

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

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

Bursa Malaysia Securities Berhad (“Bursa Malaysia”) has perused this Circular on a limited review basis pursuant to Paragraph 4.1(c) of Practice Note 18 of the Main Market Listing Requirements of Bursa Malaysia, prior to the issuance of this Circular.

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MYNEWS HOLDINGS BERHAD
(Company No. 201301010004/1039846-T)
(Incorporated in Malaysia)

CIRCULAR TO SHAREHOLDERS IN RELATION TO:

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

The ordinary resolutions in respect of the above proposal will be tabled as Special Business at the Seventh Annual General Meeting (“7th AGM”) of the Company. This Circular is despatched together with Notice of 7th AGM and Form of Proxy as set out in the Company’s Annual Report 2019.

The Form of Proxy must be completed and deposited at the office of the Share Registrar of the Company at Tricor Investor & Issuing House Services Sdn Bhd, Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or alternatively, the Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia, not less than twenty-four (24) hours before the time set for the 7th AGM or any adjournment thereof. The lodging of the Form of Proxy will not preclude you from attending and voting in person at the 7th AGM should you subsequently wish to do so.

Last date and time for lodging the Proxy Form	: 24 March 2020, Tuesday at 10.00 a.m.
Date and time of the 7 th AGM	: 25 March 2020, Wednesday at 10:00 a.m.
Venue of the 7 th AGM	: Olympia Room, The Club Bukit Utama Golf Resort 1 Club Drive, Bukit Utama Bandar Utama, 47800 Petaling Jaya Selangor Darul Ehsan

This Circular is dated 25 February 2020

DEFINITIONS

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

“Act”	:	Companies Act 2016, as amended from time to time and any re-enactment thereof
“AC”	:	Audit Committee of Mynews Holdings Berhad
“AGM”	:	Annual General Meeting
“Annual Report 2019”	:	Annual Report of Mynews Holdings Berhad issued for the financial year ended 31 October 2019
“BFSB”	:	Bison Foods Sdn Bhd (Company No. 200401025433/663941-P), a wholly-owned subsidiary of the Company
“Board”	:	Board of Directors of Mynews Holdings Berhad
“Bursa Malaysia”	:	Bursa Malaysia Securities Berhad (Company No. 200301033577/635998-W)
“Circular”	:	Circular to Shareholders dated 25 February 2020
“CMSA”	:	Capital Markets and Services Act 2007, as amended from time to time and any re-enactment thereof
“Director(s)”	:	Shall have the same meaning given in Section 2(1) of the CMSA and for purpose of the Proposed 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 of Mynews or any other company which is its subsidiary or holding company or a chief executive officer of Mynews, its subsidiary or holding company
“DKESB”	:	DKE Technology Sdn Bhd (Company No. 200901040020/883165-X), a wholly-owned subsidiary of MRetailSB, which in turn is a wholly-owned subsidiary of the Company
“DKS”	:	Dang Kuok Siang
“DTG”	:	Dang Tai Gean
“DTH”	:	Dang Tai Hock
“DTK”	:	Dang Tai Kien
“DTL”	:	Dang Tai Luk
“DTW”	:	Dang Tai Wen
“EISB”	:	Eemerge Incorporated Sdn Bhd (Company No. 200301025987/628407-U), a wholly-owned subsidiary of the Company
“FYE”	:	Financial Year Ended / Ending

DEFINITIONS

“Listing Requirements”	:	Main Market Listing Requirements of Bursa Malaysia including amendment(s) that may be made from time to time
“LPD”	:	3 February 2020, being the latest practicable date prior to the printing of this Circular
“Major Shareholder”	:	<p>A person who has an interest or interests in one or more voting shares in the Company and the number or the aggregate number of those shares, is:</p> <p>(a) 10% or more of the total number of voting shares in the Company; or</p> <p>(b) 5% or more of the total number of voting shares in the Company where such person is the largest shareholder of the Company.</p> <p>For the purposes of this definition, “interest” shall have the meaning of “interest in shares” given in Section 8 of the Act, and 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 transactions were agreed upon, a major shareholder of Mynews or any other corporation which is its subsidiary or holding company</p>
“MFSB”	:	Mynews Food Sdn Bhd (Company No. 201301032823/1062652-A), a wholly-owned subsidiary of the Company
“MIE”	:	Marubishi Ingredients & Equipments (M) Sdn Bhd (Company No.201001013948/898182-T), a Person Connected to MRA
“MKSB”	:	Mynews Kineya Sdn Bhd (Company No. 201801005594/1267608-K), a 51%-owned subsidiary of MFSB, which in turn is a wholly-owned subsidiary of the Company
“MKukuhSB”	:	Mynews Kukuh Sdn Bhd (Company No.200401028609/667117-M), a wholly-owned subsidiary of the Company
“MMSB”	:	Mynews Management Sdn Bhd (Company No. 200201026209/593872-D), a wholly-owned subsidiary of MRetailSB, which in turn is a wholly-owned subsidiary of the Company
“MRA”	:	MRA Bakery Sdn Bhd (Company No. 201701033423/1247594-H), a major shareholder of MRSB
“MRSB”	:	Mynews Ryoyupan Sdn Bhd (Company No. 201801005079/1267093-V), a 51%-owned subsidiary of MFSB, which in turn is a wholly-owned subsidiary of the Company
“MRetailSB”	:	Mynews Retail Sdn Bhd (Company No. 199401020616/306295-X), a wholly-owned subsidiary of the Company
“Mynews” or “Company”	:	Mynews Holdings Berhad (Company No. 201301010004/1039846-T)
“Mynews Group” or “Group”	:	Mynews and its subsidiaries as defined in Section 4 of the Act

DEFINITIONS

“Person Connected”	:	Shall have the same meaning given in Paragraph 1.01 of the Listing Requirements
“Proposed Shareholders’ Mandate” or “Proposal”	:	Proposed new shareholders’ mandate for RRPTs to be entered into by Mynews Group from the date of the forthcoming AGM until the next AGM
“Recurrent Related Party Transactions or “RRPT(s)”	:	Related party transactions which are recurrent, of a revenue or trading nature, and which are necessary for the day-to-day operations of Mynews Group and are entered into by Mynews Group in the ordinary course of business involving the direct and/or indirect interests of Related Party(ies)
“Related Party(ies)”	:	Director(s), Major Shareholder(s) and/or Person(s) Connected with such Director(s) or Major Shareholder(s) as defined therein
“RM” and “sen”	:	Ringgit Malaysia and sen, respectively

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

Any reference in this Circular to any enactment is a reference to that enactment 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 stated.

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MYNEWS HOLDINGS BERHAD
(Company No. 201301010004/1039846-T)
(Incorporated in Malaysia under the Companies Act 2016)

Registered Office:

Lot No. 3, Jalan Teknologi 3/1
Taman Sains Selangor 1
Seksyen 3, PJU 5,
Kota Damansara
47810 Petaling Jaya
Selangor Darul Ehsan
Malaysia

25 February 2020

Board of Directors:

Ding Lien Bing (*Independent Non-Executive Chairman*)
Dang Tai Luk (*Executive Director / Group Chief Executive Officer*)
Dang Tai Wen (*Executive Director / Chief Executive Officer - Retail*)
Dang Tai Hock (*Executive Director / Chief Executive Officer - Food*)
Soon Dee Hwee (*Senior Independent Non-Executive Director*)
Mohd Suffian Bin Suboh (*Independent Non-Executive Director*)

To: The Shareholders of Mynews Holdings Berhad

Dear Sir/Madam,

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

1.0 INTRODUCTION

On 22 January 2020, Mynews announced to Bursa Malaysia of its intention to seek the shareholders' approval for the Proposed Shareholders' Mandate at the forthcoming 7th AGM of the Company.

The purpose of this Circular is to provide you with details of the Proposed Shareholders' Mandate and to seek your approval for the ordinary resolutions to be tabled at the forthcoming 7th AGM. The Notice of the 7th AGM together with the Form of Proxy are enclosed in the Annual Report 2019.

SHAREHOLDERS OF MYNEWS ARE ADVISED TO READ THE CONTENTS OF THIS CIRCULAR CAREFULLY BEFORE VOTING ON THE RESOLUTIONS PERTAINING TO THE PROPOSED SHAREHOLDERS' MANDATE AT THE FORTHCOMING AGM.

2.0 DETAILS OF THE PROPOSED SHAREHOLDERS' MANDATE

2.1 The Listing Requirements

Paragraph 10.09(2) of the Listing Requirements provides that a listed issuer may seek a mandate from its shareholders for RRPTs subject to the following:

- (i) 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;
- (ii) 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 threshold below in relation to a listed issuer with a share capital of RM60 million and above:
 - (a) the consideration, value of the assets, capital outlay or costs of the RRPTs is RM1 million or more; or
 - (b) the percentage ratio of such RRPTs is 1% or more,whichever is the higher;
- (iii) the listed issuer's circular to shareholders for the shareholders' mandate includes the information as may be prescribed by Bursa Malaysia. The draft circular must be submitted to Bursa Malaysia together with a checklist showing compliance with such information;
- (iv) in a meeting to obtain the shareholders' mandate, the relevant Related Party must comply with the following requirements:
 - (a) a Related Party with any interest, direct or indirect ("Interested Related Party"), must not vote on the resolution in respect of the RRPT;
 - (b) an Interested Related Party who is a Director or Major Shareholder must ensure that Persons Connected with it abstain from voting on the resolution in respect of the RRPT; and
 - (c) where the Interested Related Party is a Person Connected with a Director or Major Shareholder, such Director or Major Shareholder must not vote on the resolution in respect of the RRPT.
- (v) the listed issuer immediately announces to Bursa Malaysia 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 Malaysia in its announcement.

Accordingly, the Board proposes to seek the shareholders' approval for the Proposed Shareholders' Mandate. The Proposed Shareholders' Mandate will allow Mynews Group, in the ordinary course of business, to enter into the RRPTs referred to in Section 2.4 with the Related Parties, provided that such transactions are made at arm's length, on Mynews Group's normal commercial terms and on transaction prices and 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 Mynews.

2.2 Validity Period of the Proposed Shareholders' Mandate

The authority to be conferred pursuant to the Proposed Shareholders' Mandate, if approved by the shareholders, shall take effect from the passing of the ordinary resolution proposed at the forthcoming 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 such mandate was passed, at which time it will lapse, unless by a resolution passed at a general meeting, the authority is renewed;
- (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 Act (but must not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or
- (c) it is revoked or varied by resolution passed by the shareholders of the Company in general meeting;

whichever is the earliest.

2.3 Principal Activities of Mynews Group

Mynews is principally engaged in investment holding. The principal activities of the Group are as follows:

Name of companies	Principal activities	Equity interest held (%)
<u>Direct subsidiaries of Mynews</u>		
MRetailSB	Retailer of print media and convenience items	100
MKukuhSB*	Retailer of print media, convenience items and involved in money changing business	100
EISB*	Retailer of print media and convenience items	100
BFSB	Operator of food and beverage restaurant	100
MFSB	Investment holding, manufacturer and dealer in bread, flour, biscuits and farinaceous compounds	100
*Retail outlet operations were transferred to MRetailSB effective 1 November 2019		
<u>Subsidiaries held through MRetailSB</u>		
DKESB	Research, development and commercialisation of DKE publications and magazine distribution software, provision of implementation, maintenance and technical services relating to this software	100
MMSB	Provision of management services	100

Subsidiaries held through
MFSB

MRSB	Production, manufacturing and sales of bakery products	51
MKSB	Production, manufacturing and sale of prepared and ready-to-eat meals	51

It is envisaged that, in the ordinary course of Mynews Group's businesses, transactions of a revenue or trading nature between companies in Mynews Group and the Related Parties are likely to occur, which are necessary for its day-to-day operations.

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2.4 Classes and Nature of the RRPTs

The details of the RRPTs which have been or will be entered into by Mynews Group and the Related Parties are set out below:

No.	Company	Transacting Related Party	Nature of Transactions	Interested Related Parties	* Actual Value Transacted from last AGM up to LPD (RM'000)	Estimated Value of transaction(s) from the LPD up to the Date of the 7 th AGM (25 March 2020) (RM'000)	* Estimated Value from 25 March 2020 (date of 7 th AGM) to the date of the next AGM (RM'000)
(i)	MRetailSB	Fruitty Candy Floss	Purchase of candy by Mynews Group from Fruitty Candy Floss to sell at MRetailSB' outlets	<i>Interested Person Connected</i> DTG ⁽¹⁾	665	90	1,200
(ii)	MRetailSB	Fruitty Candy Floss	Advertising and promotion income received by MRetailSB from Fruitty Candy Floss for annual sales rebate, product placement fees and store support	<i>Interested Person Connected</i> DTG ⁽¹⁾	109	-	250
(iii)	MKSB MRSB MRetailSB	Med Doc Clinic & Surgery	Provision of medical services by Med Doc Clinic & Surgery to Mynews employees	<i>Interested Persons Connected</i> DKS and Chang Hai Xin (spouse of DKS) ⁽²⁾	37	20	120
				Subtotal	811	110	1,570
(iv)	MRSB	MIE	Purchase of bakery raw materials and bakery production equipment and machineries by MRSB from MIE	<i>Interested Person Connected</i> MIE ⁽³⁾	15,513	800	7,000

*The Percentage Ratio for the actual value transacted up to the LPD in all the items above are less than 5% (based on the effective holding interest of 51% in MRSB).

Notes:

- * The estimated values as set out above are based on Management's estimates of the value of transactions to be undertaken for the period from the forthcoming AGM to the next AGM. However, the value of transactions may be subject to change. Disclosure will be made in the Annual Report of the Company for the FYE 31 October 2020 of the actual breakdown of the aggregate value of transactions made as required under Paragraph 3.1.5 of Practice Note 12 of the Listing Requirements.
- (1) DTG is sole proprietor of Fruitty Candy Floss. DTG is also a shareholder of the Company and brother of the Executive Directors and Major Shareholders of the Company namely DTH, DTL and DTW.
- (2) Med Doc Clinic & Surgery is owned by Chang Hai Xin, the spouse of DKS. DKS is the son of DTH and nephew of DTL and DTW. DTH, DTL and DTW are brothers.
- (3) MIE is a major shareholder of MRA, holding 20.5% of the shares in MRA. MRA is holding a 49% equity interest in MRSB.

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2.5 Amount Due and Owing to Mynews Group by Related Parties

As at LPD, there is no amount due or owing to Mynews Group by its Related Parties which exceeded the credit term. As such, the disclosures as required under Paragraphs 16A and 16B in Annexure PN12-A of the Listing Requirements are not applicable.

2.6 Review Procedures for the RRPTs

Mynews has in place the following internal control procedures to ensure that transactions with Related Parties are undertaken on transaction prices and terms which are not more favourable to the Related Parties than those generally available to the public, conducted at arm's length basis and are based on normal commercial terms consistent with Mynews Group's usual business practices and are not detrimental to the interests of its minority shareholders:

- (i) The pricing of transactions with a Related Party will take into account the pricing, prevailing market prices, quality of products, level of service provided, amenities offered and other related factors. The final pricing of transactions with a Related Party shall not be at terms more favourable to the Related Party than the prevailing market practices;
- (ii) All transactions entered/to be entered into pursuant to the Proposed Shareholders' Mandate have been/will be tabled to the AC on a quarterly basis for its review. In its review of such transactions, the AC may, as it deems fit, request for additional information pertaining to the transactions from independent sources;
- (iii) Records will be maintained by the Group to capture all RRPTs entered into pursuant to the Proposed Shareholders' Mandate to ensure that relevant approvals have been obtained and review procedures in respect of such transactions are adhered to;
- (iv) The AC shall continuously review, on a quarterly basis, including the internal audit reports pertaining to the RRPTs to ascertain that the internal control procedures established to monitor the RRPTs have been complied with;
- (v) Where any of the Directors of the Company has an interest (whether direct or indirect) in any particular RRPT, such Director(s) shall abstain from all deliberations and voting on that matter in the Board's deliberations of such transaction. Where any member of the AC is interested in any particular RRPT, that member shall abstain from deliberations and voting on any matter relating to any decisions to be taken by the AC with respect to such transaction;
- (vi) Immediate announcement will be made when the actual amount of a RRPT exceeds the estimated value of the RRPT disclosed in the Circular by 10% or more;
- (vii) Disclosure will be made in the Annual Report of the Company of the breakdown of the aggregate value of transactions conducted pursuant to the Proposed Shareholders' Mandate; and
- (viii) 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 could not be obtained, the transaction prices will be determined by Mynews Group based on usual business practice and on terms which are generally in line with industries norms to ensure that the RRPTs are not detrimental to Mynews Group. All RRPTs within Mynews Group have to be tabled to the AC for review and consideration before recommending the same to the Board for approval.

2.7 Statement by the Audit Committee

The AC has reviewed the procedures set out in Section 2.6 above and is of the view that the review procedures for RRPTs are sufficient to ensure that the RRPTs will be entered into at arm's length and in accordance with Mynews Group's normal commercial terms, and on transaction prices and terms which are not more favourable to the Related Parties than those generally available to the public, and hence, will not be detrimental to our minority shareholders.

The AC is satisfied that Mynews Group has in place adequate procedures and processes to monitor, track and identify RRPTs in a timely and orderly manner, and the review of these procedures and processes will be conducted on an annual basis.

2.8 Guidelines on Thresholds of Authority

There are no specific thresholds for approval of RRPTs within the Mynews Group as all RRPTs are subject to the review of the AC and approval of the Board.

2.9 Rationale and Benefits of the Proposed Shareholders' Mandate

The RRPTs that are set out in Section 2.4 of this Circular are all in the ordinary course of business and intended to meet the business needs of Mynews Group on the best possible terms and represent sound business decisions which are taken for legitimate and bona fide business purposes which will enhance Mynews Group's ability to explore beneficial business opportunities. The rationale are as follows:

- (i) Mynews Group purchases candies from Fruitty Candy Floss for resale at Mynews' outlets. DTG is a sole proprietor of Fruitty Candy Floss, a shareholder of the Company and brother of the Executive Directors and Major Shareholders of the Company namely DTH, DTL and DTW.
- (ii) MRetailSB receives advertising and promotion income from Fruitty Candy Floss as backend support as it does from certain other suppliers too.
- (iii) Medical services provided to Mynews' employees by Med Doc Clinic & Surgery which is owned by the spouse of DKS. DKS is the son of DTH and nephew of DTL and DTW.
- (iv) MRSB purchases bakery raw materials and bakery production equipment and machineries from MIE for the production of bakery products for sale at Mynews' outlets.

MRSB is a 51% owned by MFSB, a wholly owned subsidiary of Mynews and 49% by MRA. MIE is a major shareholder which owns 20.5% equity interest in MRA.

The principal activity of MRSB is to produce bakery products for sale at Mynews' retail outlets. MIE, a Person Connected with a major shareholder of MRSB is a wholesaler of baking ingredients and a key supplier of baking equipment and machineries.

The Proposed Shareholders' Mandate, if approved by the shareholders, will eliminate the need to make announcements to Bursa Malaysia or to convene separate general meetings from time to time to seek shareholders' approval as and when RRPTs with the specified classes of Related Parties arise. This will reduce substantially the expenses associated with the convening of general meetings on an ad hoc basis, improve administrative efficiency considerably and allow manpower resources and time to be focused on attaining Mynews Group's corporate objectives and business opportunities.

The Proposed Shareholders' Mandate, is intended to facilitate RRPTs entered into in the ordinary course of business of Mynews Group which are transacted from time to time with the Related Parties at arm's length, on Mynews Group's normal commercial terms and transaction prices which are not more favourable to the Related Parties than those generally available to the public and are not detrimental to the minority shareholders of the Company.

3.0 EFFECT OF THE PROPOSED SHAREHOLDERS' MANDATE

The Proposed Shareholders' Mandate does not have any effect on Mynews' issued and paid-up share capital and its major shareholders' shareholding in Mynews, and is not expected to have any material effect on the earnings per share, net assets per share and gearing of the Group.

However, as it is in relation to RRPTs which are of a revenue or trading nature and which form an integral part of the Group's day-to-day operations and therefore they will contribute to Mynews' financial performance.

4.0 INTERESTS OF THE DIRECTORS, MAJOR SHAREHOLDERS AND/OR PERSONS CONNECTED TO THEM

Save as disclosed in this Circular and below, none of the other Directors or Major Shareholders of Mynews and/or Persons Connected to them has any interest, direct or indirect, in the Proposed Shareholders' Mandate:

Interested Directors/ Major Shareholders/ Persons Connected	Shareholdings as at LPD			
	Direct		Indirect	
	No. of Shares	%	No. of Shares	%
Directors of Mynews⁽¹⁾				
DTL	-	-	395,498,200 ⁽⁵⁾	57.978
DTW	-	-	395,498,200 ⁽⁵⁾	57.978
DTH	-	-	395,498,200 ⁽⁵⁾	57.978
Major Shareholder				
D&D Consolidated Sdn Bhd	391,777,000	57.43		
Persons Connected				
DTG ⁽²⁾	9,178,000	1.35	-	-
DTK ⁽³⁾	22,510,000	3.30	-	-
Red Orchid Sdn Bhd ⁽⁴⁾	3,721,200	0.55	-	-
DKS	-	-	395,498,200 ⁽⁶⁾	57.978
MIE	-	-	-	-

Notes:-

- (1) *Deemed interested by virtue of their substantial shareholdings in D&D Consolidated Sdn Bhd and their parent's shareholding in Red Orchid Sdn Bhd (formerly known as Evertop Cleaners Sdn Bhd) pursuant to Section 8(4) of the Act.*
- (2) *DTG (brother of DTL, DTW & DTH) is a person connected to Directors of Mynews.*
- (3) *DTK (brother of DTL, DTW & DTH) is a person connected to Directors of Mynews.*
- (4) *Red Orchid Sdn Bhd is deemed a person connected to Directors as the sole shareholder of Red Orchid Sdn Bhd is Madam Ooi Chai Ing (mother of DTL, DTH and DTW).*
- (5) *The 395,498,200 Mynews Shares are held as follows:-*
 - (i) *353,777,000 Mynews shares are registered in the name of Cimsec Nominees (Tempatan) Sdn Bhd – CIMB for D&D Consolidated Sdn Bhd (PB). DTL, DTW and DTH are deemed interested by virtue of their shareholdings in D&D Consolidated Sdn Bhd.*
 - (ii) *20,000,000 Mynews shares are registered in the name of Cimsec Nominees (Tempatan) Sdn Bhd – CIMB for D&D Consolidated Sdn Bhd. DTL, DTW and DTH are deemed interested by virtue of their shareholdings in D&D Consolidated Sdn Bhd.*
 - (iii) *CGS – CIMB Nominees (Tempatan) Sdn Bhd – Pledged Securities Account for D&D Consolidated Sdn Bhd. DTL, DTW and DTH are deemed interested by virtue of their shareholdings in D&D Consolidated Sdn Bhd.*
 - (iv) *3,721,200 Mynews shares are registered in the name of Red Orchid Sdn Bhd (formerly known as Evertop Cleaners Sdn Bhd). DTL, DTW & DTH are deemed interested as Ooi Chai Ing (mother of DTL, DTH and DTW) is the sole shareholder in Red Orchid Sdn Bhd.*
- (6) *DKS is deemed interested by virtue of his father's (DTH) shareholdings in D&D Consolidated Sdn Bhd and deemed interest in Red Orchid Sdn Bhd (formerly known as Evertop Cleaners Sdn Bhd).*

The interested Directors of Mynews have accordingly abstained and will continue to abstain from all Board deliberations and voting in relation to the RRPTs set out in Section 2.4 (i), (ii) & (iii) of this Circular at the Board Meetings.

The Interested Directors, Interested Major Shareholders and/or Persons Connected to them will abstain from voting on the resolution involving their direct and indirect shareholdings (if any) in respect of the Proposed Shareholders' Mandate at the forthcoming 7th AGM.

In addition, the Interested Directors and/or Interested Major Shareholders, have undertaken that they will ensure that Persons Connected to them abstain from voting on the resolution pertaining to the Proposed Shareholders' Mandate at the forthcoming 7th AGM.

5.0 APPROVALS REQUIRED

The Proposed Shareholders' Mandate is subject to the approval of the shareholders of Mynews at the forthcoming AGM to be convened.

6.0 DIRECTORS' RECOMMENDATION

The Interested Directors, namely DTL, DTW and DTH, have refrained from forming an opinion on the RRPTs as set out in Section 2.4 (i), (ii) & (iii) of this Circular and making any recommendation in respect thereof.

The Board (save for Interested Directors) having considered all respects of the Proposed Shareholders' Mandate, is of the opinion that it is in the best interest of the Company and accordingly recommends that the shareholders of Mynews vote in favour of the ordinary resolutions in respect of the Proposed Shareholders' Mandate to be tabled at the forthcoming AGM.

Yours faithfully,
For and on behalf of the Board of Directors
MYNEWS HOLDINGS BERHAD

DING LIEN BING

Chairman / Independent Non-Executive Director

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FURTHER INFORMATION

1.0 DIRECTORS' RESPONSIBILITY STATEMENT

This Circular has been reviewed and approved by the Directors of Mynews and they individually and collectively accept full responsibility for the accuracy of the information given and confirm that, after having made 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 in this Circular misleading.

2.0 MATERIAL LITIGATION

As at the LPD, Mynews Group is not engaged in any material litigation, claims or arbitration, either as plaintiff or defendant, and to the best of the Board's knowledge and belief, the Board is not aware of any proceedings, pending or threatened against the Group or of any facts likely to give rise to any proceeding which may materially and adversely affect the financial position or business of the Group.

3.0 MATERIAL CONTRACTS

As at the LPD, the Group has not entered into any material contracts (not being contracts entered into in the ordinary course of business) within the 2 years immediately prior to the date of the Circular.

4.0 DOCUMENTS FOR INSPECTION

Copies of the following documents will be available for inspection at the Registered Office of Mynews at Lot No. 3, Jalan Teknologi 3/1, Taman Sains Selangor 1, Seksyen 3, PJU 5, Kota Damansara, 47810 Petaling Jaya, Selangor Darul Ehsan, Malaysia, during normal business hours on any working days from the date of this Circular to the date of the AGM:

- (a) Constitution of Mynews; and
- (b) Audited consolidated financial statements of Mynews for the past two (2) financial years ended 31 October 2018 and 31 October 2019.

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EXTRACT OF NOTICE OF THE 7th ANNUAL GENERAL MEETING

7. To consider and, if thought fit, with or without any modifications, to pass the following Ordinary Resolutions:

7.1 PROPOSED NEW SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE AS SET OUT IN SECTION 2.4 (i), (ii) & (iii) OF THE CIRCULAR TO SHAREHOLDERS DATED 25 FEBRUARY 2020 (Ordinary Resolution 7)

“THAT, subject to the provision of the Listing Requirements of Bursa Malaysia Securities Berhad, approval be and is hereby given to Mynews Holdings Berhad and its subsidiaries (**“Mynews Group”**) to enter into and to give effect to specified recurrent related party transactions of a revenue or trading nature with the Related Parties as set out in Section 2.4 **(i), (ii) & (iii)** of the Circular to Shareholders dated 25 February 2020 which are necessary for its day-to-day operations, to be entered into by Mynews Group on the basis that these transactions are entered into on transaction prices and terms which are not more favourable to the Related Parties than generally available to the public and are not detrimental to the minority shareholders of the Company;

THAT the Proposed New Shareholders' Mandate is subject to annual renewal, **AND THAT** any authority conferred by the Proposed New Shareholders' Mandate, shall only continue to be in force until:

- (i) the conclusion of the next annual general meeting (“AGM”) of the Company following the general meeting at which the Proposed New Shareholders' Mandate was passed, at which time it will lapse, unless by a resolution passed at the general meeting, the authority is renewed; or
- (ii) the expiration of the period within which the AGM after that date is required to be held pursuant to Section 340(2) of the Companies Act 2016 (but must not extend to such extension as may be allowed pursuant to Section 340(4) of the Companies Act 2016); or
- (iii) revoked or varied by resolution passed by the shareholders of the Company in general meeting,

whichever is the earliest;

AND FURTHER THAT the Directors and/or any of them 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 Proposed New Shareholders' Mandate.”

EXTRACT OF NOTICE OF THE 7th ANNUAL GENERAL MEETING

7. To consider and, if thought fit, with or without any modifications, to pass the following Ordinary Resolutions (cont'd):

7.2 PROPOSED NEW SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE AS SET OUT IN SECTION 2.4 (iv) OF THE CIRCULAR TO SHAREHOLDERS DATED 25 FEBRUARY 2020

(Ordinary Resolution 8)

“THAT, subject to the provision of the Listing Requirements of Bursa Malaysia Securities Berhad, approval be and is hereby given to Mynews Holdings Berhad and its subsidiaries (**“Mynews Group”**) to enter into and to give effect to specified recurrent related party transactions of a revenue or trading nature with the Related Parties as set out in Section 2.4 (iv) of the Circular to Shareholders dated 25 February 2020 which are necessary for its day-to-day operations, to be entered into by Mynews Group on the basis that these transactions are entered into on transaction prices and terms which are not more favourable to the Related Parties than generally available to the public and are not detrimental to the minority shareholders of the Company;

THAT the Proposed New Shareholders' Mandate is subject to annual renewal, **AND THAT** any authority conferred by the Proposed New Shareholders' Mandate, shall only continue to be in force until:

- (i) the conclusion of the next annual general meeting (“AGM”) of the Company following the general meeting at which the Proposed New Shareholders' Mandate was passed, at which time it will lapse, unless by a resolution passed at the general meeting, the authority is renewed; or
- (ii) the expiration of the period within which the AGM after that date is required to be held pursuant to Section 340(2) of the Companies Act 2016 (but must not extend to such extension as may be allowed pursuant to Section 340(4) of the Companies Act 2016); or
- (iii) revoked or varied by resolution passed by the shareholders of the Company in general meeting,

whichever is the earliest;

AND FURTHER THAT the Directors and/or any of them 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 Proposed New Shareholders' Mandate.”