION TO GIVE EFFECT TO THE PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE AT THE FORTHCOMING 3<sup>rd</sup> AGM.**

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

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

Pursuant to Rule 10.09(2) of the Listing Requirements, a listed issuer may seek a shareholders' mandate from its shareholders in respect of Recurrent Related Party Transactions of a revenue or trading nature which are necessary for its day-to-day operations subject to, amongst others, the following:

- (a) the transactions are in the ordinary course of business and are on terms not more favourable to the Related Party than those generally available to the public;
- (b) the shareholders' mandate is subject to annual renewal and disclosure is made in the annual report of the aggregate value of transactions conducted pursuant to the shareholders' mandate during the financial year where the aggregate value is equal to or more than the threshold prescribed in relation to a listed issuer with a share capital which is less than RM60 million -
  - (i) the consideration, value of the assets, capital outlay or costs of the RRPTs is RM1 million or more; or
  - (ii) the percentage ratio of such RRPTs is 1% or more,whichever is the lower;
- (c) issuance of a circular to shareholders by the Company containing information as specified in the Listing Requirements. The draft circular relating shareholders' mandate for renewal RRPTs must be submitted to Bursa Securities together with a checklist showing compliance with such information;
- (d) in a meeting to obtain shareholders' mandate, the interested Director, interested Major Shareholder or interested person 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 to approve 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 Company immediately announces to Bursa Securities when the actual value of a RRPT entered into by the Company, exceeds the estimated value of the RRPT 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** The Panda Group has, in the ordinary course of its business, entered into certain RRPTs and it is anticipated that the Group would, in the ordinary course of business, continue to enter into such transactions with the Related Parties, details of which are set out in Section 2.7. It is likely that such transactions will occur with some degree of frequency and could arise at any time.

**2.3** Accordingly, the Company proposes to seek the approval from its shareholders for Panda Group to enter into RRPTs with Related Parties as disclosed in Section 2.7 of this Circular, on the terms not more favourable to the Related Parties than those generally available to or from the public and are not detrimental to the minority shareholders.

These RRPTs which are necessary for the day-to-day operations of Panda Group, have been/will be based on normal commercial terms, at arms' length, and have been/will be transacted on terms that are not more favourable to the Related Parties than those generally available to the public.



## 2.4 Validity Period of the Proposed Renewal of Shareholders' Mandate

The Proposed Renewal of Shareholders' Mandate, if approved by the shareholders of the Company at the forthcoming AGM, will take effect from the date of the passing of the ordinary resolution at the forthcoming AGM and shall continue to be in force until:

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

whichever is the earlier.

Thereafter, the approval of the shareholders of the Company will be sought for the renewal of the mandate at each subsequent AGM of the Company.

## 2.5 Disclosure in Annual Report

Disclosure will be made in the Company's Annual Report in accordance with Paragraph 3.1.5 of Guidance Note 8 of the Listing Requirements, which requires a breakdown of the aggregate value of the RRPT made during the financial year, amongst others, based on the following information:-

- (i) types of RRPT made; and
- (ii) names of Related Party(ies) involved in each type of the RRPT made and their relationship with the Group.

The above disclosure will be made in the Company's Annual Report for each subsequent financial year after the Proposed Shareholders' Mandate has been obtained.

## 2.6 Principal activities of the Group

The principal activity of Panda is investment holding while the principal activities of its subsidiaries are as follows:

Name of Subsidiary	Principal activities	Effective Equity Interest (%)
Panda Software	<ul style="list-style-type: none"><li>To provide software development, customisation, implementation and integration of Information Technology ("IT") solutions as well as IT solutions support, maintenance and training for the use of IT solutions (HQ Centralised Management, Store Operations and Financial Management Solution); and</li><li>Trading of IT hardware as well as providing IT technical support and maintenance</li></ul>	100.00

<b>Name of Subsidiary</b>	<b>Principal activities</b>	<b>Effective Equity Interest (%)</b>
KK Computer	<ul style="list-style-type: none"> <li>• Trading of IT hardware and software as well as to provide IT technical support and maintenance; and</li> <li>• To provide software development, customisation, consultancy and business development for IT solutions (IT Hardware, Infrastructure &amp; Third-party Solution)</li> </ul>	100.00
Rexbridge	To provide software development, customisation, consultancy and business development for IT solutions (xBridge B2B Solution)	100.00
020 Digital	To provide software development, customisation, consultancy and business development for IT solutions (Omni-channel Engagement Solution)	100.00
Central Solutions	To provide software development, software enhancement, implementation and training services of in-house and third-party software application	51.00

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## 2.7 Class of Related Parties and Nature of the RRPTs

The nature and details of the RRPTs entered and/or to be entered into by the Group and the class of Related Parties under the Proposal are as follows: -

No.	Related party	Transacting company in the Group	Interested person	Nature of relationship	Nature of transaction	Estimated value as disclosed in the Circular to Shareholders dated 30 April 2024 (RM'000)	Actual value from date of AGM on 19 June 2024 up to the LPD (RM'000)	Estimated value from the forthcoming AGM up to the next AGM (RM'000)
1.	E-Tech IT	KK Computer	Tay Kheng Seng Loo Chee Wee	Tay Kheng Seng and Loo Chee Wee are Panda's Executive Directors and substantial shareholders.  Tay Kheng Seng and Loo Chee Wee are also the indirect shareholders of E-Tech IT via Goldcoin Pavilion.	Purchase of computer hardware such as point-of-sale equipment, server and accessories from E-Tech IT	200	18	200

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No.	Related party	Transacting company in the Group	Interested person	Nature of relationship	Nature of transaction	Estimated value as disclosed in the Circular to Shareholders dated 30 April 2024 (RM'000)	Actual value from date of AGM on 19 June 2024 up to the LPD (RM'000)	Estimated value from the forthcoming AGM up to the next AGM (RM'000)
2.	E-Tech IT	Panda Software	Tay Kheng Seng  Loo Chee Wee	Tay Kheng Seng and Loo Chee Wee are Panda's Executive Directors and substantial shareholders.  Tay Kheng Seng and Loo Chee Wee are also the indirect shareholders of E-Tech IT via Goldcoin Pavilion.	Purchase of computer hardware such as point-of-sale equipment, server, computer and accessories from E-Tech IT	5,000	769	5,000
3.	Loo Chee Wee  Tay Kheng Seng	Panda Software	Loo Chee Wee  Tay Kheng Seng	Loo Chee Wee and Tay Kheng Seng are Panda's Executive Directors and substantial shareholders.	Rental of office to Panda Software <sup>(1)</sup>	22	18	30
4.	Loo Chee Wee  Tay Kheng Seng	KK Computer	Loo Chee Wee  Tay Kheng Seng	Loo Chee Wee and Tay Kheng Seng are Panda's Executive Directors and substantial shareholders.	Rental of office to KK Computer <sup>(1)</sup>	15	12	22
5.	Loo Chee Wee  Tay Kheng Seng	020 Digital	Loo Chee Wee  Tay Kheng Seng	Loo Chee Wee and Tay Kheng Seng are Panda's Executive Directors and substantial shareholders.	Rental of office to 020 Digital <sup>(1)</sup>	20	16	26

**Note:**

(1) The details of the properties to be rented for transactions 3, 4 and 5 are as follows: -

Transaction 3

Postal Address	Landlord / Tenant	Description / Existing Use	Built-up area (sq ft)	Period of tenancy / Rental per annum	Frequency of Payment of Rent
30, Jalan PPM 13, Plaza Pandan Malim Business Park, 75250 Melaka.	Loo Chee Wee and Tay Kheng Seng (related parties) / Panda Software	An office unit located on the ground floor of a 2-storey shop office / Headquarters	1,496.2	1 November 2023 to 31 October 2025 (with an option to renew for another 2 years) / RM21,600	Monthly

Transaction 4

Postal Address	Landlord / Tenant	Description / Existing Use	Built-up area (sq ft)	Period of tenancy / Rental per annum	Frequency of Payment of Rent
28-1 & 30-1, Jalan PPM 13, Plaza Pandan Malim Business Park, 75250 Melaka.	Loo Chee Wee and Tay Kheng Seng (related parties) / KK Computer	2 office units located on the 1st floor of a 2-storey shop office / Headquarters	2,992.4	1 November 2023 to 31 October 2025 (with an option to renew for another 2 years) / RM14,400	Monthly

Transaction 5

Postal Address	Landlord / Tenant	Description / Existing Use	Built-up area (sq ft)	Period of tenancy / Rental per annum	Frequency of Payment of Rent
28, Jalan PPM 13, Plaza Pandan Malim Business Park, 75250 Melaka.	Loo Chee Wee and Tay Kheng Seng (related parties) / 020 Digital	An office unit located on the ground floor of a 2-storey shop office / Headquarters	1,496.2	1 March 2024 to 29 February 2026 (with an option to renew for another 2 years) / RM19,200	Monthly

For information, there is no amount due from and owing by the Related Parties pursuant to the RRPTs that has exceeded the credit terms as at 31 December 2024.

## **2.8 Amount due from and owing by Related Parties pursuant to the RRPTs**

As at the LPD, there is no amount due from and owing by Related Parties who are the vendors supplying products and services to Panda Group.

Since the amount due to or owing by Related Parties was always paid promptly, no late payment charge was imposed.

The Board is confident that the Group's current payment pattern will continue as and when incurred.

## **3. REVIEW PROCEDURES FOR THE RRPTs**

Panda Group has established the following review procedures to be carried out to ensure that the RRPTs are undertaken on arm's length basis, on transaction prices and at normal commercial terms, 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 of the Company who are not part of the transactions:-

- (a) The definition of related party, list of related parties and the review procedures will be circulated and/or updated within the Group;
- (b) The review of RRPTs falls within the scope of the ARMC;
- (c) Records will be maintained to record all RRPTs which are/will be entered into, which will be available for review by, among others, the auditors and ARMC, on a quarterly basis. Any member of the ARMC may as he deems fit, request additional information pertaining to RRPTs from independent sources or advisers;
- (d) Where applicable, the terms of the pricing of the RRPTs shall be consistent with the Group's usual business practices and policies and will take into consideration, amongst others, the demand and supply of the products, quality, level of service, credit terms and reliability of supply, where relevant, practical and feasible. At least two other contemporaneous transactions with unrelated third parties for similar products/services and/or quantities will be used as a comparison, wherever available or possible, to determine whether the price and terms offered to/by all related parties are fair and reasonable and comparable to those offered to/by unrelated third parties for the same or substantially similar type of products/services and/or quantities;

In the event that quotation or comparative pricing from unrelated third parties cannot be obtained, the transaction price will be determined by our Group based on usual business practices and policies of the Group to ensure that the recurrent related party transactions are not detrimental to the Company and/or the Group;

- (e) The ARMC shall continue to review the above established guidelines and procedures, on an annual basis and as and when required with the authority to sub-delegate to individuals or committees within the Company as they deem appropriate;
- (f) Where any Directors or persons connected to him/her has an interest (direct and indirect) in any related party transactions or RRPTs, he/she will abstain from voting on any matter relating to any decision making by the Board or the ARMC in respect of such transactions;
- (g) The said interested Director shall undertake that he / she will ensure that persons connected with him/her abstain from voting on the resolution deliberating or approving the RRPTs at a general meeting;
- (h) All RRPTs will be reported to and deliberated by the ARMC on a quarterly basis. The ARMC may, as it deems fit, request for additional information pertaining to the RRPTs from independent sources or advisers to ensure that the transactions are conducted at arm's length basis. The ARMC will review and approve the RRPTs as required under the ACE Market Listing Requirements of Bursa Securities.

#### 4. RATIONALE AND BENEFITS OF THE PROPOSAL

The RRPTs entered into by the Panda Group with the Related Parties are all in the ordinary course of business. The RRPTs are recurring transactions of a revenue or trading nature which will occur with some degree of frequency and could arise at any time and from time to time. These transactions may be constrained by the time-sensitive nature and confidentiality of such transactions, and it may be impractical to seek shareholders' approval on a case-to-case basis before entering into such RRPTs. By obtaining the Proposal on an annual basis, the necessity to make regular announcements to Bursa Securities and to convene separate general meetings to seek shareholders' approval from time to time is eliminated. This would substantially avoid incurring substantial expenses associated with the convening of general meetings on an ad hoc basis, thereby improving administrative efficiency.

The Board is of the view that the RRPTs are beneficial to Panda Group. The close commercial relationships that have been established with the Related Parties have created an effective network that Panda Group can draw upon to support its operational needs, deriving synergistic, operational benefits to support its retail and distribution functions.

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

The direct and indirect interest of the Interested Directors, Interested Major Shareholder and person connected to the Director of the Company as at the LPD are as follows: -

	<u>Direct Shareholding</u>		<u>Indirect Shareholding</u>	
	No. of Shares	%	No. of Shares	%
<b><u>Interested Directors</u></b>				
Loo Chee Wee	-	-	465,719,800 <sup>(1)</sup>	69.39
Tay Kheng Seng	-	-	476,717,200 <sup>(2)</sup>	71.03
<b><u>Interested Major Shareholder</u></b>				
Goldcoin Capital	465,719,800	69.39	-	-
<b><u>Person Connected</u></b>				
Bong Kok Choo <sup>(3)</sup>	10,997,400	1.64	-	-

**Notes:**

- (1) Deemed interested by virtue of his shareholdings in Goldcoin Capital pursuant to Section 8 of the Act.
- (2) Deemed interested by virtue of his shareholdings in Goldcoin Capital pursuant to Section 8 of the Act and the shareholdings of his spouse pursuant to Section 59(11)(c) of the Act.
- (3) Bong Kok Choo is the Business Development Director of KK Computer and the spouse of Tay Kheng Seng.

The Interested Directors, namely Loo Chee Wee and Tay Kheng Seng have abstained and will continue to abstain from the Board's deliberations and voting on the relevant resolution. They will also abstain from voting in respect of their direct shareholdings (if any) and indirect shareholdings in Panda, on the resolution approving the Proposal at the forthcoming 3<sup>rd</sup> AGM.

Goldcoin Capital, the Major Shareholder will abstain from voting in respect of its direct shareholdings and indirect shareholdings (if any) in Panda on the resolution approving the Proposal at the forthcoming 3<sup>rd</sup> AGM.

The aforementioned Interested Directors and Interested Major Shareholder of the Company have also undertaken to ensure that the persons connected to them will abstain from voting in respect of their direct and/or indirect shareholdings on the resolution, deliberating or approving the Proposal at the forthcoming 3<sup>rd</sup> AGM.

Save as disclosed above, none of the other Directors, Major Shareholders and/or persons connected to them has any interest, direct or indirect, in the Proposal.

## **6. EFFECTS OF THE PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE**

The Proposal will not have any material effect on the share capital, substantial shareholders' shareholdings in our Company, earnings and net assets of Panda.

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

The Board (save for the Interested Directors), having considered all aspects of the Proposal, is of the opinion that the Proposal is in the best interest of the Company and accordingly, the Board (save for the Interested Directors) recommends that you vote in favour of the ordinary resolution on Proposal to be tabled at the forthcoming 3<sup>rd</sup> AGM.

## **8. STATEMENT BY AUDIT AND RISK MANAGEMENT COMMITTEE**

The ARMC has seen and reviewed the guidelines and procedures mentioned in Section 3 above and is satisfied that the Group has in place adequate procedures and processes to monitor, track and identify RRPTs in a timely and orderly manner as well as to ensure that the RRPTs are carried out:

- (a) on terms not more favourable to the Related Parties than those generally available to the public;
- (b) at arm's length basis and on the Group's normal commercial terms; and
- (c) not detrimental to the minority shareholders of the Company.

The ARMC is of the view that the procedures above are sufficient to ensure that the RRPTs 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.

## **9. APPROVAL REQUIRED**

The Proposal is subject to the approval being obtained from the shareholders of the Company at the forthcoming 3<sup>rd</sup> AGM.

## **10. THIRD AGM**

The 3<sup>rd</sup> AGM (an extract of the Notice of 3<sup>rd</sup> AGM is also enclosed in this Circular) will be held at Ames Hotel Melaka, Jalan PKAK 2, Pusat Komersial Ayer Keroh, 75450, Ayer Keroh, Melaka on Monday, 26 May 2025 at 10.00 a.m., for the purpose of considering, and if thought fit, passing the resolution to give effect to the Proposal.

If you are unable to attend or vote in person at the 3<sup>rd</sup> AGM, you may complete and return the Proxy Form in the notice of 3<sup>rd</sup> AGM in accordance with the instructions therein as soon as possible and in any event so as to arrive at the office of 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, Wilayah Persekutuan, Malaysia at least twenty-four (24) hours before the time set for the 3<sup>rd</sup> AGM. The lodging of a Proxy Form does not preclude you from attending and voting in person at the 3<sup>rd</sup> AGM should you subsequently wish to do so.

Please refer to the Notice of the 3<sup>rd</sup> AGM for further information on the meeting.



**11. FURTHER INFORMATION**

You are advised to refer to the attached appendices of this Circular for further information.

Yours faithfully,  
for and on behalf of the Board of  
**PANDA ECO SYSTEM BERHAD**

**CHAN KAM CHIEW**  
CHAIRMAN OF THE AUDIT AND RISK MANAGEMENT COMMITTEE

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## **APPENDIX I – ADDITIONAL INFORMATION**

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### **1. DIRECTORS' RESPONSIBILITY STATEMENT**

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

### **2. MATERIAL CONTRACTS**

Save as disclosed below, there are no material contracts (including contracts not reduced into writing), not being contracts entered into the ordinary course of business which have been entered into by Panda and/or its subsidiary companies during the two (2) years immediately preceding the date of this Circular:

- (i) Share Sale Agreement dated 21 February 2023 entered into between Panda as Purchaser and Loo Chee Wee, Tay Kheng Seng, Bong Kok Choo, Tay Li Li, Loo Siau Sun, Wong Kai Meng, Keow Yih Yun as Vendors for the acquisition of 100% equity interest in Panda Software, KK Computer, Rexbridge and 020 Digital for a total purchase consideration of RM 5,619,000 satisfied by the issuance of 561,900,000 new shares in the Company at an issue price of approximately RM0.01 per share, which was completed on 1 September 2023;
- (ii) Underwriting Agreement dated 20 October 2023 entered between Panda with M & A Securities Sdn Bhd Securities for the underwriting of 76,333,600 Issue Shares;
- (iii) Placement Agreement dated 20 October 2023 entered between Panda with M & A Securities Sdn Bhd Securities for the placement of the balance 32,953,200 Issue Shares from the Public Issue and 61,810,000 Offer Shares; and
- (iv) Share Sale Agreement dated 28 November 2024 entered into between Panda as Purchaser and Yeow Cheng Hock, Ho Soo Cherng, Ding Chew Keat and Cheok Kian Hing as Vendors for the acquisition of 100% equity interest in Gross Synergy Sdn Bhd and Day One Technology Sdn Bhd for a total purchase consideration of RM17.1 million satisfied via a combination of cash of RM11.1 million and RM6.0 million via the issuance of 19,462,674 new ordinary shares in the Company at an issue price of RM0.3068 per share.

### **3. MATERIAL LITIGATION, CLAIMS AND ARBITRATION**

As at the LPD, Panda Group is not engaged in any material litigation, claims or arbitration, either as plaintiff or defendant and the Board is not aware of any proceedings, pending or threatened, against the Group or any facts likely to give rise to any proceedings which may materially affect the financial position and/or business of the Group.

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

Copies of the following documents are available for inspection at the Company's registered office located at Level 5, Tower 8, Avenue 5, Horizon 2, 59200 Kuala Lumpur, Wilayah Persekutuan, Malaysia during office hours from Monday to Friday (except on public holidays) from the date of this Circular up to and including the date of the 3<sup>rd</sup> AGM:

- (i) Constitution of the Company;
- (ii) Material contracts referred to in Section 2 of Appendix I of this Circular;
- (iii) Audited financial statements of the Company for the FYE 31 December 2024;

**ORDINARY RESOLUTION 7**

**Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature ("Proposed Renewal of Shareholders' Mandate for RRPT")**

**"THAT** approval be and is hereby given to the Company and its subsidiary(ies) ("**Group**") to enter into and give effect to the existing recurrent related party transactions of a revenue or trading nature particulars from time to time with the related parties as specified in Section 2.7 of the Circular to Shareholders dated 25 April 2025 ("**Related Parties**"), provided that:

- (a) such arrangements and/or transactions are necessary for the Group's day-to-day operations;
- (b) such arrangements and/or transactions undertaken are in the ordinary course of business, at arm's length basis and on normal commercial terms which are not more favourable to the related parties than those generally available to third party;
- (c) such arrangements and/or transactions are not detrimental to the minority shareholders of the Company; and
- (d) the disclosure is made in the annual report on the aggregate value of transactions conducted pursuant to the shareholders' mandate during the financial year in relation to:
  - (i) the related transacting parties and their respective relationship with the Company; and
  - (ii) the nature of the recurrent transactions.

**THAT** such authority shall continue to be in force until:

- (a) the conclusion of the next Annual General Meeting ("AGM"), unless the authority is renewed by a resolution passed at the next AGM; or
- (b) the expiration of the period within which the next AGM after the date it is required to be held pursuant to Section 340(2) of the Companies Act 2016 (but will not extend to such extension as may be allowed pursuant to Section 340(4) of the Companies Act 2016); or
- (c) revoked or varied by an ordinary resolution passed by the shareholders in a general meeting, whichever is the earlier.

**AND THAT** the Directors be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) to give effect to the transactions contemplated and/or authorised by this Ordinary Resolution."