

THIS STATEMENT 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, solicitor, accountant, bank manager or other professional adviser immediately.

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WMG HOLDINGS BHD

(Company No. 1166985-X)

(Incorporated in Malaysia under the Companies Act 2016)

CIRCULAR TO SHAREHOLDERS

in relation to

PART A

**PROPOSED RATIFICATION AND PROPOSED NEW SHAREHOLDERS' MANDATE
FOR RECURRENT RELATED PARTIES TRANSACTIONS
OF A REVENUE OR TRADING NATURE**

PART B

PROPOSED AMENDMENTS TO THE CONSTITUTION OF THE COMPANY

The resolutions in respect of the above proposals have been included in the Notice of the Third Annual General Meeting of WMG HOLDINGS BHD. The Third Annual General Meeting will be held at Grand Ballroom, Hotel Sandakan, 4th Avenue, 90000 Sandakan, Sabah on Friday, 25 May 2018 at 11.00 a.m and you are requested to complete the enclosed Form of Proxy and deposit it at the Company's Registered Office situated at Wisma WMG, Lot 1 & 2, Jalan Indah Jaya, Taman Indah Jaya, Jalan Lintas Selatan, 90000 Sandakan, Sabah on or before the time and date indicated below should you be unable to attend the Third Annual General Meeting.

Last day and time for lodging the Form of Proxy : 23 May 2018 at 11.00 a.m.

Date and time of the Annual General Meeting : 25 May 2018 at 11.00 a.m.

This Circular is dated 30 April 2018

DEFINITIONS

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

“Act”	:	The Companies Act 2016 as amended from time to time and any re-enactment thereof
“AGM”	:	Annual General Meeting
“Board”	:	Board of Directors of WMG
“Bursa Securities”	:	Bursa Malaysia Securities Berhad
“Director”	:	Shall have the same meaning given in Section 2 of the Act and includes any person who is or was within the preceding six (6) months of the date on which the terms of the transaction were agreed upon, a Director of the Company or any other company which is its subsidiary or holding company or a Chief Executive Officer of the Company, its subsidiary or holding company
“EPS”	:	Earnings per share
“Listing Requirements”	:	Listing Requirements of Bursa Securities
“LPD”	:	31 March 2018, being the latest practicable date prior to the issuance of this Circular
“Major Shareholder”	:	A person who has an interest or interests in one or more voting shares in a company and the number, or the aggregate number of such shares, is :- (a) equal to or more than 10% of the total number of all the voting shares in the company; or (b) equal to or more than 5% of the total number of all the voting shares in the company where such person is the largest shareholder of the company.

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

“NA”	:	Net assets
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DEFINITIONS (cont'd)

- “Person Connected”** : In relation to a Director or a Major Shareholder, means such person who falls under any one of the following categories :-
- (a) a member of the Director’s or Major Shareholder’s family, which family shall have the meaning given in Section 197 of the Act;
 - (b) a trustee of a trust (other than a trustee for an employee share scheme or pension scheme) under which the Director, Major Shareholder or a member of the Director’s or Major Shareholder’s family is the sole beneficiary;
 - (c) a partner of the Director, Major Shareholder or a partner of a person connected with that Director or major shareholder;
 - (d) a person who is accustomed or under an obligation, whether formal or informal, to act in accordance with the directions, instructions or wishes of the Director or Major Shareholder;
 - (e) a person in accordance with whose directions, instructions or wishes the Director or major shareholder is accustomed or is under an obligation, whether formal or informal, to act;
 - (f) a body corporate or its Directors which/who is/are accustomed or under an obligation, whether formal or informal, to act in accordance with the directions, instructions or wishes of the Director or Major Shareholder;
 - (g) a body corporate or its Directors whose directions, instructions or wishes the Director or major shareholder is accustomed or under an obligation, whether formal or informal, to act;
 - (h) a body corporate in which the Director, Major Shareholder and/or persons connected with him 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
 - (i) a body corporate which is a related corporation
- “Proposed Amendments”** : Proposed amendments to the Constitution of the Company in line with the amendments to the Main Market Listing Requirements
- “Proposed New Shareholders’ Mandate”** : Proposed new shareholders’ mandate for recurrent Related Parties transactions of a revenue or trading nature for the period from 25 May 2018 to 30 June 2019

DEFINITIONS (cont'd)

- “Proposed Ratification”** : Proposed ratification of the recurrent Related Parties transactions of a revenue for the period from 31 July 2017 (date of listing) to 25 May 2018
- “Proposed Shareholders’ Mandate”** : Proposed ratification of the recurrent Related Parties transactions of a revenue or trading nature and proposed new shareholders’ mandate for recurrent Related Parties transactions of a revenue or trading nature
- “Recurrent Related Parties Transaction” or “RRPT”** : Transactions entered into by the Company and/or its subsidiary companies involving the interest, direct or indirect, of related parties involving recurrent transactions of a revenue or trading nature which are necessary for the day-to-day operations and are in the ordinary course of business of the Group
- “Related Parties(ies)”** : A Director, Chief Executive Officer, Major Shareholder or person connected with such Director, Chief Executive Officer or Major Shareholder. For the purpose of this definition, “Director”, “Chief Executive Officer” and “Major Shareholder” shall have the meaning given in paragraph 10.02 of the Listing Requirements.
- “RM” or “Sen”** : Ringgit Malaysia and sen, respectively
- “Share(s)” or “WMG Share(s)”** : Ordinary Shares of WMG
- “WMG” or “Company”** : WMG HOLDINGS BHD (1166985-X)
- “WMG Group” or the “Group”** : WMG and its group of subsidiaries

Words importing the singular shall, where applicable, include the plural and vice versa and words importing the masculine gender shall, where applicable, include the feminine and neuter genders and vice versa. Reference to persons shall include corporation, 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 a Malaysian time, unless otherwise stated.

PART A

**PROPOSED RATIFICATION AND PROPOSED NEW SHAREHOLDERS' MANDATE
FOR RECURRENT RELATED PARTIES TRANSACTIONS
OF A REVENUE OR TRADING NATURE**

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WMG HOLDINGS BHD
(Company No. 1166985-X)
(Incorporated in Malaysia under the Companies Act 2016)

Registered Office:-

Wisma WMG, Lot 1 & 2
Jalan Indah Jaya
Taman Indah Jaya
Jalan Lintas Selatan
90000 Sandakan, Sabah

30 April 2018

Directors:-

Datuk Eric Usip Juin - Chairman / Senior Independent Non-Executive Director
Quek Siew Hau - Managing Director
Lim Ted Hing - Executive Director
Seah Sen Onn @ David Seah - Executive Director
Fong Kin Wui - Executive Director
Chan Ka Tsung - Executive Director
Tan Kung Ming - Independent Non-Executive Director
Hajah Shakinur Ain Binti Hj Karama - Independent Non-Executive Director

To: The Shareholders of WMG

Dear Sir/Madam,

**PROPOSED RATIFICATION AND PROPOSED NEW SHAREHOLDERS' MANDATE FOR
RECURRENT RELATED PARTIES TRANSACTIONS OF A REVENUE OR TRADING
NATURE**

1. INTRODUCTION

On 12 July 2017, WMG obtained the approval of Bursa Securities for an extension of time from the date of listing, i.e. 31 July 2017 ("Listing") until the forthcoming Annual General Meeting to be held on 25 May 2018 to procure shareholders' ratification for recurrent Related Parties transactions of a revenue or trading nature to be entered into by WMG and its subsidiaries from the Listing until the date of the first AGM after the Listing pursuant to Paragraph 10.09(2) of the Main Market Listing Requirements.

On 19 April 2018, the Board of Directors of the Company announced that WMG proposes to seek approval for the Proposed Ratification and Proposed New Shareholders' Mandate for RRPT at the forthcoming AGM to be convened ("Proposed Shareholders' Mandate").

The purpose of this Circular is to provide you with the relevant details of the Proposed Shareholders' Mandate and to seek your approval for the ordinary resolution therein to be tabled at the forthcoming AGM, which will be convened at Grand Ballroom, Hotel Sandakan, 4th Avenue, 90000 Sandakan, Sabah on Friday, 25 May 2018 at 11.00 a.m

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

2. DETAILS OF THE PROPOSED SHAREHOLDERS' MANDATE

2.1 Provision under the Listing Requirements

Paragraph 10.09 of the Listing Requirements allows the Company to seek a shareholders' mandate in respect of RRPT subject to the following :-

- (a) the transactions are in the ordinary course of business and are on terms not more favourable to the Related Parties than those generally available to the public and not to the detriment of minority shareholders;
- (b) the shareholders' mandate is subject to annual renewal and disclosure is made in the annual report of the aggregate value of transactions conducted pursuant to the shareholders' mandate during the financial year.
- (c) the issuance of a circular to shareholders by the listed issuer containing information as specified in the Listing Requirements; and
- (d) in a meeting to obtain the shareholders' mandate, the interested Director(s), interested Major Shareholder(s) and interested person(s) connected with the Director(s) or Major Shareholder(s); and where it involves the interest of an interested person connected with the Director or Major Shareholders, 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.

Accordingly, your Board proposes to seek the shareholders' approval for the Proposed Ratification and Proposed New Shareholders' Mandate that will allow the WMG Group, in the normal course of business, to enter into the RRPT referred to in Section 2.3 with the Related Parties, provided that such transactions are made at arm's length, on the WMG Group's normal commercial terms and on terms not more favourable to the Related Parties than those generally available to the public and employees of the WMG Group which will not be to the detriment of the minority shareholders. The RRPT will also be subject to the review procedures set out in Section 2.4 below.

The Proposed Shareholders' Mandate will, if approved by shareholders at the forthcoming AGM, be subject to annual renewal. In this respect, any authority conferred by the Proposed Shareholders' Mandate shall only continue to be in force until:-

- (a) the conclusion of the next AGM of the Company following the general meeting at which such Proposed Shareholders' Mandate was passed, at which time it will lapse, unless by a resolution passed at the AGM, 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 shall not extend to such extension as may be allowed pursuant to Section 340 (4) of the Act); or
- (c) revoked or varied by resolution passed by the shareholders of the Company in general meeting.

whichever is earlier.

2.2 Principal Activities

WMG is principally an investment holding company and is also engaged in the provision of administrative and management services to its subsidiaries. The principal activities of its active subsidiaries (engaging in the Group's core business) are as follows:-

Subsidiary Companies	Principal Activities	Effective Equity interest (%)
Ritai Sdn Bhd	Investment holding	100
Wah Mie Realty Sdn Bhd	Property development and investment holding	100
Asterasia Sdn Bhd	Property development	100
Wilakaya Sdn Bhd	Property development	100
Ramindah Sdn Bhd	Property development	100
Wah Mie Trading Sdn Bhd	Wholesaling and retailing of hardware, building materials and related goods	100
Prosper Entity Sdn Bhd	Property development and wholesaling and retailing of hardware, building materials and related goods	100
WM Property Management Sdn Bhd	Provision of business management services	100
Tekala Corporation Berhad	Investment holding	100
Syarikat Tekala Sdn Bhd	Provision of corporate services	100
Syarikat Far East Development Sdn Bhd	Property development	100
Velda Development Sdn Bhd	Property development	100
H. W. E. Sdn Bhd	Property development	100

2.3 Classes and Nature of RRPT

2.3.1 Classes of Related Parties

The Proposed Shareholders' Mandate would apply to transactions with Related Parties comprising Directors and/or Major Shareholders of WMG and/or persons connected with such Directors and/or Major Shareholders and includes any person who is or was within the preceding six (6) months of the date on which the terms of the transactions were agreed upon, a Director or Major Shareholder of WMG or any other company which is its subsidiary.

The details of the direct and indirect interests of the Directors and Major Shareholders and Persons Connected with them are indicated in Section 7 below.

2.3.2 Nature of Recurrent Related Parties Transactions

The types of Recurrent Related Parties Transactions which are to be covered by the Proposed Ratification and Proposed New Shareholders' Mandate and the estimated value of the Recurrent Related Parties Transactions are disclosed in the following table:-

Company in WMG Group	Transacting Parties	Nature of relationship of related parties	Nature of Transaction	(i) Actual value from Listing to LPD (RM'000)	(ii) Estimated value from Listing to 25.5.2018 (RM'000)	(iii) Estimated value from 25.5.2018 to next AGM
Asterasia Sdn Bhd	Quek Siew Hau	Director and substantial shareholder of WMG	Sale of commercial properties by Asterasia Sdn Bhd	91	91	-
	Quek Siew Wah	Quek Siew Wah is brother of WMG Director, Quek Siew Hau.		242	242	-
	Quek Chiow Yong Sdn Bhd (QCYSB)	QCYSB is a person connected to WMG Director, Quek Siew Hau.		38	38	-
	Intracell Sdn Bhd (ISB)	ISB is a person connected to WMG Director, Quek Siew Hau.		118	118	-
	Fong Tham Hing Enterprise Sdn Bhd (FTHESEB)	FTHESEB is a person connected to WMG Director, Fong Kin Wui.		109	109	-
	Syarikat Kretam Sdn Bhd (SKSB)	SKSB is a person connected to WMG Director, Seah Sen Onn @ David Seah.		384	384	-
	Lim Ted Hing	Director and substantial shareholder of WMG.		147	229	1,075
Wah Mie Realty Sdn Bhd	Chan Ka Fatt	Chan Ka Fatt is brother of WMG Director, Chan Ka Tsung.	Sale of residential properties by Wah Mie Realty Sdn Bhd			

Note: The aggregate of the columns (i) and (ii) does not exceed 10% of any one of the percentage ratios. The sale of commercial and residential properties to the Transacting Parties were at discounts that range from 5% to 20% of the published selling prices, which were also available to the public.

The types of Recurrent Related Parties Transactions contemplated under the Proposed New Shareholders' Mandate and the estimated value of the Recurrent Related Parties Transactions are as follows:-

Transacting company within the Group	Transacting Related Party	Nature of transaction	Interested Director, Major Shareholder and/or Persons Connected with them	Proposed New Shareholders' Mandate Estimated aggregate value of transaction from 25.5.2018 to next AGM
The Group	Interested Executive Directors and/or Major Shareholders of the Group and Persons Connected with them ⁽ⁱ⁾	Purchase of development properties and land or land-based properties from the Group in the ordinary course of business of not more than 10% of any one of the percentage ratios as defined in the Listing Requirements	Executive Directors and/or Major Shareholders of the Group and Persons Connected with them ⁽ⁱ⁾	(ii)

Notes:

- (i) The Executive Directors, Major Shareholders and/or Persons Connected with them who would be purchasing the properties from the Group could not be ascertained as at the date of this Circular.
- (ii) Estimates of the value of this category of transactions cannot be ascertained given the various types of properties sold by the Group in the ordinary course of business, the prices of which vary from project to project. However, in accordance with Paragraph 3.3(a) of Practice Note 12 of the Listing Requirements, the value of such transactions shall not exceed 10% of any one of the percentage ratios.

2.4 Review Methods or Procedures of RRPT

2.4.1 Review Methods or Procedures

WMG has adopted various methods to ensure that RRPTs are conducted on normal commercial terms, which are consistent with WMG Group's normal business practices and policies, and are undertaken on transaction prices and terms not more favorable to the related parties than those generally available to the public and are not to the detriment of our minority shareholders. Such methods include our review and disclosure procedures as follows:

- (a) A list of companies connected to the related parties is circulated within the Group and all related parties are notified that all Related Parties transactions are required to be undertaken on arm's length basis and on normal commercial terms and are on terms not more favourable to the Related Parties than those generally available to the public and are not detrimental to our minority shareholders;
- (b) Records are maintained by the Company to capture all Related Parties transactions;
- (c) The annual internal audit plan incorporates a review of all Related Parties transactions entered into to ensure that relevant approvals have been obtained and review procedures in respect of such transactions are adhered to;
- (d) The Audit Committee reviews the annual internal audit reports to ascertain that the procedures established to monitor Related Parties transactions have been complied with;
- (e) Our Board and Audit Committee have the overall responsibility of determining whether the procedures for reviewing all Related Parties transactions are appropriate. If a member of our Board or Audit Committee has an interest, as the case may be, he will abstain from any decision making by our Board or Audit Committee in respect of the said transaction; and
- (f) The thresholds for the approval of RRPT are:
 - a) Mandated RRPT

Individual transactions are approved by the Executive Director who is not connected to the Related Parties

- b) New RRPT
 - i) Transactions (singly or in aggregation) up to RM1.5 million per annum will be reviewed and approved by the Executive Director who is not connected to the Related Parties.
 - ii) Transactions (singly or in aggregation) exceeding RM1.5 million per annum will be reviewed by the Audit Committee and approved by the Board of Directors.
- (g) Whenever practicable and/or possible, at least two (2) other contemporaneous transactions with unrelated third parties for similar products/services and/or quantities, will be used as comparison 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. Nonetheless, in the event that such quotation or comparative pricing from unrelated third parties cannot be obtained, the transactions prices will be based on the usual business practices of the Group to ensure that the RRPTs are not detrimental to the WMG Group;
- (h) Disclosure will be made in the annual report of the Company in respect of the breakdown of the annual aggregate value of RRPTs conducted based on the type of RRPTs made, the names of the related parties involved in each type of RRPT and the nature of relationship with them during the financial year and for subsequent financial years.

The Board and the Audit Committee have reviewed the procedures and shall continue to review the procedures as and when required, with the authority to sub-delegate the review process to individuals or committees within the WMG Group as they deem appropriate.

2.4.2 Abstention From Voting

Categories of persons who will abstain from voting are as follows:-

- (a) Any interested Director(s);
- (b) Any interested Major Shareholder(s);
- (c) Any person(s) connected to the interested Director(s) or interested Major Shareholder(s).
- (d) Any Director(s) or Major Shareholder(s) whose person(s) connected is/are interested in the RRPT.

2.4.3 Amount owing by Related Parties

There are no sums due and owing by the Related Parties which have exceeded the credit term as at the year ended 31 December 2017.

3. AUDIT COMMITTEE STATEMENT

The Audit Committee of the Company has seen and reviewed the procedures set out in Section 2.4 above and is of the view that the said procedures are sufficient to ensure that RRPT are not more favourable to the Related Parties than those generally available to the public and will be made at arm's length and in accordance with the Group's normal commercial terms, and hence, will not be detrimental to minority shareholders or disadvantageous to the Group.

The Audit Committee further affirms that the Group has in place adequate processes and procedures to identify, evaluate, monitor, track, report, approve and disclose recurrent Related Parties transactions accurately and completely, in a timely and orderly manner. Such processes and procedures are reviewed by the Audit Committee on a quarterly basis. Prior to WMG or its subsidiary companies entering into such transactions, all RRPTs are reviewed by the Audit Committee after taking into consideration of Management's representation on the terms, pricing and other criteria of the RRPTs. Reviews and recommendations by the Audit Committee are reported to the WMG's Board.

4. RATIONALE AND BENEFITS OF THE PROPOSED SHAREHOLDERS' MANDATE

The RRPT entered into by the WMG Group with the Related Parties are in the ordinary course of business and are necessary for its day-to-day operations. The RRPT are recurring transactions of a revenue or trading nature which are likely to occur with some degree of frequency and arise at any time and from time to time.

With the approval on the Proposed Ratification and Proposed New Shareholders' Mandate and the renewal of the same on an annual basis, it would eliminate the need to convene separate general meetings from time to time to seek shareholders' approval as and when potential RRPT with Related Parties arise; thereby reducing substantially administrative time, inconvenience and expenses associated with the convening of such meetings, without compromising the corporate objectives of the Group or adversely affecting the business opportunities available to the Group. With the Proposed Ratification and Proposed New Shareholders' Mandate, WMG will be able to enter into (or amend the terms of existing) transactions which are deemed as RRPT without prior approval of the shareholders of the Company.

5. APPROVALS REQUIRED

The Proposed Ratification and Proposed New Shareholders' Mandate is subject to the approval being obtained from the shareholders of the Company at the forthcoming AGM to be convened.

6. FINANCIAL EFFECTS

The Proposed Ratification and Proposed New Shareholders' Mandate, if obtained at the AGM, will not have any effect on the EPS and NA per share at the WMG Group level, issued share capital, substantial shareholding and dividend rate of the Company. The recurrent Related Parties transactions are nonetheless, anticipated to contribute positively to the future earnings of WMG Group.

7. DIRECTORS' AND MAJOR SHAREHOLDERS' INTERESTS

The direct and indirect interests of the interested Executive Directors, interested Major Shareholders and interested Persons Connected with them as at 31 March 2018 are as follows:-

Name	<---Direct interest--->		<----Indirect Interest-->	
	No. of Shares	%	No. of Shares	%
Interested Executive Directors				
Quek Siew Hau	411,620	0.10	251,296,273 ¹	58.97
Lim Ted Hing	2,275,763	0.53	240,000,020 ²	56.32
Fong Kin Wui	2,255,406	0.53	241,289,553 ³	56.62
Seah Sen Onn @ David Seah	3,709,104	0.87	240,000,020 ²	56.32
Chan Ka Tsung	-	-	240,000,020 ²	56.32
Interested Major Shareholder				
Syarikat Kretam (Far East) Holdings Sdn Bhd	240,000,020	56.32	-	-
Real Paradigm Sdn Bhd	-	-	240,000,020 ⁴	56.32
Quek Chiow Yong Holdings Sdn Bhd	11,296,253	2.65	240,000,020	56.32
Quek Siew Hau	411,620	0.10	251,296,273	58.97
Lim Ted Hing	2,275,763	0.53	240,000,020	56.32
Fong Kin Wui	2,255,406	0.53	241,289,553	56.62
Seah Sen Onn @ David Seah	3,709,104	0.87	240,000,020	56.32
Chan Ka Tsung	-	-	240,000,020	56.32

Notes:-

1 Deemed interested through Real Paradigm Sdn Bhd and Quek Chiow Yong Holdings Sdn Bhd.

2 Deemed interested through Real Paradigm Sdn Bhd.

3 Deemed interested through Real Paradigm Sdn Bhd and Fong Tham Hing Enterprise Sdn Bhd.

4 Deemed interested through Syarikat Kretam (Far East) Holdings Sdn Bhd. Real Paradigm is equally owned by the 5 Executive Directors at 20% each namely Quek Siew Hau via Quek Chiow Yong Holdings Sdn Bhd, Lim Ted Hing, Fong Kin Wui, Seah Sen Onn @ David Seah and Chan Ka Tsung.

Person connected to Interested Major Shareholder

Quek Siew Wah (brother of Quek Siew Hau, Interested Executive Director and Major Shareholder)	280,630	0.07	-	-
Chan Ka Fatt (brother of Chan Ka Tsung, Interested Executive Director and Major Shareholder)	51,205	0.01	-	-
Quek Chiow Yong Sdn Bhd (Company controlled by Quek Siew Hau, Interested Executive Director and Major Shareholder)	-	-	-	-
Intracell Sdn Bhd (Company controlled by Quek Siew Hau, Interested Executive Director and Major Shareholder)	-	-	-	-
Fong Tham Hing Enterprise Sdn Bhd (Company controlled by Fong Kin Wui, Interested Executive Director and Major Shareholder)	1,289,533	0.30	-	-
Syarikat Kretam Sdn Bhd (Company controlled by Seah Sen Onn @ David Seah, Interested Executive Director and Major Shareholder)	-	-	-	-

The interested Directors named above, have abstained and will continue to abstain from deliberation and voting at the board meeting of WMG on the resolution which they are interested.

The abovenamed interested Directors and the interested Major Shareholders will abstain from voting in respect of their direct and indirect shareholdings on the resolution which they are interested, and which is to be tabled at the forthcoming AGM. They have also undertaken to ensure that Persons Connected with them will also abstain from voting in respect of their direct and indirect shareholdings on the resolution which they are interested, and which is to be tabled at the forthcoming AGM.

Save as disclosed above, none of the other Directors and/or Major Shareholders of WMG or Persons Connected with them has any interest, directly or indirectly, in the Proposed Shareholders' Mandate.

8. DIRECTORS' RECOMMENDATION

The Board, save and except for the interested Directors named above, who have abstained from deliberation and voting on the resolution pertaining to the Proposed Shareholders' Mandate at the forthcoming AGM, 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 and its shareholders.

Accordingly, the Directors, save and except for the interested Directors named above recommend that you vote in favour of the ordinary resolution pertaining to the Proposed Shareholders' Mandate to be tabled at the forthcoming AGM.

9. AGM

The AGM will be held at Grand Ballroom, Hotel Sandakan, 4th Avenue, 90000 Sandakan, Sabah on Friday, 25 May 2018 at 11.00 a.m for the purpose of considering and if thought fit, passing the ordinary resolution pertaining to the Proposed Shareholders' Mandate.

If you are unable to attend and vote in person at the AGM, you are requested to complete, sign and deposit the Form of Proxy which is enclosed in this Circular, at the Company's Registered Office situated at Wisma WMG, Lot 1 & 2, Jalan Indah Jaya, Taman Indah Jaya, Jalan Lintas Selatan, 90000 Sandakan, Sabah not later than forty-eight hours before the time fixed for the AGM. The lodging of the Form of Proxy will not preclude you from attending and voting in person at the forthcoming AGM should you subsequently wish to do so.

10. FURTHER INFORMATION

Shareholders are requested to refer to the attached Appendix I in this Circular for further information.

Yours faithfully,
For and on behalf of the Board of Directors of
WMG HOLDINGS BHD

Datuk Eric Usip Juin
Chairman/Senior Independent Non-Executive Director

PART B

PROPOSED AMENDMENTS TO THE CONSTITUTION OF THE COMPANY

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LETTER TO THE SHAREHOLDERS OF WMG

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APPENDICES

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WMG HOLDINGS BHD
(Company No. 1166985-X)
(Incorporated in Malaysia under the Companies Act 2016)

Registered Office:-
Wisma WMG, Lot 1 & 2
Jalan Indah Jaya
Taman Indah Jaya
Jalan Lintas Selatan
90000 Sandakan, Sabah

30 April 2018

Directors:-

Datuk Eric Usip Juin - Chairman / Senior Independent Non-Executive Director
Quek Siew Hau- Managing Director
Lim Ted Hing - Executive Director
Seah Sen Onn @ David Seah - Executive Director
Fong Kin Wui - Executive Director
Chan Ka Tsung- Executive Director
Tan Kung Ming - Independent Non-Executive Director
Hajah Shakinur Ain Binti Hj Karama - Independent Non-Executive Director

To: The Shareholders of WMG

Dear Sir/Madam,

PROPOSED AMENDMENTS TO CONSTITUTION OF THE COMPANY

1. INTRODUCTION

On 19 April 2018, the Board of Directors of the Company announced that WMG proposes to seek approval for the proposed amendments to the Constitution of the Company to incorporate the updates that have been made to the Main Market Listing Requirements at the forthcoming AGM to be convened.

The purpose of this Circular is to provide you with the relevant details of the Proposed Amendments and to seek your approval for the ordinary resolution therein to be tabled at the forthcoming AGM, which will be convened at Grand Ballroom, Hotel Sandakan, 4th Avenue, 90000 Sandakan, Sabah on Friday, 25 May 2018 at 11.00 a.m

SHAREHOLDERS OF WMG ARE ADVISED TO READ AND CONSIDER THE CONTENTS OF THIS CIRCULAR CAREFULLY BEFORE VOTING ON THE RESOLUTION PERTAINING TO THE PROPOSED AMENDMENTS AT THE FORTHCOMING AGM.

2. DETAILS OF THE PROPOSED AMENDMENTS

The Proposed Amendments are primarily being proposed to take into account the amendments made by Bursa Securities to the Main Market Listing Requirements that has come into effect on 2 January 2018. Bursa Securities required all listed company to amend their constitution to be in line with the new Listing Requirements by 31 December 2019.

3. APPROVALS REQUIRED

The Proposed Amendments as set out in Appendix II are subject to the approval being obtained from the shareholders of the Company at the forthcoming AGM to be convened.

4. FINANCIAL EFFECTS

The Proposed Amendments will not have any effect on the EPS and NA per share at the WMG Group level, issued share capital, substantial shareholding and dividend rate of the Company.

5. DIRECTORS' AND MAJOR SHAREHOLDERS' INTERESTS

None of the Directors, Major Shareholders or persons connected to them have interest in the Proposed Amendments.

6. DIRECTORS' RECOMMENDATION

The Board recommend that you vote in favour of the special resolution pertaining to the Proposed Amendments to be tabled at the forthcoming AGM.

7. AGM

The AGM will be held at Grand Ballroom, Hotel Sandakan, 4th Avenue, 90000 Sandakan, Sabah on Friday, 25 May 2018 at 11.00 a.m for the purpose of considering and if thought fit, passing the special resolution pertaining to the Proposed Amendments.

If you are unable to attend and vote in person at the AGM, you are requested to complete, sign and deposit the Form of Proxy which is enclosed in this Circular, at the Company's Registered Office situated at Wisma WMG, Lot 1 & 2, Jalan Indah Jaya, Taman Indah Jaya, Jalan Lintas Selatan, 90000 Sandakan, Sabah not later than forty-eight hours before the time fixed for the AGM. The lodging of the Form of Proxy will not preclude you from attending and voting in person at the forthcoming AGM should you subsequently wish to do so.

8. FURTHER INFORMATION

Shareholders are requested to refer to the attached Appendix I in this Circular for further information.

Yours faithfully,
For and on behalf of the Board of Directors of
WMG HOLDINGS BHD

Datuk Eric Usip Juin
Chairman/Senior Independent Non-Executive Director

APPENDIX I: FURTHER INFORMATION

1. RESPONSIBILITY STATEMENT

This Circular has been seen and approved by the Board of Directors of the Company and they collectively and individually accept full responsibility for the accuracy of the information given 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.

2. MATERIAL CONTRACTS

Save as disclosed below, there are no material contracts (including contracts not reduced into writing), not being contracts entered into the ordinary course of business which have been entered into by WMG and or/subsidiary companies during the two (2) years immediately preceding the date of this Circular:

- (a) On 28 March 2017, the original 5 Conditional Share Sale Agreements between Syarikat Kretam (Far East) Holdings Sdn Bhd, WMG Holdings Bhd. and Tekala Corporation Berhad and the Scheme Agreement between Tekala Corporation Berhad and WMG Holdings Bhd. dated 3 November 2015 were amended and restated.

3. MATERIAL LITIGATION

The Company and/or its subsidiaries are not presently engaged in any material litigation, material claim and arbitration either as plaintiff or defendant and the Directors do not have any knowledge of any proceedings pending or threatened against the Company and/or its subsidiaries or of any facts likely to give rise to any proceedings which may materially affect the financial position or business of the Company and/or its subsidiaries.

4. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at the Registered Office of the Company at Wisma WMG, Lot 1 & 2, Jalan Indah Jaya, Taman Indah Jaya, Jalan Lintas Selatan, 90000 Sandakan, Sabah during normal business hours from the date of this Circular up to and including the date of the AGM :-

- (a) the Constitution of the Company;
- (b) the material contracts referred to in Section 2;
- (c) the statutory audited financial statements of the Company for the two (2) years ended 31 December 2016 and 31 December 2017.

PROPOSED AMENDMENTS TO THE CONSTITUTION OF THE COMPANY

The existing Constitution is to be amended by way of alterations, modifications, deletions and/or additions, where necessary, to reflect the proposed amendments thereto. The affected provisions of the existing Clauses are reproduced below with the proposed amendments highlighted alongside the respective Clauses:

No.	Existing Clause	Amended Clause
5(1)	The Company by ordinary resolution may convert any paid-up shares into stock, and may convert any stock into paid-up shares of any denomination. When any shares have been converted into stock, the holders of such stock may, thenceforth, transfer their respective interests therein or any part of such interests, in the same manner and subject to the same regulations as and subject to which fully paid-up shares in the Company's capital may be transferred, or as near thereto as circumstances will admit; but the Directors may from time to time, if they deem fit, fix the minimum amount of stock transferable, and restrict or forbid the transfer of fractions of that minimum (but with power, nevertheless, at their discretion to waive such rules in any particular case) PROVIDED THAT the minimum so fixed shall not be greater than the nominal amount of the share from which the stock arose.	The Company by special resolution may convert any paid-up shares into stock, and may convert any stock into paid-up shares of any denomination. When any shares have been converted into stock, the holders of such stock may, thenceforth, transfer their respective interests therein or any part of such interests, in the same manner and subject to the same regulations as and subject to which fully paid-up shares in the Company's capital may be transferred, or as near thereto as circumstances will admit; but the Directors may from time to time, if they deem fit, fix the minimum amount of stock transferable, and restrict or forbid the transfer of fractions of that minimum (but with power, nevertheless, at their discretion to waive such rules in any particular case) PROVIDED THAT the minimum so fixed shall not be greater than the nominal amount of the share from which the stock arose.
86(2)	Where the capital of the Company consists of shares of different monetary denominations, voting rights shall be prescribed in such a manner that a unit of capital in each class, when reduced to a common denominator, shall carry the same voting power when such right is exercisable.	Deleted.
105	(1) Any Director may from time to time appoint any person who is approved by a majority of the other Directors, to act as his alternate, provided that any fee paid by the Company, to the alternate shall be deducted from that Director's remuneration. The appointee, while he holds office as an alternate Director, shall be entitled to notice of meeting of the Directors and to attend, speak and vote at any meetings at which his appointor is not present and generally to perform all functions of his appointor as a Director in his absence (except as regards the power to appoint an alternate Director and remuneration). Any appointment so made may be revoked at any time by the appointor and any appointment or revocation under this Article shall be effected by notice in writing to be delivered to the Company.	(1) Any Director may from time to time appoint any person who is approved by a majority of the other Directors, to act as his alternate, provided that any fee paid by the Company, to the alternate shall be deducted from that Director's remuneration. The appointee, while he holds office as an alternate Director, shall be entitled to notice of meeting of the Directors and to attend, speak and vote at any meetings at which his appointor is not present and generally to perform all functions of his appointor as a Director in his absence (except as regards the power to appoint an alternate Director and remuneration). Any appointment so made may be revoked at any time by the appointor and any appointment or revocation under this Article shall be effected by notice in writing to be delivered to the Company.

No.	Existing Clause	Amended Clause
	<p>(2) An alternate Director shall ipso facto cease to be an alternate Director if his appointor ceases for any reason to be a Director (otherwise than by retiring and being re-elected at the same meeting).</p> <p>(3) A Director or any other person may act as an alternate Director to represent more than one Director and an alternate Director shall be entitled at Directors' meetings to one vote for every Director whom he represents in addition to his own vote as a Director.</p> <p>(4) An alternate Director shall be an officer of the Company and shall be responsible to the Company for his own acts and defaults.</p> <p>(5) An alternate Director shall not be taken into account in reckoning the minimum or maximum number of Directors allowed for the time being but he shall be counted for the purpose of reckoning whether a quorum is present at any meeting of the Directors attended by him at which he is entitled to vote.</p>	<p>(2) An alternate Director shall ipso facto cease to be an alternate Director if his appointor ceases for any reason to be a Director (otherwise than by retiring and being re-elected at the same meeting).</p> <p>(3) A Director may appoint a person to act as his alternate provided that such person is not an existing Director of the Company and such person does not act as an alternate for more than one Director of the company.</p> <p>(4) An alternate Director shall be an officer of the Company and shall be responsible to the Company for his own acts and defaults.</p> <p>(5) An alternate Director shall not be taken into account in reckoning the minimum or maximum number of Directors allowed for the time being but he shall be counted for the purpose of reckoning whether a quorum is present at any meeting of the Directors attended by him at which he is entitled to vote.</p>
106	<p>The fees of the Directors shall be determined from time to time by the Company in general meeting. Such fees shall not be increased except pursuant to a resolution passed at a general meeting, where notice of the proposed increase shall have been given in the notice convening the meeting. Such fees shall be divided among the Directors in such proportions and manner as they may agree (or failing agreement, equally). Such fees shall, so far as a Director who is not an executive Director is concerned, be by way of a fixed sum and not by way of a commission on or percentage of profits or turnover, subject always however to the other provisions of this Constitution. Salaries and other remuneration payable to executive Directors pursuant to a contract of service need not be determined by the Company in general meeting but may not include a commission on or a percentage of turnover.</p>	<p>The fees of the Directors and any benefits payable to directors shall be subject to annual shareholder approval at a general meeting. Such fees shall be divided among the Directors in such proportions and manner as they may agree (or failing agreement, equally). Such fees shall, so far as a Director who is not an executive Director is concerned, be by way of a fixed sum and not by way of a commission on or percentage of profits or turnover, subject always however to the other provisions of this Constitution. Salaries and other remuneration payable to executive Directors pursuant to a contract of service need not be determined by the Company in general meeting but may not include a commission on or a percentage of turnover.</p>

No.	Existing Clause	Amended Clause
166	<p>Each Member whose registered place of address is not in Malaysia may from time to time notify in writing to the Company an address in Malaysia, which shall be deemed to be his address within the meaning of Article 165. In the absence of such notification by the Member, the notice or any document shall be sent to him by airmail or any other form of transmission.</p>	<p>(1) Subject to the Act and any rules prescribed by Bursa Securities from time to time, a notice, document or any other information may be served on, delivered to or made available by the Company to any member:</p> <p>(a) personally or by sending it through the post in a prepaid letter addressed to such member at his registered address in Malaysia as appearing in the Register or the Record of Depositors, or (if he has no registered address within Malaysia) to the address if any, within Malaysia supplied by him to the Company as his address for the service of notices or by publishing it by way of advertisement in at least one daily newspaper; or</p> <p>(b) in respect of notices, documents or other information that, under the Act and any rules prescribed by Bursa Securities from time to time, may be sent in electronic form or by electronic means or by making it available on the Company's website, in the manner set out below.</p> <p>(2) The Company may deliver or make available a notice, document or any other information to any member:</p> <p>(a) in electronic form or by mail in the manner set out above or by electronic means to the address specified by such member to the Company for such purpose or by making it available on the Company's website provided that, in each case, such member has consented, in the manner permitted in the Act and any rules prescribed by Bursa Securities from time to time, to the Company communicating with such member in such form or manner; or</p> <p>(b) by any other means authorised in writing by the member concerned.</p> <p>For the purposes of making available notices, documents or any other information to a member on the Company's website, the Company shall notify that member that such notice, document or other information has been made available on the Company's website in the manner prescribed by the Act and any rules prescribed by Bursa Securities from time to time.</p>

No.	Existing Clause	Amended Clause
166	(Continuation)	<p>(3) A member may revoke his agreement that notices, documents or other information may be sent or supplied to such member in electronic form or by electronic means or made available to such member through the Company's website by sending a notice of revocation to the Company within such period and in such manner as may be specified under the Act and any rules prescribed by Bursa Securities from time to time.</p> <p>(4) Upon a member receiving from the Company a notice, document or other information in electronic form or by electronic means or by the Company making such notice, document or information available on its website, such member may request that the Company send or supply to such member such notice, document or information in hard copy form. The Company shall, upon receiving such request from a member, in accordance with the Act and any rules prescribed by Bursa Securities from time to time, send or supply to such member such notice, document or information requested in hard copy form free of charge.</p> <p>(5) Any notice, document or other information may be served or delivered by the Company by reference to the Register of Member or Record of Depositors as it stands at any time not more than fifteen days before the date of service or delivery. No change in the Register of Members or Record of Depositors after that time shall invalidate that service or delivery. Where any notice, document or other information is served on or delivered to any person in respect of a share in accordance with these Articles, no person deriving any title or interest in that share shall be entitled to any further service or delivery of such notice, document or information. Each member shall, from time to time, notify in writing to the Company some place which shall be deemed his registered address for the purposes of this Article.</p>

No.	Existing Clause	Amended Clause
166	(Continuation)	<p>(6) Any summons, notice, order or other document required to be sent to or served upon the Company, or upon any officer of the Company, may be sent or served by leaving the same or sending it by mail, postage prepaid (and, if posted outside Malaysia, by prepaid airmail), addressed to the Company or to such officer at the Office. The Directors may from time to time specify the form and manner in which a notice may be given to the Company by electronic means, including one or more addresses for the receipt of communications by electronic means, and may prescribe such procedures as they think fit for verifying the authenticity or integrity of any such communication. A notice may be given to the Company by electronic means only if it is given in accordance with the requirements specified by the Directors.</p>
167.	<p>Every person who by operation of law, transfer, transmission or other means whatsoever shall become entitled to any share shall be bound by every notice in respect of such share which (prior to his name and address being entered in the Register or the Record of Depositors as the registered holder of such share) shall have been duly given to the person from whom he derives the title to such share PROVIDED ALWAYS that, subject to the provisions of the Act, the Depositories Act and the Rules of the Depository, a person entitled to a share in consequence of the death, bankruptcy, insolvency or winding up of a Member, upon supplying to the Company such evidence as the Directors may reasonably require to show his title to the share and upon supplying also an address within Malaysia for the service of notices, shall be entitled to have served upon him at such address any notice or document to which the Member (but for his death, bankruptcy, insolvency or winding up) would be entitled. Such service shall for all purposes be deemed a sufficient service of such notice or document on all persons interested (whether as claiming through or under him) in the share.</p>	<p>Every person who by operation of law, transfer, transmission or other means whatsoever shall become entitled to any share shall be bound by every notice in respect of such share which (prior to his name and address being entered in the Register or the Record of Depositors as the registered holder of such share) shall have been duly given to the person from whom he derives the title to such share PROVIDED ALWAYS that, subject to the provisions of the Act, the Depositories Act and the Rules of the Depository, a person entitled to a share in consequence of the death, bankruptcy, insolvency or winding up of a Member, upon supplying to the Company such evidence as the Directors may reasonably require to show his title to the share and upon supplying also an address within Malaysia for the service of notices, shall be entitled to have served upon him at such address any notice or document to which the Member (but for his death, bankruptcy, insolvency or winding up) would be entitled. Such service shall for all purposes be deemed a sufficient service of such notice or document on all persons interested (whether as claiming through or under him) in the share and shall be bound by every notice, document or other information in respect of such shares which, prior to his name and address being entered in the Register, was duly served on or delivered to the person from whom he derives his title to such shares.</p>

No.	Existing Clause	Amended Clause
168.	<p>(1) A notice or other document if served by post shall be deemed to have been served on the day on which a properly stamped envelope containing the same is posted.</p> <p>(2) A certificate in writing signed by any manager, Secretary or other officer of the Company that a letter, envelope or wrapper containing the notice was properly addressed and stamped and put into a post office letterbox shall be conclusive evidence thereof.</p>	<p>(1) Subject to the Act and any rules prescribed by Bursa Securities from time to time, a notice, document or any other information served, delivered or issued by or on behalf of the Company:</p> <p>(a) if sent by mail, postage prepaid, it shall be deemed to have been served or delivered on the day following that on which such notice, document or other information was put in the post. In proving such service it shall be sufficient to prove that the relevant notice, document or other information was properly addressed and put into the post as prepaid mail or prepaid airmail (as the case may be);</p> <p>(b) if left by the Company at a registered address of a member, it shall be deemed to have been served or delivered on the day it was left;</p> <p>(c) if published by way of advertisement, shall be deemed to have been served or delivered on the day it was published;</p> <p>(d) if sent by electronic means, other than by making it available on the Company's website, shall be deemed to have been served or delivered 48 hours following the time that such communication was sent;</p> <p>(e) if made available by the Company on its website, shall be deemed to have been served or delivered 48 hours from the later of (i) the time that such notice, document or other information was first made available on the Company's website; and (ii) the time that a member was notified of the presence of such notice, document or other information on the Company's website; and</p> <p>(f) if sent by any other means authorised in writing by the member concerned, shall be deemed to have been served or delivered when the Company has carried out the action it has been authorised to take for that purpose.</p> <p>(2) Any member present, either personally or by proxy, at any meeting of the Company or class of members of the Company shall for all purposes be deemed to have received due notice of such meeting and, where requisite, of the purposes for which such meeting was convened.</p>

No.	Existing Clause	Amended Clause
169.	Any notice or document sent by post to, or left at the address of, any Member pursuant to this Constitution, shall, notwithstanding such Member be then deceased and whether or not the Company have notice of his death, be deemed to have been duly served in respect of the relevant shares until some other person be registered in his stead as the holder thereof. Such service shall for all purposes of this Constitution be deemed a sufficient service of such notice or document on his personal representatives.	Any notice, document or other information served upon or delivered to or left at the registered address of any member in pursuance of these Articles, shall, notwithstanding that such member be then deceased or bankrupt and whether or not the Company has notice of his death or bankruptcy, be deemed to have been duly served or delivered in respect of any share held by such member, whether held solely or jointly with other persons, until some other person be registered instead of him as the holder or joint holder of such share, and such service or delivery shall, for all purposes of these Articles, be deemed a sufficient service or delivery of such notice, document or other information on his executors, administrators or assigns, and all persons (if any) jointly interested with him in such share.