

THIS STATEMENT/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.

Pursuant to the provisions of Practice Note 18 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“**Bursa Securities**”) on the perusal of circulars and other documents, Bursa Securities has not perused Part A, Part B (Proposed Renewal of Shareholders’ Mandate for the Existing Recurrent Related Party Transactions of A Revenue or Trading Nature and Provision of Financial Assistance) and Part C of this Statement/Circular prior to its issuance, as it is an Exempt Statement/Circular. Bursa Securities takes no responsibility for the contents of this Statement/Circular, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the content of this Statement/Circular.



Wah Seong Corporation Berhad

Registration No. 199901020946 (495846-A) (Incorporated in Malaysia)

PART A

STATEMENT OF SHARE BUY-BACK IN RELATION TO THE PROPOSED RENEWAL OF AUTHORITY TO BUY-BACK ITS OWN SHARES BY THE COMPANY

PART B

CIRCULAR TO SHAREHOLDERS IN RELATION TO PROPOSED RENEWAL OF SHAREHOLDERS’ MANDATE FOR THE EXISTING RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE AND PROVISION OF FINANCIAL ASSISTANCE

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

PART C

CIRCULAR TO SHAREHOLDERS IN RELATION TO PROPOSED AMENDMENTS TO THE COMPANY’S CONSTITUTION

The above proposals will be tabled as Special Businesses at the Twenty-First Annual General Meeting (“**21st AGM**”) of Wah Seong Corporation Berhad (“**the Company**”). The 21st AGM of the Company will be conducted through live streaming and online remote participation using Remote Participation and Voting (“**RPV**”) Facilities as a fully virtual general meeting at the Broadcasting Venue. Hence, no shareholders/ proxies/ corporate representatives from the public will be physically present at the Broadcasting Venue. Notice of the 21st AGM of the Company together with the Proxy Form is set out in the 2020 Annual Report of the Company. Pursuant to Paragraph 8.29A(1), Chapter 8 of the Main Market Listing Requirements of Bursa Securities, all resolutions set out in the Notice of 21st AGM are required to be voted by poll.

Shareholders are encouraged to participate and vote remotely at the 21st AGM of the Company by using the RPV Facilities provided by the Company’s appointed agent, Tricor Investor & Issuing House Services Sdn. Bhd. via its TIIH Online website at <https://tiih.online> in accordance with the procedures as set out in the Administrative Guide which is available on the Company’s website at www.wahseong.com.

If you wish to appoint a proxy to participate and vote remotely on your behalf at the 21st AGM of the Company, you may deposit your Proxy Form at the Company’s Registered Office at Suite 19.01, Level 19, The Gardens North Tower, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur, Wilayah Persekutuan, Malaysia or by electronic lodgement via TIIH Online website at <https://tiih.online> no later than 20 May 2021 before 11.00 a.m. Please follow the procedures as set out in the Administrative Guide for electronic lodgement.

Only a shareholder whose name appears on the Record of Depositors as at 17 May 2021 shall be regarded as a shareholder entitled to participate and vote remotely at the 21st AGM or appoint proxy(ies) to participate and vote remotely on his/her behalf, both using the RPV Facilities.

Last date and time for lodging the Proxy Form	:	Thursday, 20 May 2021 at 11.00 a.m.
Date and time of the AGM	:	Friday, 21 May 2021 at 11.00 a.m.
Broadcasting Venue of the AGM	:	Boardroom, Suite 19.01, Level 19, The Gardens North Tower, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur, Wilayah Persekutuan, Malaysia

DEFINITIONS

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

Act	Companies Act, 2016, as amended from time to time and any re-enactment thereof
AGM	Annual General Meeting
Board	Board of Directors of WSC
Bursa Securities	Bursa Malaysia Securities Berhad [Registration No. 200301033577 (635998-W)]
Directors	Shall have the meaning given in Section 2(1) of the Capital Markets & 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 WSC or any other company which is a subsidiary of WSC or holding company of WSC or a chief executive officer of WSC, its subsidiaries or holding company
EPS	Earnings per share
LPD	31 March 2021, being the latest practicable date prior to the printing of this Statement/Circular
Main Market Listing Requirements	The Main Market Listing Requirements of Bursa Securities, including any amendments to the same that may be made from time to time
Major Shareholder	<p>Means a person who has an interest or interests in one (1) or more voting shares in a corporation and the number or aggregate number of those shares, is -</p> <p>(a) ten per centum (10%) or more of the total number of voting shares in the corporation; or</p> <p>(b) five per centum (5%) or more of the total number of voting shares in the corporation where such person is the largest shareholder of the corporation.</p> <p>For the purpose of this definition, “interest” shall have the meaning of “interest in shares” given in Section 8 of the Act</p> <p>A Major Shareholder 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 major shareholder of WSC or any other corporation which is its subsidiary or holding company</p>
NA	Net assets
Proposed Amendments	Proposed Amendments to the Company’s Constitution
Proposed Share Buy-Back	Proposed renewal of authority to buy-back its own shares by the Company of up to a maximum of ten per centum (10%) of its total number of issued shares

DEFINITIONS (Continued)

Proposed Shareholders' Mandates	Proposed renewal of shareholders' mandate for the Group's existing Recurrent Related Party Transactions and Provision of Financial Assistance and Proposed new shareholders' mandate for the Group's additional Recurrent Related Party Transactions
Provision of Financial Assistance	Pooling of funds within WSC and/or its subsidiaries via a centralised treasury management function or such similar arrangements which entails the provision of financial assistance by the Company and/or its subsidiaries on a short or medium term basis
Purchased Shares	Shares that have been purchased by the Company pursuant to the Proposed Share Buy-Back
Related Party	Means a Director, Major Shareholder or person connected with such Director or Major Shareholder
Recurrent Related Party Transactions	Transactions which are regarded as recurrent, of a revenue or trading nature and which are necessary for day-to-day operations of the WSC Group
RM and sen	Ringgit Malaysia and sen respectively
Rules	Rules on Take-Overs, Mergers and Compulsory Acquisitions, 2016 as amended from time to time and any re-enactment thereof
Shares	Ordinary shares in WSC
Substantial Shareholder	Means a person who has an interest in one (1) or more voting shares in the company and the number or the aggregate number of such shares is not less than five per centum (5%) of the total number of all the voting shares included in the company
WSC or the Company	Wah Seong Corporation Berhad [Registration No. 199901020946 (495846-A)]
WSC Group or the Group	WSC and its subsidiaries

Note : Words importing the singular shall, where applicable, include the plural, and vice-versa.

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PART A

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PART A

**PROPOSED RENEWAL OF AUTHORITY TO BUY-BACK ITS OWN SHARES BY
THE COMPANY**



Wah Seong Corporation Berhad

Registration No. 199901020946 (495846-A)

(Incorporated in Malaysia)

Registered Office:
Suite 19.01, Level 19
The Gardens North Tower
Mid Valley City
Lingkaran Syed Putra
59200 Kuala Lumpur
Malaysia

22 April 2021

Board of Directors:

Dato' Seri Robert Tan Chung Meng (*Non-Independent Non-Executive Chairman*)

Chan Cheu Leong (*Managing Director / Group Chief Executive Officer*)

Giancarlo Maccagno (*Deputy Managing Director*)

Professor Tan Sri Lin See Yan (*Senior Independent Non-Executive Director*)

Halim Bin Haji Din (*Independent Non-Executive Director*)

Tan Jian Hong, Aaron (*Non-Independent Non-Executive Director*)

Tan Sri Saw Choo Boon (*Independent Non-Executive Director*)

To : The Shareholders of Wah Seong Corporation Berhad

Dear Sir/Madam,

PROPOSED RENEWAL OF AUTHORITY TO BUY-BACK ITS OWN SHARES BY THE COMPANY

1. INTRODUCTION

The Board of Directors of the Company had on 23 March 2021 announced to Bursa Securities that the Company proposes to seek its shareholders' approval for the renewal of authority to purchase its own Shares of up to ten per centum (10%) of the total number of issued shares of the Company at the forthcoming Twenty-First AGM, to be held on Friday, 21 May 2021 at 11.00 a.m.

The purpose of this Statement is to provide you with the details of the Proposed Share Buy-Back and to seek your approval for the Ordinary Resolution to be tabled at the forthcoming Twenty-First AGM.

2. DETAILS OF THE PROPOSED SHARE BUY-BACK

2.1 Proposed Share Buy-Back

At the Twentieth AGM held on 23 June 2020, the Company had obtained authorisation from its shareholders to purchase up to ten per centum (10%) of the total number of issued shares of the Company. The authorisation granted shall in accordance to the Main Market Listing Requirements, lapse at the conclusion of the forthcoming Twenty-First AGM of the Company which will be held on Friday, 21 May 2021 at 11.00 a.m. unless the authority is renewed.

In this regard, the Company proposes to seek renewal of the authority from its shareholders to purchase from time to time and at any time up to ten per centum (10%) of the total number of issued shares of the Company.

The shareholders' authorisation for the Proposed Share Buy-Back will be effective upon the passing of the Ordinary Resolution for the Proposed Share Buy-Back at the forthcoming Twenty-First AGM until:

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

whichever occurs first but not so as to prejudice the completion of the purchase(s) made by the Company before the aforesaid expiry date and, in any event, in accordance with the provisions of the Main Market Listing Requirements or any other relevant authorities.

As at 31 March 2021, being the LPD prior to the printing of this Statement of Share Buy-Back, based on the total issued shares of the Company of RM547,690,147.00 comprising 774,888,294 Shares, a total of up to 77,488,829 Shares may be purchased by the Company, representing ten per centum (10%) of the total number of issued shares of the Company (inclusive of 577,054 Shares already purchased and retained as treasury shares). As such, the balance that can be purchased as at to-date is 76,911,775 Shares.

The purchase by the Company of its own shares will be carried out on Bursa Securities through its appointed stockbroker(s).

2.2 Shareholding Spread

The Proposed Share Buy-Back will be in accordance with Section 127 of the Act and any prevailing laws, orders, requirements, guidelines, rules and regulation issued by the relevant authorities at the time of purchase including compliance with the twenty-five per centum (25%) shareholding spread as required by the Main Market Listing Requirements.

As at 31 March 2021, being the LPD prior to the printing of this Statement, the public shareholding spread of the Company was 48.25%. The public shareholding spread is expected to be reduced to 42.54% assuming the Proposed Share Buy-Back is implemented in full with the purchases from the market and all the Shares so purchased are fully cancelled.

2.3 Funding

The Proposed Share Buy-Back will be financed through internally generated funds and/or bank borrowings. The maximum amount of funds to be utilised by the Company for the Proposed Share Buy-Back shall not exceed the retained profits of the Company as at 31 December 2020 of RM135,431,000.00, otherwise available for distribution as dividends.

In the event that the Company intends to purchase its own Shares using bank borrowings, the Board shall ensure that the Company shall have sufficient funds to repay such borrowings and that the repayment would not have any material effect on the cash flow of the Group.

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2.4 Treatment of Shares Purchased

Pursuant to the provisions of Section 127 of the Act, the Company may either retain the Purchased Shares as treasury shares or cancel the Purchased Shares or a combination of both. The Directors of the Company may treat the treasury shares as follows pursuant to Section 127(7) of the Act:-

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

To date, the Company has yet to determine the manner in which the Purchased Shares are to be treated. However, the Board will deal with the Purchased Shares in accordance with Section 127 of the Act and will make an immediate announcement to Bursa Securities regarding the treatment of the Purchased Shares, whether the Shares purchased will be cancelled, retained as treasury shares, distributed as dividend to the shareholders and/or resold on Bursa Securities, or a combination of the above, once determined.

2.5 Ranking

Whilst the Purchased Shares are held as treasury shares, Section 127(8) and Section 127(9) of the Act state that the rights attached to them as to voting, dividends and participation in other distribution and otherwise are suspended and the treasury shares shall not be taken into account in calculating the number or percentage of Shares or of a class of Shares for any purposes including substantial shareholdings, takeovers, notices, the requisitioning of meetings, the quorum for a meeting and the result of a vote on a resolution at a meeting.

2.6 Pricing

Pursuant to the Main Market Listing Requirements, the Company may only purchase its own Shares on Bursa Securities at a price not more than fifteen per centum (15%) above the weighted average market price of the Shares for the five (5) market days immediately preceding the date(s) of purchase(s).

If the treasury shares are subsequently resold on Bursa Securities, the selling price of the said shares has to be:-

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

2.7 Purchase, Resale and/or Cancellation of Treasury Shares Made in the Previous Twelve (12) Months

In the previous twelve (12) months, there was no purchase of its own Shares made by the Company.

There was no resale or cancellation of treasury shares in the previous twelve (12) months. As at 31 March 2021, being the LPD prior to the printing of this Statement, the Company held a total of 577,054 treasury shares.

2.8 Distribution of Treasury Shares as Share Dividend in the Previous Twelve (12) Months

There was no distribution of treasury shares as share dividend in the previous twelve (12) months.

2.9 Implication of the Rules

In the event that the Proposed Share Buy-Back results in any Major Shareholder and/or person(s) acting in concert with them holding more than thirty three per centum (33%) of the voting shares of the Company, pursuant to the Rules, the affected Major Shareholder will be obliged to make a mandatory general offer for the remaining Shares not held by it.

In the event that the Proposed Share Buy-Back results in any Major Shareholder and/or person(s) acting in concert with them who already holds more than thirty three per centum (33%) but not more than fifty per centum (50%) of the voting shares of the Company increasing by more than two per centum (2%) in any six (6) months period, pursuant to the Rules, the affected Major Shareholder will be obligated to make a mandatory general offer for the remaining Shares not held by it.

However, an exemption may be granted by the Securities Commission under Rule 4.15 of the Rules, subject to the affected Major Shareholder and persons acting in concert complying with certain conditions of the Rules, if the obligation is triggered.

3. RATIONALE FOR THE PROPOSED SHARE BUY-BACK

The Proposed Share Buy-Back will give the Company the flexibility to purchase Shares, if and when circumstances permit, with a view to enhance the EPS of the Group and NA per share of the Company.

4. POTENTIAL ADVANTAGES AND DISADVANTAGES OF THE PROPOSED SHARE BUY-BACK

The potential advantages and disadvantages of the Proposed Share Buy-Back are as follows:-

4.1 Potential Advantages

- (i) The Company would expect to enhance the EPS of the Group (in the case where the Directors resolve to cancel the Shares so purchased and/or retain the Shares in treasury and the treasury shares are not subsequently resold), and thereby long-term and genuine investors are expected to enjoy a corresponding increase in the value of their investments in the Company;
- (ii) If the Shares bought back are kept as treasury shares, it will give the Directors an option to sell the Shares so purchased at a higher price within the intention of realising a potential capital gain for the Company without affecting the total number of issued shares of the Company. Alternatively, the Shares so purchased can be distributed as share dividends to shareholders and it will serve to reward the shareholders of the Company;
- (iii) The Company may be able to stabilise the supply and demand, as well as the price of its Shares in the open market and thereby supporting its fundamental values;
- (iv) It allows the Company flexibility in attaining its desired capital structure; and
- (v) It will enable the Company to utilise its surplus financial resources which is not immediately required for other usage as an additional option to utilise its financial resources more efficiently.

4.2 Potential Disadvantages

- (i) the Proposed Share Buy-Back, if exercise, will reduce the financial resources of the Company and may result in the Company foregoing other alternative investment opportunities which may emerge in the future or, at the least, deprive the Company of interest income that can be derived from the funds utilised for the Proposed Share Buy-Back; and
- (ii) the Proposed Share Buy-Back if implemented, may result in a lower amount of cash reserves available for distribution in the form of cash dividends to shareholders. However, the financial resources of the Company may increase upon resale of the Purchased Shares held as treasury shares at prices higher than the purchased price.

The Proposed Share Buy-Back is not expected to have any potential material disadvantage to the Company and its shareholders, other than as disclosed above, as it will be exercised only after careful consideration of the financial resources of the Group and of the resultant impact on its shareholders.

Nevertheless, the Board will be mindful of the interest of the Company and its shareholders in undertaking the Proposed Share Buy-Back and the subsequent resale of treasury shares on Bursa Securities.

5. FINANCIAL EFFECTS OF THE PROPOSED SHARE BUY-BACK

Based on the assumption that the Proposed Share Buy-Back is carried out in full, the financial effects are summarised below:-

Share Capital

In the event that the Proposed Share Buy-Back is exercised in full and on the assumption that all the Shares purchased are cancelled, the proforma effects on the total number of issued shares of the Company as at 31 March 2021, being the LPD prior to the printing of this Statement, are as follows :-

	No. of Shares	RM
Issued Shares	774,888,294	547,690,147.00
Shares to be purchased and cancelled pursuant to the Proposed Share Buy-Back	(77,488,829)*	54,769,014.42
After the Proposed Share Buy-Back	697,399,465	492,921,132.58

* Including 577,054 Shares which have been purchased by the Company previously and retained as treasury shares.

However, there should be no effect on the total number of issued shares of the Company if the Shares so purchased are retained as treasury shares.

Earnings Per Share

The effect of the Proposed Share Buy-Back on the EPS of the Group will depend on the purchase price(s) of the Shares and the actual number of Shares bought back. The reduced total number of issued shares subsequent to the Proposed Share Buy-Back will generally have a positive impact, all else being equal, on the Group's EPS.

Net Assets

The effect of the Proposed Share Buy-Back on the NA per share of the Group is dependent on the purchase price(s) of the Shares purchased. If the purchase price is less than the audited NA per share of the Group at the time of purchase, the NA per share will increase. Accordingly, if the purchase price exceeds the audited NA per share of the Group at the time of purchase, the NA per share will decrease.

Working Capital

The Proposed Share Buy-Back is likely to reduce the working capital of the Group, the quantum of which depends on, amongst others, the number of Shares purchased, the purchase price of the Shares and any associated costs incurred in making the purchase.

However, if the Purchased Shares kept as treasury shares are resold on Bursa Securities, the working capital of the Group would increase if the Company realises a gain from the resale.

The quantum of the increase in the working capital will depend on the actual selling price of the treasury shares and the number of treasury shares resold.

Dividends

The Proposed Share Buy-Back may reduce the amount of the retained profits available for payment of dividend in the immediate future.

6. DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' INTERESTS

The Directors, Substantial Shareholders and persons connected to the Directors and/or Substantial Shareholders of the Group have no direct or indirect interest in the Proposed Share Buy-Back and/or the resale of treasury shares, if any.

The proforma table below shows the equity interests held directly and indirectly in the Company by the Directors and Major Shareholders of the Company as at 31 March 2021, being the LPD prior to the printing of this Statement, before and after the Proposed Share Buy-Back :-

Directors	No. of Shares Held							
	Before Proposed Share Buy-Back ^(h)				After Proposed Share Buy-Back ⁽ⁱ⁾			
	Direct Interest		Indirect Interest		Direct Interest		Indirect Interest	
	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
Dato' Seri Robert Tan Chung Meng	11,927,314	1.5404	312,063,822 ^(c)	40.3021	11,927,314	1.7103	312,063,822 ^(c)	44.7468
Chan Cheu Leong	20,677,936	2.6705	44,031,991 ^(e)	5.6866	20,677,936	2.9650	44,031,991 ^(e)	6.3137
Halim Bin Haji Din	-	-	-	-	-	-	-	-
Giancarlo Maccagno	2,459,353	0.3176	-	-	2,459,353	0.3526	-	-
Professor Tan Sri Lin See Yan	-	-	-	-	-	-	-	-
Tan Jian Hong, Aaron	-	-	-	-	-	-	-	-
Tan Sri Saw Choo Boon	-	-	-	-	-	-	-	-

Substantial Shareholders	No. of Shares Held							
	Before Proposed Share Buy-Back ^(h)				After Proposed Share Buy-Back ⁽ⁱ⁾			
	Direct Interest		Indirect Interest		Direct Interest		Indirect Interest	
	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
Wah Seong (Malaya) Trading Co. Sdn. Bhd.	255,438,739	32.9892	2,601,648 ^(a)	0.3360	255,438,739	36.6273	2,601,648 ^(a)	0.3730
Tan Kim Yeow Sendirian Berhad	54,023,435	6.9770	258,040,387 ^(b)	33.3252	54,023,435	7.7464	258,040,387 ^(b)	37.0004
Tony Tan Choon Keat	-	-	312,063,822 ^(c)	40.3021	-	-	312,063,822 ^(c)	44.7468
Tan Chin Nam Sendirian Berhad	-	-	258,040,387 ^(b)	33.3252	-	-	258,040,387 ^(b)	37.0004
Midvest Asia Sdn. Bhd.	41,645,829	5.3784	2,230,900 ^(g)	0.2881	41,645,829	5.9716	2,230,900 ^(g)	0.3199
Dato' Seri Robert Tan Chung Meng	11,927,314	1.5404	312,063,822 ^(c)	40.3021	11,927,314	1.7103	312,063,822 ^(c)	44.7468
Chan Cheu Leong	20,677,936	2.6705	43,876,729 ^(d)	5.6665	20,677,936	2.9650	43,876,729 ^(d)	6.2915
Pauline Tan Suat Ming	-	-	314,230,683 ^(f)	40.5820	-	-	314,230,683 ^(f)	45.0575

Notes :-

- (a) Deemed interest held through Wah Seong Enterprises Sdn. Bhd. ("**WSE**") pursuant to Section 8 of the Act whereby Wah Seong (Malaya) Trading Co. Sdn. Bhd. ("**WST**") is the major shareholder of WSE.
- (b) Deemed interest held through WSE and WST pursuant to Section 8 of the Act.
- (c) Deemed interest held through WSE, WST and Tan Kim Yeow Sendirian Berhad ("**TKYSB**") pursuant to Section 8 of the Act.
- (d) Deemed interest held through Midvest Asia Sdn. Bhd. ("**MASB**") and Midvest Properties Sdn. Bhd. ("**MPSB**") pursuant to Section 8 of the Act.
- (e) Deemed interest held through MASB and MPSB pursuant to Section 8 of the Act and include interests held by his spouse and children.
- (f) Deemed interest held through WSE, WST, TKYSB and PTSM Holdings Sdn. Bhd. pursuant to Section 8 of the Act.
- (g) Deemed interest held through MPSB pursuant to Section 8 of the Act.
- (h) Net of 577,054 purchased shares.
- (i) Assuming the Proposed Share Buy-Back is implemented in full and Shares so purchased are fully cancelled.

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7. SHARE PRICES

The monthly highest and lowest prices of the Shares traded on the Bursa Securities for the last twelve (12) months from April 2020 to March 2021 are as follows:-

<u>2020</u>	<u>High</u> <u>RM</u>	<u>Low</u> <u>RM</u>
April	0.800	0.515
May	0.740	0.515
June	0.600	0.485
July	0.530	0.485
August	0.570	0.460
September	0.535	0.445
October	0.460	0.380
November	0.560	0.385
December	0.840	0.555
<u>2021</u>		
January	0.910	0.665
February	0.805	0.675
March	0.900	0.710

(Source: <https://www.investing.com/stock-screener/>)

The last transacted price of Shares on the LPD was RM0.825.

8. DIRECTORS' RECOMMENDATION

The Board having considered all aspects of the Proposed Share Buy-Back is of the opinion that the Proposed Share Buy-Back is in the best interest of the Company and its shareholders. Accordingly, the Board recommends that you vote in favour of the Ordinary Resolution pertaining to the Proposed Share Buy-Back to be tabled at the forthcoming Twenty-First AGM.

9. TWENTY-FIRST AGM

The Twenty-First AGM ("21st AGM") will be conducted through live streaming and online remote participation using Remote Participation and Voting ("RPV") Facilities as a fully virtual general meeting at the Broadcasting Venue to be held at Boardroom, Suite 19.01, Level 19, The Gardens North Tower, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur, Wilayah Persekutuan, Malaysia on Friday, 21 May 2021 at 11.00 a.m. for the purpose of considering and if thought fit, passing the Ordinary Resolution so as to give effect to the Proposed Share Buy-Back under the Special Business. Hence, **No Shareholders/ Proxies/ Corporate Representatives** from the public will be physically present at the Broadcasting Venue on the day of the 21st AGM.

Shareholders are encouraged to participate and vote remotely at the 21st AGM of the Company by using the RPV Facilities provided by the Company's appointed agent, Tricor Investor & Issuing House Services Sdn. Bhd. ("Tricor") via its TIIH Online website at <https://tiih.online> in accordance with the procedures as set out in the Administrative Guide which is available on the Company's website at www.wahseong.com.

Pursuant to Paragraph 8.29A(1), Chapter 8 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all resolutions set out in the Notice of 21st AGM are required to be voted by poll, therefore the instrument appointing a proxy and the power of attorney or other authority, if any, under which is signed or a notarially certified copy of that power or authority shall be deposited as follows, not less than twenty-four (24) hours before the time appointed for the taking of the poll at the 21st AGM.

(a) Deposit Hardcopy of Proxy Form

To the Company's Registered Address at Suite 19.01, Level 19, The Gardens North Tower, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur, Wilayah Persekutuan, Malaysia.

(b) Deposit of Proxy Form Electronically

To Tricor Investor & Issuing House Services Sdn. Bhd. ("TIIH Online") at <https://tiih.online>.

(c) The above Proxy Forms must be deposited accordingly latest by Thursday, 20 May 2021 by 11.00 a.m.

Only a shareholder whose name appears on the Record of Depositors as at 17 May 2021 shall be regarded as a shareholder entitled to participate and vote remotely at the 21st AGM or appoint proxy(ies) to participate and vote remotely on his/her behalf, both using the RPV Facilities. A shareholder registered in the Record of Depositors as at 17 May 2021 may appoint the Chairman of the meeting as his/her proxy.

A shareholder who has appointed a proxy or authorized representative to participate and vote remotely at the 21st AGM of the Company via RPV Facilities must ensure that his/her proxy register for the RPV at TIIH Online website at <https://tiih.online> in accordance with the procedures as set out in the Administrative Guide latest by Thursday, 20 May 2021 before 11.00 a.m.

For shareholders who have submitted Proxy Forms appointing their proxies, the proxy appointment can be revoked should he/she decide to personally participate at the 21st AGM of the Company remotely. Please contact the Company's appointed agent, Tricor not later than Thursday, 20 May 2021 by 11.00 a.m. to request for revocation.

The Notice of 21st AGM, Proxy Form and Administrative Guide are available on the Company's website at www.wahseong.com.

10. FURTHER INFORMATION

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

Yours faithfully

For and on behalf of the Board of

WAH SEONG CORPORATION BERHAD

Halim Bin Haji Din
Independent Non-Executive Director

Professor Tan Sri Lin See Yan
Senior Independent Non-Executive Director

PART B

**PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR THE EXISTING
RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING
NATURE AND PROVISION OF FINANCIAL ASSISTANCE**

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



Wah Seong Corporation Berhad

Registration No. 199901020946 (495846-A)

(Incorporated in Malaysia)

Registered Office :
Suite 19.01, Level 19
The Gardens North Tower
Mid Valley City
Lingkaran Syed Putra
59200 Kuala Lumpur
Malaysia

22 April 2021

Board of Directors:

Dato' Seri Robert Tan Chung Meng (*Non-Independent Non-Executive Chairman*)

Chan Cheu Leong (*Managing Director / Group Chief Executive Officer*)

Giancarlo Maccagno (*Deputy Managing Director*)

Professor Tan Sri Lin See Yan (*Senior Independent Non-Executive Director*)

Halim Bin Haji Din (*Independent Non-Executive Director*)

Tan Jian Hong, Aaron (*Non-Independent Non-Executive Director*)

Tan Sri Saw Choo Boon (*Independent Non-Executive Director*)

To : The Shareholders of Wah Seong Corporation Berhad

Dear Sir/Madam,

PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR THE EXISTING RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE AND PROVISION OF FINANCIAL ASSISTANCE

PROPOSED NEW SHAREHOLDERS' MANDATE FOR ADDITIONAL RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE

1. INTRODUCTION

At the Twentieth AGM of WSC held on 23 June 2020, the Company had obtained a mandate from its shareholders to enter into the existing Recurrent Related Party Transactions and Provision of Financial Assistance pursuant to Paragraph 10.09 of Chapter 10 of the Main Market Listing Requirements and Practice Note 12. The authority granted pursuant to the shareholders' mandate obtained at the last AGM in accordance with the Main Market Listing Requirements and Practice Note 12, will lapse at the conclusion of the forthcoming Twenty-First AGM of the Company which will be held on Friday, 21 May 2021 at 11.00 a.m.

On 23 March 2021, the Company made an announcement to Bursa Securities that it proposes to seek a renewal of mandate from its shareholders in respect of the Group's existing Recurrent Related Party Transactions and existing Provision of Financial Assistance and a fresh mandate from its shareholders in respect of the Group's additional Recurrent Related Party Transactions pursuant to Paragraph 10.09 of Chapter 10 of the Main Market Listing Requirements and Practice Note 12.

The purpose of this Circular is to provide you with the details of the Proposed Shareholders' Mandates and to seek your approval for the Ordinary Resolutions to be tabled at the forthcoming Twenty-First AGM of the Company.

2. DETAILS OF THE PROPOSED SHAREHOLDERS' MANDATES

2.1 Paragraph 10.09 of Chapter 10 of the Listing Requirements and Practice Note 12

Pursuant to Paragraph 10.09 of Chapter 10 of the Main Market Listing Requirements and Practice Note 12, a listed issuer may seek a shareholders' mandate in respect of Recurrent Related Party Transactions and in respect of the pooling of funds within the Group via a centralised treasury management function or such similar arrangements which entails the provision of financial assistance by the Company and/or its subsidiaries on a short or medium term basis provided that:

- (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 and not to the detriment of the minority shareholders;
- (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:
 - (i) the consideration, value of the assets, capital outlay or costs of the aggregated transactions is equal to or exceeds RM1 million; or
 - (ii) any one of the percentage ratios of such aggregated transactions is equal to or exceeds one per centum (1%),whichever is the higher;
- (c) the contents of the circular issued by the listed issuer to its shareholders for purposes of the shareholders' mandate shall include information as set out in the Main Market Listing Requirements and Practice Note 12;
- (d) in a meeting to obtain shareholders' mandate, the interested director, interested major shareholder and 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 resolutions approving the transactions. An interested director or interested major shareholder must also ensure that persons connected with him will abstain from voting on the resolutions approving the transactions;
- (e) the listed issuer immediately announces to Bursa Securities when the actual value of a Recurrent Related Party Transaction entered into by the listed issuer, exceeds the estimated value of the Recurrent Related Party Transaction disclosed in the circular by ten per centum (10%) or more and must include the information as may be prescribed by Bursa Securities in its announcement; and
- (f) if the actual amount of financial assistance provided or rendered exceeded the estimated value of the Recurrent Related Party Transaction disclosed in the circular, the Company must make an immediate announcement. If the percentage ratio of the amount of financial assistance provided or rendered in excess of the estimated value is five per centum (5%) or more, the Company must comply with Paragraph 10.08 of the Listing Requirements.

2.2 Definitions

(i) Related Party Transactions

Related Party Transaction as defined in Paragraph 10.02(k) of Chapter 10 of the Main Market Listing Requirements is a "transaction entered into by the listed issuer or its subsidiaries which involves the interest, direct or indirect, of a related party."

Transactions within the meaning of "Related Party Transactions" exclude transactions entered into between a listed issuer (or any of its wholly-owned subsidiaries) and its wholly-owned subsidiaries.

(ii) Recurrent Related Party Transactions of a Revenue or Trading Nature

This is specifically spelt out in the Main Market Listing Requirements and Practice Note 12.

“Recurrent related party transactions”

This involves transactions that are:

- recurrent;
- of a revenue or trading nature; and
- necessary for its day-to-day operations.

It is stated in Paragraph 3.1.1 of Practice Note 12 that in this respect, the frequency or regularity of the transaction has to be considered. A transaction which has been made or will be made by the listed issuer at least once in three (3) years in the course of its business will be considered recurrent.

“Revenue nature necessary for day-to-day operations”

With reference to Paragraph 3.1.2 of Practice Note 12, a related party transaction of a revenue nature which is necessary for day-to-day operations must either contribute directly or indirectly to the generation of revenue for the listed issuer.

“In the ordinary course of business”

It is clearly stated in Paragraph 3.1.3 of Practice Note 12 that a related party transaction is in the ordinary course of business if it is a transaction which would reasonably be expected to be carried out by the listed issuer given the type of business the listed issuer is involved in.

2.3 The principal activities of the Company and its subsidiaries

The principal activities of the Company are investment holding and the provision of management services to its subsidiaries whilst the principal activities of its subsidiaries which are involved in the Recurrent Related Party Transactions are set out below:

Company	Effective interest in the Company	Principal Activities
Ashburn International Trade (Tianjin) Co. Ltd. (“A. Tianjin”)	65%	International trade, processing and assembling, storage of bonded goods and development of high technological products and consultancy services.
Ashburn Offshore Oil & Gas Equipment & Engineering (Tianjin) Co. Ltd. (“A. Offshore”)	65%	Design and manufacturing of products to the oil and gas industry.
Jutasama Sdn Bhd (“JSB”)	100%	Contracting of industrial engineering projects; construct, build, charter, purchase or otherwise acquire, supply of ship, boat, barge, submarine, vessels of any type or class and its components, accessories, spare parts and any other type of fixtures and to establish, maintain and repair of lines or regular services for ships or other vessels.
Mackenzie Industries Sdn Bhd (“MISB”)	60%	Undertaking steam boiler and energy system projects in both local and overseas market.
Petro-Pipe Engineering Services Sdn Bhd (“PPES”)	100%	Trading and distribution parts and machineries and other ancillary materials and services.

Company	Effective interest in the Company	Principal Activities
Petro-Pipe Industrial Corporation Sdn Bhd (“PPIC”)	100%	Investment holding.
PMT Industries Sdn Bhd (“PMTI”)	100%	Manufacturing and supplying of spare parts, equipment and provision of maintenance services for palm oil and other agricultural industries.
PPI Industries Sdn Bhd (“PPII”)	100%	Supplying and trading of steel pipes and related products and services.
Syn Tai Hung Trading Sdn Bhd (“STHT”)	100%	Trading and distribution of building materials.
Triple Cash Sdn Bhd (“TCSB”)	79%	Investment and property holding.
Wasco Coatings Malaysia Sdn Bhd (“WCM”)	70%	Provision of coating of pipes for the oil and gas industry.
Wasco Corrosion Services Sdn Bhd (“WCS”)	63%	Supply and installation of sacrificial anodes, provision of cathodic protection services and equipment, corrosion protection services, passive fire protection services, special paint coating services and provision of technical training services.
Wasco Lindung Sdn Bhd (“WL”)	48%	Manufacture, supply and installation of sacrificial anodes, provision of cathodic protection services and equipment, corrosion protection services, passive fire protection services, special paint coating services and provision of technical training services.
Wasco Management Services Sdn Bhd (“Wasco MS”)	100%	Provision of management support services to the subsidiaries of its immediate holding company and ultimate holding company.
Wasco Oilfield Services Sdn Bhd (“WOS”)	49%	Investment holding.
Wasco Oil Technologies Sdn Bhd (“WOT”)	100%	Investment holding and provision of management services.
WDG Resources Sdn Bhd (“WDG”)	60%	Trading, distribution, wholesale and retail, renting, leasing and service of industry machinery, equipment and parts.
WSC Capital Sdn Bhd (“WSC Capital”)	100%	Treasury management centre providing services to its related companies within Malaysia and overseas which includes cash financing, debt management, investment services and financial risk management.

2.4 The principal activities of the other related transacting parties

The principal activities of the other related transacting parties which are not part of the Group that are involved in the Recurrent Related Party Transactions with the Group are set out below:

Other Transacting Parties	Principal Activities
IGB Berhad (“IGB”) and its subsidiaries (“IGB Group of companies”)	IGB Berhad is an investment holding company and the provision of management services whilst the principal activities of its subsidiary companies are property investment and management, owner and operator of malls, hotel operations, property development, construction, information and communication technology services, provision of engineering services for water treatment plants and related services, education, investment holding and management of real estate investment trust.

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2.5 Nature of Recurrent Related Party Transactions and Class of Related Parties

2.5.1 The details of the nature, estimated annual value of the Recurrent Related Party Transactions in respect of which the Company is seeking **renewal of mandate** from its shareholders as contemplated under the Proposed Shareholders' Mandates are as follows:

(a) **Group Financial and/or Treasury Management**¹

Interested Related Party ²	Lender	Borrower	Estimated Annual Value ³ (RM)	Estimated Value as Disclosed in the Circular to Shareholders dated 18 May 2020 (RM)	Actual Value Transacted from 23 June 2020 to LPD ⁴ (RM)	Nature of Transaction
Dato’ Mohamed Nizam Bin Abdul Razak (“Dato’ Nizam”) Mohd Azlan Bin Mohammed (“Azlan”)	WCS	WL	6,000,000	6,000,000	NIL	Interest bearing advances for purpose of working capital requirement
	WL	WOS	100,000	100,000	NIL	<i>Basis of interest rate charged ⁵</i>
	WCM	WOS and its subsidiaries	15,000,000	15,000,000	NIL	
	WOT	WOS and its subsidiaries	15,000,000	15,000,000	NIL	
Azlan						
Dato’ Nizam is a common Director of WCM, WOS, WCS and WL and a Major Shareholder by virtue of him holding 19.81% shares in WOS, the immediate holding company of WCS.						
Azlan is a common Director of WOT, WCM, WOS, WCS and WL and a Major Shareholder by virtue of him holding 31.67% shares in WOS (the immediate holding company of WCS) and 22.61% shares in WL (the indirect subsidiary of WOS), respectively.						

2.5 Nature of Recurrent Related Party Transactions and Class of Related Parties (cont'd)

(a) Group Financial and/or Treasury Management¹ (cont'd)

Interested Related Party ²	Lender	Borrower	Estimated Annual Value ³ (RM)	Estimated Value as Disclosed in the Circular to Shareholders dated 18 May 2020 (RM)	Actual Value Transacted from 23 June 2020 to LPD ⁴ (RM)	Nature of Transaction
Li Bao Guo ("Li") Guo Jun	A. Tianjin	A. Offshore	5,000,000	5,000,000	NIL	Interest bearing advances for purpose of working capital requirement <i>Basis of interest rate charged⁵</i>
<p><i>Li is a common Director of A. Tianjin and A. Offshore. He is also a Major Shareholder of A. Tianjin and A. Offshore by virtue of his direct 21% shareholding and indirect 35% shareholding in A. Tianjin and A. Offshore respectively.</i></p> <p><i>Guo Jun is a common Director of A. Tianjin and A. Offshore. He is also a Major Shareholder of A. Tianjin and A. Offshore by virtue of his direct 14% shareholding and indirect 35% shareholding in A. Tianjin and A. Offshore respectively.</i></p>						

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2.5 Nature of Recurrent Related Party Transactions and Class of Related Parties (cont'd)

(a) Group Financial and/or Treasury Management¹ (cont'd)

Interested Related Party ²	Lender	Borrower	Estimated Annual Value ³ (RM)	Estimated Value as Disclosed in the Circular to Shareholders dated 18 May 2020 (RM)	Actual Value Transacted from 23 June 2020 to LPD ⁴ (RM)	Nature of Transaction
Dato' Seri Robert Tan Chung Meng ("DSRT") Pauline Tan Suat Ming ("PT")	WSC	TCSB	20,000,000	20,000,000	5,255,207	Interest bearing advances for purpose of working capital requirement <i>Basis of interest rate charged⁵</i>
Tony Tan Choon Keat ("TTCK") Tan Kim Yeow Sendirian Berhad ("TKYSB")	<p><i>DSRT is a Director of WSC Group and also an indirect Major Shareholder of WSC by virtue of his total direct and indirect shareholdings in WSC of 1.54% and 40.30% respectively. DSRT is a Major Shareholder of TCSB by virtue of his indirect shareholding through TKYSB.</i></p> <p><i>PT is an indirect Major Shareholder of WSC by virtue of her indirect shareholding in WSC of 40.58%. PT is also a Director of TCSB and a Major Shareholder of TCSB by virtue of her indirect shareholding through TKYSB.</i></p> <p><i>TTCK is an indirect Major Shareholder of WSC by virtue of his indirect shareholding in WSC of 40.30%. TTCK is also a Major Shareholder of TCSB by virtue of his indirect shareholding through TKYSB.</i></p> <p><i>TKYSB is a Major Shareholder of WSC by virtue of its total direct and indirect shareholdings in WSC of 6.98% and 33.33% respectively and a Major Shareholder of TCSB by virtue of its 21% shareholding in TCSB.</i></p>					

2.5 Nature of Recurrent Related Party Transactions and Class of Related Parties (cont'd)

(a) Group Financial and/or Treasury Management¹ (cont'd)

Interested Related Party ²	Lender	Borrower	Estimated Annual Value ³ (RM)	Estimated Value as Disclosed in the Circular to Shareholders dated 18 May 2020 (RM)	Actual Value Transacted from 23 June 2020 to LPD ⁴ (RM)	Nature of Transaction
Chan Cheu Leong ("CCL") Chan Wei Keat ("CWK") Goh Eng Hooi ("GEH")	STHT	WDG	30,000,000	30,000,000	NIL	Utilisation of STHT's banking facilities obtained from the bank(s) by WDG <i>Basis of interest rate or facility fee charged⁶</i>
<p>STHT is the immediate holding company of WDG.</p> <p>GEH is a Director of STHT.</p> <p>CWK is a Director of WDG and holds 51,754 shares in WSC. CWK is the son of CCL.</p> <p>GEH is a Substantial Shareholder of 33.33% shareholding in Epilog Tegap Sdn Bhd ("ETSB") via Go Hotels Sdn Bhd ("GHSB") and in turn ETSB holds 40% shareholding in WDG.</p> <p>CWK is a Director of ETSB and a Substantial Shareholder of 33.33% shareholding in ETSB via Midvest Asia Sdn Bhd ("MASB") and in turn ETSB holds 40% shareholding in WDG.</p> <p>CCL is a Substantial Shareholder of 33.33% shareholding in ETSB via MASB and in turn ETSB holds 40% shareholding in WDG.</p> <p>CCL is the Managing Director/Group Chief Executive Officer and a Substantial Shareholder of 5.67% shareholding in WSC via MASB and Midvest Properties Sdn Bhd ("MPSB"). His direct shareholding in WSC is 2.67%. CCL is the father of CWK.</p>						

2.5 Nature of Recurrent Related Party Transactions and Class of Related Parties (cont'd)

(a) Group Financial and/or Treasury Management¹ (cont'd)

Interested Related Party ²	Lender	Borrower	Estimated Annual Value ³ (RM)	Estimated Value as Disclosed in the Circular to Shareholders dated 18 May 2020 (RM)	Actual Value Transacted from 23 June 2020 to LPD ⁴ (RM)	Nature of Transaction
CCL CWK GEH	STHT	WDG	80,000,000	80,000,000	20,000,000	Guarantee granted to undertake outstanding amount owing by WDG in the event that WDG failed to settle any debts owing to the suppliers and/or banks
	STHT	WDG	10,000,000	10,000,000	NIL	Interest bearing advances for purpose of working capital requirement <i>Basis of interest rate or facility fee charged⁵</i>
<p><i>STHT is the immediate holding company of WDG.</i></p> <p><i>GEH is a Director of STHT.</i></p> <p><i>CWK is a Director of WDG and holds 51,754 shares in WSC. CWK is the son of CCL.</i></p> <p><i>GEH is a Substantial Shareholder of 33.33% shareholding in ETSB via GHBS and in turn ETSB holds 40% shareholding in WDG.</i></p> <p><i>CWK is a Director of ETSB and a Substantial Shareholder of 33.33% shareholding in ETSB via MASB and in turn ETSB holds 40% shareholding in WDG.</i></p> <p><i>CCL is a Substantial Shareholder of 33.33% shareholding in ETSB via MASB and in turn ETSB holds 40% shareholding in WDG.</i></p> <p><i>CCL is the Managing Director/Group Chief Executive Officer and a Substantial Shareholder of 5.67% shareholding in WSC via MASB and MPSB. His direct shareholding in WSC is 2.67%. CCL is the father of CWK.</i></p>						

2.5 Nature of Recurrent Related Party Transactions and Class of Related Parties (cont'd)

(a) Group Financial and/or Treasury Management¹ (cont'd)

Interested Related Party ²	Lender	Borrower	Estimated Annual Value ³ (RM)	Estimated Value as Disclosed in the Circular to Shareholders dated 18 May 2020 (RM)	Actual Value Transacted from 23 June 2020 to LPD ⁴ (RM)	Nature of Transaction
CCL CWK	WSC Capital	WDG	10,000,000	10,000,000	NIL	Interest bearing advances for purpose of working capital requirement <i>Basis of interest rate or facility fee charged ⁵</i>
	PPES	WDG	2,000,000	2,000,000	NIL	
	PPII	WDG	2,000,000	2,000,000	NIL	
	WSC	WDG	22,000,000	22,000,000	11,496,603	
	<i>WSC Capital is a direct wholly-owned subsidiary of WSC. PPES, PPII and WDG are indirect subsidiaries of WSC.</i> <i>CWK is a Director of WDG and holds 51,754 shares in WSC. CWK is the son of CCL.</i> <i>CWK is a Director of ETSB and a Substantial Shareholder of 33.33% shareholding in ETSB via MASB and in turn ETSB holds 40% shareholding in WDG.</i> <i>CCL is a Substantial Shareholder of 33.33% shareholding in ETSB via MASB and in turn ETSB holds 40% shareholding in WDG.</i> <i>CCL is the Managing Director/Group Chief Executive Officer and a Substantial Shareholder of 5.67% shareholding in WSC via MASB and MPSB. His direct shareholding in WSC is 2.67%. CCL is the father of CWK.</i>					

2.5 Nature of Recurrent Related Party Transactions and Class of Related Parties (cont'd)

(a) Group Financial and/or Treasury Management¹ (cont'd)

Interested Related Party ²	Lender	Borrower	Estimated Annual Value ³ (RM)	Estimated Value as Disclosed in the Circular to Shareholders dated 18 May 2020 (RM)	Actual Value Transacted from 23 June 2020 to LPD ⁴ (RM)	Nature of Transaction
CCL CWK	PPIC	WDG	50,000,000	50,000,000	NIL	Guarantee granted to undertake outstanding amount owing by WDG in the event that WDG failed to settle any debts owing to the suppliers and/or banks
<p><i>WDG is an indirect 60%-owned subsidiary of PPIC.</i></p> <p><i>CWK is a Director of WDG and holds 51,754 shares in WSC. CWK is the son of CCL.</i></p> <p><i>CWK is a Director of ETSB and a Substantial Shareholder of 33.33% shareholding in ETSB via MASB and in turn ETSB holds 40% shareholding in WDG.</i></p> <p><i>CCL is a Substantial Shareholder of 33.33% shareholding in ETSB via MASB and in turn ETSB holds 40% shareholding in WDG.</i></p> <p><i>CCL is the Managing Director/Group Chief Executive Officer and a Substantial Shareholder of 5.67% shareholding in WSC via MASB and MPSB. His direct shareholding in WSC is 2.67%. CCL is the father of CWK.</i></p>						

2.5 Nature of Recurrent Related Party Transactions and Class of Related Parties (cont'd)

(b) Transactions of A Revenue or Trading in Nature^{1a}

Interested Related Party ²	Provider of Products/ Services	Recipient of Products/ Services	Estimated Annual Value ³ (RM)	Estimated Value as Disclosed in the Circular to Shareholders dated 18 May 2020 (RM)	Actual Value Transacted from 23 June 2020 to LPD ⁴ (RM)	Nature of Transaction
DSRT PT TTCK	STHT and its subsidiaries	IGB Group of companies	15,000,000	15,000,000	80,152	Sale/Purchase of building materials, trading in generator sets, construction machineries and equipment and component parts and related products and services
Tan Chin Nam Sendirian Berhad (“TCNSB”) TKYSB Wah Seong (Malaya) Trading Co. Sdn Bhd (“WST”)	<p>DSRT is the Group Chief Executive Officer and Director of IGB Group. He is also a Director of WSC Group. He is a common indirect Major Shareholder of WSC and IGB. His total direct and indirect shareholdings in WSC are 1.54% and 40.30% respectively. His total direct and indirect shareholdings in IGB are 0.32% and 29.85% respectively.</p> <p>PT is a common indirect Major Shareholder of WSC and IGB. Her indirect shareholding in WSC is 40.58%. Her total direct and indirect shareholdings in IGB are 0.04% and 29.85% respectively.</p> <p>TTCK is a common indirect Major Shareholder of WSC and IGB. His indirect shareholding in WSC is 40.30%. His indirect shareholding in IGB is 29.85%. TTCK is the father of Tan Jian Hong, Aaron (“TJH”), a Director of WSC.</p> <p>TCNSB, TKYSB and WST are common Major Shareholders of WSC and IGB.</p> <p>TCNSB’s total indirect shareholdings in WSC is 33.33%. TKYSB’s total direct and indirect shareholdings in WSC are 6.98% and 33.33% respectively. WST’s total direct and indirect shareholdings in WSC are 32.99% and 0.34% respectively.</p> <p>TCNSB’s total direct and indirect shareholdings in IGB are 25.60% and 23.64% respectively. TKYSB’s total direct and indirect shareholdings in IGB are 9.99% and 19.86% respectively. WST’s total direct and indirect shareholdings in IGB are 15.99% and 3.86% respectively.</p>					

2.5 Nature of Recurrent Related Party Transactions and Class of Related Parties (cont'd)

(b) Transactions of A Revenue or Trading in Nature^{1a} (cont'd)

Interested Related Party ²	Provider of Products/ Services	Recipient of Products/ Services	Estimated Annual Value ³ (RM)	Estimated Value as Disclosed in the Circular to Shareholders dated 18 May 2020 (RM)	Actual Value Transacted from 23 June 2020 to LPD ⁴ (RM)	Nature of Transaction
DSRT PT	IGB Group of companies	Wasco MS	2,000,000 ⁸	2,000,000	908,216	Rental of premise ⁷ and related facilities
TTCK TCNSB TKYSB WST	<p>DSRT is the Group Chief Executive Officer and Director of IGB Group. He is also a Director of WSC Group. He is a common indirect Major Shareholder of WSC and IGB. His total direct and indirect shareholdings in WSC are 1.54% and 40.30% respectively. His total direct and indirect shareholdings in IGB are 0.32% and 29.85% respectively.</p> <p>PT is a common indirect Major Shareholder of WSC and IGB. Her indirect shareholding in WSC is 40.58%. Her total direct and indirect shareholdings in IGB are 0.04% and 29.85% respectively.</p> <p>TTCK is a common indirect Major Shareholder of WSC and IGB. His indirect shareholding in WSC is 40.30%. His indirect shareholding in IGB is 29.85%. TTCK is the father of Tan Jian Hong, Aaron ("TJH"), a Director of WSC.</p> <p>TCNSB, TKYSB and WST are common Major Shareholders of WSC and IGB.</p> <p>TCNSB's total indirect shareholdings in WSC is 33.33%. TKYSB's total direct and indirect shareholdings in WSC are 6.98% and 33.33% respectively. WST's total direct and indirect shareholdings in WSC are 32.99% and 0.34% respectively.</p> <p>TCNSB's total direct and indirect shareholdings in IGB are 25.60% and 23.64% respectively. TKYSB's total direct and indirect shareholdings in IGB are 9.99% and 19.86% respectively. WST's total direct and indirect shareholdings in IGB are 15.99% and 3.86% respectively.</p>					

2.5 Nature of Recurrent Related Party Transactions and Class of Related Parties (cont'd)

(b) Transactions of A Revenue or Trading in Nature^{1a} (cont'd)

Interested Related Party ²	Provider of Products/ Services	Recipient of Products/ Services	Estimated Annual Value ³ (RM)	Estimated Value as Disclosed in the Circular to Shareholders dated 18 May 2020 (RM)	Actual Value Transacted from 23 June 2020 to LPD ⁴ (RM)	Nature of Transaction
CCL CWK	WDG	PMTI	500,000	500,000	NIL	Trading in generator sets, construction equipment and machineries, related equipment and component parts and provision of support services
	WDG	MISB	500,000	500,000	107,132	Rental of forklift ⁹ and related equipment
	<p><i>PMTI is an indirect wholly-owned subsidiary of WSC. WDG and MISB are indirect 60%-owned subsidiaries of WSC.</i></p> <p><i>CWK is a Director of WDG and holds 51,754 shares in WSC. CWK is the son of CCL.</i></p> <p><i>CWK is a Director of ETSB and a Substantial Shareholder of 33.33% shareholding in ETSB via MASB and in turn ETSB holds 40% shareholding in WDG.</i></p> <p><i>CCL is a Substantial Shareholder of 33.33% shareholding in ETSB via MASB and in turn ETSB holds 40% shareholding in WDG.</i></p> <p><i>CCL is the Managing Director/Group Chief Executive Officer and a Substantial Shareholder of 5.67% shareholding in WSC via MASB and MPSB. His direct shareholding in WSC is 2.67%. CCL is the father of CWK.</i></p>					

2.5 Nature of Recurrent Related Party Transactions and Class of Related Parties (cont'd)

(b) Transactions of A Revenue or Trading in Nature^{1a} (cont'd)

Interested Related Party ²	Provider of Products/ Services	Recipient of Products/ Services	Estimated Annual Value ³ (RM)	Estimated Value as Disclosed in the Circular to Shareholders dated 18 May 2020 (RM)	Actual Value Transacted from 23 June 2020 to LPD ⁴ (RM)	Nature of Transaction
CCL	WDG	JSB	250,000	250,000	50,033	Rental of forklift ¹⁰ and related equipment
CWK	WDG	JSB	500,000	500,000	NIL	Trading in generator sets, construction equipment and machineries, related equipment and component parts and provision of support services
<p><i>JSB is a direct wholly-owned subsidiary of WSC.</i></p> <p><i>WDG is an indirect 60%-owned subsidiary of WSC.</i></p> <p><i>CWK is a Director of WDG and holds 51,754 shares in WSC. CWK is the son of CCL.</i></p> <p><i>CWK is a Director of ETSB and a Substantial Shareholder of 33.33% shareholding in ETSB via MASB and in turn ETSB holds 40% shareholding in WDG.</i></p> <p><i>CCL is a Substantial Shareholder of 33.33% shareholding in ETSB via MASB and in turn ETSB holds 40% shareholding in WDG.</i></p> <p><i>CCL is the Managing Director/Group Chief Executive Officer and a Substantial Shareholder of 5.67% shareholding in WSC via MASB and MPSB. His direct shareholding in WSC is 2.67%. CCL is the father of CWK.</i></p>						

2.5 Nature of Recurrent Related Party Transactions and Class of Related Parties (cont'd)

(b) Transactions of A Revenue or Trading in Nature^{1a} (cont'd)

Interested Related Party ²	Provider of Products/ Services	Recipient of Products/ Services	Estimated Annual Value ³ (RM)	Estimated Value as Disclosed in the Circular to Shareholders dated 18 May 2020 (RM)	Actual Value Transacted from 23 June 2020 to LPD ⁴ (RM)	Nature of Transaction
Dato' Nizam Azlan	WL	WCM and its subsidiaries	18,000,000	18,000,000	291,823	Sale/Purchase of sacrificial anodes and sub-contracting of anodes installation works and other related works
<p><i>Dato' Nizam is a common Director of WCM and WL and a Major Shareholder by virtue of him holding 19.81% shares in WOS, the intermediate holding company of WL.</i></p> <p><i>Azlan is a common Director of WCM and WL and a Major Shareholder by virtue of him holding 31.67% shares in WOS (the intermediate holding company of WL) and 22.61% shares in WL respectively.</i></p>						

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2.5 Nature of Recurrent Related Party Transactions and Class of Related Parties (cont'd)

Notes:

The Recurrent Related Party Transactions covered by these Proposed Shareholders' Mandates are in compliance with the Main Market Listing Requirements and Practice Note 12.

1. Financial and/or Treasury Management provided to/by subsidiary companies as and when there are surplus funds, as the Group practises efficient fund management by reducing the bank borrowings thereby enhancing shareholders' value. Any subsidiary which has surplus funds for the specific period will notify the Head Office and Head Office will channel the funds to the subsidiary that needs the funds and hence reduce overall gearing level of the Group.
- 1a. The transactions of a revenue or trading in nature include the rental of premise and related facilities; rental of forklift and related equipment; trading of building materials and trading in generator sets, construction equipment and machineries, related equipment and component parts and provision of support services; sale/purchase of sacrificial anodes and sub-contracting of anodes installation works and other related works.
2. The direct and indirect shareholdings of these interested related parties (if any) are set out in Section 7 below. Accordingly, these interested related parties will abstain from voting in respect of their direct and/or indirect shareholdings in the Company at the forthcoming Twenty-First AGM on the Proposed Shareholders' Mandates.
3. From the date of the forthcoming Twenty-First AGM up to the date of the next AGM.
 - The estimated value for the renewal mandate is based on past actual value transacted and estimated value to be transacted until the next AGM which may be subject to change.
4. Actual Value Transacted from 23 June 2020 to LPD (i.e. 31 March 2021) does not exceed 10% or more of the Estimated Value as disclosed in the Circular to Shareholders dated 18 May 2020.
5. The method on which the basis of interest rate to be charged on the advances granted or to be granted will be at market rate but not lower than WSC/WSC subsidiaries' cost of funds.
6. The basis of interest rate or facility fee chargeable to the related party by WSC and/or its subsidiaries for utilisation of banking facilities secured by WSC Group will be at market rate but not lower than WSC/WSC subsidiaries' cost of funds.
7. The rental of the corporate office of RM95,358 payable on a monthly basis is located at Suite 19.01, Level 19, The Gardens North Tower, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur, Wilayah Persekutuan.
8. The Estimated Annual Value has provided for additional rental value in the event further requirement of office space for the corporate office and/or its WSC subsidiaries arise.
9. The rental of the forklift and related equipment between WDG and MISB of RM13,300.00 payable on a monthly basis is located at Lot 1945, Jalan Sungai Terap 32/173, Bukit Kemuning, Seksyen 32, 40460 Shah Alam, Selangor and PT 15926, Jalan Bandar Lama, Kawasan Perusahaan Segenting, 42500 Telok Panglima Garang, Kuala Langat, Selangor Darul Ehsan.
10. The rental of the forklift and related equipment between WDG and JSB of RM5,000.00 payable on a monthly basis is located at PT 15926, Jalan Bandar Lama, Kawasan Perusahaan Segenting, 42500 Telok Panglima Garang, Kuala Langat, Selangor Darul Ehsan.

2.5 Nature of Recurrent Related Party Transactions and Class of Related Parties (cont'd)

2.5.2 The details of the nature and estimated annual value of the additional Recurrent Related Party Transactions in respect of which the Company is seeking a **fresh mandate** from its shareholders as contemplated under the Proposed Shareholders' Mandates are as follows:

(a) Transactions of A Revenue or Trading in Nature¹

Interested Related Party ²	Provider of Products/ Services	Recipient of Products/ Services	Estimated Annual Value ³ (RM)	Nature of Transaction
CCL	STHT	WDG	1,000,000	Sale/Purchase of building materials, construction machineries and equipment and component parts and related products and services
CWK	<p><i>STHT is the immediate holding company of WDG.</i></p> <p><i>GEH is a Director of STHT.</i></p> <p><i>CWK is a Director of WDG and holds 51,754 shares in WSC. CWK is the son of CCL.</i></p> <p><i>GEH is a Substantial Shareholder of 33.33% shareholding in ETSB via GHSB and in turn ETSB holds 40% shareholding in WDG.</i></p> <p><i>CWK is a Director of ETSB and a Substantial Shareholder of 33.33% shareholding in ETSB via MASB and in turn ETSB holds 40% shareholding in WDG.</i></p> <p><i>CCL is a Substantial Shareholder of 33.33% shareholding in ETSB via MASB and in turn ETSB holds 40% shareholding in WDG.</i></p> <p><i>CCL is the Managing Director/Group Chief Executive Officer and a Substantial Shareholder of 5.67% shareholding in WSC via MASB and MPSB. His direct shareholding in WSC is 2.67%. CCL is the father of CWK.</i></p>			
GEH				

2.5 Nature of Recurrent Related Party Transactions and Class of Related Parties (cont'd)

Notes:

The Recurrent Related Party Transactions covered by this Proposed Shareholders' Mandates are in compliance with the Main Market Listing Requirements and Practice Note 12.

1. The transactions of a revenue or trading in nature include the trading of building materials, construction machineries and equipment, related equipment and component parts and provision of support services.
2. The direct and indirect shareholdings of these interested related parties (if any) are set out in Section 7 below. Accordingly, these interested related parties will abstain from voting in respect of their direct and/or indirect shareholdings in the Company at the forthcoming Twenty-First AGM on the Proposed Shareholders' Mandates.
3. From the date of the forthcoming Twenty-First AGM up to the date of next AGM, the Estimated Annual Values for fresh mandate is based on management forecast of projects or purchase and/or sale orders and anticipated projects, contracts or purchase/sales orders expected to be secured.

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2.6 Amount Due and Owing Under Recurrent Related Party Transactions

For the financial year ended 31 December 2020, there were no amounts due and owing by the Related Parties pursuant to the Recurrent Related Party Transactions that exceeded the credit terms. Hence, there was no late payment charges imposed on the Related Parties.

2.7 The methods and procedures on which transaction prices will be determined and other review procedures

Group Financial and/or Treasury Management

The method on which the basis of interest rate to be charged on the advances granted or to be granted will be at market rate but not lower than WSC/WSC subsidiaries' cost of funds.

The basis of interest rate or facility fee chargeable to the related party by WSC and/or its subsidiaries for utilisation of banking facilities secured by WSC Group will be at market rate but not lower than WSC/WSC subsidiaries' cost of funds.

Transactions of a Revenue or Trading in Nature

There are procedures established by the Group to ensure that Recurrent Related Party Transactions are undertaken on an arm's length basis and on the Group's normal commercial terms, consistent with the Group's usual business practices and policies, which are generally not more favourable to the Related Parties than those generally available to the public and are not detrimental to the minority shareholders. The procedures are as follows:

- (a) The guidelines and procedures on the disclosure of Recurrent Related Party Transactions and the list of Related Parties will be circulated to the Directors and Management of the Company and its subsidiaries to notify that all Recurrent Related Party Transactions are required to be undertaken on an arm's length basis and on normal commercial terms and on terms not more favourable to the Related Parties than those generally available to the public and are not detrimental to the minority shareholders of the Company;
- (b) All Recurrent Related Party Transactions will be reviewed by the Audit Committee. Any member of the Audit Committee may as he deems fit, request for additional information pertaining to the transaction, including from independent sources or advisers;
- (c) A register will be maintained by the Company to record all Recurrent Related Party Transactions which are entered into pursuant to the Proposed Shareholders' Mandates;
- (d) The Internal Audit Department shall periodically review the Recurrent Related Party Transactions entered into pursuant to the Proposed Shareholders' Mandates to ensure that the relevant approvals have been obtained and the review procedures in respect of such transactions are adhered to;
- (e) The Board and the Audit Committee shall review the internal audit reports to ascertain that the guidelines and procedures established to monitor Recurrent Related Party Transactions have been complied with;
- (f) There are no specific thresholds for approval of Recurrent Related Party Transactions within the Group. However, the affected subsidiaries will inform the Group Company Secretary by completing the Related Party Transaction Disclosure Form as and when Recurrent Related Party Transactions that exceed the WSC Group's threshold as follows:-
 - i. where any one of the considerations, value of the assets, capital outlay or costs of the Recurrent Related Party Transactions is RM1 million or more; or
 - ii. the percentage ratio of such Recurrent Related Party Transaction is 1% or more,

whichever is the higher and which has not obtained the shareholders' mandate or has exceeded the shareholders' mandate whereby, an announcement shall be made to Bursa Securities;

- (g) The transaction price, terms and conditions are determined by market forces, under similar commercial terms for transactions with unrelated third parties, which are dependent on the demand and supply of the products and services. In addition, at least 2 other contemporaneous unrelated third parties' quotations will be obtained and compared to arrive at true and fair suppliers' evaluation and ranking on the price, delivery, services and other terms and conditions, before entering into such transactions;

In the event that quotation or comparative pricing from unrelated third parties cannot be obtained (for instance, for transactions where it is vital that confidentiality is maintained or the nature of the scope of work involve multiple service providers) then the transaction price will be reviewed and determined by the Senior Management of the affected subsidiaries who has no interest in the transaction to ensure that the Recurrent Related Party Transactions are not detrimental to the Group;

- (h) A declaration/confirmation on the disclosure requirements and obligations as set out in the Main Market Listing Requirements and relevant Practice Notes is obtained from the affected subsidiary together with the summary of the Recurrent Related Party Transactions mandate; and
- (i) A declaration is obtained from the affected Directors who are substantial shareholders in the affected subsidiary to confirm the extent of any related party transactions (if any) between themselves or companies controlled by them with the affected subsidiary.

The Board and the Audit Committee have reviewed the above procedures and shall continue to review the procedures as and when required, with the authority to delegate such function to individuals or committees within the Company as they deem appropriate. If a member of the Board or the Audit Committee has an interest in the transaction to be reviewed by the Board or the Audit Committee as the case may be, he will not participate in the deliberation of such transaction and will abstain from any decision making by the Board or the Audit Committee in respect of that transaction.

2.8 Validity period of the Proposed Shareholders' Mandates

If approved at the forthcoming Twenty-First AGM, the Proposed Shareholders' Mandates will take effect from the passing of the resolutions relating thereto at the Twenty-First AGM and will continue to be in force until:

- (i) the conclusion of the next AGM of the Company at which time the Proposed Shareholders' Mandates will lapse, unless renewed by resolutions passed at the meeting; or
- (ii) the expiration of the period within which the next AGM of the Company after the date it is required to be held pursuant to Section 340(2) of the Act (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or
- (iii) revoked or varied by resolutions passed by the shareholders of the Company in a general meeting,

whichever is earlier.

In view of the foregoing, the Board will seek your approval for the Proposed Shareholders' Mandates at the forthcoming Twenty-First AGM, and at each subsequent AGM subject to satisfactory review by the Audit Committee of its continued application to the Recurrent Related Party Transactions.

Transactions with any related parties which do not fall within the ambit of the Proposed Shareholders' Mandates, will be subject to other applicable provisions of the Main Market Listing Requirements, the Act and/or any applicable law.

2.9 Disclosure

Disclosure will be made of the breakdown of the aggregate value of transactions conducted pursuant to the Proposed Shareholders' Mandates during the financial year based on the following information in the Company's 2020 Annual Report and in the Annual Reports for subsequent financial years that the Proposed Shareholders' Mandates continues to be in force:

- (i) the type of Recurrent Related Party Transactions made; and
- (ii) the names of the related parties involved in each type of the Recurrent Related Party Transactions made and their relationships with the Company.

The threshold for the disclosure is where:

- (i) the consideration, value of the assets, capital outlay or costs of the aggregated transactions is equal to or exceeds RM1 million; or
- (ii) any one of the percentage ratios of such aggregated transactions is equal to or exceeds one per centum (1%),

whichever is the higher.

3. STATEMENT BY THE AUDIT COMMITTEE

The Audit Committee of the Company has seen and reviewed the procedures set forth in Section 2.7 above and is of the view that the said procedures are sufficient to ensure that the Recurrent Related Party Transactions are in the best interest of the Company. They are fair, reasonable and on normal commercial terms and are not more favourable to the Related Parties than those generally available to the public and are not to the detriment of the minority shareholders.

The Company has put in place adequate procedures and processes to monitor, track and identify Recurrent Related Party Transactions in a timely and orderly manner. The Audit Committee conducts the review of these procedures and processes on a quarterly basis.

4. RATIONALE FOR AND BENEFITS OF THE PROPOSED SHAREHOLDERS' MANDATES

4.1 Rationale for the Proposed Shareholders' Mandates

As disclosed in Section 2.5 above are the companies within the Group which will continue and/or are expected to enter into such Recurrent Related Party Transactions in the ordinary course of business for the Group's day-to-day operations.

The Recurrent Related Party Transactions related to transactions of a revenue or trading in nature include the sale/purchase of sacrificial anodes and sub-contracting of anodes installation works, rental of premises and related facilities, rental of forklift and related equipment, trading of building materials, trading in generator sets, construction equipment and machineries, related equipment and component parts and provision of support services.

It is envisaged that in the normal course of business of the Group, transactions in respect of goods or services with the Related Parties will occur with some degree of frequency from time to time and that may arise at any time.

The Recurrent Related Party Transactions pertaining to Financial and/or Treasury Management or such similar arrangements which entails the provision of financial assistance are provided to/by subsidiary companies on a short or medium term basis as and when there are surplus funds, as the Group practises efficient fund management by reducing the bank borrowings, optimizing the use of banking facilities thereby enhancing shareholders' value and reduce overall gearing level of the Group.

Some of these Recurrent Related Party Transactions may be constrained by the time-sensitive and frequent nature of transactions and it may be impractical to seek shareholders' approval on a case to case basis before entering into such Recurrent Related Party Transactions.

The obtaining of the shareholders' mandate and the renewal thereof on an annual basis would eliminate the necessity to convene separate general meetings from time to time to seek shareholders' approval as and when such Recurrent Related Party Transactions occur, thereby reducing administrative time and cost associated therewith, hence allowing resources to be channelled towards meeting its other corporate objectives and pursuing more productive business opportunities.

4.2 Benefits of the Proposed Shareholders' Mandates

Some of the benefits to be derived from the Recurrent Related Party Transactions are:

- (a) flexibility and choice of parties to enter into such transactions, whether with Related Parties or non-Related Parties;
- (b) to facilitate transactions with Related Parties which are in the ordinary course of business of the Group undertaken at arm's length basis, normal commercial terms and on 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 Group;
- (c) to facilitate transactions with Related Parties in an expeditious manner to meet business needs for the supply and/or provision of goods and services which are necessary for its day-to-day operations, particularly business needs which are time sensitive in nature;
- (d) to facilitate transactions with Related Parties where it is vital that confidentiality be maintained, where it will not be viable for prior shareholders' mandate to be obtained as this will entail the release of details of the transactions which may adversely affect the interests of the Group and place the Group at a disadvantage position to its competitors who may not require shareholders' mandate to be obtained; and
- (e) to eliminate the need to announce and convene separate general meetings to seek shareholders' mandate for each transaction and as such, substantially reduce expenses, time and other resources associated with the making of announcements and convening of general meetings on an ad hoc basis, and hence improve administrative efficiency considerably and allow financial and manpower resources to be channelled to pursue more productive business objectives.

In addition to the above benefits, the Related Parties have also proven to be reliable in its delivery of products and services as well as fulfilling the quality expectations of the Group. Due to previous business dealings with the Related Parties, the Related Parties are familiar with the Group's operations and are able to meet the Group's business requirements even at short notice. This has allowed the Group to benefit from ad hoc and immediate business opportunities arising thereon.

5. EFFECTS OF THE PROPOSED SHAREHOLDERS' MANDATES

The Proposed Shareholders' Mandates are not expected to have any effect on the issued shares and substantial shareholders' shareholdings of the Company, the consolidated NA per share and the consolidated earnings of the Group for the financial year ending 31 December 2021.

6. APPROVAL REQUIRED

The Proposed Shareholders' Mandates are subject to approval being obtained from the shareholders of the Company at the forthcoming Twenty-First AGM.

7. DIRECTORS' AND MAJOR SHAREHOLDERS' INTERESTS

The following table illustrates the direct and indirect shareholdings of the Directors of the Company who have interest, direct or indirect, in the Proposed Shareholders' Mandates on 31 March 2021, being the LPD prior to the printing of this Circular:

Directors	Direct Interest (in WSC)		Indirect Interest (in WSC)	
	No. of Shares	% §	No. of Shares	% §
DSRT	11,927,314	1.54	312,063,822 [^]	40.30
CCL	20,677,936	2.67	44,031,991 [*]	5.69

§ Net of 577,054 purchased shares.

[^] Deemed interest held through Wah Seong Enterprises Sdn Bhd ("WSE"), WST and TKYSB pursuant to Section 8 of the Act.

^{*} Deemed interest held through MASB and MPSB pursuant to Section 8 of the Act and include interests of his spouse and children.

The following table illustrates the direct and indirect shareholdings of the Directors of the subsidiaries of the Company, who have interest, direct or indirect, in the Proposed Shareholders' Mandates on 31 March 2021, being the LPD prior to the printing of this Circular:

Directors of Subsidiaries	Direct Interest (in WSC)		Indirect Interest (in WSC)	
	No. of Shares	% §	No. of Shares	% §
Dato' Nizam	1,770,691	0.23	16,130,675 [€]	2.08
Azlan	1,869,888	0.24	16,130,675 [€]	2.08
Li	-	-	-	-
Guo Jun	-	-	-	-
CWK	51,754	0.01	64,658,173 [±]	8.35
GEH	-	-	-	-

§ Net of 577,054 purchased shares.

€ Deemed interest held through Karya Insaf (M) Sdn Bhd ("Karya Insaf") pursuant to Section 8 of the Act.

± Deemed interest held through CCL, his father, MASB, MPSB and include interests of his mother and sibling pursuant to Section 8 of the Act.

Accordingly, the above-named Directors, being Directors who are interested in the Proposed Shareholders' Mandates have abstained and will continue to abstain from all deliberations and voting on the Recurrent Related Party Transactions involving them as stated in the Proposed Shareholders' Mandates at the relevant Board Meetings and shall also abstain from voting in respect of their direct and indirect shareholdings in the Company, if any, at the forthcoming Twenty-First AGM on the resolutions to approve the Proposed Shareholders' Mandates involving their interests, as stated in the Proposed Shareholders' Mandates.

The direct and indirect shareholdings of the Major Shareholders of the Company who have interest, direct or indirect, in the Proposed Shareholders' Mandates as at 31 March 2021, being the LPD prior to the printing of this Circular are as follows:

Major Shareholders	Direct Interest (in WSC)		Indirect Interest (in WSC)	
	No. of Shares	% §	No. of Shares	% §
DSRT	11,927,314	1.54	312,063,822 [#]	40.30
PT	-	-	314,230,683 [∞]	40.58
TTCK	-	-	312,063,822 [#]	40.30
TCNSB	-	-	258,040,387 [@]	33.33
TKYSB	54,023,435	6.98	258,040,387 [@]	33.33
WST	255,438,739	32.99	2,601,648 ^π	0.34

§ Net of 577,054 purchased shares.

Deemed interest held through WSE, WST and TKYSB pursuant to Section 8 of the Act.

∞ Deemed interest held through WSE, WST, TKYSB and PTSM Holdings Sdn Bhd pursuant to Section 8 of the Act.

@ Deemed interest held through WSE and WST pursuant to Section 8 of the Act.

π Deemed interest held through WSE pursuant to Section 8 of the Act whereby WST is the major shareholder of WSE.

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As at 31 March 2021, being the LPD prior to the printing of this Circular, the direct and indirect shareholdings of the Major Shareholders of the subsidiaries in the Company, who have interest, direct or indirect, in the Proposed Shareholders' Mandates are set out below:

Major Shareholders of Subsidiaries	Relationship	Direct Interest (in WSC)		Indirect Interest (in WSC)	
		No. of Shares	% §	No. of Shares	% §
Dato' Nizam	Major Shareholder of WOS	1,770,691	0.23	16,130,675 [€]	2.08
Azlan	Major Shareholder of WOS and WL	1,869,888	0.24	16,130,675 [€]	2.08
Li	Major Shareholder of A. Tianjin	-	-	-	-
Guo Jun	Major Shareholder of A. Tianjin	-	-	-	-

§ Net of 577,054 purchased shares.

€ Deemed interest held through Karya Insaf pursuant to Section 8 of the Act.

Accordingly, the above said Major Shareholders of the Group who are interested (directly or indirectly) in the Proposed Shareholders' Mandates shall abstain from voting in respect of their direct and indirect shareholdings in the Company, if any, at the forthcoming Twenty-First AGM on the resolutions to approve the Proposed Shareholders' Mandates involving their interests, as stated in the Proposed Shareholders' Mandates.

As at 31 March 2021, being the LPD prior to the printing of this Circular, the direct and indirect shareholdings in IGB of persons who are connected with a Director and/or Major Shareholder of the Group who are interested in the Proposed Shareholders' Mandates are set out below:

Person Connected to Directors and/or Major Shareholders	Relationship	Direct Interest (in IGB)		Indirect Interest (in IGB)	
		No. of Shares	%	No. of Shares	%
IGB	WST is a Major Shareholder of IGB	140,995,595	15.99	34,054,209	3.86

In addition, the persons connected to Directors and/or Major Shareholders shall abstain from voting in respect of their direct and indirect shareholdings in the Company, if any, at the forthcoming Twenty-First AGM on the resolutions approving the Proposed Shareholders' Mandates involving their interests, as stated in the Proposed Shareholders' Mandates.

The above-named Directors and/or Major Shareholders who are interested in the Proposed Shareholders' Mandates will also undertake to ensure that these persons connected to them will abstain from voting in respect of their direct and indirect shareholdings in the Company, if any, at the forthcoming Twenty-First AGM on the resolutions deliberating or approving the Proposed Shareholders' Mandates involving their interests, as stated in the Proposed Shareholders' Mandates.

Save for the Directors and/or Major Shareholders and persons connected to them as set out above, no other Directors or Major Shareholders of the Group and persons connected to them have any interest, direct or indirect, in the Proposed Shareholders' Mandates. Where the persons connected with a Director and/or Major Shareholder of the Group have any interest, direct or indirect, in the Proposed Shareholders' Mandates, the Director and/or Major Shareholder concerned will also abstain from voting in respect of their direct or indirect shareholdings in the Company, if any, at the forthcoming Twenty-First AGM on the resolutions to approve the Proposed Shareholders' Mandates involving their interests, as stated in the Proposed Shareholders' Mandates.

8. DIRECTORS' RECOMMENDATION

Having considered the rationale for all aspects of the Proposed Shareholders' Mandates and deliberated on the same, save and except for DSRT and CCL, the Board is of the opinion that the Proposed Shareholders' Mandates are in the best interest of the Group.

With the exception of DSRT and CCL who are interested in the Proposed Shareholders' Mandates in the manner disclosed in the table in Section 2.5 of this Circular and have therefore abstained from making any recommendation in respect of the Recurrent Related Party Transactions in which they are involved, the Board recommends that you vote in favour of the Ordinary Resolutions on the Proposed Shareholders' Mandates to be tabled at the forthcoming Twenty-First AGM.

9. TWENTY-FIRST AGM

The Twenty-First AGM ("21st AGM") will be conducted through live streaming and online remote participation using Remote Participation and Voting ("RPV") Facilities as a fully virtual general meeting at the Broadcasting Venue to be held at Boardroom, Suite 19.01, Level 19, The Gardens North Tower, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur, Wilayah Persekutuan, Malaysia on Friday, 21 May 2021 at 11.00 a.m. for the purpose of approving the Proposed Shareholders' Mandates. Hence, **No Shareholders/ Proxies/ Corporate Representatives** from the public will be physically present at the Broadcasting Venue on the day of the 21st AGM.

Shareholders are encouraged to participate and vote remotely at the 21st AGM of the Company by using the RPV Facilities provided by the Company's appointed agent, Tricor Investor & Issuing House Services Sdn. Bhd. ("Tricor") via its TIIH Online website at <https://tiih.online> in accordance with the procedures as set out in the Administrative Guide which is available on the Company's website at www.wahseong.com.

Pursuant to Paragraph 8.29A(1), Chapter 8 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all resolutions set out in the Notice of 21st AGM are required to be voted by poll, therefore the instrument appointing a proxy and the power of attorney or other authority, if any, under which is signed or a notarially certified copy of that power or authority shall be deposited as follows, not less than twenty-four (24) hours before the time appointed for the taking of the poll at the 21st AGM.

(a) Deposit Hardcopy of Proxy Form

To the Company's Registered Address at Suite 19.01, Level 19, The Gardens North Tower, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur, Wilayah Persekutuan, Malaysia.

(b) Deposit of Proxy Form Electronically

To Tricor Investor & Issuing House Services Sdn. Bhd. ("TIIH Online") at <https://tiih.online>.

(c) The above Proxy Forms must be deposited accordingly latest by Thursday, 20 May 2021 by 11.00 a.m.

Only a shareholder whose name appears on the Record of Depositors as at 17 May 2021 shall be regarded as a shareholder entitled to participate and vote remotely at the 21st AGM or appoint proxy(ies) to participate and vote remotely on his/her behalf, both using the RPV Facilities. A shareholder registered in the Record of Depositors as at 17 May 2021 may appoint the Chairman of the meeting as his/her proxy.

A shareholder who has appointed a proxy or authorized representative to participate and vote remotely at the 21st AGM of the Company via RPV Facilities must ensure that his/her proxy register for the RPV at TIIH Online website at <https://tiih.online> in accordance with the procedures as set out in the Administrative Guide latest by Thursday, 20 May 2021 before 11.00 a.m.

For shareholders who have submitted Proxy Forms appointing their proxies, the proxy appointment can be revoked should he/she decide to personally participate at the 21st AGM of the Company remotely. Please contact the Company's appointed agent, Tricor not later than Thursday, 20 May 2021 by 11.00 a.m. to request for revocation.

The Notice of 21st AGM, Proxy Form and Administrative Guide are available on the Company's website at www.wahseong.com.

10. FURTHER INFORMATION

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

Yours faithfully
For and on behalf of the Board of
WAH SEONG CORPORATION BERHAD

Halim Bin Haji Din
Independent Non-Executive Director

Professor Tan Sri Lin See Yan
Senior Independent Non-Executive Director

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PART C

PROPOSED AMENDMENTS TO THE COMPANY'S CONSTITUTION



Wah Seong Corporation Berhad

Registration No. 199901020946 (495846-A)

(Incorporated in Malaysia)

Registered Office:
Suite 19.01, Level 19
The Gardens North Tower
Mid Valley City
Lingkaran Syed Putra
59200 Kuala Lumpur
Malaysia

22 April 2021

Board of Directors:

Dato' Seri Robert Tan Chung Meng (*Non-Independent Non-Executive Chairman*)
Chan Cheu Leong (*Managing Director / Group Chief Executive Officer*)
Giancarlo Maccagno (*Deputy Managing Director*)
Professor Tan Sri Lin See Yan (*Senior Independent Non-Executive Director*)
Halim Bin Haji Din (*Independent Non-Executive Director*)
Tan Jian Hong, Aaron (*Non-Independent Non-Executive Director*)
Tan Sri Saw Choo Boon (*Independent Non-Executive Director*)

To : The Shareholders of Wah Seong Corporation Berhad

Dear Sir/Madam,

PROPOSED AMENDMENTS TO THE COMPANY'S CONSTITUTION

1. INTRODUCTION

The Board of Directors of the Company had on 23 March 2021 announced to Bursa Securities that the Company proposes to seek its shareholders' approval for the amendments to the Company's Constitution at the forthcoming Twenty-First AGM.

The purpose of this Circular is to provide you with the details of the Proposed Amendments and to seek your approval for the Special Resolution to be tabled at the forthcoming Twenty-First AGM.

2. DETAILS OF THE PROPOSED AMENDMENTS

The Proposed Amendments to the Company's Constitution are to be in line with the Act, the Main Market Listing Requirements, the Guidelines on Conduct of Directors of Listed Corporations and Their Subsidiaries issued by Securities Commission Malaysia ("SC"), the Guidance Note on the Conduct of General Meetings for Listed Issuers issued by the SC currently in force and other prevailing statutory and regulatory requirements of the relevant regulatory authorities/bodies and to enhance the existing practices.

The Board proposes to seek your approval for the Proposed Amendments as follows:-

2A. MEETING OF MEMBERS AT TWO OR MORE VENUES

REVISION OF EXISTING CLAUSE 79

To revise the existing Clause 79 as follows:-

Existing Clause

79. All Members' meetings/general meetings such as Annual General Meeting and Extraordinary General Meeting may be convened at more than one venue using any technology or method that enables the Members of the Company to participate and to exercise the Members' rights to speak and vote at the Meeting.

The main venue of the Members' meeting/general meetings shall be in Malaysia and the Chairman shall be present at the main venue.

Proposed Amendment to Existing Clause

79. All Members' meetings/general meetings such as Annual General Meeting and Extraordinary General Meeting may be convened at more than one venue using any technology or method that enables the Members of the Company to participate and to exercise the Members' rights to speak and vote at the Meeting **i.e. virtually or hybrid.**

The main venue of the Members' meeting/general meetings shall be in Malaysia and the Chairman shall be present at the main venue.

2B. DEFERMENT, POSTPONEMENT AND CANCELLATION OF GENERAL MEETINGS

NEW CLAUSE 89

To insert the following new heading and new clause immediately after the existing Clause 88:-

DEFERMENT, POSTPONEMENT AND CANCELLATION OF GENERAL MEETINGS

89. (a) The Board may in its absolute discretion defer the convening of a general meeting to a later date provided the deferment is due to emergency circumstances such as a pandemic, national security reasons or an order or directive from the government or any relevant regulatory bodies provided always that the Company is in compliance with the acts, rules, requirements and guidelines of the Act, Bursa Malaysia Securities Berhad, Securities Commission and any other relevant prevailing laws, rules, guidelines of the relevant authorities and governing bodies currently in forced or to be in forced.
- (b) The Board may, in its absolute discretion, decide if it is impractical or undesirable to convene or to proceed with the convening of a general meeting on the date, at the time and place as specified in the notice calling the general meeting due to unforeseen circumstances or situation beyond the control of the Board such as emergencies due to a pandemic, national security reasons or an order or directive from the government or any relevant regulatory bodies whereby the general meeting may be postponed to another future date, time and place, or to cancel the general meeting intended to be held provided always that the Company is in compliance with the acts, rules, requirements and guidelines of the Act, Bursa Malaysia Securities Berhad, Securities Commission and any other relevant prevailing laws, rules and guidelines of the relevant authorities and governing bodies currently in forced or to be in forced.

The Board shall take reasonable steps to ensure that proper notification is communicated to the shareholders and other attendees of the original notice of general meeting about the postponement or cancellation of the intended general meeting. Notice of the rescheduled general meeting specifying the revised date, time and place of the general meeting shall be issued in accordance with the acts, requirements and guidelines of the Act, Bursa Malaysia Securities Berhad, Securities Commission and any other relevant prevailing laws, rules and guidelines of the relevant authorities and governing bodies currently in forced or to be in forced.

In view of the above insertion, the existing clauses from Clause 89 to Clause 140 shall be renumbered as Clause 90 to Clause 141 accordingly.

2C. GROUP GOVERNANCE

NEW CLAUSE 142

To insert the following new clause immediately after the renumbered Clause 141:-

142. Group Governance

The Directors must ensure there is an adequate group wide framework for co-operation and communication between the Company and its subsidiaries to enable it to discharge its responsibilities including oversight of group financial and non-financial performance, business strategy and priorities, risk management including material sustainability risks, and corporate governance policies and practices.

The Directors must establish and ensure the group wide framework on corporate governance include the code of conduct and ethics, policies and procedures on anti-corruption, whistleblowing, managing conflict of interest, managing material sustainability risks and board diversity including gender diversity.

In view of the above insertion, the existing clauses from Clause 141 to Clause 160 shall be renumbered as Clause 143 to Clause 163 accordingly.

2D. E-SIGNATURE

NEW CLAUSE 164

To insert the following new heading and new clause immediately after the renumbered Clause 163:-

E-SIGNATURE

164. Formal documents such as commercial agreements, tenancy agreements, Board resolutions, Board minutes and official communications via letters can be signed and executed using electronic signature as provided for in accordance with the Electronic Commerce Act 2006 and Digital Signature Act 1977 and their subsequent amendments and revisions thereto. However, the authenticity of the electronic signature on these formal documents should be capable of being verified by the relevant approved authorities pursuant to the Evidence Act 1950 and its subsequent amendments and revisions thereto. The formal documents signed and executed using electronic signature should be acceptable by the relevant authorities and governing bodies pursuant to the relevant acts, rules, guidelines and requirements currently in force or to be in force by the relevant authorities and governing bodies.

In view of the above insertion, the existing clauses from Clause 161 to Clause 205 shall be renumbered as Clause 165 to Clause 209 accordingly.

3. RATIONALE FOR THE PROPOSED AMENDMENTS

The Proposed Amendments to the Company's Constitution are to be in line with the Act, the Main Market Listing Requirements, the Guidelines on Conduct of Directors of Listed Corporations and Their Subsidiaries issued by the SC, the Guidance Note on the Conduct of General Meetings for Listed Issuers issued by the SC currently in force and other prevailing statutory and regulatory requirements of the relevant regulatory authorities/bodies and to enhance the existing practices.

4. CONDITION OF THE PROPOSED AMENDMENTS/APPROVAL REQUIRED

The Proposed Amendments are subject to the approval of the shareholders of the Company at the forthcoming Twenty-First AGM.

5. EFFECTS OF THE PROPOSED AMENDMENTS

The Proposed Amendments are not expected to have any effect on the issued shares and substantial shareholders' shareholdings of the Company, the consolidated NA per share and the consolidated earnings of the Group for the financial year ending 31 December 2021.

6. DIRECTORS' AND MAJOR SHAREHOLDERS' INTERESTS

None of the Directors, Major Shareholders and/or persons connected to the Directors or Major Shareholders of the Company have any interest, direct or indirect, in the Proposed Amendments.

7. DIRECTORS' RECOMMENDATION

The Board, having considered the rationale and all aspects of the Proposed Amendments, is of the opinion that the Proposed Amendments are in the best interest of the Company and its shareholders. Accordingly, the Board recommends that you vote in favour of the Special Resolution pertaining to the Proposed Amendments to be tabled at the forthcoming Twenty-First AGM.

8. TWENTY-FIRST AGM

The Twenty-First AGM ("21st AGM") will be conducted through live streaming and online remote participation using Remote Participation and Voting ("RPV") Facilities as a fully virtual general meeting at the Broadcasting Venue to be held at Boardroom, Suite 19.01, Level 19, The Gardens North Tower, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur, Wilayah Persekutuan, Malaysia on Friday, 21 May 2021 at 11.00 a.m. for the purpose of considering and if thought fit, passing the Special Resolution so as to give effect to the Proposed Amendments under the Special Business. Hence, **No Shareholders/ Proxies/ Corporate Representatives** from the public will be physically present at the Broadcasting Venue on the day of the 21st AGM.

Shareholders are encouraged to participate and vote remotely at the 21st AGM of the Company by using the RPV Facilities provided by the Company's appointed agent, Tricor Investor & Issuing House Services Sdn. Bhd. ("Tricor") via its TIIH Online website at <https://tiih.online> in accordance with the procedures as set out in the Administrative Guide which is available on the Company's website at www.wahseong.com.

Pursuant to Paragraph 8.29A(1), Chapter 8 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all resolutions set out in the Notice of 21st AGM are required to be voted by poll, therefore the instrument appointing a proxy and the power of attorney or other authority, if any, under which is signed or a notarially certified copy of that power or authority shall be deposited as follows, not less than twenty-four (24) hours before the time appointed for the taking of the poll at the 21st AGM.

(a) Deposit Hardcopy of Proxy Form

To the Company's Registered Address at Suite 19.01, Level 19, The Gardens North Tower, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur, Wilayah Persekutuan, Malaysia.

(b) Deposit of Proxy Form Electronically

To Tricor Investor & Issuing House Services Sdn. Bhd. ("TIIH Online") at <https://tiih.online>.

(c) The above Proxy Forms must be deposited accordingly latest by Thursday, 20 May 2021 by 11.00 a.m.

Only a shareholder whose name appears on the Record of Depositors as at 17 May 2021 shall be regarded as a shareholder entitled to participate and vote remotely at the 21st AGM or appoint proxy(ies) to participate and vote remotely on his/her behalf, both using the RPV Facilities. A shareholder registered in the Record of Depositors as at 17 May 2021 may appoint the Chairman of the meeting as his/her proxy.

A shareholder who has appointed a proxy or authorized representative to participate and vote remotely at the 21st AGM of the Company via RPV Facilities must ensure that his/her proxy register for the RPV at TIIH Online website at <https://tiih.online> in accordance with the procedures as set out in the Administrative Guide latest by Thursday, 20 May 2021 before 11.00 a.m.

For shareholders who have submitted Proxy Forms appointing their proxies, the proxy appointment can be revoked should he/she decide to personally participate at the 21st AGM of the Company remotely. Please contact the Company's appointed agent, Tricor, not later than Thursday, 20 May 2021 by 11.00 a.m. to request for revocation.

The Notice of 21st AGM, Proxy Form and Administrative Guide are available on the Company's website at www.wahseong.com.

9. FURTHER INFORMATION

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

Yours faithfully

For and on behalf of the Board of

WAH SEONG CORPORATION BERHAD

Halim Bin Haji Din
Independent Non-Executive Director

Professor Tan Sri Lin See Yan
Senior Independent Non-Executive Director

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APPENDIX I

ADDITIONAL INFORMATION

1. RESPONSIBILITY STATEMENT

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

2. MATERIAL LITIGATION, CLAIMS AND ARBITRATION

As at 31 March 2021, being the LPD prior to the printing of this Statement/Circular, neither the Company nor its subsidiaries have engaged in any material litigation, claims or arbitration, either as plaintiff or defendant, which has a material effect on the financial position of the Group and to the best knowledge of the Board, there are no proceeding pending or threatened or any facts likely to give rise to any proceedings which might materially and adversely affect the position or business of the Group.

3. MATERIAL CONTRACTS

Save as disclosed below, neither the Company nor its subsidiaries have entered into any material contracts (not being contracts entered into in the ordinary course of business of the Group) within two (2) years preceding the date of this Circular:-

- (i) On 12 June 2019, Wasco CPM Sdn Bhd (“Wasco CPM”), an indirect 51%-owned subsidiary of the Company entered into a Share Sale Agreement with CPM Construction Sdn Bhd for the acquisition of 9,500 ordinary shares which is equivalent to 95% of the equity interest in the total number of issued and paid-up share capital of Eco Consortium Sdn Bhd (“ECSB”), for a total cash consideration of RM1.00 only (“Acquisition of ECSB Shares”). Upon the completion of the Acquisition of ECSB Shares, ECSB shall become a 95%-owned subsidiary of Wasco CPM and an indirect subsidiary of the Company.
- (ii) On 24 June 2019, Syn Tai Hung Trading Sdn Bhd (“STHT”) acquired 30,000 and 60,000 ordinary shares, representing 10% and 20% equity interest respectively in the issued and paid-up share capital of Syn Tai Hung (Cambodia) Co., Ltd. (“STH Cambodia”) from Petro-Pipe Engineering Services Sdn Bhd and Okhna Ing Veasna for a total nominal consideration of USD100 and USD200 respectively based on goodwill basis (“Acquisition of STH Cambodia Shares”). Upon the completion of the Acquisition of STH Cambodia Shares, STH Cambodia shall become a wholly-owned subsidiary of STHT and an indirect subsidiary of the Company.
- (iii) On 16 October 2019, Wasco Coatings Limited (“WCL”), an indirect wholly-owned subsidiary of the Company entered into a Shareholders Agreement with Medgulf Construction Company W.L.L. (“Medgulf”) for the purpose of combining their capabilities and expertise in the provision of anti-corrosion and concrete weight coating of pipelines to the oil and gas industry through a proposed new company.
- (iv) On 22 November 2019, Wasco Coatings Europe B.V. (“WCEu”), an indirect wholly-owned subsidiary of the Company entered into a Share Transfer Agreement (“STA”) with PAP Energy Limited for the disposal of 770,000 ordinary shares in the issued and paid-up share capital of Wasco-PAP Services Ghana Limited (“WPSG”) representing 70% equity interest in WPSG for a total cash consideration of EUR1,000 only (“Disposal of WPSG Shares”). Upon the completion of the Disposal of WPSG Shares, WPSG ceased to be an indirect 70%-owned subsidiary of the Company.
- (v) On 2 March 2020, Syn Tai Hung Marketing Sdn Bhd (“STH Marketing”), an indirect 60%-owned subsidiary of the Company acquired 80 and 20 ordinary shares, representing 80% and 20% equity interest respectively in the issued and paid-up share capital of STH Edaran Sdn Bhd (“STH Edaran”) from Chuah Chong Sheng and Ooi Giap Hwa for a total cash consideration of RM100.00 only (“Acquisition of STH Edaran Shares”). Upon the completion of the Acquisition of STH Edaran Shares, STH Edaran shall become a wholly-owned subsidiary of STH Marketing and an indirect subsidiary of the Company.

- (vi) On 30 July 2020, Jutasama Sdn Bhd (“JSB”), an indirect wholly-owned subsidiary of the Company entered into a Share Sale Agreement (“SSA”) with Okhna Ing Veasna for the disposal of the entire 1,000 ordinary shares representing 100% of the equity interest in VI Energy Ltd (“VI Energy”) for a total cash consideration of USD1,000 only (“Disposal of VI Energy Shares”). Hence, VI Energy and its subsidiaries namely P.M.T.I Energy (Cambodia) Co., Ltd. and PMT Energy Sdn Bhd ceased to be indirect subsidiaries of JSB and the Company accordingly.
- (vii) On 13 August 2020, Syn Tai Hung Trading Sdn Bhd (“STHT”), an indirect wholly-owned subsidiary of the Company entered into a Share Purchase Agreement (“SPA”) with Lesso Malaysia Holdings Sdn Bhd for the disposal of 3,622,990 ordinary shares of Spirolite (M) Sendirian Berhad (“SPRL”), representing 70% of the ordinary shareholdings in SPRL for a total cash sale consideration of RM30,369,000 only (“Disposal of SPRL Shares”).

As a result of the Disposal of SPRL Shares, SPRL and its subsidiaries namely Spirolite Marketing Sdn Bhd and Spirolite (Myanmar) Company Limited ceased to be subsidiaries and became associates of STHT and the Company accordingly.

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4. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection during normal business hours from Mondays to Fridays (except on public holidays) at the Registered Office of the Company from the date of this Statement/Circular up to and including the date of the forthcoming Twenty-First AGM:-

- (i) Constitution of the Company;
- (ii) Audited consolidated financial statements of the Company for the past two (2) financial years ended 31 December 2019 and 31 December 2020;
- (iii) The latest consolidated quarterly results of the Company ended 31 March 2021 are not available as at the date of the printing of this Circular, but would be available from 19 May 2021 to the date of Twenty-First AGM, 21 May 2021; and
- (iv) Material contracts referred to in paragraph 3 of this Appendix I.

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