

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

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Shareholders should rely on your own evaluation to assess the merits and risks of the proposal set out therein.



TASHIN HOLDINGS BERHAD

Registration No. 201701028709 (1242878-H)
(Incorporated in Malaysia)

CIRCULAR TO SHAREHOLDERS

IN RELATION TO

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

The above proposal will be tabled as special business at the Fifth Annual General Meeting (“**AGM**”) of Tashin Holdings Berhad (“**Company**”) to be held on a **virtual basis** at the broadcast venue at Meeting Room of Securities Services (Holdings) Sdn. Bhd. at Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur, Wilayah Persekutuan on Wednesday, 8 June 2022 at 10:00 a.m. or at any adjournment thereof, through live streaming and online remote voting via the Remote Participation and Voting facilities, Securities Services e-Portal at <https://www.sshsb.net.my/>. Please follow the procedures provided in the administrative guide of the Fifth AGM (“**Administrative Guide**”) in order to register, participate and vote remotely via Securities Services e-Portal. The Notice of the Fifth AGM which sets out the ordinary resolution to consider the abovementioned proposal together with the Form of Proxy are set out in the Annual Report 2021 of the Company. A copy of this circular and Administrative Guide are available on the Company’s website at www.tashin.com.my.

Should you not be able to participate and vote at the Fifth AGM of the Company, you are entitled to appoint one (1) or more proxies to participate and vote on your behalf. You should complete, sign and lodge the Form of Proxy enclosed in the Company’s Annual Report 2021 and deposit it at the Company’s Registered Office at Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur, Wilayah Persekutuan or submit via fax at 03-2094 9940 and/or 03-2095 0292 or email to info@sshsb.com.my, not less than forty-eight (48) hours before the time set for the Fifth AGM of the Company or at any adjournment thereof. Your proxy appointment may also be lodged electronically via Securities Services e-Portal at <https://www.sshsb.net.my/>. The lodging of the Form of Proxy will not preclude you from participating and voting remotely at the Fifth AGM of the Company should you subsequently wish to do so, provided a notice of termination of proxy authority in writing is given to the Company and deposited at the Company’s Registered Office at Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur, Wilayah Persekutuan not less than twenty-four (24) hours before the time stipulated for holding the Fifth AGM of the Company.

Should you wish to personally participate at the Fifth AGM of the Company remotely, please register electronically via Securities Services e-Portal at <https://www.sshsb.net.my/> by the registration cut-off date and time. Please refer to the Administrative Guide for further details.

Last day, date and time for lodging the Form of Proxy : Monday, 6 June 2022 at 10:00 a.m.
Day, date and time of the Fifth AGM : Wednesday, 8 June 2022 at 10:00 a.m.

DEFINITIONS

In this circular and the accompanying appendix, the following abbreviations shall have the following meanings unless otherwise stated:

- “Act” : Companies Act 2016, including any amendments made from time to time and any re-enactments thereof
- “AGM” : Annual general meeting
- “Board” : Board of directors of THB
- “Bursa Malaysia Securities” : Bursa Malaysia Securities Berhad [Registration No. 200301033577 (635998-W)]
- “Director(s)” : Shall have the meaning given in Section 2(1) of the Capital Markets and Services Act 2007 and for the purpose of the Proposed Renewal of Existing Shareholders’ Mandate, includes any person who is or was within the preceding six (6) months of the date on which the terms of the transactions were agreed upon, a director or a chief executive of the Company, its subsidiary or holding company
- “Formula Naga” : Formula Naga Sdn. Bhd. [Registration No. 199701022217 (437714-W)]
- “Latest Practicable Date” or “LPD” : 31 March 2022, being the latest practicable date prior to the printing of this circular
- “Listing Requirements” : Bursa Malaysia Securities ACE Market Listing Requirements, including any amendments, modifications and additions that may be made from time to time and any Guidance Notes issued in relation thereto
- “Litat Hardware” : Litat Hardware Sdn. Bhd. [Registration No. 199501003447 (332641-W)]
- “Major Shareholder(s)” : A person who has (which 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 the Company or any other corporation which is its subsidiary or holding company) an interest or interests in one (1) or more voting shares in the Company and the aggregate of the nominal amounts of those shares, is:
- (a) 10% or more of the total number of voting shares in the Company; or
- (b) 5% or more of the total number of voting shares in the Company where such person is the largest shareholder of the Company.
- For the purpose of this definition, “interest in shares” shall have the meaning given in Section 8 of the Act
- “Person Connected” : In relation to a Director or a Major Shareholder, means such person who falls under any one (1) of the categories as defined in Rule 1.01 of the Listing Requirements
- “Prestar” : Prestar Resources Berhad [Registration No. 198401010527 (123066-A)]
- “Prestar Group” : Prestar and its subsidiary companies

DEFINITIONS – cont’d

“Proposed Renewal of Existing Shareholders’ Mandate”	:	Proposed renewal of existing shareholders’ mandate for Recurrent Transactions as set out in Section 2.3 herein
“Recurrent Transaction(s)”	:	Related party transaction which is recurrent, of a revenue or trading in nature and which is necessary for THB Group’s day-to-day operations and is entered into by THB Group in the ordinary course of business which involves the interest, direct or indirect, of Related Parties
“Related Party(ies)”	:	A Director or Major Shareholder or Person Connected with such Director or Major Shareholder as defined under Rule 1.01 of the Listing Requirements
“RM” and “sen”	:	Ringgit Malaysia and sen respectively
“Shareholders’ Mandate”	:	Shareholders’ mandate obtained on 15 July 2021 for THB Group to enter into Recurrent Transactions based on the terms set out in the circular to shareholders dated 30 April 2021
“THB” or “the Company”	:	Tashin Holdings Berhad [Registration No. 201701028709 (1242878-H)]
“THB Group” or “Group”	:	THB and its subsidiary companies
“THB Share(s)”	:	Ordinary shares of THB

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

Any reference in this circular to any enactment is a reference to that enactment for the time being amended or re-enacted. Any reference to a time of day in this circular shall be a reference to Malaysian time, unless otherwise stated.

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CONTENTS

LETTER TO THE SHAREHOLDERS PERTAINING TO THE PROPOSED RENEWAL OF EXISTING SHAREHOLDERS' MANDATE

	Page
1.0 INTRODUCTION	4
2.0 PROPOSED RENEWAL OF EXISTING SHAREHOLDERS' MANDATE	
2.1 Principal activities	5
2.2 Details of the Proposed Renewal of Existing Shareholders' Mandate	5-6
2.3 Classes and nature of Recurrent Transactions	7-8
2.4 Outstanding Recurrent Transactions receivables	9
2.5 Rationale for the Proposed Renewal of Existing Shareholders' Mandate	9
2.6 Disclosure and review procedures for the Recurrent Transactions	9-11
2.7 Statement by the Audit Committee	11
2.8 Directors' and Major Shareholders' interests	11-12
2.9 Financial effects	12
2.10 Approvals required	12
3.0 DIRECTORS' RECOMMENDATION	12
4.0 AGM	12-13
5.0 FURTHER INFORMATION	13

APPENDIX

APPENDIX I : FURTHER INFORMATION	14
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TASHIN HOLDINGS BERHAD
Registration No. 201701028709 (1242878-H)
(Incorporated in Malaysia)

Registered office:

Level 7, Menara Milenium,
Jalan Damanlela,
Pusat Bandar Damansara,
Damansara Heights,
50490 Kuala Lumpur,
Wilayah Persekutuan

29 April 2022

Board of Directors:

Dato' Kalsom binti Abd. Rahman (*Independent Non-Executive Chairperson*)
Lim Choon Teik (*Managing Director*)
Foong Kok Chuin (*Executive Director/Chief Financial Officer*)
Sim Puei Chun (*Senior Independent Non-Executive Director*)
Khaw Chooi Kee (*Independent Non-Executive Director*)
Rusdy bin Ishak (*Independent Non-Executive Director*)
Ir. Tan Tiong Ben (*Independent Non-Executive Director*)
Dato' Toh Yew Peng (*Non-Independent Non-Executive Director*)
Toh Yew Seng (*Non-Independent Non-Executive Director*)
Koay Kah Ee (*Non-Independent Non-Executive Director*)

To: The shareholders of THB

Dear Sir/Madam,

LETTER TO SHAREHOLDERS PERTAINING TO THE PROPOSED RENEWAL OF EXISTING SHAREHOLDERS' MANDATE

1.0 INTRODUCTION

On 1 April 2022, the Board announced to Bursa Malaysia Securities on the Company's intention to seek shareholders' approval for the Proposed Renewal of Existing Shareholders' Mandate. The existing authority for Shareholders' Mandate which was approved by the shareholders at an AGM held on 15 July 2021, shall in accordance with the Listing Requirements, lapse at the conclusion of the forthcoming Fifth AGM of the Company, unless renewal is obtained from the shareholders of THB at the forthcoming AGM of the Company.

The purpose of this circular is to provide you with relevant information on the Proposed Renewal of Existing Shareholders' Mandate and to seek your approval for the ordinary resolution to be tabled at the forthcoming Fifth AGM of the Company.

2.0 PROPOSED RENEWAL OF EXISTING SHAREHOLDERS' MANDATE

2.1 Principal activities

THB is principally an investment holding company and THB Group is primarily involved in the following:

- (i) Processing (i.e., slitting and shearing) of steel coils into slit coils and steel sheets;
- (ii) Manufacturing of steel products comprising steel pipes, flat bars, square bars, expanded metals, checkered plates and C Purlins; and
- (iii) Trading of steel products including steel plates, steel pipes, round bars, angle bars and wire mesh.

It is anticipated that THB Group would, in the ordinary course of business, enter into Recurrent Transactions which are detailed in Section 2.3. It is likely that such Recurrent Transactions will occur with some degree of frequency and could arise at any time.

In view of the time sensitive, confidential and frequent in nature of such Recurrent Transactions, the Board is seeking shareholders' approval for the Group to enter into Recurrent Transactions in the normal course of business within the classes of Related Parties as set out in Section 2.3, provided that such Recurrent Transactions are entered into at arm's length basis on transaction price and on normal commercial terms which are not more favourable to the Related Parties than those generally available to the public and which will not be to the detriment of the minority shareholders of the Company. The Recurrent Transactions will also be subject to the review procedures as set out in Section 2.6.

2.2 Details of the Proposed Renewal of Existing Shareholders' Mandate

Pursuant to Rule 10.09(2) and Guidance Note 8 of the Listing Requirements, the Company may seek a mandate from its shareholders for Recurrent Transactions subject to the following:

- (a) the transactions are in the ordinary course of business and are on terms not more favourable to the Related Party than those generally available to the public;
- (b) the shareholder mandate is subject to annual renewal and disclosure is made in the annual report of the aggregate value of transactions conducted pursuant to the shareholder mandate during the financial year where the aggregate value is equal to or more than the threshold prescribed under Rule 10.09(1) of the Listing Requirements;
- (c) the Company's circular to shareholders for the shareholder mandate includes the information as may be prescribed by Bursa Malaysia Securities. The draft circular must be submitted to Bursa Malaysia Securities together with a checklist showing compliance with such information;
- (d) in a meeting to obtain a shareholder mandate, the relevant Related Party must comply with the requirements set out in Rule 10.08(7) of the Listing Requirements; and
- (e) the Company immediately announces to Bursa Malaysia Securities when the actual value of a Recurrent Transaction entered into by the Company, exceeds the estimated value of the Recurrent Transactions disclosed in the circular to shareholders by 10% or more and must include the information as may be prescribed by Bursa Malaysia Securities in its announcement.

The Proposed Renewal of Existing Shareholders' Mandate is subject to annual renewal. The Proposed Renewal of Existing Shareholders' Mandate, if approved, will take effect from the date of the passing of the ordinary resolution proposed at the forthcoming Fifth AGM of the Company and will only continue to be in force until:

- (a) the conclusion of the next AGM of the Company following the forthcoming general meeting at which such mandate was passed, at which time it will lapse, unless by a resolution passed at the meeting, the authority is renewed;

(b) the expiration of the period within which the next AGM of the Company after that date is required to be held pursuant to Section 340(2) of the Act (but must not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or

(c) revoked or varied by resolution passed by the shareholders in general meeting,

whichever is the earlier.

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2.3 Classes and nature of Recurrent Transactions

The details of the Recurrent Transactions covered under the Proposed Renewal of Existing Shareholders' Mandate are as follows:

Nature of Recurrent Transactions	Recurrent Transactions entered into between THB Group with Related Parties	Interested Directors and/or interested Major Shareholders	Shareholders' Mandate*		Proposed Renewal of Existing Shareholders' Mandate
			Actual aggregate value transacted from the date of the Shareholders' Mandate (15 July 2021) to LPD	Estimated aggregate value of transactions as disclosed in the circular to shareholders dated 30 April 2021	
Sales of goods to Prestar Group including steel coils, slit coils and steel sheets	Prestar Group	Prestar, Fabulous Essence Sdn. Bhd., Y.K. Toh Property Sdn. Bhd., Toh Yew Keat, Dato' Toh Yew Peng, Toh Yew Seng and Koay Kah Ee ⁽¹⁾	RM491,942	RM4,500,000	Estimated aggregate value of transactions from the date of the Fifth AGM up to the date of next AGM in 2023 [@]
Sales of goods to Litat Hardware including steel pipes and steel plates	Litat Hardware	Lim Choon Teik, Lee Meng Yim and Formula Naga ⁽²⁾	RM6,839,309	RM10,000,000	RM10,000,000
Purchases of goods from Prestar Group including steel pipes, steel sheets, highway guardrail beam, channel post, equipment and factory consumables and provision of slitting services	Prestar Group	Prestar, Fabulous Essence Sdn. Bhd., Y.K. Toh Property Sdn. Bhd., Toh Yew Keat, Dato' Toh Yew Peng, Toh Yew Seng and Koay Kah Ee ⁽¹⁾	RM27,477	RM1,000,000	RM1,000,000

Notes:

* There was no deviation between the actual and estimated aggregate value of transactions that exceeded by 10% or more.

@ The estimated values are based on management's estimates of the value of Recurrent Transactions. These estimates have been arrived at after taking into consideration of both historical data and the best estimates for these Recurrent Transactions as well as prevailing rates/prices obtained from the Related Parties which are market-competitive prices based on the normal level of transactions entered into by THB Group and as such, may be subject to changes.

(1) The following Directors and/or Major Shareholders of THB are deemed interested:

- (i) Prestar, Major Shareholder of THB;
- (ii) Fabulous Essence Sdn. Bhd., Major Shareholder of Prestar and THB by virtue of its interest in Prestar pursuant to Section 8(4) of the Act;
- (iii) Y.K. Toh Property Sdn. Bhd., Major Shareholder of Prestar and THB by virtue of its interest in Prestar pursuant to Section 8(4) of the Act;
- (iv) Toh Yew Keat, Major Shareholder and Director of Prestar and Major Shareholder of THB by virtue of his interest in Prestar pursuant to Section 8(4) of the Act;
- (v) Dato' Toh Yew Peng, Major Shareholder and Director of Prestar and THB by virtue of his interest in Prestar pursuant to Section 8(4) of the Act;
- (vi) Toh Yew Seng, shareholder and Director of Prestar and THB; and
- (vii) Koay Kah Ee, Director of subsidiary companies and shareholder of Prestar and Director and shareholder of THB.

(2) *The following Director and/or Major Shareholders of THB are deemed interested:*

- (i) *Lim Choon Teik, Major Shareholder of Litat Hardware and Director and Major Shareholder of THB by virtue of his interest in Formula Naga pursuant to Section 8(4) of the Act. Lim Choon Teik is also a Director and Major Shareholder of Formula Naga;*
- (ii) *Formula Naga, Major Shareholder of THB; and*
- (iii) *Lee Meng Yim, Director and Major Shareholder of Litat Hardware and Major Shareholder of Formula Naga and THB by virtue of his interest in Formula Naga pursuant to Section 8(4) of the Act.*

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2.4 Outstanding Recurrent Transactions receivables

There is no amount due and owing to the Group by its Related Parties pursuant to the Recurrent Transactions, as such the disclosure as required under Rules 16A and 16B in the Annexure GN8-A of the Listing Requirements are not applicable.

2.5 Rationale for the Proposed Renewal of Existing Shareholders' Mandate

The Recurrent Transactions entered or to be entered into by the Group with respect to which the Proposed Renewal of Existing Shareholders' Mandate are sought for, are those which will be carried out in the ordinary course of business and are mainly for the support of the Group in its day-to-day operations. The Recurrent Transactions are likely to occur to some degree of frequency and arise at any time, and from time to time.

These Recurrent Transactions may be constrained by the time-sensitive, frequent in nature and confidentiality of such Recurrent Transactions, and it may be impractical to seek shareholders' approval on a case-by-case basis before entering into the Recurrent Transactions. As such, the Board is seeking a shareholders' mandate pursuant to Rule 10.09 of the Listing Requirements for the Recurrent Transactions described in Section 2.3 above to allow the Group to enter into such Recurrent Transactions which will be made or made at an arm's length basis and on normal commercial terms which are not more favourable to the Related Parties than those generally available to the public and are not to the detriment of the minority shareholders of the Company and which are not prejudicial to the interests of the shareholders of the Company.

The sales to the Related Parties benefit THB Group as they contribute to THB Group's revenues and profitability.

The acquisitions from Related Parties benefit THB Group as it allows the Group to be more competitive in terms of products pricing and response time in the steel related sector and creates an extensive network of marketing, distribution and manufacturing operations for the Group. These upstream and downstream linkages will help to reduce inventory costs, increase availability and fulfil customer demands, improve assets allocation, reduce inventory lead time and better utilisation of resources.

By obtaining the shareholders' approval on the Proposed Renewal of Existing Shareholders' Mandate and the renewal of the same on an annual basis, the necessity to make announcements to Bursa Malaysia Securities and/or to convene a separate general meeting from time to time to seek shareholders' approval as and when such Recurrent Transactions occur would not arise. The Proposed Renewal of Existing Shareholders' Mandate, if approved, would result in substantial savings of administrative time, inconvenience, costs and expenses for the Company in that it would dispense with the need for the Company to convene shareholders' meetings to approve the Recurrent Transactions which are of a recurring in nature. It would also enable the Group to meet its corporate objectives and realise business opportunities, as and when they become available to the Group, in a more timely and effective way.

2.6 Disclosure and review procedures for the Recurrent Transactions

In order to ensure that such Recurrent Transactions are conducted at an arm's length basis on transaction price 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 extended to unrelated third parties and are not to the detriment of the minority shareholders of the Company, the Audit Committee and management will ensure that the transactions with the Related Parties will only be entered into after taking into account the pricing, level of service, quality of products and other related factors.

The Company will implement the following review procedures prior to entering of any Recurrent Transactions which are supplemented to the existing internal procedures for general transactions:

- (i) An updated list of Related Parties will be circulated to management of THB Group to notify that all Recurrent Transactions are required to be undertaken at 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 to the detriment of the minority shareholders of the Company.

- (ii) The internal audit plan shall incorporate a review of the Recurrent Transactions entered into pursuant to the shareholders' mandate to ensure that the relevant approvals have been obtained and that the procedures in respect of the Recurrent Transactions have been adhered to. The Board and the Audit Committee shall review the internal audit reports to ascertain that the review procedures established to monitor Recurrent Transactions have been complied with.
- (iii) The Board and the Audit Committee have reviewed the procedures and shall continue to review the procedures as and when required.
- (iv) At least two (2) other contemporaneous transactions with unrelated third parties for similar products/services and/or quantities will be used as comparison, wherever possible, to determine whether the price and terms offered to/by the Related Parties are fair and reasonable and comparable to those offered to/by other unrelated third parties for the same or substantially similar type of products/services and/or quantities. In the event that quotation or comparative pricing from unrelated third parties cannot be obtained (for instance, if there are no unrelated third party vendors/customers of similar products or services, or if the product/service is a proprietary item), the transaction price will be based on prevailing market rates/prices that are agreed upon under similar commercial terms for transactions with unrelated third parties, business practices and policies and on terms which are generally in line with industrial norms and is not detrimental to the Group and the minority shareholders of the Company. Other factors taken into considerations for evaluation purposes will be reliability to supply and delivery and quality of materials or goods and services.
- (v) THB Group will obtain quotations from third parties in order to compare quotations from Related Parties and will make purchases from the parties (whether they are third parties or Related Parties) which offer the lowest quotations. Although the Group also sources similar products and services from third parties, the Board is of the view that these close business relationships with the Related Parties allow the Group to be more competitive in terms of products pricing and response time in the steel related sector and creates an extensive network of marketing, distribution and manufacturing operations for the Group. These upstream and downstream linkages will help to reduce inventory costs, increase availability and fulfil customer demands, improve assets allocation, reduce inventory lead time and better utilisation of resources.
- (vi) There is no specific threshold for approval of Recurrent Transactions. All Recurrent Transactions are reviewed and authorised by personnel of at least managerial level, provided always that such personnel have no interests in the Recurrent Transactions and the said Recurrent Transactions have been approved pursuant to the shareholders' mandate obtained at an AGM of the Company.

The Audit Committee has the overall responsibility of determining whether the procedures for reviewing all Recurrent Transactions are appropriate. The Audit Committee will review and ascertain whether the guidelines and procedures established to monitor Recurrent Transactions have been complied with at least once a year.

Approval for the shareholders' mandate will be sought for renewal at each subsequent AGM of the Company subject to a satisfactory review by the Audit Committee of its continued application to the Recurrent Transactions.

In addition, where any Director has an interest (direct or indirect) in any related party transactions, such Director (or his alternate, where applicable) shall abstain from voting on the matter and deliberating at Board meetings in respect of related party transactions in which he is interested.

In accordance with Rule 3.1.5 of Guidance Note 8 of the Listing Requirements, disclosure has been made in the Annual Report 2021 of the Company of the actual breakdown of the

aggregate value of the Recurrent Transactions undertaken pursuant to the Shareholders' Mandate during the financial year ended 31 December 2021. Disclosure will also be made in the annual reports for subsequent years during which such mandates remain in force.

2.7 Statement by the Audit Committee

The Audit Committee has reviewed the procedures and terms of the Recurrent Transactions and is satisfied that the review procedures for Recurrent Transactions, as well as the annual review to be made by the Audit Committee in relation thereto, are sufficient to ensure that Recurrent Transactions will be made at arms' length and in accordance with the Group's normal commercial terms, which is not more favourable to the Related Parties than those generally available to the public and hence, will not be detrimental to the minority shareholders of the Company or disadvantageous to the Group.

In addition, the Audit Committee is of the opinion that the Group has put in place adequate procedures and processes to monitor, track and identify the Recurrent Transactions in a timely and orderly manner, and the frequency of the review of these procedures and processes are carried out on a yearly basis, or such frequency as the Audit Committee considers appropriate having regard to the value and the frequency of the Recurrent Transactions.

2.8 Directors' and Major Shareholders' interests

Save as disclosed below, none of the other Directors and/or Major Shareholders of the Company and/or Persons Connected to the Directors and/or Major Shareholders of the Company as defined in the Listing Requirements, has any interest, whether direct or indirect, in the Proposed Renewal of Existing Shareholders' Mandate.

Based on the Register of Directors' Shareholdings and/or Register of Substantial Shareholders as at LPD, the direct and/or indirect interests of all interested Directors, Major Shareholders and Persons Connected to the Major Shareholders and/or Directors of the Company in respect of the Proposed Renewal of Existing Shareholders' Mandate as at LPD are set out as follows:

Interested Directors/ Major Shareholders/ Persons Connected	Direct		Indirect	
	No. of THB Shares	%	No. of THB Shares	%
<u>Directors</u>				
Lim Choon Teik	550,000	0.16	115,516,379 [^]	33.10
Dato' Toh Yew Peng	1,000,000	0.29	125,223,619 [*]	35.88
Toh Yew Seng	550,000	0.16	0	0
Koay Kah Ee	400,000	0.12	0	0
<u>Major Shareholders</u>				
Prestar	118,656,619	34.00	0	0
Formula Naga	115,516,379	33.10	0	0
Fabulous Essence Sdn. Bhd.	4,690,000	1.34	118,656,619 [@]	34.00
Y.K. Toh Property Sdn. Bhd.	1,837,000	0.53	118,656,619 [@]	34.00
Toh Yew Keat	0	0	125,183,619 [#]	35.87
Dato' Toh Yew Peng	1,000,000	0.29	125,183,619 [#]	35.87
Lim Choon Teik	550,000	0.16	115,516,379 [^]	33.10
Lee Meng Yim	620,000	0.18	115,516,379 [^]	33.10
<u>Persons Connected</u>				
Alan Toh Jin Joo ¹	40,000	0.01	-	-
Janice Toh Mei Ling ²	20,000	0.01	-	-
Toh Poh Khuan ³	330,000	0.09	-	-
Toh Yew Chin ³	70,000	0.02	-	-
Toh Yew Hoe ³	203,000	0.06	-	-
Toh Yew Kar ³	339,000	0.09	-	-
Toh Yew Keong ³	100,000	0.03	-	-

Notes:

- [^] Deemed interested by virtue of his shareholdings in Formula Naga under Section 8(4) of the Act.
- ^{*} Deemed interested by virtue of his shareholdings in Prestar, Fabulous Essence Sdn. Bhd. and Y.K. Toh Property Sdn. Bhd. under Section 8(4) of the Act and shares held by his son, Alan Toh Jin Joo pursuant to Section 59(11) of the Act.
- [@] Deemed interested by virtue of its shareholdings in Prestar under Section 8(4) of the Act.
- [#] Deemed interested by virtue of his shareholdings in Prestar, Fabulous Essence Sdn. Bhd. and Y.K. Toh Property Sdn. Bhd. under Section 8(4) of the Act.
- ¹ Person connected to the interested Director and Major Shareholder, Dato' Toh Yew Peng.
- ² Person connected to the interested Major Shareholder, Mr. Toh Yew Keat.
- ³ Person connected to the interested Directors and/or Major Shareholders, Dato' Toh Yew Peng, Mr. Toh Yew Seng and Mr. Toh Yew Keat.

Accordingly, the interested Directors of THB have and will continue to abstain from Board's deliberations and voting pertaining to the Proposed Renewal of Existing Shareholders' Mandate. In addition, the interested Directors and interested Major Shareholders of the Company will also be abstained from voting in respect of their direct and/or indirect shareholdings in THB on the ordinary resolution pertaining to the Proposed Renewal of Existing Shareholders' Mandate at the forthcoming AGM of the Company. The interested Directors and interested Major Shareholders of the Company will also ensure that the Persons Connected with them be abstained from voting on the ordinary resolution, deliberating or approving the Proposed Renewal of Existing Shareholders' Mandate at the forthcoming AGM of the Company.

2.9 Financial effects

The Proposed Renewal of Existing Shareholders' Mandate is not expected to have any material impact on the earnings per share, net assets per share, gearing, share capital and substantial shareholders' shareholdings of THB.

2.10 Approvals required

The Proposed Renewal of Existing Shareholders' Mandate is subject to the approval of the shareholders of THB at the forthcoming Fifth AGM of the Company to be convened or at any adjournment thereof.

3.0 DIRECTORS' RECOMMENDATION

Having considered all aspects of the Proposed Renewal of Existing Shareholders' Mandate, the Board, save for Mr. Lim Choon Teik, Dato' Toh Yew Peng, Mr. Toh Yew Seng and Mr. Koay Kah Ee, who are deemed interested in the Proposed Renewal of Existing Shareholders' Mandate and have abstained and will continue to abstain from expressing an opinion on the Proposed Renewal of Existing Shareholders' Mandate, is of the opinion that the Proposed Renewal of Existing Shareholders' Mandate is fair, reasonable and in the best interests of the Company.

For the reasons stated above, the Directors, save for Mr. Lim Choon Teik, Dato' Toh Yew Peng, Mr. Toh Yew Seng and Mr. Koay Kah Ee, who are deemed interested in the Proposed Renewal of Existing Shareholders' Mandate and have abstained and will continue to abstain from expressing an opinion and making recommendation on the Proposed Renewal of Existing Shareholders' Mandate, recommend that the shareholders vote in favour of the ordinary resolution in respect of the Proposed Renewal of Existing Shareholders' Mandate to be proposed at the forthcoming Fifth AGM of the Company.

4.0 AGM

The above proposal will be tabled as special business at the Fifth AGM of the Company to be held on a virtual basis at the broadcast venue at Meeting Room of Securities Services (Holdings) Sdn. Bhd. of Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur, Wilayah Persekutuan on Wednesday, 8 June 2022 at 10:00 a.m. or at any adjournment thereof, through live streaming and online remote voting via the Remote Participation and Voting facilities, Securities Services e-Portal at <https://www.sshsb.net.my/>. Please follow the procedures provided in the administrative guide of the Fifth AGM ("**Administrative Guide**") in order to register, participate and vote remotely via Securities Services e-Portal. The Notice of the Fifth AGM which sets out the ordinary resolution to consider the abovementioned proposal together with the Form of Proxy

are set out in the Annual Report 2021 of the Company. A copy of this circular and Administrative Guide are available on the Company's website at www.tashin.com.my.

Should you not be able to participate and vote at the Fifth AGM of the Company, you are entitled to appoint one (1) or more proxies to participate and vote on your behalf. You should complete, sign and lodge the Form of Proxy enclosed in the Company's Annual Report 2021 and deposit it at the Company's Registered Office at Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur, Wilayah Persekutuan or submit via fax at 03-2094 9940 and/or 03-2095 0292 or email to info@sshshb.com.my, not less than forty-eight (48) hours before the time set for holding the Fifth AGM of the Company or at any adjournment thereof. Your proxy appointment may also be lodged electronically via Securities Services e-Portal at <https://www.sshshb.net.my/>. The lodging of the Form of Proxy will not preclude you from participating and voting remotely at the Fifth AGM of the Company should you subsequently wish to do so, provided a notice of termination of proxy authority in writing is given to the Company and deposited at the Company's Registered Office at Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur, Wilayah Persekutuan not less than twenty-four (24) hours before the time stipulated for holding the Fifth AGM of the Company.

Should you wish to personally participate at the Fifth AGM of the Company remotely, please register electronically via Securities Services e-Portal at <https://www.sshshb.net.my/> by the registration cut-off date and time. Please refer to the Administrative Guide for further details.

5.0 FURTHER INFORMATION

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

Yours faithfully
For and on behalf of the Board of
TASHIN HOLDINGS BERHAD

DATO' KALSOM BINTI ABD. RAHMAN
Independent Non-Executive Chairperson

APPENDIX I: FURTHER INFORMATION

1. Responsibility statement

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

2. Material contracts

As at the Latest Practicable Date, there are no contracts which are or may be material (not being contracts entered into in the ordinary course of business) which have been entered into by THB Group within the two (2) years immediately preceding the date of this circular.

3. Material litigation

As at the Latest Practicable Date, THB Group is not engaged in any material litigation, claim or arbitration proceeding, either as plaintiff or defendant, and the Board has no knowledge of any proceeding pending or threatened against THB Group or of any facts likely to give rise to any proceeding which may materially affect the financial position or business of THB Group.

4. Documents for inspection

Copies of the following documents will be available for inspection during normal office hours on any weekdays (except public holidays) at the registered office of THB at Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur, Wilayah Persekutuan from the date of this circular up to and including the date of the forthcoming Fifth AGM of the Company:

- (a) Constitution of THB; and
- (b) Audited Financial Statements of THB and of the Group for the past two (2) financial years ended 31 December 2020 and 31 December 2021.

