

**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.

Bursa Malaysia Securities Berhad (“**Bursa Securities**”) has not perused the contents of these Circular prior to its issuance, except in respect of the additional recurrent related party transactions under the proposed new shareholders’ mandate on a limited review basis pursuant to the provisions of Guidance Note 22 of ACE Market Listing Requirements of Bursa Securities.

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



**LEFORM BERHAD**

Registration No. 199501001582 (330776-K)  
(Incorporated in Malaysia)

**CIRCULAR TO SHAREHOLDERS IN RELATION TO THE PROPOSED RENEWAL OF  
SHAREHOLDERS’ MANDATE FOR EXISTING RECURRENT RELATED PARTY TRANSACTIONS  
OF A REVENUE OR TRADING NATURE AND PROPOSED NEW SHAREHOLDERS’ MANDATE  
FOR NEW RECURRENT RELATED PARTY TRANSACTION OF A REVENUE OR TRADING  
NATURE**

The ordinary resolution in respect of the above proposal will be tabled as Special Business at the Twenty Ninth Annual General Meeting (“29<sup>th</sup> AGM”) of Leform Berhad (“the Company”) which will be held at Level 2 (Johor Kedah Room), World Trade Centre Kuala Lumpur, 41, Jalan Tun Ismail, Chow Kit, 50480 Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur on Monday, 24 June 2024 10.00a.m. and at any adjournment thereof. The Notice of the 29<sup>th</sup> AGM together with the Proxy Form will be issued to you and the same are set out in the Integrated Annual Report 2023 of the Company which are also available to be downloaded from the Company’s website together with this Circular.

The Proxy Form must be completed and lodged at the Registered Office of the Company at 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia not less than forty-eight (48) hours before the time appointed for holding the 29<sup>th</sup> AGM or at any adjourned thereof. The lodging of the Proxy Form will not preclude you from attending and voting in person at the 29<sup>th</sup> AGM should you subsequently wish to do so.

Last day, date and time for lodging the Proxy Form : Saturday, 22 June 2024 at 10.00a.m.  
Date and time of the 29<sup>th</sup> AGM : Monday, 24 June 2024 at 10.00a.m.

This Circular is dated 30 April 2024

## DEFINITIONS

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

<b>“Act”</b>	:	The Companies Act, 2016, as amended from time to time and any re-enactment thereof
<b>“AGM”</b>	:	Annual General Meeting
<b>“Integrated Annual Report 2023”</b>	:	Annual Report of the Company for the financial year ended 31 December 2023
<b>“ARMC”</b>	:	The Audit and Risk Management Committee of Leform
<b>“Additional RRPT(s)”</b>	:	Being the new RRPT(s) entered or to be entered between the Company and its subsidiaries other than the RRPT(s) disclosed in the existing shareholders’ mandate
<b>“Board”</b>	:	The Board of Directors of Leform
<b>“Bursa Securities”</b>	:	Bursa Malaysia Securities Berhad
<b>“Circular”</b>	:	This circular to shareholders of Leform dated 30 April 2024
<b>“Director(s)”</b>	:	Shall have the same meaning given in Section 2(1) of the Capital Markets and Services Act, 2007 and includes any person who is or was within the preceding six (6) months of the date on which the terms of the transaction were agreed upon-  i) a director of the Company, its subsidiary or holding company; or ii) a chief executive of the Company, its subsidiary or holding company
<b>“Existing Mandate”</b>	:	The mandate obtained from the shareholders at the Company’s 28 <sup>th</sup> AGM held on 27 June 2023 for the Group to enter into Recurrent Related Party Transaction(s)
<b>“Leform” or “the Company”</b>	:	Leform Berhad
<b>“Leform Group” or “Group”</b>	:	Leform and its subsidiaries collectively
<b>“Leform Share(s)” or “Share(s)”</b>	:	Ordinary share(s) of Leform
<b>“Leform Marketing”</b>	:	Leform Marketing Sdn Bhd (Registration No. 199501003011 (332205-K))
<b>“Leform Metal”</b>	:	Leform Metal Sdn Bhd (Registration No. 200001017160 (519767-U))
<b>“Leform Service”</b>	:	Leform Steel Service Centre Sdn Bhd (Registration No. 200001014983 (517589-T))
<b>“Leform CLQ”</b>	:	Leform CLQ Sdn Bhd (formerly known as Leform Steel Mill Sdn Bhd) (Registration No. 200601022939 (742693-X))

## DEFINITIONS (*Cont'd*)

- “Leform Steel Pipes”** : Leform Steel Pipes Sdn Bhd (Registration No. 199301000915 (255652-M))
- “Leform Transport”** : Leform Transport Sdn Bhd (Registration No. 200701011175 (769178-T))
- “LF Engineering”** : LF Engineering Sdn Bhd (Registration No. 200301029367 (631787-W))
- “LF Metal”** : LF Metal Sdn Bhd (Registration No. 200001017414 (520021-P))
- “Listing Requirements”** : ACE Market Listing Requirements of Bursa Securities, including any amendment thereto that may be made from time to time
- “LPD”** : 2 April 2024, being the latest practicable date prior to the issuance of this Circular
- "Major Shareholder"** : Means a person who has an interest or interests in one or more voting shares in the Company and the total number of that share, or the aggregate of the total 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 in shares” has the same meaning given in Section 8 of the Act

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 the Company or any other company which is its subsidiary or holding company

- “Mandate Period”** : The period during which the RRPTs are to be entered into for which the Proposed Shareholders’ Mandate is being sought. This period shall commence immediately upon the passing of the ordinary resolution for the Proposed Shareholders’ Mandate during the forthcoming AGM or any adjournment thereof until:
- (a) The conclusion of the next AGM, unless the authority is renewed by a resolution passed at the next AGM;
  - (b) The expiration of the period within which the next AGM after that date it is required to be held pursuant to Section 340(2) of the Act (but will not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or
  - (c) Revoked or varied by an ordinary resolution passed by the shareholders in a general meeting.

whichever is earlier

## DEFINITIONS (*Cont'd*)

- “Person(s) Connected”** : Shall have the same meaning given in Rule 1.01, Chapter 1 of the Listing Requirements
- “Proposed Renewal of Existing Shareholders’ Mandate”** : Proposed renewal of the Existing Mandate
- “Proposed New Shareholders’ Mandate”** : Proposed new shareholders’ mandate for Leform Group to enter into additional RRPT(s) of a revenue or trading nature
- “Proposed Shareholders’ Mandate”** : Collectively, Proposed Renewal of Existing Shareholders’ Mandate and Proposed New Shareholders’ Mandate.
- “Recurrent Related Party Transaction(s)” or “RRPT” or “RRPT(s)”** : Related party transaction(s) which is/are recurrent, of a revenue and/or trading nature which are necessary for the day-to-day operations of the Group and within the ordinary course of business of the Group entered into by the Group, which involves the interest, direct or indirect, of Related Parties
- “Related Party” or “Parties”** : Director(s), Major Shareholder(s) or person(s) connected with such Director(s) or Major Shareholder(s)
- “RM” and “sen”** : Ringgit Malaysia and sen, respectively
- “Substantial Shareholder(s)”** : Shall have the meaning given in Section 136 of the Act

All references to “our Company” in this Circular are to Leform and reference to “our Group” are to our Company and subsidiaries collectively. References to “we”, “us”, “our”, and “ourselves” are to our Group.

Words importing the singular shall, where applicable, include the plural and vice versa. Words incorporating importing the masculine gender shall, where applicable, include the feminine and neuter genders and vice versa. References to persons shall include corporation, unless otherwise specified.

Any reference in this Circular to any statute is a reference to that statute as 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 specified.

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

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**LEFORM BERHAD**

Registration No. 199501001582 (330776-K)  
(Incorporated in Malaysia)

**Registered Office:**

12<sup>th</sup> Floor, Menara Symphony  
No. 5, Jalan Prof. Khoo Kay Kim  
Seksyen 13, 46200 Petaling Jaya  
Selangor Darul Ehsan

30 April 2024

**Board of Directors:**

Datuk Seri Akhil Bin Bulat	<i>(Independent Non-Executive Chairman)</i>
Law Kok Thye	<i>(Managing Director)</i>
Chua Leng Leek	<i>(Independent Non-Executive Director)</i>
Lai Chin Yang	<i>(Independent Non-Executive Director)</i>
Lee Wee Leng	<i>(Independent Non-Executive Director)</i>
Esmariza Binti Ismail	<i>(Non-Independent Executive Director)</i>

**To: The Shareholders of Leform**

Dear Sir/Madam

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

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**1. INTRODUCTION**

The Company had at the 28<sup>th</sup> AGM held on 27 June 2023 obtained approval of its shareholders for the Company and its subsidiaries to enter into the recurrent related party transactions of a revenue or trading nature in the ordinary course of its business 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. Such approval shall continue to be in full force until the conclusion of the forthcoming AGM of the Company scheduled on 24 June 2024 unless approval for its renewal is obtained from the shareholders of the Company at the AGM.

On 2 April 2024, the Board announced that the Company proposed to seek the shareholders' approval on the following which are necessary for Leform Group's day-to-day operations and are in the ordinary course of business, which the Group may from time to time enter into in accordance with Rule 10.09 of the Listing Requirements:-

- (i) Proposed Renewal of Existing Shareholders' Mandate ; and
- (ii) Proposed New Shareholders' Mandate.

**THE PURPOSE OF THIS CIRCULAR IS TO PROVIDE YOU WITH THE RELEVANT INFORMATION OF THE PROPOSED SHAREHOLDERS' MANDATE, TOGETHER WITH THE RECOMMENDATION OF THE BOARD THEREON AND TO SEEK YOUR APPROVAL FOR THE ORDINARY RESOLUTION PERTAINING TO THE PROPOSED SHAREHOLDERS' MANDATE TO BE TABLED AS SPECIAL BUSINESS AT THE FORTHCOMING 29<sup>TH</sup> AGM OF THE COMPANY. THE NOTICE OF 29<sup>TH</sup> AGM TOGETHER WITH THE PROXY FORM ARE ENCLOSED IN THE INTEGRATED ANNUAL REPORT 2023 OF THE COMPANY.**

**YOU ARE ADVISED TO READ CAREFULLY AND CONSIDER THE CONTENTS OF THIS CIRCULAR TOGETHER WITH THE APPENDIX CONTAINED HEREIN BEFORE VOTING ON THE RESOLUTION PERTAINING TO THE PROPOSED SHAREHOLDERS' MANDATE TO BE TABLED AT THE FORTHCOMING 29<sup>TH</sup> AGM.**

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

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

Pursuant to Rule 10.09 of the Listing Requirements, a listed issuer may seek a mandate from its shareholders in respect of RRPTs which are necessary for its day-to-day operations subject to, amongst others, the following:

- (a) the transactions are in the ordinary course of business and are on terms not more favourable to the related party than those generally available to the public;
- (b) the shareholders' mandate is subject to annual renewal and disclosure is made in the Integrated Annual Report 2023 of the aggregate value of transactions conducted pursuant to the shareholders' mandate during the financial year where the aggregate value is equal or more than the prescribed threshold as set out in Rule 10.09(1) of the Listing Requirements whereby:

“in relation to a listed issuer with a share capital of RM60 million and above–

- (i) the consideration, value of the assets, capital outlay or costs of the RRPT is RM1.0 million or more; or
- (ii) the percentage ratio of such RRPT is 1% or more,

whichever is the higher; or

in relation to a listed issuer with a share capital which is less than RM60 million:-

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

whichever is the lower;”

- (c) The listed issuer circular to shareholders for the shareholder 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 shareholders' mandate, the interested director, interested Major Shareholder or person connected with a Director or Major Shareholder; and where it involves the interest of an interested person connected with a director or Major Shareholder, such Director or Major Shareholder, must not vote on the resolution approving the transactions. An interested Director or interested Major Shareholder must ensure that persons connected with him abstain from voting on the resolution approving the transactions; and
- (e) the listed issuer immediately announces to Bursa Securities when the actual value of a RRPT entered into by the listed issuer, 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.

The Leform Group had, in its ordinary course of business, entered into certain RRPTs and it is anticipated that the companies within Leform Group would, in the ordinary course of business, continue to enter into such transactions with the Related Parties, details of which are set out in Section 2.4 of this Circular. It is likely that such transactions will occur with some degree of frequency and could arise at any time.

Accordingly, the Board proposes to seek its shareholders' approval for the Proposed Shareholders' Mandate for future RRPT(s) to be entered into during the Mandate Period. The Proposed Shareholders' Mandate comprises the Proposed Renewal of Existing Shareholders' Mandate and Proposed New Shareholders' Mandate.

These RRPT(s), which are necessary for the day-to-day operations of Leform Group, have been/will be entered into at arm's length basis, on normal commercial terms which are not more favourable to the Related Parties than those generally available to the public and not to the detriment of Leform's minority shareholders.

## **2.2 Validity period of the Proposed Shareholders' Mandate**

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

- (i) the conclusion of the next AGM of the Company, unless the authority is renewed by a resolution passed at the next AGM;
- (ii) the expiration of the period within which the next AGM of the Company 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 resolution passed by the shareholders in general meeting;

whichever is the earlier.

For information of shareholders, the approval from the shareholders of the Company for the Proposed Shareholders' Mandate will be sought at each subsequent AGM of the Company, if the Board decides that the renewal of the Proposed Shareholders' Mandate is desirable.



### 2.3 Principal activities of the Group

The Company is principally engaged in manufacturing of steel products. As at the LPD, the principal activities of its subsidiaries are as follows:

<b>Company</b>	<b>Principal Activities</b>	<b>Effective ownership interest</b>
Leform CLQ	Dormant. Development, rental and sale of Centralised Labour Quarters (CLQ) units	100%
Leform Steel Pipes	Trading in steel pipes	100%
Leform Service	Trading in steel products	100%
Leform Transport	To carry on the business of transport and carrier	100%
LF Metal	Trading in steel products	100%
Leform Metal	Dormant. Previously trading in steel products	85%
Leform Marketing	Trading of steel pipes and flat steel products	80%
LF Engineering	Manufacturing of guardrails	60%

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## 2.4 Class of Related Parties and nature of RRPTs

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

### (i) Proposed Renewal of Existing Shareholders' Mandate

Related Party	Transacting Party within the Group	Interested Directors/Major Shareholder and/or person connected to them	Nature of relationship of related parties	Nature of Transaction	Estimated value to be transacted from the forthcoming AGM up to the next AGM*  (RM'000)	Actual value transacted from 27 June 2023 to LPD  (RM'000)	Estimated value as disclosed in the Circular to Shareholders dated 28 April 2023  (RM'000)	Estimated value to be transacted from the LPD up to the forthcoming AGM  (RM'000)	Reason for deviation where Actual value exceeds Estimated value by 10% or more (if any)
Leform Marketing	Leform, LF Engineering, LF Metal, Leform Service and Leform Steel Pipes	Chai Chang Wai	Chai Chang Wai is a director and substantial shareholder (20.00%) of Leform Marketing and the brother-in-law of Law Kok Thye, Managing Director and Major Shareholder of Leform	Sales of mother coils, pipes, plates, slitted coils, guardrails and strapping metals to Leform Marketing	80,000	38,289	80,000	41,711	N/A

Related Party	Transacting Party within the Group	Interested Directors/Major Shareholder and/or person connected to them	Nature of relationship of related parties	Nature of Transaction	Estimated value to be transacted from the forthcoming AGM up to the next AGM*  (RM'000)	Actual value transacted from 27 June 2023 to LPD  (RM'000)	Estimated value as disclosed in the Circular to Shareholders dated 28 April 2023  (RM'000)	Estimated value to be transacted from the LPD up to the forthcoming AGM  (RM'000)	Reason for deviation where Actual value exceeds Estimated value by 10% or more (if any)
Leform Marketing	Leform	Chai Chang Wai	Chai Chang Wai is a director and substantial shareholder (20.00%) of Leform Marketing and the brother-in-law of Law Kok Thye, Managing Director and Major Shareholder of Leform	Sales of lower grade metals or rejected products (pipes, slitted coils, plates and etc.) to Leform Marketing	400	109	200	91	N/A

**Notes:-**

\* The estimated values are based on the historical data and best estimates by the management. Accordingly, the actual value of the transaction may be varied from the estimated value disclosed above and subject to changes.

(ii) Proposed New Shareholders' Mandate

Details of the Additional RRPT of which new Shareholders' Mandate is sought is as follows:-

Related Party	Transacting Party within the Group	Interested Directors/Major Shareholder and/or person connected to them	Nature of relationship of related parties	Nature of Transaction	Estimated value to be transacted from the forthcoming AGM up to the next AGM *	Actual value transacted from the date of 1 <sup>st</sup> transaction to LPD	Estimated value to be transacted from the LPD up to the forthcoming AGM
					(RM'000)	(RM'000)	(RM'000)
Leform Marketing	Leform	Chai Chang Wai	Chai Chang Wai is a director and substantial shareholder (20.0%) of Leform Marketing and the brother-in-law of Law Kok Thye, Managing Director and major shareholder of Leform	Rental of office space (room) to Leform Marketing. The office is located in PT 16078, Persiaran Kesidang 4, Kawasan Perindustrian Sungai Choh, 48200 Serendah. The rental is for a duration of three years commencing from 1 August 2022 and upon expiry, is subject to renewal for another two years. The monthly rental is RM150.	1.80	3.15 <sup>^^</sup>	0.30

*Notes:-*

\* The estimated values are based on the historical data and best estimates by the management. Accordingly, the actual value of the transaction may be varied from the estimated value disclosed above and subject to changes.

<sup>^^</sup> The actual value transacted is for a period of twenty-one (21) months since August 2022.

<sup>^^</sup> The aggregate percentage ratio of the transaction will not exceed 5% from the date of the first transaction until the date of the forthcoming AGM.

## **2.5 Amount due from and owing by Related Parties**

As at the LPD, there is no amount due from and owing by Related Parties pursuant to the RRPTs which exceeded the credit terms.

## **2.6 Review Procedures**

The following are in place to ensure that any transactions entered into by the Leform Group with Related Party, which are in the ordinary course of business of Leform Group, are undertaken on an arm's length basis and on normal commercial terms consistent with the Leform Group's usual business practices and on transaction prices and terms that 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:-

- (i) The Leform Group will only enter into RRPTs after obtaining approval from the Board upon recommendation from the ARMC, taking into account the pricing, terms and other relevant factors. Wherever practicable and/or feasible, 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 if the price and terms offered to/by 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, the transaction price will be determined by our Group based on usual business practices of the Group to ensure that the RRPTs are not determinantal to Leform Group.
- (ii) There are no specific thresholds for the approval of RRPTs within the Group. All RRPTs will be reviewed by the ARMC of the Company on quarterly basis and approved by the Board with the recommendation from the ARMC prior to execution of contracts. In reviewing these transactions, the ARMC, if necessary, may request for additional information from independent sources or advisers. The ARMC shall also review the adequacy of the processes and procedures to track and monitor these RRPT in a timely and orderly manner to ensure accuracy.
- (iii) All types of RRPTs are carried out at arm's length and on the Leform Group's normal commercial terms which are not more favourable to the related parties than those generally available to the public. These include transacting at prevailing market rates/prices of the products or services provider's usual commercial terms or otherwise in accordance with applicable industry norm.
- (iv) Records of RRPTs will be maintained by the Group and will be made available to the external auditors, internal auditors and ARMC for their review.
- (v) The Board and the ARMC will review the RRPTs on a quarterly basis, to ascertain that the guidelines and procedures established to monitor RRPTs have been complied with.
- (vi) Where any Director or person connected to him has an interest (direct or indirect) in any RRPTs, he shall abstain from deliberation and voting on the matter. The said interested Director shall undertake that he will ensure that person connected with him abstain from voting on the resolution deliberating or approving the RRPTs at a general meeting.
- (vii) The annual internal audit plan shall incorporate a review of all RRPTs entered into pursuant to the shareholders' mandate to ensure that relevant approvals have been obtained and review procedures in respect of such transactions are adhered to. Any divergence will be reported to the ARMC.

## 2.7 Disclosure in Integrated Annual Report 2023

Disclosure will be made in the Integrated Annual Report 2023 of the Company in accordance with Rule 3.1.5 of Guidance Note 8 of the Listing Requirements, which requires a breakdown of the aggregate value of the RRPTs entered into during the financial year based on the following information:

- (a) the type of the RRPTs made; and
- (b) the names of the Related Parties involved in each of the RRPTs made and their relationship with the Company.

The above disclosure will be made in the Company's Integrated Annual Report 2023 for each subsequent financial year after the Proposed Shareholders' Mandate had been obtained.

In addition, if the actual value of the RRPT(s) entered into by our Group exceeds the estimated value of the RRPT(s) disclosed in the circular to shareholders on the Proposed Shareholders' Mandate by 10% or more, our Company will make an immediate announcement to Bursa Securities.

## 2.8 Statement by the ARMC

The ARMC has seen and reviewed the procedures as mentioned in Section 2.6 above and is of the view that the said procedures are sufficient to ensure that the RRPTs are undertaken on arm's length basis 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 of Leform.

The ARMC is of the view that the Leform Group has in place adequate procedures and processes to monitor, track and identify RRPTs in a timely and orderly manner, and such procedures and processes are reviewed on an annual basis or whenever the need arises.

## 2.9 Interests of Directors, Major Shareholders and/or persons connected to them

The direct and indirect interests of the interested Director, interested Major Shareholder and/or Persons connected with them as at LPD are as follows:

Name of interested Director	Direct		Indirect	
	No. of Leform Shares	%	No. of Leform Shares	%
Law Kok Thye	340,549,000	22.99	760,800,000 <sup>(a)</sup>	51.37
Name of interested Major Shareholder	Direct		Indirect	
	No. of Leform Shares	%	No. of Leform Shares	%
Law Kok Thye	340,549,000	22.99	760,800,000 <sup>(a)</sup>	51.37
Tianwen Holdings Sdn Bhd	755,400,000	51.01	-	-

Name of Persons Connected to interested Director and interested Major Shareholder	Direct		Indirect	
	No. of Leform Shares	%	No. of Leform Shares	%
Chai Li Wei <sup>(b)</sup>	100,000	0.007	-	-
Law Kar Seng <sup>(c)</sup>	1,100,000	0.07	-	-
Law Kar Hou <sup>(c)</sup>	2,100,000	0.14	-	-
Law Kar Junn <sup>(c)</sup>	2,100,000	0.14	-	-
Chai Chang Wai <sup>(d)</sup>	300,000	0.02	-	-
Choong Sheau Bey <sup>(e)</sup>	45,000	0.003	-	-

As at the LPD, Law Kok Hooi does not have shareholding in Leform, either direct or indirectly.

**Notes:-**

- (a) Deemed interested by virtue of his shareholdings in Tianwen Holdings Sdn Bhd and the shares held by his spouse and children, pursuant to Section 8 of the Act.
- (b) Chai Li Wei, is the spouse of Law Kok Thy.
- (c) Law Kar Seng, Law Kar Hou and Law Kar Junn are the children of Law Kok Thy.
- (d) Chai Chang Wai, is the director and substantial shareholder (20%) in Leform Marketing and the brother-in-law of Law Kok Thy.
- (e) Choong Sheau Bey, is the spouse of Chai Chang Wai

Accordingly, the interested Director has abstained and will continue to abstain from the Board's deliberations and voting on the relevant resolution. The interested Director will also abstain from voting in respect of his direct and/or indirect shareholdings in the Company, on the resolution approving the Proposed Shareholders' Mandate at the forthcoming 29<sup>th</sup> AGM.

In addition, the interested Major Shareholder and the persons connected to the interested Director and/or interested Major Shareholder will abstain from voting in respect of their direct and/or indirect shareholdings in the Company, on the resolution approving the Proposed Shareholders' Mandate at the forthcoming 29<sup>th</sup> AGM.

The interested Director and interested Major Shareholder have undertaken that they shall ensure that the person connected to them will abstain from voting in respect of their direct and/or indirect shareholdings in the Company on the resolution, deliberating or approving the Proposed Shareholders' Mandate at the forthcoming 29<sup>th</sup> AGM.

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

## 2.10 Directors' Recommendation

The Board (save for the interested Director), after having considered all aspects of the Proposed Shareholders' Mandate, is of the opinion that the Proposed Shareholders' Mandate is in the best interest of the Company.

Accordingly, the Board (save for the interested Director), recommends that you vote in favour of the ordinary resolution on Proposed Shareholders' Mandate to be tabled at the forthcoming 29<sup>th</sup> AGM.

### **3. APPROVAL REQUIRED**

The Proposed Shareholders' Mandate is subject to approval being obtained from the shareholders of the Company at the forthcoming 29<sup>th</sup> AGM.

### **4. RATIONALE AND BENEFITS FOR THE PROPOSED SHAREHOLDERS' MANDATE**

The RRPTs to be entered into by the Leform Group with the Related Parties are all in the ordinary course of business. The RRPTs are recurring transactions of a revenue or trading nature which will occur with some degree of frequency and could arise at any time and from time to time. These transactions may be constrained by the time-sensitive nature and confidentiality of such transactions, and it may be impractical to seek shareholders' approval on a case-to-case basis before entering into such RRPTs. As such, the Board of the Leform is seeking shareholders' mandate pursuant to Rule 10.09(2) of the Listing Requirements for the RRPTs described in Section 2.4 above to allow the Group to enter into such RRPTs. This would substantially avoid incoming substantial expenses associated with the convening of general meetings on an ad hoc basis, thereby improving administrative efficiency.

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

### **5. FINANCIAL EFFECTS OF THE PROPOSED SHAREHOLDERS' MANDATE**

The Proposed Shareholders' Mandate will not have any material effect on the share capital, shareholdings of the substantial shareholders, earnings per share, net assets per share and gearing of Leform and its subsidiaries.

### **6. AGM**

The 29<sup>th</sup> AGM of the Company, the notice of which is enclosed in the Integrated Annual Report 2023 of the Company, will be held at Level 2 (Johor Kedah Room), World Trade Centre Kuala Lumpur, 41, Jalan Tun Ismail, Chow Kit, 50480 Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur on Monday, 24 June 2024 at 10.00a.m. or any adjournment thereof, for the purpose of considering and, if thought fit, passing with or without modifications the ordinary resolution to give effect to the Proposed Shareholders' Mandate.

If you are unable to participate and vote at the 29<sup>th</sup> AGM, please complete, sign and return the Proxy Form in accordance with the instructions provided therein to the Company's Share Registrar, Boardroom Share Registrars Sdn Bhd at 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia not less than 48 hours before the time for holding the 29<sup>th</sup> AGM, or at any adjournment thereof at which the person named in the instrument proposes to vote. The lodging of the Proxy Form does not preclude you from participating and voting in person at the 29<sup>th</sup> AGM should you subsequently decide to do so.



**7. FURTHER INFORMATION**

Shareholders are advised to refer to Appendices in this Circular for further information.

Yours faithfully  
For and on behalf of the Board of  
**LEFORM BERHAD**

**Datuk Seri Akhil Bin Bulat**  
Independent Non-Executive Chairman

## 1. DIRECTORS' RESPONSIBILITY STATEMENT

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

## 2. MATERIAL CONTRACTS

Save as disclosed below, there were no material contracts (not being contracts entered into in the ordinary course of business) entered into by the Company and/or its subsidiary companies, within the two (2) years immediately preceding the date of this Circular:

- (a) the Sale and Purchase Agreement dated 24 March 2022 between Leform (as Purchaser) and Siti Eashah Binti Hj Mohd Ali and Che Oum Binti Mohd Ali (as Vendors) in respect of the purchase by Leform of Lot 857, Persiaran Kesidang Selatan, Kawasan Perindustrian Sungai Choh, 48200 Serendah, Selangor Darul Ehsan for a consideration of RM7,840,800. The purchase was completed on 15 September 2022;
- (b) the Underwriting Agreement dated 21 September 2022 between Leform and MIDF Amanah Investment Bank Berhad for the underwriting of 74,051,000 Shares made available for application by the Malaysian public via balloting at the initial public offering ("**IPO**") price of RM0.23 per IPO Share in conjunction with the listing of the Company on the ACE Market of Bursa Securities; and
- (c) the Sale and Purchase Agreement dated 23 January 2024 between Leform CLQ (as Purchaser) and Brem Construction Sdn Bhd (as Vendor) in respect of the purchase by Leform CLQ of all that piece of leasehold industrial land held under individual title HSD 64846 PT 18254, Bandar Serendah, Daerah Ulu Selangor, Negeri Selangor for a purchase consideration of RM3,485,784.00 ("**Acquisition of Land**"). The Acquisition of Land is expected to be completed by the end of second quarter 2024, which is currently pending approval for bank facilities.

## 3. MATERIAL LITIGATION, CLAIMS OR ARBITRATION

As at the LPD, the Group is not engaged in any material litigation, claims or arbitration, either as plaintiff or defendant and the Board is not aware and do not have any knowledge of any proceeding pending or threatened against the Group or of any fact likely to give rise to any proceeding which may materially affect the financial position or business of the Group:

## 4. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection by the shareholders at the registered office of the Company at 12<sup>th</sup> Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia during normal business hours from Mondays to Fridays (excluding public holidays) for the period commencing from the date of this Circular up to and including the date of the forthcoming AGM of the Company:

- (a) the Constitution of Leform;
- (b) the material contracts referred in Section 2 of this Appendix A; and
- (c) the audited consolidated financial statements of Leform for the financial year ended 31 December 2022 and 31 December 2023.

**ORDINARY RESOLUTION 7 UNDER SPECIAL BUSINESS TO BE TABLED AT THE 29<sup>th</sup> AGM OF THE COMPANY SCHEDULED TO BE HELD ON MONDAY, 24 JUNE 2024 AT 10.00a.m.**

**PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR EXISTING RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE ("RRPT") AND PROPOSED NEW SHAREHOLDERS' MANDATE FOR NEW RRPT**

**"THAT** approval be and is hereby given to the Company and its subsidiaries ("Group") to enter into and give effect to the recurrent related party transactions of a revenue or trading nature with the related parties as specified in Section 2.4 of the Circular to Shareholders dated 30 April 2024, provided that :

- (a) such arrangements and/or transactions are necessary for the Group's day-to-day operations;
- (b) such arrangements and/or transactions undertaken are in the ordinary course of business, at arm's length basis and on normal commercial terms which are not more favourable to the related parties than those generally available to third party;
- (c) such arrangements and/or transactions are not detrimental to the minority shareholders of the Company; and
- (d) the disclosure is made in the Integrated Annual Report 2023 on the aggregate value of transactions conducted pursuant to the shareholders' mandate during the financial year in relation to:
  - (i) the related transacting parties and their respective relationship with the Company; and
  - (ii) the nature of the recurrent transactions.

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

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

whichever is the earlier.

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