

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 independent adviser immediately.

Bursa Malaysia Securities Berhad ("Bursa Securities") has perused the contents of this Circular in respect of the proposed new shareholders' mandate for recurrent related party transactions of a revenue or trading nature on a limited review basis pursuant to the provisions of Practice Note 18 of the Main 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.



MCE HOLDINGS BERHAD

(Registration No 201501033021 (1158341-K)
(Incorporated in Malaysia)

CIRCULAR TO SHAREHOLDERS IN RELATION TO THE

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

The Proposed New Shareholders' Mandate for RRPT will be tabled as Special Business at the 10th Annual General Meeting ("10th AGM") of MCE HOLDINGS BERHAD ("MCE" or "Company").

The notice of the 10th AGM of the Company together with the Form of Proxy are set out in the Company's 2025 Annual Report. The 2025 Annual Report and this Circular are available for download at the Company's website at <http://www.multicode.com.my>.

If you decide to appoint a proxy(ies) to attend and vote on your behalf at the 10th AGM, the Form of Proxy should be completed and lodged with the Registered Office of the Company at Suite 5.11 & 5.12, 5th floor, Menara TJB, No. 9, Jalan Syed Mohd. Mufti, 80888 Ibrahim International Business District, Johor or alternatively by electronic means by way of submitting to mcejb@multicode.com.my on or before the date and time indicated below or at any adjournment thereof.

The lodging of the Form of Proxy will not preclude you from attending, speaking and voting in person at the 10th AGM should you subsequently wish to do so.

Last day, date and time for lodging the Form of Proxy : Tuesday, 16 December 2025 at 9.30 a.m.

Day, date and time of the 10th AGM : Thursday, 18 December 2025 at 9.30 a.m., or at any adjournment thereof

Venue of the 10th AGM : Diamond 5, Level 10, Holiday Villa Johor Bahru City Centre, No. 260, Jalan Dato' Sulaiman, Taman Abad, 80250 Johor Bahru, Johor

DEFINITIONS

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

“Act”	:	The Companies Act, 2016, or any statutory modification, amendment or re-enactment thereof for the time being in force
“10 th AGM”	:	10 th Annual General Meeting
“ÄRMC”	:	Audit and Risk Management Committee of MCE
“Bursa Securities”	:	Bursa Malaysia Securities Berhad [Registration No. 200301033577 (635998-W)]
“Board”	:	The Board of Directors of MCE
“Beaucar”	:	Beaucar Accessories (M) Sdn. Bhd. [Registration No. 198301007578 (102803-P)]
“CHML”	:	Changchun Hengtuo Mould Co. Ltd. [Registration No. 91220181776595021P], a company incorporated and existing under the laws of People’s Republic of China.
“Director”	:	A director as defined 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, a director or a chief executive of MCE, its subsidiary or holding company.
“Eagle MCE”	:	Eagle MCE Technologies (Malaysia) Sdn. Bhd. [Registration No. 202501014198 (1615612-M)]
“Eagle Plastic”	:	Eagle Plastic Development Company Limited (Business Registration No. 12679748), a Company incorporated in Hong Kong under the Laws of Hong Kong
“EPS”	:	Earnings per share
“GTSB	:	Gem Technologies Sdn. Bhd. [Registration No. 202101025722 (1426022-P)]
“LPD”	:	31 October 2025 being the latest practicable date prior to issuance of this Circular.
“Listing Requirements”	:	Main Market Listing Requirements of Bursa Securities

DEFINITIONS - Continued

“Major Shareholder(s)”	:	means a person who has an interest or interests in one or more voting shares in a corporation and the number or aggregate number of those shares, is – (a) 10% or more of the total number of voting shares in the corporation; or (b) 5% or more of the total number of voting shares in the corporation where such person is the largest shareholder of the corporation. and shall include any person who is or was within the preceding 6 months of the date on which the terms of the transactions were agreed upon, a Major Shareholder of the Company, its subsidiary or holding company, in accordance with the definition in Chapter 10 of the Listing Requirements “Interest” shall have the meaning of “interest in shares” given in Section 8 of the Act
“MCE” or “the Company”	:	MCE Holdings Berhad [Registration No 201501033021 (1158341-K)]
“MCE Group” or “Group”	:	MCE and its subsidiaries as defined in Section 4 of the Act
“MCE Shares”	:	Ordinary shares each fully paid-up in the Company
“MCEIB”	:	Multi-Code Electronics Industries (M) Berhad [Registration No. 199001001533 (193094-K)]
“MCE EV”	:	MCE EV Solutions Sdn. Bhd. [Registration No. 202101030677 (1430977-H)]
“MCT”	:	Multi-Code Technologies (M) Sdn. Bhd. [Registration No. 201001020083 (903828-P)]
“MHSB”	:	MCE Hengtuo Sdn. Bhd. [Registration No. 201801043954 (1305986-V)]
“MSESB”	:	MCE SMART EV SDN. BHD. (Formerly known as Fortech Technologies (Malaysia) Sdn. Bhd.) [Registration No. 201901009901 (1319229-M)]
“Multi-code Abhishek”	:	Multi-code Abhishek K Auto Components Private Limited [Registration No. U29304DL2025FTC449941], a 55% owned foreign subsidiary incorporated in India and existing under the Indian Companies Act, 2013 (18 of 2013)
“MVSB”	:	MCE Ventures Sdn. Bhd. [Registration No. 201801041625 (1303657-A)]
“NA”	:	Net assets

DEFINITIONS - Continued

“Person(s) Connected”	:	In relation to any person (referred to as “said Person”) means such person who falls under any one of the following categories:- <ul style="list-style-type: none">a) a family member of the said Person;b) a trustee of a trust (other than a trustee for a share scheme for employees or pension scheme) under which the said Person, or a family member of the said Person, is the sole beneficiary;c) a partner of the said Person;d) a person, or where the person is a body corporate, the body corporate or its directors, who is/are accustomed or under an obligation, whether formal or informal, to act in accordance with the directions, instructions or wishes of the said Person;e) a person, or where the person is a body corporate, the body corporate or its directors, in accordance with whose directions, instructions or wishes the said Person is accustomed or is under an obligation, whether formal or informal, to act;f) a body corporate in which the said Person or persons connected with the said Person are entitled to exercise, or control the exercise of, not less than 20% of the votes attached to voting shares in the body corporate; org) a body corporate which is a related corporation of the said Person.
“Proposed New Shareholders’ Mandate for RRPT” or “Proposal”	:	Proposed New Shareholders’ Mandate for the Group to enter into recurrent related party transactions of a revenue or trading nature which are necessary for the day-to-day operations of the Group.
“Recurrent Related Party Transactions” or “RRPTs”	:	Recurrent related party transactions of a revenue or trading nature which are necessary for the day-to-day operations of the Group and are on terms not more favourable to the Related Parties than those generally available to the public and are not to the detriment of the minority shareholders which involves the interest, direct or indirect, of the Related Parties.
“Related Party(ies)”	:	A director, Major Shareholder or person connected with such director or Major Shareholder including 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 or a Major Shareholder or chief executive of the Company and / or its subsidiary or holding company.
“RM” and “sen”	:	Ringgit Malaysia and sen respectively
“SIL”	:	Sounding Industries Limited (Company Registration No. 13001926), a Company incorporated in Hong Kong under the Laws of Hong Kong
“VRSB”	:	Vantage Realm Sdn. Bhd. [Registration No. 201301016509 (1046342-M)]
“VMCSB”	:	Vantage Medical Centre Sdn. Bhd. [Registration No. 201401034259 (1110357-D)]

DEFINITIONS - Continued

“2025 Annual Report” : Annual Report of MCE issued for the financial year ended 31 July 2025

References to “we”, “us”, “our” and “ourselves” mean our Company, or where the context otherwise requires, our Group. All references to “you” and “your” in this Circular are to the shareholders of our Company.

Certain amounts and percentage figures included in this Circular have been subject to rounding adjustments. Any discrepancy in the figures included in this Circular between the amounts stated and the totals thereof are due to rounding.

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. Any reference to persons shall include a 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 Malaysian time, unless otherwise specified.

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MCE HOLDINGS BERHAD

(Registration No 201501033021 (1158341-K))
(Incorporated in Malaysia)

Registered Office

Suite 5.11 & 5.12, 5th Floor Menara TJB,
No. 9, Jalan Syed Mohd Mufti,
80888 Ibrahim International Business
District, Johor

26 November 2025

Board of Directors

Tan Sri Abd Rahman Bin Mamat (*Independent Non-Executive Chairman*)
Dr Goh Kar Chun (*Group Managing Director*)
Goh Anne (*Group Executive Director*)
Fong Jed See (*Senior Independent Non-Executive Director*)
Law Sang Thiam (*Independent Non-Executive Director*)
Dato' Dr. Lee Chung Wah @ Lee Chung Fu (*Independent Non-Executive Director*)
Tai Lam Shin (*Non-Independent Non-Executive Director*)

To: The Shareholders of MCE

Dear Sir/Madam,

PROPOSED NEW SHAREHOLDERS' MANDATE FOR RRPT

1. INTRODUCTION

On 31 October 2025, the Company announced its intention to seek its shareholders' approval for the Proposed New Shareholders' Mandate for RRPT at its forthcoming AGM.

SHAREHOLDERS ARE ADVISED TO READ AND CAREFULLY CONSIDER THE CONTENTS OF THIS CIRCULAR BEFORE VOTING ON THE RESOLUTION TO GIVE EFFECT TO THE PROPOSED NEW SHAREHOLDERS' MANDATE FOR RRPT AT THE FORTHCOMING AGM.

2. DETAILS OF THE PROPOSAL

2.1 Provisions under the Listing Requirements

Pursuant to Paragraph 10.09 and Practice Note 12 of the Listing Requirements, a listed issuer may seek a shareholders' mandate for RRPTs, subject to the following:

- (a) the transactions are in the ordinary course of business and are on terms not more favourable to the related party than those generally available to the public;

- (b) the shareholders' mandate is subject to annual renewal and disclosure is made in the Company's annual report of the aggregate value of transactions conducted pursuant to the shareholders' mandate during the financial year where:
 - (i) the consideration, value of the assets, capital outlay or costs of the Recurrent Related Party Transactions is RM1 million or more; or
 - (ii) the percentage ratio of such Recurrent Related Party Transactions is 1% or more,
 whichever is the lower;
- (c) the issuance of a circular to shareholders by the listed issuer for the shareholders' mandate;
- (d) in a meeting to obtain shareholders' mandate, the interested directors, major shareholders or interested persons 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 Company will immediately announce to Bursa Securities when the actual value of the RRPTs entered into by the Company exceeds the estimated value of the RRPTs disclosed in the Circular by 10% or more inclusive of any information as may be prescribed by Bursa Securities.

2.2 Validity Period

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

- (a) the conclusion of the next AGM of the Company, at which time the mandate will lapse, unless the mandate is renewed by a resolution passed at that meeting;
- (b) the expiration of the period within which the next AGM of the Company after that date is required to be held pursuant to Section 340(2) of the Act (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or
- (c) revoked or varied by a resolution passed by the shareholders of the Company in a general meeting;

whichever is earlier.

Thereafter, approval from the shareholders will be sought for a renewal of the Proposal at each subsequent AGM of the Company.

Disclosure will be made in our annual report in accordance with Paragraph 3.1.5 of Practice Note No. 12 of the Listing Requirements, which requires a breakdown of the aggregate value of the RRPTs made during the financial year pursuant to the Proposal based on the following information:

- (a) the type of RRPTs entered into; and
- (b) the names of the Related Parties involved in each type of RRPT entered into and their relationship with the Group.

2.3 Details of the Group

The principal activity of MCE is investment holding whilst the principal activities of its subsidiaries are as follows:-

Subsidiary	Equity Interest (%)	Principal Activities
MCEIB	100	Investment holding, manufacture and supply of automotive parts
MVSB	100	Investment holding
Subsidiaries of MCEIB		
Beaucar	100	Trading of spare parts and other trading goods
MCT	100	Manufacture and assembly of automotive lightings and plastic products
VRSB	100	Investment holding and provision of healthcare services
MCE EV	100	MCE EV is currently dormant The intended principal activities are to carry out business of designing, developing, manufacturing and assembly of electric motorcycle and any form of electric vehicle, and its systems and components including battery pack, and other electric vehicle related components
Subsidiary of VRSB		
VMCSB	100	Dormant VMCSB had on 13 October 2025 submitted application to the Companies Commission of Malaysia ("CCM") for striking off pursuant to Section 550 of the Companies Act, 2016
Subsidiaries of MVSB		
MHSB	60	Manufacture, assembly and supply of washer system and its related plastic components
GTSB	100	Dormant
MSESB	80 [#]	Design, develop, manufacture, market, wholesale and retail sale of all kinds of parts, components, supplies, equipment, tools, accessories, optical instruments, camera and audio-visual related products for motor vehicles and activities of holding companies
Eagle MCE	50	Eagle MCE is currently dormant. The intended principal activities are to carry out business of contract manufacturing service for non-automotive products including but are not limited to die cutting machines and related tools and accessories, packaging for cosmetic products, etc and investment holding
Multi-code Abhishek	55	Develop, manufacture, trade and supply of reverse parking assistance systems, around view monitoring, switch assembly and power window regulators

[#]The total issued share capital in MSESB comprises 6,000,000 ordinary shares. MVSB holds 80% of the equity interest, while the remaining 20% had been forfeited resulting in MSESB being currently fully controlled by MVSB.

2.4 Classes of Related Parties

The Proposed New Shareholders' Mandate for RRPT will apply, inter alia, to the following classes of related parties as tabled in Section 2.5 below.

2.5 Details of the RRPT Contemplated Under the Proposal

The Company did not seek a shareholders' mandate for RRPTs at the last annual general meeting.

2.5.1 The RRPTs anticipated to be entered into by the Group for the purpose of the Proposed New Shareholders' Mandate for RRPT are as follows:

No.	Company in the MCE Group involved in the RRPT	Interested Related Party	Transacting Company where related Party is involved	Nature of Transactions	Estimated value to be transacted from the forthcoming AGM on 18 December 2025 to the next AGM (RM'000) ⁵
1.	MCT [^]	a) CHML ¹ b) Shan, Weidong ²	MHSB	Purchase of raw materials by MHSB from MCT	6,700
2.	MCE EV [^]	a) CHML ¹ b) Shan, Weidong ²	MHSB	Sub-lease of factory premise by MHSB to MCE EV ⁶	350
3.	MHSB [^]	a) CHML ¹ b) Shan, Weidong ²	CHML	Purchase of toolings by MHSB from CHML	2,300
4.	MHSB [^]	a) CHML ¹ b) Shan, Weidong ²	CHML	Purchase of raw materials by MHSB from CHML	2,300
5.	MCEIB	a) CHML ¹ b) Shan, Weidong ²	MHSB	Purchase of tools and equipment by MHSB from MCEIB	15
6.	MCEIB	Tang Suet Fan ⁴	Eagle MCE	Sub-lease of factory premise by MCEIB to Eagle MCE ⁷	350
7.	Eagle MCE	Tang Suet Fan ⁴	Eagle Plastic ³	Purchase of toolings by Eagle MCE from Eagle Plastic	3,700
8.	Eagle MCE	Tang Suet Fan ⁴	Eagle Plastic ³	Purchase of raw materials by Eagle MCE from Eagle Plastic	1,400
9.	Eagle MCE	Tang Suet Fan ⁴	SIL ³	Purchase of raw materials by Eagle MCE from SIL	4,500

Notes:

^ The Company announced on 26 June 2025 that, through its subsidiaries, had entered into RRPTs in the ordinary course of business. The aggregate value of these RRPTs from 26 June 2024 to 26 June 2025 had exceeded the percentage ratio of 1% of the audited consolidated net assets of the Company as at 31 July 2024. As at the LPD, the aggregate percentage ratio of the RRPTs entered into remains less than 5%.

1. CHML is a company incorporated and existing under the laws of People's Republic of China. CHML holds 40% of the equity interest in MHSB.
2. Shan, Weidong is a Director and major shareholder of CHML. Shan, Weidong is also a director of MHSB.
3. SIL is a wholly-owned subsidiary of Sounding Audio Industrial Limited (Business Registration No. 31186667) ("SAIL") which in turn is a wholly-owned subsidiary of Eagle Plastic. SIL, SAIL and Eagle Plastic are companies incorporated in Hong Kong under the Laws of Hong Kong. SIL holds 50% of the equity interest in Eagle MCE.
4. Tang Suet Fan is director of Eagle MCE. Tang Suet Fan is the sole director of SIL, SAIL and Eagle Plastic respectively and also the sole shareholder of Eagle Plastic.
5. The estimated values are calculated based on historical data and best estimates by the Management. Accordingly, the actual value of the transactions may vary from the estimated value disclosed above and is subject to change.
6. The tenancy agreement entered into in March 2024 between MHSB with MCE EV was for the lease of a premise measuring 1009.26 m² in Klang. The leased premise was to carry out the intended principal business activities of designing, developing, manufacturing and assembly of electric motorcycles and any forms of electric vehicles, and its systems and components including battery packs, and other electric vehicles related components. The tenure of this tenancy agreement is for a period of 2 years, with a monthly rental of RM26,444.00. The tenancy agreement will be renewed upon its expiry in March 2026 subject to mutually agreed terms and conditions between the parties.
7. MCEIB intends to enter into a tenancy agreement with Eagle MCE by December 2025. The premise under this tenancy agreement will be located at Johor Bahru, Johor and the rental will be payable on a monthly basis. The aforesaid premise will be used to carry out the intended principal business activities of contract manufacturing service for non-automotive products including but are not limited to die cutting machines and related tools and accessories, packaging for cosmetic products, etc and investment holding.

2.5.2 It is anticipated that the Group would, in the ordinary course of business, continue to enter into the mandated RRPTs which are detailed above. It is likely that such RRPTs will occur with some degree of frequency and could arise at any time. In view of the time-sensitive, confidential and frequent nature of such RRPTs, the Board is seeking shareholders' approval for the Proposal with the classes of Related Parties set out above provided that such transactions are entered into at arms' length and on normal commercial terms which are not more favourable to the Related Parties than those generally available to the public and are not detrimental to the minority shareholders.

2.6 Amount Due and Owing to the MCE Group by Related Parties

As at 31 October 2025, there is no amount due and owing to MCE Group which has exceeded the credit term given arising from the RRPTs as per Section 2.5.

2.7 Review Procedures for the RRPTs

To ensure that such RRPTs are undertaken at arm's length and on transaction prices and on normal commercial terms not more favourable to the Related Parties than those generally available to the public and are not detrimental to the minority shareholders, the following methods and processes will be adopted:-

- (a) the transactions with the Related Parties shall be determined based on prevailing rates or prices according to their usual commercial terms, business practices and policies or otherwise in accordance with other applicable industry norms. Consideration will also be given to the expertise required, quality of product, level of service and other related factors.
- (b) Standard procedures have been established to ensure that these RRPTs will only be entered into after taking into consideration, inter-alia, the pricing, quality of products and level of services provided;
- (c) Due to the nature of the products, services and the various specifications required, product prices and services with regards to purchases as well as supplies are assessed by executives, engineers or managers prior to confirmation. There are no specific threshold for approval of RRPTs. All supplies and purchases require the prior verification of the respective Head of Business Unit and subject to approval by Group Executive Directors.
- (d) Terms and conditions of transactions will be based on competitive prices of similar products and services in the open market having regard to the flexibility needed by the Group in terms of delivery and pricing options. At least two (2) other contemporaneous quotes with unrelated third parties for similar products/services and/or quantities will be used as comparison, whenever 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. As certain of the Group's products and services are proprietary in nature the prices of these products/services are negotiated specifically between the proprietor and purchaser. In the event that quotation or comparative pricing from unrelated third parties cannot be obtained, the terms of the transactions will be in accordance with the Group's usual business practices in order to ensure that the RRPT is not detrimental to the Group;
- (e) All RRPTs entered into pursuant to the Shareholders' Mandate will be recorded for review by the ARMC quarterly;
- (f) All RRPTs will be reviewed by the ARMC on quarterly basis. The ARMC may, as they deem fit, request for additional information pertaining to the transactions from independent sources or advisers;

- (g) Where any member of the ARMC is interested in any transactions, that member shall abstain from all deliberations and also voting on any matter relating to any decisions to be taken by the ARMC with respect to such transactions; and
- (h) In accordance with the Listing Requirements, the Company must disclose in the Company's annual reports for the financial years during which the shareholders' mandate are in force a breakdown of the aggregate value of the RRPTs made during the financial year, amongst others, based on the following information:
 - (i) the type of the RRPTs made; and
 - (ii) the names of the Related Parties involved in each type of the RRPTs made and their relationship with the MCE Group.

2.8 Effects of the Proposal

The Proposal will not have any effect on the share capital and the Major Shareholders' shareholdings in MCE and is not expected to have any material effect on the net assets and earnings per share and gearing of the Group.

3. AUDIT AND RISK MANAGEMENT COMMITTEE STATEMENT

The ARMC of the Company has reviewed the procedures set out in Section 2.7 and is of the view that the said procedures are sufficient to ensure that the RRPTs are conducted at arm's length basis, on terms not more favourable to the related parties than those generally available to the public and are not to the detriment of the minority shareholders.

The Company has put in place adequate procedures and processes to monitor, track and identify RRPTs in a timely and orderly manner. The ARMC and/or management staff reviews these procedures and processes on a yearly basis and as and when necessary.

4. RATIONALE AND BENEFITS OF THE PROPOSAL

The RRPTs entered or to be entered into by the MCE Group are intended to meet the Group's day to day business needs at the best possible terms and to enhance the Group's ability to explore beneficial business opportunities.

As such, the rationale for and benefits of the Proposal to the MCE Group are as follows:

- (a) to facilitate transactions with Related Parties which are in the ordinary course of business of the Group, are undertaken at arms' length, normal commercial terms and on prices which are not more favourable to the Related Parties than those generally available to the public and are not detrimental to the interests of minority shareholders;
- (b) to enable the Group to transact with Related Parties in an expeditious manner to meet business needs for the supply and / or provision of goods and services which are necessary for its day-to-day operations particularly business needs which are time sensitive in nature;
- (c) the Group has established relationships with the Related Parties, and share complimentary activities in one or more of its principal business activities with Related Parties. Therefore, it is in the interests of the Group to transact with such Related Parties (in addition to transactions with third parties in the ordinary course of business) so that the Group can enjoy synergistic benefits, where applicable; and
- (d) to eliminate the need to announce and / or convene separate general meetings from time to time to seek shareholders' approval for entering into the RRPTs, as required pursuant to Chapter 10 of the Listing Requirements and thereby enables resources and time to be channelled towards achieving the Group's business objectives.

5. APPROVAL REQUIRED

The Proposal is subject to the approval of the shareholders of MCE at the forthcoming AGM to be convened.

6. INTERESTS OF DIRECTORS, MAJOR SHAREHOLDERS' AND/OR PERSON(S) CONNECTED WITH THEM

Save as disclosed above, none of the other Directors, Major Shareholders and Persons Connected to the Directors and Major Shareholders of the MCE Group have any interest, direct or indirect, in the Proposal:

	As at the LPD			
	Direct		Indirect	
	No. of MCE Shares held	%	No. of MCE Shares held	%
<u>Interested Major Shareholder in MHSB</u>				
CHML ¹	-	-	-	-
<u>Interested Director in MHSB</u>				
Shan, Weidong ²	-	-	-	-
<u>Interested Major Shareholder in Eagle MCE</u>				
Sounding Industries Limited ³	-	-	-	-
<u>Interested Director in Eagle MCE</u>				
Tang Suet Fan ⁴	-	-	-	-

The interest Directors have abstained and will continue to abstain from all deliberations and voting on matters relating to the Proposal at MHSB and Eagle MCE's Board meetings.

The Interested Directors and Interested Major Shareholders have undertaken to ensure that persons connected to them will abstain from voting in respect of their direct and/or indirect shareholdings (if any) on the ordinary resolution, deliberating or approving the Proposal to be tabled at the forthcoming AGM.

Notes:

1. CHML is a company incorporated and existing under the laws of People's Republic of China. CHML holds 40% of the equity interest in MHSB.
2. Shan, Weidong is a Director and major shareholder of CHML. Shan, Weidong is also a director of MHSB.
3. SIL is a wholly-owned subsidiary of Sounding Audio Industrial Limited (Business Registration No. 31186667) ("SAIL") which in turn is a wholly-owned subsidiary of Eagle Plastic. SIL, SAIL and Eagle Plastic are companies incorporated in Hong Kong under the Laws of Hong Kong. SIL holds 50% of the equity interest in Eagle MCE.
4. Tang Suet Fan is director of Eagle MCE. Tang Suet Fan is the sole director of SIL, SAIL and Eagle Plastic respectively and also the sole shareholder of Eagle Plastic.

7. AGM

The 10th AGM of the Company will be held at the Diamond 5, Level 10, Holiday Villa Johor Bahru City Centre, No. 260, Jalan Dato' Sulaiman, Taman Abad, 80250 Johor Bahru, Johor on Thursday, the 18th day of December, 2025 at 9.30 a.m. and at any adjournment thereof for the purpose of considering and if thought fit, to pass the ordinary resolution so as to give effect to the Proposal under special business in the Notice of 10th AGM which is enclosed in the 2025 Annual Report of the Company for the financial year ended 31 July 2025 accompanying this Circular.

If you decide to appoint a proxy(ies) to attend and vote on your behalf at the 10th AGM, the Form of Proxy is enclosed in the 2025 Annual Report in accordance with the instructions printed thereon. The Form of Proxy should be completed and lodged with the Registered Office of the Company at Suite 5.11 & 5.12, 5th floor, Menara TJB, No. 9, Jalan Syed Mohd. Mufti, 80888 Ibrahim International Business District, Johor or alternatively by electronic means by way of submitting to mcejb@multicode.com.my not less than forty-eight (48) hours before the time for holding the meeting or adjourned meeting at which the person named in such instrument proposes to vote, or, in the case of a poll, not less than twenty-four (24) hours before the time appointed for the taking of the poll, and in default the instrument of proxy shall not be treated as valid.

The lodging of the Form of Proxy will not preclude you from attending, speaking and voting in person at the 10th AGM should you subsequently wish to do so.

8. DIRECTORS' RECOMMENDATION

There being no interested Directors, the Board, having taken into consideration all relevant aspects of the Proposal set out in Section 2.5, is of the opinion that the Proposal is in the best interest of MCE, is fair, reasonable and on normal commercial terms and is not detrimental to the interest of the minority shareholders. Accordingly, the Board recommends that you vote in favour of the ordinary resolution pertaining to the Proposal to be tabled at the forthcoming AGM.

9. FURTHER INFORMATION

9.1 DIRECTORS' RESPONSIBILITY STATEMENT

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

9.2 MATERIAL LITIGATION

The Group is not involved in any other material litigation, claims or arbitration, either as plaintiff or defendant, and the Board is not aware and has no knowledge of any proceedings, pending or threatened, against the Group, or of any facts which are likely to give rise to any proceedings which may materially adversely affect the business or financial position of the Group.

9.3 MATERIAL CONTRACTS

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

- i. Vantage Realm Sdn Bhd, an indirect wholly owned subsidiary of MCE, had on 26 February 2024, entered into a conditional sale and purchase agreement with Grant Ascent Sdn Bhd, for the disposal of a piece of freehold land held under HS(D) 306627, PT 37252, Mukim Bukit Raja, Daerah Petaling, Negeri Selangor, measuring approximately 13,263.38 square metres, for a cash consideration of RM43,686,345 ("Disposal").

The Disposal has been completed on 15 November 2024.

9.4 DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at the registered office of the Company following the publication of this Circular from Mondays to Fridays (except public holidays) during business hours up to and including the date of the AGM:

- (i) the Constitution of MCE;
- (ii) the audited consolidated financial statements of MCE and its subsidiaries for the past two (2) financial years ended 31 July 2024 and 31 July 2025;
- (iii) Quarterly report on consolidated results for the financial period ended 31 July 2025; and
- (iv) material contract referred to in Section 9.3 above.

Yours faithfully
For and on behalf of the Board

LAW SANG THIAM
Independent Non-Executive Director