

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

1. If you are in doubt as to the course of action to be taken, you should consult your Stockbroker, Bank Manager, Solicitor, Accountant or other Professional Adviser immediately.
2. Bursa Malaysia Securities Berhad ("**Bursa Securities**") has perused the Contents of this Circular on a limited review basis pursuant to Practice Note 18 of the Main Market Listing Requirements of Bursa Securities.
3. 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.



Property

KERJAYA PROSPEK PROPERTY BERHAD

Registration No.: 199401001358 (287036-X)
(Incorporated in Malaysia)

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

The above proposal will be tabled at the 30th Annual General Meeting ("**AGM**") of the Company to be held virtually through live streaming from Kerjaya Prospek Property Berhad, No. 1, Jalan Wangsa Permai, 1st Floor, Bangunan One Wangsa, Taman Wangsa Permai, 52200 Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur as the Broadcast Venue via a remote participation and voting facilities ("**RPV Facilities**") on Friday, 25 August 2023 at 11.00 a.m. The Notice of the 30th Annual General Meeting, Administrative Guide together with the Proxy Form are available at the Company's website at www.kpproperty.com.my or web link at <http://ir2.chartnexus.com/kpproperty/agm>. Please follow the procedures provided in the Administrative Guide in order to register, participate and vote remotely.

If you are unable to attend and vote at the meeting, you may complete the Proxy Form and deposit it our share registrar's office at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur or register via <https://tjih.online>, not less than forty-eight (48) hours before the time stipulated for holding the 30th AGM or at any adjournment thereof. The lodgement of the Proxy Form will not preclude you from attending and voting in person at the Meeting should you subsequently wish to do so.

Last date and time for lodging the Proxy Form : Wednesday, 23 August 2023 at 11.00 a.m.
Date and time of 30th AGM : Friday, 25 August 2023 at 11.00 a.m.

This Circular is dated 27 July 2023

DEFINITIONS:

Except where the context otherwise requires, the following definition apply throughout this Circular and the accompanying appendices:-

“Act”	: The Companies Act 2016 as amended from time-to-time and any re-enactment thereof
“AGM”	: Annual General Meeting
“Amazing”	: Amazing Parade Sdn. Bhd.
“ARMC”	: Audit and Risk Management Committee
“Board”	: Board of Directors of KPPROP
“Bursa Securities”	: Bursa Malaysia Securities Berhad
“CMSA”	: Capital Markets and Services Act 2007 as amended from time to time and any re-enactment thereof
“Constitution”	: The Constitution of the Company
“Director”	: For the purpose of this definition, a “director” shall have the meaning given in Section 2(1) of the CMSA 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 KPPROP or any other company which is a subsidiary of KPPROP or a holding company of KPPROP or a chief executive of KPPROP or any other company which is a subsidiary of KPPROP or a holding company of KPPROP
“DISB”	: Dekad Intelek Sdn. Bhd.
“DTEH”	: Datuk Tee Eng Ho
“DTSC”	: Datin Toh Siew Chuon
“Egovision”	: Egovision Sdn. Bhd.
“E&O”	: Eastern & Oriental Berhad
“E&O Group”	: E&O and its subsidiaries (including all future subsidiaries to be acquired/incorporated by E&O Group before the next AGM of the Company) as defined in the Act
“Jawawana”	: Jawawana Sdn. Bhd.
“Kerjaya”	: Kerjaya Prospek Group Berhad
“Kerjaya Group”	: Kerjaya and its subsidiaries (including all future subsidiaries to be acquired/incorporated by Kerjaya Group before the next AGM of the Company) as defined in the Act
“KPPROP” or “the Company”	: Kerjaya Prospek Property Berhad
“KPPROP Group” or “the Group”	: KPPROP and its subsidiaries companies, (including all future subsidiaries to be acquired/incorporated by KPPROP Group before the next AGM of the Company) as defined in the Act
“Listing Requirements”	: Main Market Listing Requirements of Bursa Securities as amended from time to time and any re-enactment thereof
“LPD”	: 30 June 2023 being the latest practicable date prior to printing of this circular

DEFINITIONS: (CONTINUED)

- “Major Shareholder” : A person who has an interest or interests in one (1) or more voting shares in KPPROP and the number or aggregate number of those shares, is:-
- (a) equal to or more than 10% of the total number of voting shares in KPPROP; or
 - (b) equal to or more than 5% of the total number of voting shares in KPPROP where such person is the largest shareholder of KPPROP.

This 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 KPPROP as defined above or any other company which is a subsidiary of KPPROP or KPPROP's holding company. For the purpose of this definition, “interest in shares” shall have the meaning given in Section 8(4) of the Act

- “Person Connected” : In relation to any person (referred to as “said Person”) means such person who falls under any one (1) of the following categories:-
- (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 whether 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 Person connected with the said Person are entitled to exercise, or control the exercise of, not less than 20% of the votes attached to voting shares in the body corporate; or
 - (g) a body corporate which is a related corporation of the said Person.
- “Proposed Shareholders’ Mandate” or “the Proposal” : Proposed renewal of and new shareholders’ mandate for the Recurrent Related Party Transactions to be entered into during the proposed mandate period

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DEFINITIONS: (CONTINUED)

- “Recurrent Related Party Transactions” or “RRPTs” : All such recurrent related party transactions of a revenue or trading nature, which are necessary for the day-to-day operations of the relevant companies in KPPROP Group, to be entered into by KPPROP or its subsidiary companies which involve the interest, direct or indirect, of a Related Party on an arm’s length basis in the ordinary course of business at any time during the proposed mandate period, and which should be upon terms not more favourable to the Related Party than those generally available to the public, and are not to the detriment of the minority shareholders of the Company; the details of which are set out in Section 2 of this Circular
- “Related Party(ies)” : A Director, Major Shareholder or Person Connected with such Director or Major Shareholder. For the purpose of this definition, “Director” and “Major Shareholder” shall have the meaning given in Paragraph 10.02 of the Listing Requirements
- “RM” and “Sen” : Ringgit Malaysia and sen respectively
- “Share(s)” or “KPPROP Shares” : Ordinary shares of KPPROP
- “Shareholders” : Shareholders of KPPROP
- “TES” : Tee Eng Seng

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Property

KERJAYA PROSPEK PROPERTY BERHAD

Registration No.: 199401001358 (287036-X)
(Incorporated in Malaysia)

Registered Office:

802, 8th Floor, Block C,
Kelana Square, 17 Jalan SS7/26,
47301 Petaling Jaya,
Selangor Darul Ehsan.

Date: 27 July 2023

Board of Directors:

Datin Toh Siew Chuon (*Executive Chairperson*)
Tee Eng Seng (*Executive Director*)
Ir. Low Wuu Shin (*Independent Non-Executive Director*)
Kuan Ying Tung (*Independent Non-Executive Director*)
Tee Sun Ee (*Independent Non-Executive Director*)

To: Our Shareholders

Dear Sir/Madam,

PROPOSED RENEWAL OF AND NEW SHAREHOLDERS' MANDATE FOR RRPT

1. INTRODUCTION

At the 29th AGM of the Company held on 23 August 2022, the shareholders, had inter-alia, granted a mandate for KPPROP Group to enter into Recurrent Related Party Transactions. The authority conferred by the shareholders' mandate shall, in accordance with the Listing Requirements, lapse at the conclusion of the forthcoming 30th AGM, unless a renewal is obtained.

On 22 June 2023, the Board announced to Bursa Securities that KPPROP proposed to seek shareholders' mandate for KPPROP Group to enter into the RRPT with the Related Parties which is necessary for its day-to-day operations.

The purpose of this Circular is to provide you with information on the Proposed Shareholders' Mandate and to seek your approvals for the ordinary resolution ("**Ordinary Resolution**") relating to the Proposed Shareholders' Mandate to be tabled at the forthcoming AGM of the Company.

YOU ARE ADVISED TO READ AND CONSIDER THE CONTENTS AND APPENDICES OF THIS DOCUMENT CAREFULLY BEFORE VOTING ON THE RESOLUTION PERTAINING TO THE PROPOSED SHAREHOLDERS' MANDATE.

1. INTRODUCTION (CONTINUED)

The AGM of the Company is scheduled to be held virtually through live streaming from Kerjaya Prospek Property Berhad, No. 1, Jalan Wangsa Permai, 1st Floor, Bangunan One Wangsa, Taman Wangsa Permai, 52200 Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur as the Broadcast Venue via a remote participation and voting facilities (“**RPV Facilities**”) on Friday, 25 August 2023 at 11.00 a.m. The Notice of the AGM containing, inter-alia, the Ordinary Resolution pertaining to the Proposed Shareholders’ Mandate is available at the Company’s website at www.kpproperty.com.my or web link at <http://ir2.chartnexus.com/kpproperty/agm>.

2. DETAILS OF THE PROPOSAL

2.1 Paragraph 10.09 Part E of Chapter 10 of the Listing Requirements

In compliance with Paragraph 10.09, Part E of Chapter 10 of the Listing Requirements, KPPROP proposes to seek shareholders’ mandate for KPPROP Group to enter into the RRPT with the Related Parties which are necessary for the day-to-day operations of KPPROP Group. The Proposal will take effect from the date of passing the Ordinary Resolution proposed at the forthcoming AGM of KPPROP and will continue to be in force until:-

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

Thereafter, approval from the shareholders for subsequent renewals of the shareholders’ mandate will be sought at each subsequent AGM of the Company.

2.2 Principal Activities of KPPROP Group

The Company’s principal activities are that of investment holding. The principal activities of KPPROP’s subsidiaries are as follows:-

No	Name of Company	Principal Activities	Interest in Equity held (%)	Holding Company
1.	Kerjaya Property Sdn. Bhd. (“ KPSB ”)	Project management consultants and property development	100	KPPROP
2.	Kerjaya Hotel Sdn. Bhd.	Property development, hotel operation and letting of service apartments	100	KPPROP
3.	Aeon Frontier Sdn. Bhd.	Property development	100	KPPROP
4.	Desanda Property Sdn. Bhd.	Investment holding	99.4	KPPROP

2. DETAILS OF THE PROPOSAL (CONTINUED)

2.2 Principal Activities of KPPROP Group (Continued)

No	Name of Company	Principal Activities	Interest in Equity held (%)	Holding Company
5.	KPP Management Sdn. Bhd.	Property development and construction	100	KPPROP
6.	KPP Properties Sdn. Bhd.	Property development	100	KPPROP
7.	Summit Audio (M) Sdn. Bhd.	Leasing of properties	100	KPPROP
8.	Summit CD (M) Sdn. Bhd.	Leasing of properties	100	KPPROP
9.	Serta Usaha Sdn. Bhd.	Property development	100	KPPROP
10.	Pixel Valley Sdn. Bhd.	Property development	100	KPPROP
11.	Greencove Sdn. Bhd.	Property development	100	KPPROP
12.	Bloomsvale Shopping Gallery Sdn. Bhd.	Leasing operator consultants and property management	100	KPSB

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2. DETAILS OF THE PROPOSAL (CONTINUED)

2.3 Details of RRPT contemplated under the Proposal

- I. The classes of Related Parties and nature of the existing RRPT for which approval for renewal is being sought at the forthcoming AGM under the Proposal are as follows:-

Transacting Parties	Interested Related Parties	Nature of Transactions	Estimated aggregate value of RRPT to be entered into from the date of the forthcoming AGM to the next AGM* (RM'000)	Estimated aggregate value of RRPT as disclosed in the preceding year circular to shareholders dated 25 July 2022** (RM'000)	Actual value of RRPT transacted from the date of previous AGM to LPD** (RM'000)
KPPROP Group and Kerjaya Group	DTEH ⁽¹⁾ TES ⁽¹⁾ DTSC ⁽¹⁾ Jawawana ⁽²⁾ Kerjaya Group ⁽³⁾ Egovation ⁽⁴⁾ Amazing ⁽⁵⁾	Supply of light fittings, kitchen cabinetry, hardware and all sorts of construction and building materials, provision of interior design works and masonry works by KPPROP Group to Kerjaya Group and vice versa.	10,000	10,000	-
		Provision of general building and construction works by KPPROP Group to Kerjaya Group and vice versa.	485,000	485,000	1,388
		Utilities charges, maintenance charges and other related services, which including but not limited to secondment of staffs, renting of machineries, renting of premises***, provision of hospitality services and provision of property management services by KPPROP Group to Kerjaya Group and vice versa.	5,000	5,000	333
KPPROP Group, TES, DTSC and DISB	DTEH ⁽¹⁾ TES ⁽¹⁾ DTSC ⁽¹⁾ Jawawana ⁽²⁾ DISB ⁽⁶⁾	Renting of premises*** by TES, DTSC and DISB to KPPROP Group.	800	800	378

Notes:

- * The value is merely indicative estimates for the period from the date of the forthcoming AGM to the next AGM.
 ** None of the actual value of the RRPT has exceeded the estimated value.
 *** Further information regarding the renting of premises is disclosed on page 6 of this Circular.

2. DETAILS OF THE PROPOSAL (CONTINUED)

2.3 Details of RRPT contemplated under the Proposal (Continued)

II. The classes of Related Parties and nature of the new RRPT for which approval is being sought at the forthcoming AGM under the Proposal are as follows:-

Transacting Parties	Interested Related Parties	Nature of Transactions	Estimated aggregate value of RRPT to be entered into from the date of the forthcoming AGM to the next AGM* (RM'000)
KPPROP Group and E&O Group	DTEH ⁽¹⁾ TES ⁽¹⁾ DTSC ⁽¹⁾ Jawawana ⁽²⁾⁽⁷⁾ E&O Group ⁽⁷⁾ Amazing ⁽⁵⁾⁽⁷⁾	Renting of premises*** by KPPROP Group to E&O Group and vice versa.	2,000

Notes:

* The value is merely indicative estimates for the period from the date of the forthcoming AGM to the next AGM.

*** Further information regarding the renting of premises is disclosed on page 6 of this Circular.

Nature of relationships

- (1) DTSC and TES are Directors of KPPROP while DTEH is a Director of major subsidiaries of KPPROP, namely, Kerjaya Hotel Sdn. Bhd. and KPSB. DTEH, DTSC and TES are Major Shareholders of KPPROP by virtue of their interest in Jawawana. DTEH is the spouse of DTSC and brother of TES, hence, DTSC is a sister-in-law to TES.
- (2) Jawawana, a Major Shareholder of KPPROP, is jointly owned by DTSC (25%), TES (50%) and DTEH (25%), who are also directors of Jawawana.
- (3) DTEH, TES and DTSC are Major Shareholders of Kerjaya by virtue of their interests in Egovision and Amazing.
- (4) Egovision, a Major Shareholder of Kerjaya, is jointly owned by DTSC (25%), TES (50%) and DTEH (25%), who are also directors of Egovision.
- (5) Amazing, a Major Shareholder of Kerjaya & E&O, is jointly owned by DTSC (25%), TES (50%), and DTEH (25%). TES and DTEH are also Directors of Amazing.
- (6) DISB is a company which DTEH (50%) and DTSC (50%) have substantial interest.

2. DETAILS OF THE PROPOSAL (CONTINUED)

2.3 Details of RRPT contemplated under the Proposal (Continued)

Nature of relationships (Continued)

- (7) DTEH, TES and DTSC are Major Shareholders of E&O by virtue of their interests in the following companies controlled by them and TES and DTEH are Directors of E&O:-

Companies	Percentage of shareholdings held by the Interested Directors and/or Major Shareholders (Direct and Deemed Interest)		
	DTSC	TES	DTEH
Amazing	25%	50%	25%
Paramount Spring Sdn. Bhd.	-	50%	50%
Kerjaya Prospek Development (M) Sdn. Bhd.	-	50%	50%
Jawawana	25%	50%	25%

The RRPT to be entered into by KPPROP Group with Related Parties as contemplated under the mandate, comply with Paragraph 10.09(2) and the relevant provisions under Section 3.1 and 3.2 of the Practice Note 12 of the Listing Requirements.

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2. DETAILS OF THE PROPOSAL (CONTINUED)

2.3 Details of RRPT contemplated under the Proposal (Continued)

Further information regarding the renting of premises

Existing RRPT

Transacting Parties	Interested Related Parties	Type of Premises	Approximate Size (Square Feet)	Postal Address	Period of Tenancy	Rental Per Annum (RM'000)	Frequency of Payment
KPPROP Group and Kerjaya Group	DTEH ⁽¹⁾ TES ⁽¹⁾ DTSC ⁽¹⁾ Jawawana ⁽²⁾ Kerjaya Group ⁽³⁾ Egovision ⁽⁴⁾ Amazing ⁽⁵⁾	Apartment	853	D-113, Dallas Villa Pandan Heights, Jalan Perdana 2/1, 55300 Pandan Perdana, Kuala Lumpur.	1 April 2023 to 31 March 2024	12	Equal pro-rated monthly
KPPROP Group, TES, DTSC and DISB	DTEH ⁽¹⁾ TES ⁽¹⁾ DTSC ⁽¹⁾ Jawawana ⁽²⁾ DISB ⁽⁶⁾	Serviced Apartments	435 to 1,356	No. 193, Pinggiran @ Sungai Melaka, Jalan Persisiran Bunga Raya, 75100 Melaka.	1 June 2023 to 31 May 2024	343	Equal pro-rated quarterly
		Office	6,901	No. 1, Jalan Wangsa Permai, 1 st Floor, Bangunan One Wangsa, Taman Wangsa Permai, 52200 Kuala Lumpur.	1 April 2023 to 31 March 2024	144	Equal pro-rated monthly

New RRPT

Transacting Parties	Interested Related Parties	Type of Premises	Approximate Size (Square Feet)	Postal Address	Period of Tenancy	Rental	Frequency of Payment
KPPROP Group and E&O Group	DTEH ⁽¹⁾ TES ⁽¹⁾ DTSC ⁽¹⁾ Jawawana ⁽²⁾ E&O Group ⁽⁷⁾ Amazing ⁽⁵⁾	Office	22,000, subject to changes to be determined and specified in the Tenancy Agreement to be executed in January 2024 ("TA")	137, Jalan Puchong, 58200 Kuala Lumpur.	1 year, subject to commencement date to be specified in the TA	RM 4.50 per square feet subject to changes to be determined and specified in the TA	Equal pro-rated monthly, or otherwise specified in the TA

2. DETAILS OF THE PROPOSAL (CONTINUED)

2.4 Outstanding RRPT Receivable

There is no outstanding amount due and owing to KPPROP Group by the Related Parties under the RRPT which exceeded the credit term as at 31 March 2023.

2.5 Review Procedures in relation to RRPTs

KPPROP Group has established policies/procedures/measures to ensure that the RRPTs are undertaken on transaction prices and 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 procedures are also to ensure that RRPTs are conducted at arm's length and on normal commercial terms consistent with the Group's usual business practices and policies and will not be prejudicial to shareholders. The review policies/procedures are as follows:-

- (a) all transactions with Related Parties will only be entered into after taking into consideration the pricing, level and quality of products or services and will not be entered into unless: -
 - (i) the pricing for such transaction or contract is determined in accordance with the Group's usual business practices and policies and consistent with the usual margins of the Group with unrelated parties;
 - (ii) the terms are based on prevailing market forces and not more favourable to the Related Parties than those extended to unrelated parties and available to the public, and the RRPTs are not detrimental to the minority shareholders of the Company;
 - (iii) the terms offered, after taking into account factors such as pricing, quality, delivery schedules and, where applicable, preferential rates, rebates or discounts for bulk purchases, are fair, reasonable and consistent with normal practices; and
 - (iv) wherever practicable and/or feasible, at least 2 other contemporaneous transactions with unrelated third parties for similar products and/or services and/or quantities will be used as comparison for determining whether the price and terms offered to/by the Interested Related Parties are fair and reasonable and comparable to those offered to/by unrelated third parties. In the event that quotation or comparative pricing from unrelated parties cannot be obtained (for instance, if there are no unrelated third party customers of similar products/services, or if the products is a proprietary item), the transaction price will be determined in accordance with the Group's usual business practices and policies, consistent with the usual margin of the Group for the same or substantially similar type of transaction made by the Group with unrelated third parties on terms which are generally in line with industry norms in order to ensure the RRPTs is not detrimental to KPPROP Group.
- (b) The ARMC may, as it deems fit, request for additional information pertaining to the transactions from independent sources or advisers.
- (c) All records pertaining to RRPTs will be analysed and reviewed by the management of the Group. In addition, the management of the Group will report to the ARMC on the status of the RRPTs transacted on a quarterly basis.
- (d) An audit shall be conducted by the internal auditors to review RRPTs to ascertain that the relevant approvals have been obtained and the procedures in respect of such transactions are adhered to, if required.
- (e) The Board and the ARMC shall review the internal audit reports whenever available and to establish that all transactions with the Related Parties have been undertaken in accordance with the procedures put in place by the management of the Group.

2. DETAILS OF THE PROPOSAL (CONTINUED)

2.5 Review Procedures in relation to RRPT (Continued)

- (f) Disclosure shall be made in the Company's Annual Report of a breakdown of the aggregate value of all RRPTs conducted pursuant to the Proposed RRPT Mandate during the financial year and, amongst others, based on the type of RRPTs made, the names of the Related Parties involved in each type of RRPTs made and their relationship with the Company, to which the Annual Report relates, for so long as the Proposed RRPT Mandate remains in force.
- (g) The following are the approving authority and the thresholds for the approval of the RRPTs:-
- (i) All RRPTs in excess of RM5 million to be entered by the Group and RRPTs to be entered by the Group which has exceeded the mandate amount approved by the shareholders shall be subject to the review and approval of the Chief Financial Officer as First approval, Executive Directors, ARMC and Board of Directors as Final approval or shareholders (if required) before the transactions are carried out; and
 - (ii) All RRPTs below RM5 million to be entered by the Group and RRPTs to be entered by the Group which are within the mandate amount approved by the shareholders shall be approved by the Chief Financial Officer as First Approval and Executive Directors as Final approval.

The Chief Financial Officer, Executive Directors, ARMC and Board of Directors are collectively the "**Approving Authority**".

If all members of the relevant RRPT Approving Authority are conflicted or have interest in the RRPTs, then the approval of the next higher Approving Authority shall be sought. For avoidance of doubt, the Approving Authority in ascending order is: Chief Financial Officer, Executive Directors, ARMC and Board of Directors.

- (h) If a member of the Approving Authority has an interest in the RRPTs, he shall abstain from any decision making by the Board and/or ARMC in respect of such transactions and continue to abstain from voting on the resolution approving the transactions.
- (i) The interested Director and/or interested Major Shareholder shall also ensure that persons connected to them abstain from voting on the resolution approving the transactions.
- (j) The review of the policies, procedures and processes would be carried out by the ARMC on need basis at least once in every 3 years or as and when necessary to comply with the changes in the Listing Requirements.

2.6 Statement by ARMC

The ARMC has seen and reviewed the procedures mentioned in Section 2.5 and is satisfied that the review procedures for the RRPT, as well as the annual review to be made by the ARMC in relation thereto, are sufficient to ensure that the RRPT:-

- (a) will be made at arm's length and in accordance with the Company's normal commercial terms;
- (b) not more favourable to the Related Parties than those generally available to the public and are not to the detriment of the minority shareholders; and
- (c) the Group has in place adequate procedures and processes to monitor, track and identify RRPT in a timely and orderly manner, and that these procedures and processes are reviewed on need basis at least once in every 3 years or as and when necessary to comply with the changes in the Listing Requirements.

The ARMC shall annually review the RRPT and also review the established guidelines and procedures to ascertain that they have been complied with.

3. RATIONALE FOR THE PROPOSAL

The RRPT to be entered into by KPPROP Group with Related Parties are all in the ordinary course of business of KPPROP Group. They are recurring transactions of a revenue or trading nature which are likely to occur with some degree of frequency and may arise at any time, and from time to time. These transactions may be constrained by the time sensitive nature and confidentiality of such transactions and it may be impractical to seek shareholders' approval on a case-by-case basis before entering into such related party transactions.

The RRPT to be undertaken will be entered into at arm's length basis and on normal commercial terms and 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. By obtaining a shareholders' mandate on an annual basis, the necessity to convene separate general meetings from time to time to seek shareholders' approval as and when such RRPT occur would not arise. This would reduce substantial administrative time, inconvenience and expenses associated with the convening of such meeting, without compromising the corporate objectives of the Company or adversely affecting the business opportunities available to the Company.

The Proposal is crucial to ensure continuing day-to-day operations of KPPROP Group.

4. EFFECTS OF THE PROPOSAL

The Proposal will not have any effect on the share capital and substantial shareholders' shareholdings of the Company.

However, the Proposal is expected to contribute positively to the Group's future earnings and net assets as and when the benefits of the RRPT are realised.

5. DIRECTORS' AND MAJOR SHAREHOLDERS' INTERESTS

The direct and indirect shareholdings of the Directors and/or Major Shareholders who are interested in the Proposal as at LPD are as follows:-

Name	Direct		Indirect	
	No. of Shares	%*	No. of Shares	%*
Interested Directors				
DTSC	-	-	225,850,048 ⁽¹⁾	61.432
TES	-	-	225,850,048 ⁽¹⁾	61.432
Interested Major Shareholders				
Jawawana	225,850,048	61.432	-	-
DTEH	-	-	225,850,048 ⁽¹⁾	61.432
DTSC	-	-	225,850,048 ⁽¹⁾	61.432
TES	-	-	225,850,048 ⁽¹⁾	61.432

Notes:

⁽¹⁾ Deemed interested by virtue of their interest in Jawawana pursuant to Section 8(4) of the Act.

⁽²⁾ Excluding a total of 32,500,800 ordinary shares bought back by the Company that retained as treasury shares as at LPD.

The aforementioned interested Directors, had abstained and will continue to abstain from all deliberations and voting in relation to the Proposed Shareholders' Mandate at the Company's Board meetings.

Save as disclosed above, none of the other Directors and/or Major Shareholders of the Company and/or Persons Connected to them have any interest, direct or indirect, in the Proposed Shareholders' Mandate. Accordingly, the said interested Major Shareholders and interested Directors shall abstain from voting on the Proposed Shareholders' Mandate in respect of their direct or indirect shareholding in KPPROP at the forthcoming AGM.

The said interested Directors and Major Shareholders of KPPROP have undertaken that they shall ensure that Persons Connected with them will abstain from voting in respect of their direct and/or indirect shareholdings on the Ordinary Resolution No. 8 pertaining to the Proposed Shareholders' Mandates in the forthcoming AGM.

6. APPROVAL REQUIRED FOR THE PROPOSAL

The Proposed Shareholders' Mandate is subject to the approval of the Shareholders of KPPROP at the forthcoming AGM.

7. DIRECTORS' RECOMMENDATION

Save for DTSC and TES who are deemed interested (who have and will continue to abstain from making any opinion) on the Proposal and have abstained from Board deliberations and voting on the Proposed Shareholders' Mandates, the Board having considered all aspects of the Proposed Shareholders' Mandates, is of the opinion that the Proposed Shareholders' Mandates is in the best interest of the KPPROP Group and is necessary for the Group's day-to-day operations and recommend that you vote in favour of the Ordinary Resolution No. 8 on the Proposal Shareholders' Mandates to be tabled at the forthcoming AGM. The said Ordinary Resolution No. 8 is set out in the Notice of AGM to be despatched together with this Circular.

8. ANNUAL GENERAL MEETING

The Proposed Shareholders' Mandate will be tabled at the 30th AGM to be held virtually through live streaming from Kerjaya Prospek Property Berhad, No. 1, Jalan Wangsa Permai, 1st Floor, Bangunan One Wangsa, Taman Wangsa Permai, 52200 Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur as the Broadcast Venue via a remote participation and voting facilities ("**RPV Facilities**") on Friday, 25 August 2023 at 11.00 a.m. The Notice of the 30th AGM which sets out the resolution to consider the Proposed Shareholders' Mandate together with the Proxy Form relating thereto are available at the Company's website at www.kpproperty.com.my or web link at <http://ir2.chartnexus.com/kpproperty/aggm>.

If you are unable to attend and vote remotely in person at the AGM, you may complete and deposit the Proxy Form in accordance with the instructions printed thereon at our share registrar's office at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur or register via <https://tiah.online> not later than forty-eight (48) hours before the time set for holding the AGM. The lodging of the Proxy Form will not preclude you from attending and voting in person at the forthcoming AGM should you subsequently wish to do so.

9. 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
KERJAYA PROSPEK PROPERTY BERHAD

KUAN YING TUNG

Independent Non-Executive Director

FURTHER INFORMATION**1. DIRECTORS' RESPONSIBILITY STATEMENT**

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

2. MATERIAL LITIGATION

The Company had not been or is not engaged in any material litigation, claims or arbitrations either as plaintiff or defendant as at the date of this Circular, and the Directors are not aware of any proceedings, pending or threatened, against the Company or of any facts likely to give rise to any proceedings which might materially affect the position or business of the Company.

3. MATERIAL CONTRACTS

Saved as disclosed below, there are no other material contracts (not being contracts entered into in the ordinary course of business) which have been entered into by KPPROP during the two (2) years immediately preceding the date of this Circular:-

- 3.1 Greencove Sdn. Bhd. ("**GCSB**"), a wholly-owned subsidiary of the Company, had on 27 August 2021, entered into a conditional sale and purchase agreement with Prousa (M) Sdn. Bhd. to purchase all that piece of leasehold land held under PN 113068, Lot 87285, Mukim Sungai Buloh, District of Petaling, State of Selangor for a purchase consideration of RM42,000,000.00. The transaction was completed on 4 February 2022.
- 3.2 Pixel Valley Sdn. Bhd. ("**PVSB**"), a wholly-owned subsidiary of the Company, had on 6 December 2021, entered into a conditional purchase and development agreement with Aspen Vision City Sdn. Bhd. to purchase all that piece of freehold land held under HS(D) 50861, PT 6025, Mukim 13, Daerah Seberang Perai Selantan, Negeri Pulau Pinang for a purchase consideration of RM27,565,720.00. The transaction was completed on 31 March 2023.

4. CONTINGENT LIABILITIES AND MATERIAL COMMITMENTS**4.1 Contingent Liabilities**

As at LPD, the Board is not aware of any contingent liabilities which may have a material impact on the Group's financial position, upon becoming enforceable.

4.2 Material Commitments

As at LPD, the Board is not aware of any material commitments contracted or known to be contracted by the Group, upon becoming enforceable, may have a material impact on the Group's financial position.

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FURTHER INFORMATION (CONTINUED)**5. DOCUMENTS FOR INSPECTION**

The following documents are available for inspection at the Registered Office of the Company at 802, 8th Floor, Block C, Kelana Square, 17 Jalan SS7/26, 47301 Petaling Jaya, Selangor during normal office hours on any business day falling from the date of this Circular and up to the time set for convening the 30^h AGM:

- (a) Constitution of the Company;
- (b) Audited financial statements of the Company for the past two (2) financial years ended 31 March 2022 and 31 March 2023;
- (c) Conditional sale and purchase agreement dated 27 August 2021 entered into between GCSB and Prousa (M) Sdn. Bhd. for the purchase of land; and
- (d) Conditional purchase and development agreement dated 6 December 2021 entered into between PVSB and Aspen Vision City Sdn. Bhd. for the purchase of land.

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