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

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KUMPULAN PERANGSANG SELANGOR BERHAD

(Registration No. 197501002218 (23737-K))
(Incorporated in Malaysia)

CIRCULAR TO SHAREHOLDERS

IN RELATION TO THE

PROPOSED VARIATION TO THE SHARE SALE AGREEMENT DATED 17 MAY 2019 FOR THE DEFERMENT OF THE SECOND YEAR PROFIT GUARANTEE (AS DEFINED HEREIN) IN RESPECT OF THE ACQUISITION OF 100.0% EQUITY INTEREST IN TOYOPLAS MANUFACTURING (MALAYSIA) SDN. BHD. BY OUR WHOLLY-OWNED SUBSIDIARY, PERANGSANG DINAMIK SDN. BHD.

AND

NOTICE OF EXTRAORDINARY GENERAL MEETING

Principal Adviser

RHB InvestmentBank

RHB INVESTMENT BANK BERHAD

(Registration No. 197401002639 (19663-P))
(A Participating Organisation of Bursa Malaysia Securities Berhad)

The Notice of Extraordinary General Meeting ("**EGM**") of our Company together with the Proxy Form are enclosed in this Circular. The details of our forthcoming EGM which will be held on a fully virtual basis, are as follows:

- | | | |
|---|---|---|
| Broadcast venue of the EGM | : | KPS Corporate Office, 17 th Floor, Plaza Perangsang, Persiaran Perbandaran, 40000 Shah Alam, Selangor Darul Ehsan |
| Date and time | : | Tuesday, 25 May 2021 at 12.00 p.m. or following the conclusion of our 44 th Annual General Meeting scheduled to be held at the same broadcast venue on the same date at 10.00 a.m., whichever is later, or any adjournment thereof |
| Last date and time for lodging the Proxy Form | : | Sunday, 23 May 2021 at 12.00 p.m. |

You are entitled to attend, participate, speak (in the form of real time submission of typed texts) and vote remotely at our forthcoming EGM using the Remote Participation and Voting facilities ("**RPV**") provided by Tricor Investor & Issuing House Services Sdn Bhd ("**Tricor**"). Please refer to the Administrative Details for our forthcoming EGM which is available at our Company's website at <http://kps.com.my/index.php/investor-relations/reports> for the procedures on using the RPV to participate in our forthcoming EGM. If you are unable to participate in our forthcoming EGM, you may appoint a proxy or proxies to attend and vote for and on your behalf. In such event, the Proxy Form should be completed and lodged with Tricor at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur or at Tricor's Customer Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, or alternatively to submit your Proxy Form via TIIH Online website at <https://tiih.online>, not later than 48 hours before the date and time fixed for our forthcoming EGM, or at any adjournment thereof. The lodging of the Proxy Form will not preclude you from attending and voting remotely at our forthcoming EGM, should you subsequently wish to do so.

This Circular is dated 26 April 2021

DEFINITIONS

The following abbreviations and definitions shall apply throughout this Circular unless the context otherwise requires:

Acquisition	:	The acquisition of 100.0% equity interest in TMM by the Purchaser from the Vendor for a cash consideration of RM311,250,000, which was completed on 15 August 2019
Board	:	Our Board of Directors
Bursa Securities	:	Bursa Malaysia Securities Berhad
CEO	:	Chief Executive Officer
Circular	:	This Circular dated 26 April 2021 in relation to the Proposed Variation
Completion	:	Completion of the SSA which took place on 15 August 2019
COVID-19	:	Coronavirus Disease 2019
Director(s)	:	The director(s) of our Company as at the LPD and shall have the meaning ascribed to it in Section 2(1) of the Capital Markets and Services Act 2007
EGM	:	Extraordinary general meeting
EPS	:	Earnings per share
First Year Profit Guarantee	:	The profit guarantee provided by the Vendor and the Guarantors that the adjusted net PAT of the TMM Group for FYE 2019 shall not be less than RM38,595,000
FYE	:	Financial year ended or financial year ending, as the case may be
FYE 2019	:	FYE 31 December 2019
FYE 2020	:	FYE 31 December 2020
FYE 2021	:	FYE 31 December 2021
Guarantors	:	Collectively, LLA and LHB
LLA	:	Lim Lai An
LHB	:	Lim Hui Bian
LPD	:	30 March 2021, being the latest practicable date before the printing of this Circular
KPS or Company	:	Kumpulan Perangsang Selangor Berhad
KPS Group or our Group	:	Collectively, our Company and our subsidiaries
NA	:	Net assets
PAT	:	Profit after tax
Profit Guarantee	:	The two years profit guarantee of RM80,925,000 for the TMM Group provided by the Vendor and the Guarantors to the Purchaser comprising the First Year Profit Guarantee and the Second Year Profit Guarantee

DEFINITIONS

Profit Guarantee Period	:	Collectively, FYE 2019 and FYE 2020
Proposed Variation	:	The proposed variation of the relevant provisions in the SSA for the deferment of the Second Year Profit Guarantee from FYE 2020 to FYE 2021, and to vary, amend, supplement, modify, delete, add and/or substitute the relevant provisions of the SSA upon the terms and subject to the conditions of the Variation Agreement
Purchaser or PDSB	:	Perangsang Dinamik Sdn. Bhd., a wholly-owned subsidiary of our Company
Purchaser Interests	:	All interests accrued or to be accrued on the Retention Sum for the period of 12 months immediately before the release of the Retention Sum
Retention Sum	:	The sum of RM80,925,000 retained and kept in an Islamic term deposit account operated by the Purchaser's solicitors as stakeholder for the Profit Guarantee
RHB Investment Bank	:	RHB Investment Bank Berhad
Second Year Profit Guarantee	:	The profit guarantee provided by the Vendor and the Guarantors that the adjusted net PAT of the TMM Group for FYE 2020 shall not be less than RM42,330,000
SSA	:	Share sale agreement dated 17 May 2019 entered into between the Purchaser, the Vendor and the Guarantors in relation to the Acquisition
TMM	:	Toyoplas Manufacturing (Malaysia) Sdn. Bhd., a wholly-owned subsidiary of PDSB following the completion of the Acquisition
TMM Group	:	Collectively, TMM and its subsidiaries
Variation Agreement	:	The conditional variation agreement dated 25 February 2021 entered into between the Purchaser, the Vendor and the Guarantors in relation to the Proposed Variation
Vendor	:	Lim Tech Consolidated Limited (<i>formerly known as Toyoplas Consolidated Limited</i>)

PRESENTATION OF INFORMATION

References to “**our Company**”, “**we**”, “**us**” and “**our**” in this Circular are to our Company. References to “**our Group**” are to our Company and our subsidiaries. All references to “**you**” and “**your**” in this Circular are to our shareholders.

Unless specifically referred to, words denoting the singular shall, if applicable, include the plural and *vice versa* and words denoting the masculine gender shall, if applicable, include the feminine and/or neuter genders and *vice versa*. References to persons shall include corporations, unless otherwise specified.

Any references in this Circular to the provisions of any enactment, statute, rules, regulation, rules of stock exchange or guideline shall (when the context admits) be construed as a reference to the provisions of such enactment, statute, rules, regulation, rules of stock exchange or guideline (as the case may be) as modified by any written law or (if applicable) amendments to the enactment, statute, rules, regulation, rules of stock exchange or guideline for the time being in force.

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

Certain amounts and percentage figures included herein have been subject to rounding adjustments.

Certain statements in this Circular may be forward-looking in nature, which are subject to uncertainties and contingencies. Forward-looking statements may contain estimates and assumptions made by our Board after due inquiry, which are nevertheless subject to known or unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements to differ materially from anticipated results, performance or achievements expressed or implied in such forward-looking statements. Hence, the inclusion of a forward-looking statement in this Circular should not be regarded as a representation or warranty that our Company’s plans and objectives will be achieved.

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KUMPULAN PERANGSANG SELANGOR BERHAD

(Registration No. 197501002218 (23737-K))
(Incorporated in Malaysia)

Registered office:

17th Floor, Plaza Perangsang
Persiaran Perbandaran
40000 Shah Alam
Selangor Darul Ehsan

26 April 2021

Board of Directors:

YB Dato' Nor Azmie bin Diron (*Chairman, Non-Independent Non-Executive Director*)
Encik Soffan Affendi bin Aminudin (*Non-Independent Non-Executive Director*)
YBhg Dato' Idris bin Md Tahir (*Independent Non-Executive Director*)
YBhg Dato' Ikmal Hijaz bin Hashim (*Independent Non-Executive Director*)
Puan Norliza binti Kamaruddin (*Independent Non-Executive Director*)
Encik Koay Li Onn (Leon) (*Independent Non-Executive Director*)
YBhg Dato' Noorazman bin Abd Aziz (*Independent Non-Executive Director*)
Encik Ahmad Fariz bin Hassan (*Managing Director/Group Chief Executive Officer*)

To: Our shareholders

Dear Sir/Madam,

PROPOSED VARIATION

1. INTRODUCTION

On 17 May 2019, RHB Investment Bank, had on behalf of our Board, announced that PDSB had on even date entered into the SSA with the Vendor and the Guarantors for the acquisition of 100.0% equity interest in TMM for a cash consideration of RM311,250,000. Pursuant to the SSA, the Vendor and the Guarantors have jointly and severally covenanted, warranted and guaranteed to the Purchaser the Profit Guarantee.

On 24 July 2019, you had approved the ordinary resolution for the Acquisition at an EGM held, and the Acquisition was subsequently completed on 15 August 2019.

Following the Acquisition, the Vendor and the Guarantors had, vide a letter dated 14 January 2021, requested for a deferral of the Second Year Profit Guarantee from FYE 2020 to FYE 2021 due to unprecedented challenges caused by the COVID-19 pandemic in year 2020 that affected the business operations and financial performance of the TMM Group.

On 25 February 2021, RHB Investment Bank, had on behalf of our Board, announced that PDSB had on even date, entered into the Variation Agreement with the Vendor and the Guarantors to defer the Second Year Profit Guarantee from FYE 2020 to FYE 2021, and to vary, amend, supplement, modify, delete, add and/or substitute the relevant provisions of the SSA upon the terms and subject to the conditions of the Variation Agreement. The salient terms of the Variation Agreement are set out in Section 2.2 of this Circular.

THE PURPOSE OF THIS CIRCULAR IS TO PROVIDE YOU WITH DETAILS OF THE PROPOSED VARIATION AND TO SEEK YOUR APPROVAL FOR THE RESOLUTION PERTAINING TO THE PROPOSED VARIATION TO BE TABLED AT OUR FORTHCOMING EGM. THE NOTICE OF EGM TOGETHER WITH THE PROXY FORM ARE ENCLOSED WITH THIS CIRCULAR.

YOU ARE ADVISED TO READ AND CONSIDER CAREFULLY THE CONTENTS OF THIS CIRCULAR TOGETHER WITH THE APPENDIX CONTAINED HEREIN BEFORE VOTING ON THE RESOLUTION PERTAINING TO THE PROPOSED VARIATION TO BE TABLED AT OUR FORTHCOMING EGM.

2. DETAILS OF THE PROPOSED VARIATION

The Proposed Variation, being a material variation to the terms of the SSA is subject to your approval at our forthcoming EGM in compliance with Paragraph 8.22 of the Main Market Listing Requirements of Bursa Securities.

2.1 Summary of the existing terms of the Profit Guarantee under the SSA

As stated in Appendix I of our circular to you dated 9 July 2019 in relation to the Acquisition, the Vendor and the Guarantors have jointly and severally covenanted, warranted and guaranteed to the Purchaser the Profit Guarantee, as follows:

No.	Description	Guarantee amount (RM)
1.	The adjusted audited net PAT of the TMM Group for either of the following first profit guarantee year:	38,595,000
	(a) FYE 2019, if the Completion takes place on or before 31 December 2019; or	
	(b) FYE 2020, if Completion takes place after 31 December 2019.	
2.	The adjusted audited net PAT of the TMM Group for either of the following second profit guarantee year:	42,330,000
	(a) FYE 2020, if Completion takes place on or before 31 December 2019; or	
	(b) FYE 2021, if Completion takes place after 31 December 2019.	
Total amount of Profit Guarantee		80,925,000

As the Completion took place on 15 August 2019 which is before 31 December 2019, the First Year Profit Guarantee shall be for FYE 2019 whilst the Second Year Profit Guarantee shall be for FYE 2020.

The NA and PAT of the TMM Group for FYE 2019 and FYE 2020 are as follows:

	NA of the TMM Group (RM'mil)	PAT of the TMM Group (RM'mil)	Excess / (Shortfall) compared to the Profit Guarantee (RM'mil)
FYE 2019	201.6	38.7 ⁽¹⁾	0.1
FYE 2020	217.1	11.0 ⁽²⁾	(31.3)

Notes:

- (1) Based on the audited PAT of the TMM Group for FYE 2019 and after adjusting the excluded costs (which include headquarter costs and other costs incurred following the written instruction of our Company) of approximately RM0.6 million, as provided for under the SSA.
- (2) Based on the audited PAT of the TMM Group for FYE 2020.

Other salient terms in respect of the Profit Guarantee are as follows:

- (i) As security for the payment of any shortfall or deficiency in the Profit Guarantee, the parties agree that the Retention Sum shall be paid by the Purchaser to an Islamic term deposit account ("**Stakeholder Account**") to be operated by the Purchaser's solicitors ("**Stakeholder**") ¹ or alternatively, the Purchaser shall have the option to provide the Vendor with a bank guarantee issued by a licensed financial institution in Malaysia ("**BG**") equivalent to the Retention Sum ("**BG Amount**") in exchange of the release of the Retention Sum in the Stakeholder Account ².
- (ii) Unless otherwise mutually agreed by the parties, the parties shall appoint TMM's current auditor to conduct a special audit to verify and certify the adjusted audited net PAT/loss after tax of the TMM Group for FYE 2019 and FYE 2020 after deducting the excluded costs, who will then issue the audit certificate within seven months after the end of the Profit Guarantee Period. If the parties can mutually agree on the computation of the Profit Guarantee after deduction of the said excluded costs, the parties shall sign the confirmation certificate within seven months after the end of the Profit Guarantee Period.
- (iii) Within 10 business days from the date of the confirmation certificate or the audit certificate ("**Certificate Date**"), as the case may be, the Vendor and the Guarantors shall compensate the Purchaser for the aggregate of any shortfall amount if the adjusted audited net PAT (including loss, if any) of the TMM Group:
 - (a) for FYE 2019 is less than the First Year Profit Guarantee; and/or
 - (b) for FYE 2020 is less than the Second Year Profit Guarantee.

In such event and subject to the payment of the aggregate shortfall amount by the Vendor and/or the Guarantors to the Purchaser, where the Purchaser does not provide the Vendor with the BG, the Stakeholder shall release the full Retention Sum together with all interest accrued on the Retention Sum to the Vendor. If the BG is provided by the Purchaser, the Vendor will make a demand for payment on the BG and the Purchaser shall pay to the Vendor the interest on the BG Amount at the rate of 4.0% per annum calculated from the date of issuance of the BG to date of receipt of the BG Amount by the Vendor ("**Interest Amount**").

¹ On 14 August 2019, the Retention Sum was deposited into an Islamic deposit account maintained at RHB Islamic Bank Berhad of KL Main 1 Branch, Level 1 Tower 1, 426, Jalan Tun Razak, 50400 Kuala Lumpur.

² As at the LPD, the Retention Sum has been deposited into the Stakeholder Account and the Purchaser has not exercised its rights to provide the Vendor with the BG in exchange of the release of the Retention Sum in the Stakeholder Account.

- (iv) If the Vendor and/or the Guarantors fail to pay the aggregate shortfall amount to the Purchaser within 10 business days from the Certificate Date and where the Purchaser does not provide the Vendor with the BG, the Stakeholder shall release an amount equivalent to the outstanding shortfall amount from the Retention Sum to the Purchaser and the balance of the Retention Sum together with the interest accrued thereon (if any) to the Vendor. If the Retention Sum together with the interest accrued thereon ("**Total Retention Amount**") is insufficient to pay the aggregate shortfall amount in full, then the Vendor and the Guarantors shall pay the differential sum between the Total Retention Amount and the aggregate shortfall amount to the Purchaser.
- (v) If the Profit Guarantee for both FYE 2019 and FYE 2020 are achieved:
 - (a) where the Purchaser does not provide the Vendor a BG, the Stakeholder shall release the full Retention Sum together with all interest accrued on the Retention Sum to the Vendor;
 - (b) where the BG is provided by the Purchaser, the Vendor shall be entitled to make a demand for payment on the BG and the Purchaser shall pay the Interest Amount to the Vendor.
- (vi) LHB has agreed to remain as the CEO of TMM and as director of any of the TMM Group for a period of two years from Completion or throughout the Profit Guarantee Period, whichever is later, whilst the Vendor and the Guarantors will endeavour to procure the continuing employment of key employees of the TMM Group.

2.2 Summary of the varied terms of the Profit Guarantee under the Variation Agreement

- (i) The parties have agreed to defer the Second Year Profit Guarantee from FYE 2020 to FYE 2021 with the same profit guarantee amount of RM42,330,000, subject to your approval at our forthcoming EGM for the Proposed Variation.
- (ii) The Purchaser shall be entitled to the Purchaser Interests ³ regardless of whether the Profit Guarantee is achieved or otherwise. The Purchaser Interests will be released by the Stakeholder from the Stakeholder Account:
 - (a) where the Purchaser exercises the option to provide the Vendor with the BG, upon the Purchaser providing the BG to the Vendor; or
 - (b) where the Purchaser does not provide the Vendor with the BG:
 - (1) if the Profit Guarantee for both FYE 2019 and FYE 2021 are achieved, within 10 business days from the Certificate Date;
 - (2) if the Profit Guarantee for either FYE 2019 and/or FYE 2021 is/are not met:
 - (A) within 10 business days from the date of receipt of written confirmation from the Purchaser that the aggregate shortfall amount has been paid by the Vendor and/or the Guarantors within 10 business days from the Certificate Date; or

³ The profit rate for the Purchaser Interests is not fixed and shall be based on the then prevailing profit rate distributed to the Stakeholder Account maintained with RHB Islamic Bank Berhad. In this Circular, *for illustrative purposes*, the indicative profit rate adopted for the Purchaser Interests of 2.0% per annum on the Retention Sum is based on the average monthly floating profit rate of the Stakeholder Account for the past six months before the LPD.

- (B) after the Certificate Date if the Vendor and/or the Guarantors fail to pay the aggregate shortfall amount to the Purchaser within 10 business days from the Certificate Date.
- (iii) The Vendor and the Guarantors shall reimburse the Purchaser for all costs and expenses of the Proposed Variation (including but not limited to the relevant professional advisers' fees and other administrative charges) incurred by the Purchaser and/or our Company in relation to the Proposed Variation.
- (iv) In consideration and consequential upon the variations set out above, LHB has agreed to remain as the CEO of TMM and as director of any of the TMM Group until the end of FYE 2021.
- (v) The Vendor and the Guarantors further agree to procure the continuing employment of key employees of the TMM Group throughout FYE 2021.
- (vi) Save for the variations to the relevant provisions in the SSA as set out above, the Purchaser's rights of recourse shall remain the same as per the existing terms of the SSA if the Second Year Profit Guarantee is not met in FYE 2021.

3. RATIONALE AND JUSTIFICATIONS OF THE PROPOSED VARIATION

The rationale and justifications for the Proposed Variation are as follows:

- (i) the Profit Guarantee was determined based on business-as-usual assumptions at the point of the Acquisition. In FYE 2020, the TMM Group faced unforeseeable and unprecedented challenges at the onslaught of the COVID-19 pandemic, which had disrupted business operations, market demand and supply chain, and impaired financial performance of many companies globally, including the TMM Group. Our Board believes that the Proposed Variation provides a fair opportunity for the TMM Group to achieve the Second Year Profit Guarantee in FYE 2021 with the expected alleviated business conditions in FYE 2021 resulting from the resumption of operations, improved customer demand and reduced disruptions to the supply chain whilst noting that the effects of the COVID-19 pandemic are still prevalent in the markets and industry in which the TMM Group operates;
- (ii) the TMM Group is principally involved in plastic injection moulding with an integrated capability from mould fabrication and secondary processes to assembly of parts for its customers in the multimedia and communications, consumer electronics, industrial tools and automotive industries through its factories located in China, Indonesia, Malaysia and Vietnam. The effects of the COVID-19 pandemic to the TMM Group's operations were mainly contributed by various initiatives of the governments of China and Malaysia to contain the COVID-19 outbreak. The TMM Group encountered, among others, the following disruptions and challenges brought by the initiatives of these governments to contain the COVID-19 outbreak:
 - (a) the TMM Group's operations in all of its three factories located in China were subject to mandatory suspension of operations from 31 January 2020 up to 9 February 2020 due to a mandatory shutdown of factories imposed by the government of China. Operations were allowed to resume on 10 February 2020 following the upliftment of the mandatory shutdown. However, the TMM Group's activities in China could not fully resume to historical utilisation levels immediately due to shortage of materials in the supply chain and quarantine requirements to be complied with by its workforce. As at the LPD, the TMM Group's manufacturing operations in China have fully resumed; and

- (b) in Malaysia, the TMM Group's operations were suspended from 18 March 2020 up to 6 April 2020 arising from the Movement Control Order (MCO) imposed by the government of Malaysia. On 6 April 2020, the TMM Group had obtained approval for its manufacturing plant in Senai, Johor to resume its operations with limitations placed on workforce and operating hours, of which its operations have commenced with limited workforce thereafter. As at the LPD, the TMM Group's manufacturing operations in Malaysia have fully resumed;

The operational suspension and limitations imposed on the TMM Group had adversely affected its financial performance as it continued to incur its fixed overhead costs such as staff costs and rental expenses during such period. This was exacerbated by supply chain disruptions and weak end-consumer demand in the multimedia and communications, consumer electronics and automotive industries in which the TMM Group's key customers operate;

- (iii) our Company has cultivated and intends to continue to build on its business relationship with the Guarantors who have shown effective oversight over the business development and operations of the TMM Group, evident by their proactive efforts to grow the TMM Group after the Acquisition. Further, under the Variation Agreement, LHB has agreed to remain as the CEO of TMM until the end of FYE 2021. Since the completion of the Acquisition, our Company together with the Guarantors had successfully worked together to:
 - (a) grow the bottom line of the TMM Group in FYE 2019 achieving a PAT of RM38.1 million, representing approximately 5.0% growth from the PAT of RM36.3 million for FYE 31 December 2018. This is further evident by the TMM Group achieving the First Year Profit Guarantee under the management of LHB as the CEO of TMM and the continued employment of the key employees since the Acquisition;
 - (b) expand the production capacity and regional footprint of the TMM Group. In the first quarter of 2020, the TMM Group had completed its expansion of the manufacturing plant in Senai, Johor. In the same year, the TMM Group established its footprint in the northern region of Vietnam to serve the increasing manufacturing demand in Vietnam which is driven by the United States of America-China trade war. Despite the challenges of the COVID-19 pandemic, operations in Vietnam started at the end of the third quarter of 2020. The TMM Group's expansion to Vietnam is expected to be one of the key drivers of growth for the TMM Group in light of the 'China Plus One' strategy undertaken by some of the TMM Group's customers which are diversifying their production chain to other countries in the South East Asia region; and
 - (c) further diversify its customer base through diligent efforts to acquire new customers. In 2019, a key customer was acquired in Indonesia, which expanded the TMM Group's capability into a new product category whilst expanding its services to include providing full assembly services for the said customer. The addition of this key customer reduced the TMM Group's reliance upon its long-term customers which contributed approximately 90.0% to its revenue before the Acquisition. The resulting diversification in product, geographical and customer mix helped cushion the impact of the COVID-19 pandemic to the TMM Group's sources of income for FYE 2020 as demand for the said customer's products was not as badly affected by the weakened global consumer market as compared to the TMM Group's other key customers. Moreover, the government in Indonesia did not impose a suspension of the TMM Group's operations; and
- (iv) the Purchaser will be compensated for the deferment of the Second Year Profit Guarantee through its entitlement over the Purchaser Interests which is estimated to be approximately RM1.684 million (computed based on an indicative profit rate of 2.0% per annum on the Retention Sum). In addition, the Vendor and the Guarantors have further agreed to reimburse the Purchaser for all costs incurred by the Purchaser and/or our Company for the Proposed Variation.

Premised on the above, our Board is of the view that it may be realistic for the TMM Group to achieve the Second Year Profit Guarantee in FYE 2021 after taking into consideration that (i) the TMM Group had achieved the First Year Profit Guarantee in FYE 2019 without the effects of the COVID-19 pandemic; and (ii) the TMM Group's operations have fully resumed as at the LPD. Further, our Board believes that the favourable global economic recovery in 2021 which is forecasted to be at 8.1% for China and 5.2% for ASEAN-5 (Malaysia, Indonesia, Philippines, Singapore and Thailand), respectively, driven by improved global trade and the rollout of the COVID-19 vaccine in the countries in which the TMM Group operates (*Source: World Economic Outlook Update January 2021, International Monetary Fund*) will augur well for the TMM Group. Nonetheless, our Board takes cognisance that the effects of the COVID-19 pandemic are still prevalent in the markets and industries in which the TMM Group operate. However, if the TMM Group is unable to achieve the Second Year Profit Guarantee in FYE 2021 for whatsoever reason, the Purchaser will continue to be entitled to any shortfall amount from the Second Year Profit Guarantee (including the Purchaser Interests).

4. RISKS IN RELATION TO THE PROPOSED VARIATION

Save as disclosed below, our Board does not foresee any material risks pursuant to the Proposed Variation:

4.1 Spread or outbreak of COVID-19 or any other contagious or virulent diseases

The outbreak of the COVID-19 has spread globally, which had a material adverse impact on the TMM Group's operations in China, Malaysia, Indonesia and Vietnam. If there are any further business interruptions and implementation of strict preventive and precautionary health and safety measures in these countries, it will adversely affect the TMM Group's business operations and financial performance. Nevertheless, the TMM Group has implemented standard operating procedures in line with the requirements of each country to ensure the well-being of its employees.

There is no assurance that the outbreak of the COVID-19 in these countries can be effectively controlled, or another outbreak of the COVID-19 or other pandemics will not happen in the future. Any other outbreak or pandemics that materialise in the future which persist for a substantial period may significantly and adversely affect the TMM Group's business operations and financial performance.

4.2 Delay or non-completion of the Variation Agreement

The Variation Agreement is conditional upon the Purchaser procuring your approval at our forthcoming EGM for the Proposed Variation. If you do not approve the resolution for the Proposed Variation at our forthcoming EGM for whatsoever reason, we will not be able to complete the Proposed Variation.

Notwithstanding this, our Board and management believe that the Proposed Variation is in the best interest of our Company based on the rationale and justifications of the Proposed Variation as stated in Section 3 of this Circular. Further, our Company will endeavour to obtain the support of its controlling shareholder for the Proposed Variation in a timely manner to mitigate the occurrence of any delay or non-completion of the Variation Agreement.

5. EFFECTS OF THE PROPOSED VARIATION

The Proposed Variation is to defer the Second Year Profit Guarantee from FYE 2020 to FYE 2021 with the same profit guarantee amount of RM42,330,000. Hence, the Proposed Variation will only have an effect on the financial results of our Company and our Group for FYE 2021.

5.1 Share capital and substantial shareholders' shareholdings

The Proposed Variation will not have any effect on our issued share capital and substantial shareholders' shareholdings as it does not involve any issuance of new ordinary shares of our Company.

5.2 NA, NA per share and gearing

For illustrative purposes only, on the assumptions that the Proposed Variation had been completed on 31 December 2020 and the impact of the Second Year Profit Guarantee is recognised in FYE 2020, the proforma effects of the Proposed Variation on the NA, gearing and NA per share of our Group are as follows:

	Audited FYE 2020	After the Proposed Variation
	(RM'000)	(RM'000)
Share capital	537,927	537,927
Foreign currency translation reserve	(482)	(482)
Capital reserve	1,927	1,927
Retained earnings	454,260	498,274 ⁽³⁾
Shareholders' equity / NA	993,632	1,037,646
Non-controlling interests	111,835	111,835
Total equity	1,105,467	1,149,481
Number of ordinary shares ('000)	537,385	537,385
NA per share (RM) ⁽¹⁾	1.85	1.93
Total borrowings (RM'000)	616,206	616,206
Gross gearing (times) ⁽²⁾	0.62	0.59

Notes:

- (1) NA per share is computed as shareholders' equity divided by the number of shares in issue.
- (2) Gross gearing is computed as total borrowings divided by shareholders' equity.
- (3) After taking into consideration the following:
 - (i) the income to be recognised for the Second Year Profit Guarantee of RM42.330 million; and
 - (ii) the estimated Purchaser Interests of approximately RM1.684 million (computed based on an indicative profit rate of 2.0% per annum on the Retention Sum, which is not a fixed interest in the Variation Agreement and used only for illustration purposes).

If you approve the Proposed Variation, the Purchaser will be entitled to the Purchaser Interests and any shortfall amount from the Second Year Profit Guarantee in FYE 2021. If you do not approve the Proposed Variation, the Purchaser will continue to be entitled to any shortfall amount from the Second Year Profit Guarantee in FYE 2020 under the SSA which will be recognised in FYE 2021. In this regard, save for the Purchaser Interests, the Proposed Variation will not have any effect on the NA, NA per share and gearing of our Group for FYE 2021.

5.3 Earnings and EPS

For illustrative purposes only, assuming the Proposed Variation had been effected on 1 January 2020, the proforma effect of the Proposed Variation on the earnings and EPS of our Group are as follows:

	Audited FYE 2020	After the Proposed Variation
Profit net of tax and zakat attributable to equity holders (RM'000)	34,116	78,130 ⁽²⁾
Weighted average number of ordinary shares ('000)	537,385	537,385
EPS (sen) ⁽¹⁾	6.3	14.5

Notes:

(1) EPS is computed as profit net of tax and zakat attributable to equity holders divided by the weighted average number of ordinary shares in issue for FYE 2020.

(2) Please refer to Note (3) of Section 5.2 above.

If you approve the Proposed Variation, the Purchaser will be entitled to the Purchaser Interests and any shortfall amount from the Second Year Profit Guarantee in FYE 2021. If you do not approve the Proposed Variation, the Purchaser will continue to be entitled to any shortfall amount from the Second Year Profit Guarantee in FYE 2020 under the SSA which will be recognised in FYE 2021. In this regard, save for the Purchaser Interests, the Proposed Variation will not have any effect on the earnings and EPS of our Group for FYE 2021.

6. APPROVALS REQUIRED

Save for your approval for the Proposed Variation at our forthcoming EGM, there are no other approvals required to be obtained from any relevant parties.

7. INTEREST OF DIRECTORS, MAJOR SHAREHOLDERS AND/OR PERSONS CONNECTED WITH THEM

None of our Directors, major shareholders and/or persons connected with them have any interest, direct or indirect, in the Proposed Variation.

8. DIRECTORS' STATEMENT

After having considered the rationale and justifications of the Proposed Variation, risks in relation to the Proposed Variation and the proforma effects of the Proposed Variation, our Board:

- (i) is of the opinion that the Proposed Variation is in the best interest of our Company; and
- (ii) recommends that you vote in favour of the resolution pertaining to the Proposed Variation to be tabled at our forthcoming EGM.

9. TENTATIVE TIMETABLE

Barring any unforeseen circumstances, the Proposed Variation is expected to be completed in the 2nd quarter of 2021. The tentative timetable for the implementation of the Proposed Variation is set out below:

Key milestones	Tentative timeline
Our EGM for the Proposed Variation	25 May 2021
Completion of the Proposed Variation	25 May 2021

10. OUTSTANDING CORPORATE PROPOSALS ANNOUNCED BUT PENDING COMPLETION

Save as disclosed below, our Board confirms that there is no other outstanding corporate proposals that have been announced by our Company but pending completion as at the LPD:

- (i) the Proposed Variation; and
- (ii) the proposed renewal of existing shareholders' mandate for the recurrent related party transactions of a revenue or trading nature entered and/or to be entered into by our Group from the date of our forthcoming 44th Annual General Meeting ("**AGM**") to our next AGM which was announced on 30 March 2021 ("**Proposed New Shareholders' Mandate**").

The Proposed Variation is not conditional upon the Proposed New Shareholders' Mandate and/or any other corporate exercise undertaken or to be undertaken by our Company.

11. EGM

Our forthcoming EGM, the notice of which is enclosed in this Circular, will be held on a fully virtual basis at the broadcast venue at KPS Corporate Office, 17th Floor, Plaza Perangsang, Persiaran Perbandaran, 40000 Shah Alam, Selangor Darul Ehsan on Tuesday, 25 May 2021 at 12.00 p.m. or following the conclusion of our 44th AGM which will be held at the same broadcast venue on the same date at 10.00 a.m., whichever is later, or any adjournment thereof, for the purpose of considering and if thought fit, passing with or without modifications, the resolution to give effect to the Proposed Variation.

You are entitled to attend, participate, speak (in the form of real time submission of typed texts) and vote remotely at our forthcoming EGM using the Remote Participation and Voting facilities (“**RPV**”) provided by Tricor Investor & Issuing House Services Sdn Bhd (“**Tricor**”). Please refer to the Administrative Details for our forthcoming EGM which is available at our Company’s website at <http://kps.com.my/index.php/investor-relations/reports> for the procedures on using the RPV to participate in our forthcoming EGM. If you are unable to participate in our forthcoming EGM, you may appoint a proxy or proxies to attend and vote for and on your behalf. In such event, the Proxy Form should be completed and lodged with Tricor at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur or at Tricor’s Customer Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, or alternatively to submit your Proxy Form via TIIH Online website at <https://tiih.online>, not later than 48 hours before the date and time fixed for our forthcoming EGM or at any adjournment thereof. The lodging of the Proxy Form will not preclude you from attending and voting remotely at our virtual forthcoming EGM, should you subsequently wish to do so.

12. FURTHER INFORMATION

You are requested to refer to the appendix of this Circular for further information.

Yours faithfully,
For and on behalf of the Board of Directors of
KUMPULAN PERANGSANG SELANGOR BERHAD

YB Dato’ Nor Azmie bin Diron
Chairman, Non-Independent Non-Executive Director

ADDITIONAL INFORMATION

1. DIRECTORS' RESPONSIBILITY STATEMENT

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

2. WRITTEN CONSENT AND DECLARATION OF CONFLICT OF INTERESTS

RHB Investment Bank, being our Principal Adviser for the Proposed Variation, has given and has not subsequently withdrawn its written consent to include its name and all references thereto in this Circular, in the form and context in which they appear.

RHB Investment Bank, its subsidiaries and associated companies, as well as its holding company, RHB Bank Berhad, and the subsidiaries and associated companies of RHB Bank Berhad ("**RHB Banking Group**") form a diversified financial group. RHB Banking Group may extend credit facilities or engage in private banking, commercial banking and investment banking transactions including, amongst others, brokerage, securities trading, asset and fund management and credit transaction service businesses in its ordinary course of business with our Group. RHB Banking Group has engaged and may in the future, engage in transactions with and perform services for our Group in addition to the roles set out in this Circular.

In addition, in the ordinary course of business, any member of RHB Banking Group may at any time offer or provide its services to or engage in any transactions (whether on its own account or otherwise) with any member, director, shareholder, affiliate of our Group and/or other entity or person, hold long or short positions in the securities offered by any member and affiliate of our Group, make investment recommendations and/or publish or express independent research views on such securities and may trade or otherwise effect transactions for its own account or the account of its other customers in debt or equity securities or senior loans of our Group.

As at the LPD, Dato' Darawati Hussain, an independent non-executive director of RHB Investment Bank is our shareholder, holding 2,584 ordinary shares in our Company. Nevertheless, in view of her role as a non-executive director, she is not involved in the day-to-day operations of RHB Banking Group. Further, Dato' Darawati Hussain's shareholdings in our Company is immaterial as it represents an equity interest of approximately 0.0005% only.

Further, as at the LPD, RHB Banking Group has offered various credit facilities with a combined limit of RM151.0 million to our Group, of which the outstanding amount is approximately RM150.7 million.

Notwithstanding the above and as at the LPD, RHB Investment Bank, as part of RHB Banking Group, has confirmed that the abovementioned do not and is not likely to result in a conflict of interest in its capacity as our Principal Adviser for the Proposed Variation as:

- (i) the extended credit facilities provided by RHB Bank Berhad is on an arms' length basis and is not material compared to the latest audited shareholders' funds of RHB Banking Group of approximately RM27.0 billion as at 31 December 2020;
- (ii) RHB Investment Bank is a licensed investment bank and its appointment as our Principal Adviser for the Proposed Variation is in its ordinary course of business. RHB Investment Bank does not have any interest in the Proposed Variation other than as our Principal Adviser for the Proposed Variation based on the terms of engagement which are mutually agreed between both parties. Further, RHB Investment Bank does not receive or derive any financial interest or benefit save for the professional fees received in relation to its appointment as our Principal Adviser for the Proposed Variation;

ADDITIONAL INFORMATION

- (iii) the corporate finance division of RHB Investment Bank ("**RHB CF**") is required under its investment banking licence to comply with strict policies and guidelines issued by the Securities Commission Malaysia, Bursa Securities and Bank Negara Malaysia governing its advisory operations. These guidelines require, among others, the establishment of Chinese Wall policies, clear segregation between dealing and advisory activities and the formation of an independent committee to review its business operations. In any event, the team in charge of the Proposed Variation in RHB Investment Bank is independent from the team handling the credit facilities. Further, there is no involvement by RHB CF in respect of any credit application process undertaken by other departments within RHB Investment Bank; and
- (iv) the conduct of RHB Banking Group's business is regulated strictly by the Financial Services Act 2013, the Capital Markets and Services Act 2007 and RHB Banking Group's internal controls and checks which includes, segregation of reporting structures, in that its activities are monitored and reviewed by independent parties and committees.

Save for the above, RHB Investment Bank has confirmed that it is not aware of any other circumstances that exists or is likely to exist to give rise to a possible conflict of interest situation in its capacity as our Principal Adviser for the Proposed Variation.

3. MATERIAL CONTRACTS

Save as disclosed below and the Variation Agreement, our Group has not entered into any material contracts (not being contracts entered into in the ordinary course of business) within two years immediately preceding the LPD:

- (i) the SSA;
- (ii) the Commodity Murabahah Term Financing-i of up to RM150,000,000 granted by RHB Islamic Bank Berhad to PDSB to part finance up to 48.2% of the total purchase consideration for the Acquisition;
- (iii) sale and purchase of shares agreement dated 11 October 2019 between Lim Kian Tiong, Soo Yin Seong, Teo Kim Yam (collectively, the "**Vendors**") and Polyplus Packages (JB) Sdn Bhd ("**Polyplus**") (as the purchaser), an indirect wholly-owned subsidiary of our Company, for the acquisition of 85.0% equity interest of Taspak Industrial Sdn. Bhd. ("**Taspak**") for a cash consideration of RM21,250,000;
- (iv) shareholders' agreement dated 11 October 2019 between the Vendors and Polyplus to regulate their relationship with one another as the shareholders of Taspak;
- (v) sale and purchase agreement dated 9 July 2020 between Perangsang Hotel And Properties Sdn. Bhd. (as the vendor), an indirect wholly-owned subsidiary of our Company, and Aturan Lagenda Sdn. Bhd. (as the purchaser) for the disposal of a piece of leasehold land held under title no. Pajakan Negeri No. Hakmilik 9955, Lot 1702 Seksyen 46, Town and District of Kuala Lumpur, State of Wilayah Persekutuan Kuala Lumpur with an area measuring approximately 3,225 square metres together with a hotel building erected thereon for a cash consideration of RM40,500,000; and
- (vi) sale and purchase agreement dated 23 December 2020 between Durapower Sdn Bhd (as the vendor) and Prestige Packages Sdn Bhd (as the purchaser) an indirect wholly-owned subsidiary of our Company, for the purchase of two leases registered on a piece of land held under title no. PN 38494, Lot 77185, Mukim Senai, Daerah Kulai, Negeri Johor measuring approximately 0.4047 hectare, for a cash consideration of RM4,200,000.

ADDITIONAL INFORMATION

4. MATERIAL LITIGATION, CLAIMS AND ARBITRATION

As at the LPD, our Group is not engaged in any material litigation, claim or arbitration, either as plaintiff or defendant, which has a material adverse effect on the financial position or business operations of our Group, and our Board has no knowledge of any proceeding pending or threatened against our Group or any fact likely to give rise to any proceeding which may materially and adversely affect the financial position or business operations of our Group.

5. MATERIAL COMMITMENTS AND CONTINGENT LIABILITIES**5.1 Material commitments**

Save as disclosed below, as at 31 December 2020, being the latest practicable date at which such amount could be calculated before the submission of this Circular there is no material commitment incurred or known to be incurred by our Group which may have material impact on the financial position or business of our Group:

	RM'000
Property, plant, and equipment:	
– Approved but not contracted for	2,896
– Approved and contracted for	14,551
Total	17,447

5.2 Contingent liabilities

Save as disclosed below, as at 31 December 2020, being the latest practicable date at which such amount could be calculated before the submission of this Circular, our Group does not have any contingent liabilities incurred or known to be incurred by our Group, which upon becoming enforceable, may have a material impact on the financial position or business of our Group:

	RM'000
Secured:	
– Provision of proportionate corporate guarantee for an associate for working capital and issuance of bank guarantees	14,000
Unsecured:	
– Performance guarantees to third parties	677
– Provision of proportionate corporate guarantee to a related party	4,447
Total	19,124

ADDITIONAL INFORMATION

6. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at our office situated at 17th Floor, Plaza Perangsang, Persiaran Perbandaran, 40000 Shah Alam, Selangor Darul Ehsan during normal business hours from Mondays to Fridays (except public holidays) from the date of this Circular up to and including the date of our forthcoming EGM:

- (i) our constitution;
- (ii) our audited consolidated financial statements for FYE 2019 and FYE 2020;
- (iii) the letter of consent as referred to in Section 2 of this Appendix;
- (iv) the Variation Agreement; and
- (v) the material contracts as referred to in Section 3 of this Appendix.



KUMPULAN PERANGSANG SELANGOR BERHAD

(Registration No. 197501002218 (23737-K))

(Incorporated in Malaysia)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT an Extraordinary General Meeting of Kumpulan Perangsang Selangor Berhad (“KPS” or “Company”) to be conducted entirely on a fully virtual basis at the broadcast venue at KPS Corporate Office, 17th Floor, Plaza Perangsang, Persiaran Perbandaran, 40000 Shah Alam, Selangor Darul Ehsan on Tuesday, 25 May 2021 at 12.00 p.m., or following the conclusion of the 44th Annual General Meeting of the Company which will be held at the same broadcast venue on the same date at 10.00 a.m., whichever is later, or any adjournment thereof, for the purpose of considering and if thought fit, passing the following resolution with or without modifications:

ORDINARY RESOLUTION

PROPOSED VARIATION TO THE SHARE SALE AGREEMENT DATED 17 MAY 2019 FOR THE DEFERMENT OF THE SECOND YEAR PROFIT GUARANTEE (AS DEFINED BELOW) IN RESPECT OF THE ACQUISITION OF 100.0% EQUITY INTEREST IN TOYOPLAS MANUFACTURING (MALAYSIA) SDN. BHD. (“TMM”) BY PERANGSANG DINAMIK SDN. BHD. (“PDSB”), A WHOLLY-OWNED SUBSIDIARY OF KPS

“**THAT**, approval be and is hereby given for PDSB, a wholly-owned subsidiary of KPS, to defer the second year profit guarantee of RM42,330,000 of TMM and its subsidiaries (“**Second Year Profit Guarantee**”) from the financial year ended 31 December 2020 to the financial year ending 31 December 2021 and to vary, amend, supplement, modify, delete, add and/or substitute the provisions of the share sale agreement dated 17 May 2019 entered into between PDSB, Lim Tech Consolidated Limited (*formerly known as Toyoplas Consolidated Limited*) (“**Vendor**”), Lim Lai An (“**LLA**”) and Lim Hui Bian (“**LHB**”) in accordance with the terms and conditions set out in the conditional variation agreement dated 25 February 2021 entered into between PDSB, the Vendor, LLA and LHB (“**Variation Agreement**”) (“**Proposed Variation**”);

THAT the execution by PDSB of the Variation Agreement and other ancillary documents in relation thereto and the performance of its obligations under the Variation Agreement and other ancillary documents in relation thereto be and are hereby approved, ratified and confirmed;

THAT the Board of Directors of KPS (“**Board**”) and/or PDSB be and are hereby empowered and authorised to sign, execute and deliver on behalf of the Company and/or PDSB all necessary documents and to take all steps and do all such acts as it may consider necessary, expedient or appropriate to give full effect to the Proposed Variation with full power and discretion to enter into all such transactions, arrangements and agreements in respect of any matter arising under or in connection with the Proposed Variation and to assent to any conditions, modifications, variations, additions and/or amendments as may be imposed by any relevant authorities and/or as the Board and/or PDSB may deem fit and/or expedient and/or in the best interest of the Company and/or PDSB;

AND THAT all previous actions by the Board for the purpose of or in connection with the Proposed Variation be and are hereby adopted, approved and ratified.”

By Order of the Board

HASHIMAH BINTI MOHD ISA (SSM PC No. 201908000993/MACS 01269)

SELFIA BINTI MUHAMMAD EFFENDI (SSM PC No. 201908000999/MAICSA 7046782)

Joint Company Secretaries

Shah Alam, Selangor Darul Ehsan

26 April 2021

Notes:

1. **IMPORTANT NOTICE**

The broadcast venue, which is the main venue of the meeting, is **strictly for the purpose of complying with Section 327(2) of the Companies Act 2016**, which requires the Chairman to be present at the main venue of the meeting.

Members/proxies **WILL NOT BE ALLOWED** to attend the Extraordinary General Meeting (“EGM”) in person at the broadcast venue on the day of the EGM.

Members are entitled to attend, speak (including posing questions to the Board via real time submission of type texts) and vote (collectively, “**participate**”) remotely at the EGM via the Remote Participation and Voting facilities (“**RPV**”) provided by Tricor Investor & Issuing House Services Sdn Bhd (“**Tricor**”) via its TIH Online website at <https://tiih.online>.

Please refer to the Administrative Details for the EGM which is available on the Company's website at <http://kps.com.my/index.php/investor-relations/reports> and read notes (2) to (13) below for the procedures on using the RPV to participate in the EGM.

2. For the purpose of determining who shall be entitled to attend the EGM via the RPV, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd to make available to the Company, a Record of Depositors as at 18 May 2021. Only a member whose name appears on this Record of Depositors shall be entitled to attend the EGM via RPV or appoint a proxy to attend, speak and vote for and on his/her/its behalf.
3. A member who is entitled to participate and vote at the EGM via the RVP is entitled to appoint a proxy or attorney or in the case of a corporation, to appoint a duly authorised representative to participate and vote in his place. A proxy may but need not be a member of the Company.
4. A member of the Company who is entitled to participate and vote at the EGM may appoint not more than two proxies to attend, participate, speak and vote instead of the member at the EGM via the RPV.
5. Where a member appoints more than one proxy, the proportions of shareholdings to be represented by each proxy must be specified in the instrument appointing the proxies.
6. Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991 (“**SICDA**”), it may appoint not more than two proxies in respect of each securities account it holds in ordinary shares of the Company standing to the credit of the said securities account.
7. Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account (“**omnibus account**”), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds. An exempt authorised nominee refers to an authorised nominee defined under the SICDA which is exempted from compliance with the provisions of Section 25A(1) of the SICDA.
8. A member who has appointed a proxy or attorney or authorised representative to participate and vote at the EGM via the RPV must request his/her proxy or attorney or authorised representative to register himself/herself for the RPV at TIH Online website at <https://tiih.online>. Please follow the Procedures for the RPV in the Administrative Details for the EGM.
9. The instrument appointing a proxy shall be in writing under the hand of the appointer or his attorney duly authorised in writing or if the appointer is a corporation either under seal or under the hand of an officer or attorney duly authorised. The appointment of a proxy may be made in hard copy form or by electronic form. If the appointment is made in hard copy form, the Proxy Form must be deposited with Tricor at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur or at Tricor's 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 your electronic Proxy Form via TIH Online website at <https://tiih.online> not less than 48 hours before the time fixed for holding the EGM.
10. Please ensure all the particulars as required in the Proxy Form are completed, signed and dated accordingly.
11. Last date and time for lodging the Proxy Form is on Sunday, 23 May 2021 at 12.00 p.m.
12. Any authority pursuant to which such an appointment is made by a power of attorney must be deposited with Tricor at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur or alternatively, at Tricor's Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur not less than 48 hours before the time appointed for holding the EGM or at any adjourned EGM thereof at which the person named in the appointment proposes to vote. A copy of the power of attorney may be accepted provided that it is certified notarially and/or in accordance with the applicable legal requirements in the relevant jurisdiction in which it is executed.
13. For a corporate member who has appointed a representative, please deposit the **ORIGINAL** certificate of appointment with Tricor at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur or alternatively, at Tricor's Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur. The certificate of appointment should be executed in the following manner:
 - i) If the corporate member has a common seal, the certificate of appointment should be executed under seal in accordance with the constitution of the corporate member.
 - ii) If the corporate member does not have a common seal, the certificate of appointment should be affixed with the rubber stamp of the corporate member (if any) and executed by:
 - a. at least two authorised officers, of whom one shall be a director; or
 - b. any director and/or authorised officers in accordance with the laws of the country under which the corporate member is incorporated.

No. of Ordinary Shares Held

PROXY FORM

Proxy Form for the Extraordinary General Meeting

KUMPULAN PERANGSANG SELANGOR BERHAD (197501002218 (23737-K)) (Incorporated in Malaysia)

I/We _____ NRIC / Passport No. / Company No. _____
 (full name in capital letters)
 of _____
 (full address)

being a member/members of Kumpulan Perangsang Selangor Berhad ("the Company"), hereby appoint

	Name/NRIC No.	No. of Shares	Percentage (%)	
Proxy 1	_____	_____	_____	and/or failing him/her
Proxy 2	_____	_____	_____	or failing him/her

the Chairman of the Meeting as my/our proxy to attend and vote for me/us and on my/our behalf at the Extraordinary General Meeting of the Company to be conducted entirely on a fully virtual basis at the broadcast venue at KPS Corporate Office, 17th Floor, Plaza Perangsang, Persiaran Perbandaran, 40000 Shah Alam, Selangor Darul Ehsan on Tuesday, 25 May 2021 at 12.00 p.m. or following the conclusion of the 44th Annual General Meeting which will be held at the same broadcast venue on the same date at 10.00 a.m., whichever is later, or any adjournment thereof.

My/Our proxy is to vote as indicated below

RESOLUTION	FOR	AGAINST
Ordinary Resolution: Proposed Variation		

(Please indicate with an "X" in the spaces provided how you wish your vote to be casted. If you do not do so, the proxy will vote or abstain voting at his/her discretion)

Signature/Common Seal of Shareholder _____ Dated this _____ day of _____ 2021

Notes:

1. IMPORTANT NOTICE

The broadcast venue, which is the main venue of the meeting, is strictly for the purpose of complying with Section 327(2) of the Companies Act 2016, which requires the Chairman to be present at the main venue of the meeting.

Members/proxies **WILL NOT BE ALLOWED** to attend the Extraordinary General Meeting ("EGM") in person at the broadcast venue on the day of the EGM.

Members are entitled to attend, speak (including posing questions to the Board via real time submission of type texts) and vote (collectively, "participate") remotely at the EGM via the Remote Participation and Voting facilities ("RPV") provided by Tricor Investor & Issuing House Services Sdn Bhd ("Tricor") via its TIH Online website at <https://tiah.online>.

Please refer to the Administrative Details for the EGM which is available on the Company's website at <http://kps.com.my/index.php/investor-relations/reports> and read notes (2) to (13) below for the procedures on using RPV to participate in the EGM.

- For the purpose of determining who shall be entitled to attend the EGM via the RPV, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd to make available to the Company, a Record of Depositors as at 18 May 2021. Only a member whose name appears on this Record of Depositors shall be entitled to attend the EGM via RPV or appoint a proxy to attend, speak and vote for and on his/her/its behalf.
- A member who is entitled to participate and vote at the EGM via the RVP is entitled to appoint a proxy or attorney or in the case of a corporation, to appoint a duly authorised representative to participate and vote in his place. A proxy may but need not be a member of the Company.
- A member of the Company who is entitled to participate and vote at the EGM may appoint not more than two proxies to attend, participate, speak and vote instead of the member at the EGM via the RPV.
- Where a member appoints more than one proxy, the proportions of shareholdings to be represented by each proxy must be specified in the instrument appointing the proxies.
- Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991 ("SICDA"), it may appoint not more than two proxies in respect of each securities account it holds in ordinary shares of the Company standing to the credit of the said securities account.
- Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds. An exempt authorised nominee refers to an authorised nominee defined under the SICDA which is exempted from compliance with the provisions of Section 25A(1) of the SICDA.
- A member who has appointed a proxy or attorney or authorised representative to participate and vote at the EGM via the RPV must request his/her proxy or attorney or authorised representative to register himself/herself for the RPV at TIH Online website at <https://tiah.online>. Please follow the Procedures for the RPV in the Administrative Details for the EGM.



9. The instrument appointing a proxy shall be in writing under the hand of the appointer or his attorney duly authorised in writing or if the appointer is a corporation either under seal or under the hand of an officer or attorney duly authorised. The appointment of a proxy may be made in hard copy form or by electronic form. If the appointment is made in hard copy form, the Proxy Form must be deposited with Tricor at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur or at Tricor's 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 your electronic Proxy Form via TIIH Online website at <https://tiih.online> not less than 48 hours before the time fixed for holding the EGM.
10. Please ensure all the particulars as required in the Proxy Form are completed, signed and dated accordingly.
11. Last date and time for lodging the Proxy Form is on Sunday, 23 May 2021 at 12.00 p.m.
12. Any authority pursuant to which such an appointment is made by a power of attorney must be deposited with Tricor at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur or alternatively, at Tricor's Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur not less than 48 hours before the time appointed for holding the EGM or at any adjourned EGM thereof at which the person named in the appointment proposes to vote. A copy of the power of attorney may be accepted provided that it is certified notarially and/or in accordance with the applicable legal requirements in the relevant jurisdiction in which it is executed.
13. For a corporate member who has appointed a representative, please deposit the **ORIGINAL** certificate of appointment with Tricor at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur or alternatively, at Tricor's Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur. The certificate of appointment should be executed in the following manner:
- i) If the corporate member has a common seal, the certificate of appointment should be executed under seal in accordance with the constitution of the corporate member.
 - ii) If the corporate member does not have a common seal, the certificate of appointment should be affixed with the rubber stamp of the corporate member (if any) and executed by:
 - a. at least two authorised officers, of whom one shall be a director; or
 - b. any director and/or authorised officers in accordance with the laws of the country under which the corporate member is incorporated.

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AFFIX
STAMP

TRICOR INVESTOR & ISSUING HOUSE SERVICES SDN BHD

Unit 32-01, Level 32
Tower A, Vertical Business Suites
Avenue 3, Bangsar South
No. 8, Jalan Kerinchi
59200 Kuala Lumpur
Tel: +603 2783 9299 Fax: +603 2783 9222

2nd Fold Here

Fold This Flap For Sealing