

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

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

Bursa Malaysia Securities Berhad (“Bursa Securities”) has only conducted limited review on the contents of this Circular pursuant to provision of the Guidance Note 22 of the ACE Market Listing Requirements of Bursa Securities before the issuance of this Circular.

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

Wentel Engineering Holdings Berhad was listed on the ACE Market of Bursa Securities on 6 February 2024. The admission of Wentel Engineering Holdings Berhad to the ACE Market of Bursa Securities was sponsored by TA Securities Holdings Berhad.



WENTEL ENGINEERING HOLDINGS BERHAD

Registration No. 202301007290 (1501211-T)
(Incorporated in Malaysia)

**CIRCULAR TO SHAREHOLDERS IN RELATION TO THE PROPOSED NEW
SHAREHOLDERS’ MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS
OF A REVENUE AND/OR TRADING NATURE
 (“PROPOSED NEW SHAREHOLDERS’ MANDATE”)**

The ordinary resolution in respect of the Proposed New Shareholders’ Mandate will be tabled as Special Business at the First Annual General Meeting of Wentel Engineering Holdings Berhad (“Wentel” or “the Company”) (“1st AGM”). The Notice of the 1st AGM together with the Proxy Form are set out in the Annual Report 2023 of the Company and available at the Company’s website at www.wenteleng.com or Bursa Securities’ website at <https://www.bursamalaysia.com/>.

- Date and time of the 1st AGM : Friday, 31 May 2024 at 2:30 p.m.
- Venue of the 1st AGM : Hop Sing II (Hall) of Ponderosa Golf & Country Resort Berhad, No. 3, Jalan Ponderosa 1, Taman Ponderosa, 81100 Johor Bahru, Johor
- Last date and time for lodging the Proxy Form : Wednesday, 29 May 2024 at 2:30 p.m. or at any adjournment thereof

If you are unable to attend the 1st AGM and wish to appoint proxy(ies) instead, the appointment of proxy(ies) may be made in a hard copy form or by electronic form in the following manner and must be received by the Company not less than forty-eight (48) hours before the time for holding the 1st AGM or at any adjournment thereof at which the person named in the appointment proposes to vote:

(i) In hard copy form

In the case of an appointment made in hard copy form, the proxy form must be deposited at the office of the Share Registrar of the Company situated at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Wilayah Persekutuan or its Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Wilayah Persekutuan.

(ii) By electronic form

The proxy form can be electronically lodged via TIIH Online website at <https://tiih.online>. Please refer to the Administrative Guide on the procedure for electronic lodgement of the proxy form via TIIH Online.

The lodging of the Proxy Form for the 1st AGM will not preclude you from attending and voting in person at the 1st AGM should you subsequently decide to do so.

This Circular is dated 30 April 2024

DEFINITIONS

In this Circular/Statement, unless otherwise indicated, the following words and abbreviations shall have the following meanings:-

- “5E Resources” : 5E Resources Sdn. Bhd. [Registration No. 200601022459 (742213-K)]
- “Act” : The Companies Act 2016 as amended from time to time and any re-enactment thereof
- “AGM” : Annual General Meeting
- “Annual Report 2023” : Annual Report of Wentel issued for the FYE 2023
- “ARMC” : Audit and Risk Management Committee of Wentel
- “Board” : Board of Directors of Wentel
- “Bursa Securities” : Bursa Malaysia Securities Berhad [Registration No. 200301033577 (635998-W)]
- “Circular” : This circular dated 30 April 2024 to the shareholders of the Company in relation to the Proposal
- “Director(s)” : A director has the meaning given in Section 2(1) of the Act and Section 2(1) of the Capital Markets and Services Act 2007 and includes any person who is or was within the preceding 6 months of the date on which the terms of the respective RRPTs were agreed upon, a director of the Company or any other company which is a subsidiary or holding company of the Company, or a chief executive officer of the Company or its subsidiary or holding company
- “FYE” : Financial year ended 31 December
- “Listing Requirements” : ACE Market Listing Requirements of Bursa Securities, including any amendments that may be made from time to time
- “Lot 879 & 881” : 25 pieces of adjoining freehold vacant industry land owned by WESB comprising 24 vacant semi-detached industry lots and 1 vacant detached industry lot held under Mukim Tebrau, District of Johor Bahru, State of Johor with the following title:
- (i) HSD 529923, PTD 172995
 - (ii) HSD 529924, PTD 172996
 - (iii) HSD 529928, PTD 173004
 - (iv) HSD 529929, PTD 173005
 - (v) HSD 529930, PTD 173006
 - (vi) HSD 529931, PTD 173007
 - (vii) HSD 529936, PTD 173012
 - (viii) HSD 529937, PTD 173013
 - (ix) HSD 529944, PTD 173023
 - (x) HSD 529946, PTD 173025
 - (xi) HSD 529925, PTD 172997
 - (xii) HSD 529926, PTD 172998
 - (xiii) HSD 529927, PTD 172999
 - (xiv) HSD 529932, PTD 173008
 - (xv) HSD 529933, PTD 173009
 - (xvi) HSD 529934, PTD 173010
 - (xvii) HSD 529935, PTD 173011
 - (xviii) HSD 529938, PTD 173014
 - (xix) HSD 529939, PTD 173015
 - (xx) HSD 529940, PTD 173016
 - (xxi) HSD 529941, PTD 173017
 - (xxii) HSD 529942, PTD 173018
 - (xxiii) HSD 529943, PTD 173019

DEFINITIONS (CONT'D)

(xxiv) HSD 529945, PTD 173024

(xxv) HSD 529947, PTD 173026

“LPD” : 1 April 2024, being the latest practicable date prior to the printing of this Circular

“Major Shareholder(s)” : A person who has an interest or interests in one or more voting shares in the Company and the number or aggregate number of those shares, is:

(a) 10% or more of the total number of voting shares in the Company; or

(b) 5% or more of the total number of voting shares in the Company where such person is the largest shareholder of the Company.

For the purpose of this definition, “interest” shall have the meaning of “interest in shares” given in Section 8 of the Act.

For the purposes of the Proposed New Shareholders’ Mandate, 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.

“Person(s) Connected” : In relation to a Director or a Major Shareholder (collectively referred to as the “said Person”), means such a person who falls under any one of the following categories:-

(a) A family member of the said Person, which means such person who falls within any one of the following categories:-

(i) spouse;

(ii) parent;

(iii) child including an adopted child and step-child;

(iv) brother or sister; and

(v) spouse of the person referred to in items (iii) and (iv) above

(b) A trustee of a trust (other than a trustee for a share scheme for employees or pension scheme) under which the said Person or a family member of the said Person is the sole beneficiary;

(c) A partner of the said Person, which means such person who falls within any one of the following categories:-

(i) a person with whom the said Person, is in or proposes to enter into partnership with. “Partnership” for this purpose refers to a “partnership” as defined in Section 3 of the Partnership Act 1961 or “limited liability partnership” as defined in Section 2 of the Limited Liability Partnerships Act 2012, as the case may be; or

(ii) a person with whom the said Person has entered or proposes to enter into a joint venture, whether incorporated or not.

(d) A person, or where the person is a body corporate, the body corporate or its directors, who is/are accustomed or under an obligation, whether formal or informal, to act in accordance with the directions, instructions or wishes of the said Person;

(e) A person, or where the person is a body corporate, the body corporate or its directors, in accordance with whose directions, instructions or wishes the said Person is accustomed or is under obligation, whether formal or informal, to act;

(f) A body corporate in which the said Person, or persons connected with the said Person are entitled to exercise, or control the exercise of, not less than 20% of the votes attached to voting shares in the body corporate; or

DEFINITIONS (CONT'D)

	(g) A body corporate which is a related corporation of the said Person.
“Proposal” or “Proposed New Shareholders’ Mandate”	: Proposed new shareholders’ mandate for Wentel Group to enter into the RRPT(s)
“Related Party(ies)”	: A Director, Major Shareholder or Person Connected with such Director or Major Shareholder, and “Related Parties” shall be construed accordingly
“RRPT(s)”	: Recurrent related party transaction(s) which is/are recurrent, of a revenue and/or trading nature and which is/are necessary for the day-to-day operations and within the ordinary course of business of the Group
“RM”	: Ringgit Malaysia and sen respectively
“Share(s)”	: Ordinary share(s) in Wentel
“Underwriting Agreement”	: Underwriting agreement dated 28 December 2023 entered into between the Company and TA Securities Holdings Berhad for the purpose of the initial public offering of the Company
“Wencor”	: Wencor (M) Sdn. Bhd. (formerly known as Wentel Corporation Sdn. Bhd.) [Registration No. 200201019470 (587133-V)]
“Wentel” or “the Company”	: Wentel Engineering Holdings Berhad [Registration No. 202301007290 (1501211-T)]
“Wentel Group” or “the Group”	: Wentel, its subsidiaries and all future subsidiaries which are acquired/incorporated by Wentel Group before the next AGM of the Company
“WESB”	: Wentel Engineering Sdn. Bhd. [Registration No. 200001029819 (532426-A)]
“WEPL”	: Wentel Engineering Pte Ltd (formerly known as Wentel Corporation Pte Ltd) (Registration No. 200808791E)

All references to “we”, “us”, “our” and “ourselves” are to Wentel or Wentel Group. All references to “you” in this Circular are to the shareholders of Wentel.

Words denoting the singular number only shall include the plural and vice-versa and words denoting the masculine gender shall, where applicable, include the feminine gender, neuter gender and vice versa. Reference to persons shall include a body of persons, corporate or unincorporated (including a trust).

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

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

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WENTEL ENGINEERING HOLDINGS BERHAD

Registration No. 202301007290 (1501211-T)
(Incorporated in Malaysia)

REGISTERED OFFICE:

Third Floor, No. 77, 79 & 81
Jalan SS21/60
Damansara Utama
47400 Petaling Jaya
Selangor

30 April 2024

BOARD OF DIRECTORS

Ban Kim Wah	<i>(Non-Independent Non-Executive Chairman)</i>
Wong Chun Wei	<i>(Executive Director)</i>
Siow Chin How	<i>(Independent Non-Executive Director)</i>
Soo Wee Loon	<i>(Independent Non-Executive Director)</i>
Wang Sze Min	<i>(Independent Non-Executive Director)</i>

To: The Shareholders of Wentel

Dear Sir/Madam,

PROPOSED NEW SHAREHOLDERS' MANDATE

1. INTRODUCTION

On 4 April 2024, our Board announced that our Company intends to seek our shareholders' approval at the forthcoming 1st AGM in respect of the Proposed New Shareholders' Mandate.

The purpose of this Circular is to provide you with the relevant information on the Proposed New Shareholders' Mandate and to seek your approval on the ordinary resolution pertaining to the Proposed New Shareholders' Mandate to be tabled at the forthcoming 1st AGM. The Notice of the 1st AGM together with the Proxy Form are enclosed in the Annual Report 2023.

SHAREHOLDERS ARE ADVISED TO READ AND CAREFULLY CONSIDER THE CONTENTS OF THIS CIRCULAR BEFORE VOTING ON THE ORDINARY RESOLUTION PERTAINING TO THE PROPOSED NEW SHAREHOLDERS' MANDATE AT THE FORTHCOMING 1ST AGM.

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2. DETAILS OF THE PROPOSED NEW SHAREHOLDERS' MANDATE

2.1 Provisions under the Listing Requirements

Pursuant to Rule 10.09(2) and Guidance Note 8 of the Listing Requirements, our Company may seek our shareholders' mandate in respect of RRPTs which are necessary for its day-to-day operations subject to, among others, the following:-

- (a) the transactions are in the ordinary course of business and are on terms not more favourable to the related party than those generally available to the public;
- (b) the shareholders' mandate is subject to annual renewal and disclosure is made in the annual report of the aggregate value of transactions conducted pursuant to the shareholders' mandate during the financial year where the aggregate value is equal to or more than the prescribed threshold as follows:-

“in relation to a listed corporation with a share capital of RM60 million and above:-

- (i) the consideration, value of the assets, capital outlay or costs of the RRPTs is RM1 million or more; or
- (ii) the percentage ratio of such RRPTs is 1% or more,

whichever is the higher”;

- (c) our Company's circular to shareholders for the shareholders' mandate includes the information as may be prescribed by Bursa Securities. The draft circular must be submitted to Bursa Securities for perusal together with a checklist showing compliance with such information;
- (d) in a meeting to obtain a shareholders' mandate, the interested Directors, interested Major Shareholders, interested persons connected with a Director or Major Shareholder, and where the interest of an interested Person Connected with a Director or Major Shareholder is involved, such Director or Major Shareholder, must not vote on the resolution in respect of the RRPTs. An interested Director or interested Major Shareholder must ensure that Persons Connected with him abstain from voting on the resolution in respect of the RRPTs; and
- (e) our Company immediately announces to Bursa Securities when the actual value of a RRPT entered into by our Company, exceeds the estimated value of the RRPT disclosed in the Circular by 10% or more and must include the information as may be prescribed by Bursa Securities in its announcement.

2.2 Wentel Group has, in the ordinary course of its business, entered into certain RRPTs and is anticipated to continue to enter into such transactions with the Related Parties, the details of which as set out in Section 2.7 below. It is likely that such transactions will occur with some degree of frequency and could arise at any time.

2.3 These RRPTs which are necessary for the day-to-day operations of Wentel Group, in the ordinary course of business will be based on normal commercial terms, at arms' length, and will be transacted on terms that are not more favourable to the Related Parties than those generally available to the public.

2.4 Validity Period of the Proposed New Shareholders' Mandate

The Proposed New Shareholders' Mandate, if approved by the shareholders of the Company at the forthcoming 1st AGM, will take effect from the date of the passing of the ordinary resolution at the forthcoming 1st AGM and shall continue to be in force until:-

- (a) the conclusion of the next AGM of the Company following the general meeting at which the ordinary resolution for the Proposed New Shareholders' Mandate was passed, at which time it shall lapse, unless the authority is renewed by a resolution passed at the next AGM;

- (b) the expiration of the period within which the next AGM of the Company after the date is required by law 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
- (c) revoked or varied by an ordinary resolution passed by our shareholders at a general meeting, whichever is the earliest.

2.5 Principal Activities of the Group

The principal activity of the Company is investment holding. As at LPD, the principal activities of our subsidiaries are as follows:-

Company	Effective equity interest (%)	Principal activities
Subsidiaries		
WESB	100.00	<ul style="list-style-type: none"> Fabrication of semifinished metal products, fabrication of metal parts and assembly of finished products.
WEPL	100.00	<ul style="list-style-type: none"> Sales, marketing and after sales support.

2.6 Classes of Related Parties

The classes of Related Parties are as follows:

No.	Related Parties	Principal Activity of the Related Parties	Relationship with Wentel Group
1.	5E Resources	Principally involved in waste disposal management, recycling of chemical products, transportation of the waste and warehousing of recycled and recovered products.	<p><u>Loo Sok Ching</u> (“LSC”)</p> <ul style="list-style-type: none"> An indirect major shareholder of Wentel. A director and indirect major shareholder of 5E Resources via her shareholding in 5E Resources Limited, the holding company of 5E Resources. Spouse of Wong Kim Fatt (“WKF”), a major shareholder of Wentel. Sister-in-law of Ban Kim Wah (“BKW”), the major shareholder and Non-Independent Non-Executive Chairman of Wentel. Mother of Wong Chun Wei (“WCW”), the Executive Director of Wentel. <p><u>WKF</u></p> <ul style="list-style-type: none"> A major shareholder of Wentel. Indirect major shareholder of 5E Resources via his shareholding in 5E Resources Limited, the holding company of 5E Resources. Spouse of LSC, brother of BKW and father of WCW <p><u>BKW</u></p> <ul style="list-style-type: none"> A major shareholder and Non-Independent Non-Executive Chairman of Wentel.

No.	Related Parties	Principal Activity of the Related Parties	Relationship with Wentel Group
			<ul style="list-style-type: none"> • Indirect major shareholder of 5E Resources via his shareholding in 5E Resources Limited, the holding company of 5E Resources. • Brother of WKF, brother-in-law of LSC and uncle of WCW
2.	Wencor	Principally involved in supply chain management of vacuum cleaner spare parts and manufacturing of plastic injection moulding.	<p><u>Wencor</u></p> <ul style="list-style-type: none"> • A major shareholder of Wentel. <p><u>WKF</u></p> <ul style="list-style-type: none"> • A major shareholder of Wentel. • A director and major shareholder of Wencor. • Spouse of LSC, brother of BKW and father of WCW <p><u>LSC</u></p> <ul style="list-style-type: none"> • Indirect major shareholder of Wentel. • A director and major shareholder of Wencor. • Spouse of WKF, sister-in-law of BKW and mother of WCW

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2.7 Nature of the RRPTs contemplated under the Proposed New Shareholders' Mandate

(i) Proposed New Shareholders' Mandate

The RRPTs entered/to be entered into under the Proposed New Shareholders' Mandate are as follows:-

No.	Nature of RRPTs	Transacting Parties	Transacting company within our Group	Interested Related Parties ⁽¹⁾	Actual value transacted from the date of listing of the Company, 6 February 2024 ("Listing Date") up to the LPD ⁽³⁾ (RM)	Estimated value transacted from the LPD up to the date of the forthcoming AGM ⁽³⁾⁽⁴⁾ (RM)	Estimated aggregate value of RRPT from 31 May 2024 (date of 1 st AGM) to the next AGM in the year 2025 ⁽⁴⁾ (RM)
(i)	Provision of waste management services	5E Resources	WESB	1. WKF 2. LSC 3. BKW 4. WCW ⁽²⁾	18,556.70	70,000	420,000
(ii)	Rental expenses [#]	Wencor	WESB	1. WKF 2. LSC 3. BKW 4. WCW ⁽²⁾ 5. Wencor	237,634	237,634	2,138,706

Notes:

- (1) Please refer to Section 2.6 of this Circular for their interest in the RRPTs.
 - (2) WCW being the Executive Director of Wentel, is the son of WKF and LSC and also the nephew of BKW.
 - (3) The aggregate value of the RRPTs transacted from the Listing Date up to the LPD and from the LPD up to the date of the forthcoming AGM is less than 5% percentage ratio pursuant to Rule 10.02 of the Listing Requirements.
 - (4) These figures were deduced based on the management's best estimates of the expected value of RRPTs to be entered into and hence, the actual value of such RRPTs may vary substantially from the estimated value disclosed above.
- # The details of the property/office rented by WESB are as follows of which the rental is payable on an equal pro-rated monthly basis:-

<i>Description</i>	<i>Address</i>	<i>Purpose</i>	<i>Total Areas (square feet)</i>	<i>Rental value per month (RM)</i>	<i>Period of Tenancy</i>	<i>Ownership</i>
<i>A leasehold land owned by Wencor consisting of a single storey detached factory with an annexed double storey office building</i>	<i>No. 11, Jalan Gagah, Kawasan Perindustrian Larkin, 80350 Johor Bahru, Johor held under title HSD 493793, PTB 21765, Bandar Johor Bahru, Daerah Johor Bahru, Negeri Johor</i>	<i>For the manufacturing plant and office of the Company.</i>	<i>118,801</i>	<i>118,817.00</i>	<i>1 October 2021 to 30 September 2024 (option to renew for a further period of three (3) years at a revised rental based on the prevailing market rate)</i>	<i>Wencor</i>

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2.8 Amount owing by Related Party pursuant to the RRPTs

As at LPD, there is no amount owing by the Related Party pursuant to the RRPTs that has exceeded the credit terms.

2.9 Review Procedures for the RRPTs

Our Group had established various guidelines and procedures to ensure that the RRPTs are undertaken on an arm's length basis, on transaction prices and terms not more favourable to the Related Parties involved than those generally available to the public and not detrimental to the minority shareholders of our Company.

Our Group shall review the RRPTs based on the following parameters/procedures:-

- (i) The definition of a related party, the list of related parties and the review procedures will be circulated and/or updated within the Group;
- (ii) The duties and roles of the ARMC include the review of RRPTs;
- (iii) Records will be maintained to record all RRPTs which are/will be entered into, which will be available for review by, among others, the auditors and ARMC, on a quarterly basis. Any member of the ARMC may as he/she deems fit, request for additional information pertaining to RRPTs from independent sources or advisers;
- (iv) The pricing for services and products to be provided/supplied and/or received arising from the RRPTs will be determined based on the Group's business practices and policies to ensure that prices and terms and conditions are based on competitive prices of similar products and services in the open market
- (v) The pricing, terms and conditions of the RRPTs shall be consistent with the Group's usual business practice and determined with due consideration to, among others, the demand and supply of the products, quality, level of service, credit terms and reliability of supply, where relevant, practical and feasible. At least two (2) other contemporaneous transactions with unrelated third parties for similar products and/or services and/or quantities will be used as a comparison, wherever available or possible, to determine whether the price and terms offered to and/or 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 and/or services and/or quantities.

In the event that quotations or comparative pricing from unrelated third parties cannot be obtained for the proposed RRPTs, the management will rely on their usual business practices and their market knowledge of prevailing industry norms bearing in mind the urgency and efficiency of services to be provided or required to ensure that the RRPTs are not detrimental to the Company and/or the Group;

- (vi) The ARMC shall review procedures, and shall continue to review the established guidelines and procedures, as and when required, on an annual basis with the authority to subdelegate to individuals or committees within the Company as they deem appropriate;
- (vii) Where any Director or persons connected with him or the ARMC has an interest (direct or indirect) in any RRPTs, he will abstain from voting on any matter relating to any decision making by the Board or the ARMC in respect of such transactions;
- (viii) The said interested Director shall undertake that he/she will ensure that persons connected with him/her abstain from voting on the resolution deliberating or approving the RRPTs at a general meeting;
- (ix) The RRPT which is below RM1.0 million in value for each transaction is subject to the approval of an Executive Director or the Group Chief Executive Officer of the Company;

- (x) The RRPT which is RM1.0 million and above or 1% of any percentage ratios shall be reviewed and approved by the ARMC and the Board before the transaction is entered into; and
- (xi) The annual internal audit plan shall incorporate a review of all RRPTs entered into pursuant to the general mandate.

2.10 Disclosure in Annual Report

Disclosure will be made in our Annual Report on the breakdown of the aggregate value of the RRPTs made during the financial year, among others, based on the following information:-

- (i) The types of RRPTs made; and
- (ii) The names of the Related Parties involved in each type of the RRPT and their relationship with our Group.

2.11 Statement by ARMC

The ARMC has seen and reviewed the guidelines and procedures set out in Section 2.9 above and is of the view that they are sufficient to ensure that the RRPTs will be carried out at arm's length and on normal commercial terms which are not more favourable to the Related Parties involved than those generally available to the public and not detrimental to the interest of the Company and its minority shareholders.

The ARMC is of the view that the Group has in place adequate procedures and processes to monitor, track and identify RRPTs in a timely and orderly manner. The ARMC shall review these procedures and processes once a year. This is to ensure that the RRPTs are not detrimental or prejudicial to the minority shareholders of the Company.

3. RATIONALE FOR AND BENEFITS OF THE PROPOSED NEW SHAREHOLDERS' MANDATE

The Proposed New Shareholders' Mandate will enable our Group to enter into RRPTs which are necessary for the day-to-day operations and within the ordinary course of business of the Group and on terms not more favourable to the Related Parties than those generally available to and/or from the public, where applicable, and, in our Company's opinion, not detrimental to its minority shareholders.

In addition, the Proposed New Shareholders' Mandate will enhance the Group's ability to pursue business opportunities which are time-sensitive in nature and eliminate the need for the Company to convene a separate general meeting to seek shareholders' approval for each RRPT and hence, reduce the expenses associated with the convening of general meetings on an ad hoc basis, improve administrative efficiency considerably and allow resources to be channelled towards attaining other corporate objectives.

4. EFFECTS OF THE PROPOSED NEW SHAREHOLDERS' MANDATE

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

5. APPROVAL REQUIRED

The Proposed New Shareholders' Mandate is subject to the approval of the shareholders of the Company at the forthcoming 1st AGM.

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

Saved as disclosed below, none of the other Directors, Major Shareholders and/or Persons Connected, have any interest, direct or indirect, in the Proposed New Shareholders' Mandate:-

	Shareholdings as at the LPD			
	Direct		Indirect	
	No. of Shares	%	No. of Shares	%
<u>Interested Directors</u>				
Ban Kim Wah	152,399,500	13.25	-	-
Wong Chun Wei	-	-	-	-
<u>Interested Major Shareholders</u>				
Wencor	190,413,000	16.56	-	-
Wong Kim Fatt	426,320,000	37.07	197,280,000 ⁽¹⁾	17.16
Loo Sok Ching	6,867,000	0.60	616,733,000 ⁽²⁾	53.63
<u>Persons Connected</u>				
5E Resources	-	-	-	-

Note:-

- (1) Deemed interested by virtue of his spouse's interest as well as his shareholding in Wencor pursuant to Section 8 of the Act.
- (2) Deemed interested by virtue of her spouse's interest as well as her shareholding in Wencor pursuant to Section 8 of the Act.

The above-mentioned Interested Directors and Interested Major Shareholders are deemed interested in the Proposed New Shareholders' Mandate by virtue of the interests of such parties in the companies mentioned in Section 2.7 of this Circular, which are transacting with the Group.

The Interested Directors have and will continue to abstain from all Board deliberations and voting at all relevant Board meetings in relation to the Proposed New Shareholders' Mandate and RRPT in Section 2.7 above.

The Interested Directors and Interested Major Shareholders will also abstain from voting in respect of their direct and indirect shareholdings on the resolution approving the Proposed New Shareholders' Mandate at the forthcoming 1st AGM. In this regard, the Interested Directors and Interested Major Shareholders have undertaken to ensure that all persons connected with them will abstain from voting in respect of their direct and indirect shareholdings on the resolution approving the Proposed New Shareholders' Mandate at the forthcoming 1st AGM.

7. DIRECTORS' STATEMENT AND RECOMMENDATION

Our Board (save for the Interested Directors in the above Section 6 of this Circular), having considered all aspects of the Proposed New Shareholders' Mandate, is of the opinion that the Proposed New Shareholders' Mandate is in the best interest of the Group.

Accordingly, the Board (save for the Interested Directors in the above Section 6 of this Circular) recommends that the shareholders of Wentel vote in favour of the resolution in relation to the Proposed New Shareholders' Mandate to be tabled at the forthcoming 1st AGM.

8. 1ST AGM

The forthcoming 1st AGM, the notice of which is enclosed in the Annual Report 2023 of the Company will be held at Hop Sing II (Hall) of Ponderosa Golf & Country Resort Berhad, No. 3, Jalan Ponderosa 1, Taman

Ponderosa, 81100 Johor Bahru, Johor on Friday, 31 May 2024 at 2:30 p.m. or at any adjournment thereof, for the purpose of considering and, if thought fit, passing, inter alia, the ordinary resolution set out in the Notice of the 1st AGM, to give effect to the Proposed New Shareholders' Mandate.

The Notice of the 1st AGM together with the Proxy Form, Administrative Notes, and this Circular are available at the Company's website at www.wenteleng.com or Bursa Securities' website at <https://www.bursamalaysia.com/>.

If you are unable to attend the 1st AGM and wish to appoint proxy(ies) instead, the appointment of proxy(ies) may be made in a hard copy form or by electronic means in the following manner and must be received by the Company not less than forty-eight (48) hours before the time for holding the 1st AGM or any adjournment thereof at which the person named in the appointment proposes to vote:

(i) In hard copy form

In the case of an appointment made in hard copy form, the proxy form must be deposited at the office of the Share Registrar of the Company situated at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Wilayah Persekutuan or its Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Wilayah Persekutuan.

(ii) By electronic form

The proxy form can be electronically lodged via TIIH Online website at <https://tiih.online>. Please refer to the Administrative Notes on the procedure for electronic lodgement of the proxy form via TIIH Online.

The lodging of the Proxy Form for the 1st AGM will not preclude you from attending and voting in person at the 1st AGM should you subsequently decide to do so, but if you do, your proxy shall be precluded from attending the 1st AGM.

Shareholders are advised to refer to the Administrative Notes on the registration process for the 1st AGM.

9. 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
WENTEL ENGINEERING HOLDINGS BERHAD

SIOW CHIN HOW
Independent Non-Executive Director

FURTHER INFORMATION

1. DIRECTORS' RESPONSIBILITY STATEMENT

This Circular has been seen and approved by our Board, and they, collectively and individually, accept full responsibility for the accuracy and completeness of the information given 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 herein misleading.

2. MATERIAL CONTRACTS

Saved as disclosed below, Wentel Group has not entered into any material contracts (not being contracts entered into in the ordinary course of business) within two (2) years immediately preceding the date of this Circular:-

- (a) sale and purchase agreement dated 28 December 2022 for the acquisition of Lot 879 & 881 by WESB from Keytower Sdn Bhd (Registration No.:199201006326 (237830-A)) for a total purchase price of RM17,200,000 which has been fully paid by WESB. Lot 879 & 881 is located at Mukim Tebrau, Daerah Johor Bahru, Johor. This acquisition has been completed on 15 May 2023.
- (b) share sale agreement dated 30 May 2023 entered into between the Company and Wong Kim Fatt, Wencor, Ban Kim Wah and Tai Yuan Heng for the acquisition of WESB. The foregoing transaction has been completed on 15 September 2023.
- (c) share swap agreement dated 30 May 2023 entered into between the Company and Wong Kim Fatt, Loo Sok Ching, Ban Kim Wah and Tai Yuan Heng for the acquisition of WEPL. The foregoing transaction has been completed on 15 September 2023.
- (d) Underwriting Agreement.

3. MATERIAL LITIGATION, CLAIMS OR ARBITRATION

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

4. DOCUMENTS FOR INSPECTION

The following documents are available for inspection during normal business hours (except public holidays) at our registered office located at Third Floor, No. 77, 79 & 81, Jalan SS21/60, Damansara Utama, 47400 Petaling Jaya, Selangor from the date of this Circular up to and including the date of the forthcoming 1st AGM:-

- (a) the Constitution of the Company;
- (b) the Audited Financial Statements for FYE 2022 and FYE 2023; and
- (c) material contracts referred in Section 2 above.

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EXTRACT OF THE NOTICE OF THE 1ST ANNUAL GENERAL MEETING

ORDINARY RESOLUTION 9**PROPOSED NEW SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE AND/OR TRADING NATURE ("PROPOSED NEW SHAREHOLDERS' MANDATE")**

"THAT authority be and is hereby given in line with Rule 10.09 of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad, for the Company and/or its subsidiaries to enter into any of the recurrent related party transactions with the related parties as set out in Section 2.7 of the Circular to Shareholders dated 30 April 2024 in relation to the Proposed New Shareholders' Mandate which are necessary for the day-to-day operations of the Company and/or its subsidiaries within the ordinary course of business of the Company and/or its subsidiaries, to be made on an arm's length basis and on normal commercial terms which are not more favourable than those generally available to the public and are not detrimental to the minority shareholders of the Company.

AND THAT such authority shall commence immediately upon the passing of this resolution and shall continue to be in force until:

- (i) the conclusion of the Company's next Annual General Meeting ("AGM") following the general meeting at which the ordinary resolution for the Proposed New Shareholders Mandate was passed, at which time it shall lapse, unless the authority is renewed by a resolution passed at the next AGM; or
- (ii) the expiration of the period within which the next AGM after that date it is required by law 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 an ordinary resolution passed by the shareholders of the Company at a general meeting,

whichever is earlier.

AND FURTHER THAT the Directors of the Company be and are hereby authorised to do all acts, deeds and things as they may deem fit, necessary, expedient and/or appropriate in order to implement the Proposed New Shareholders' Mandate with full power to assent to all or any conditions, variations, modifications and/or amendments in any manner as may be required by any relevant authorities or otherwise and to deal with all matters relating thereto and to take all such steps and to execute, sign and deliver for and on behalf of the Company all such documents, agreements, arrangements and/ or undertakings, with any party or parties and to carry out any other matters as may be required to implement, finalise and complete, and give full effect to the Proposed New Shareholders' Mandate in the best interest of the Company."

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