

**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.**

If you are in any doubt as to the course of action to be taken, you should consult your stockbroker, bank manager, solicitor, accountant or other professional adviser immediately. If you have sold or transferred all your shares in Classita Holdings Berhad you should at once hand this Circular together with the accompanying Proxy Form to the purchaser, transferee or the agent through whom you effected the sale or transfer for onward transmission to the purchaser or transferee.

Bursa Malaysia Securities Berhad has perused the Proposed New Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue and/or Trading Nature on a limited review basis pursuant to Practice Note 18 of the Main Market Listing Requirements.

Bursa Malaysia Securities Berhad 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.



**CLASSITA HOLDINGS BERHAD**

(Formerly known as Caely Holdings Bhd)  
Registration No. 199601036023 (408376-U)  
(Incorporated in Malaysia)

**CIRCULAR TO SHAREHOLDERS**

**IN RELATION TO THE**

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

The Notice convening the 27<sup>th</sup> Annual General Meeting (**AGM**) of Classita Holdings Berhad which will be held fully virtual through live streaming and online participation and voting using Remote Participation and Voting (**RPV**) facilities via the online meeting platform at <https://www.symphonycorporateservices.com.my> provided by Symphony Corporate Services Sdn Bhd in Malaysia (Domain registration number D1C534619) on Tuesday, 28 November 2023 at 10.00 a.m. together with the Proxy Form and the Letter to Shareholders and Administrative Guide are available on the Company's website at <https://www.classitaholdings.com> and/or Bursa Malaysia Securities Berhad's website at <https://www.bursamalaysia.com>

A member entitled to attend and vote at the fully virtual 27<sup>th</sup> AGM is entitled to appoint a proxy or proxies to attend and to vote remotely via the RPV facilities on his/her behalf. If you decide to appoint a proxy to attend and vote remotely on your behalf at the 27<sup>th</sup> AGM, you have to complete and deposit the Proxy Form at the registered office of the Company at 51-21-A Menara BHL Bank, Jalan Sultan Ahmad Shah, 10050 George Town, Penang not less than 48 hours before the time for holding the meeting or adjournment thereof, or in the case of a poll not less than 24 hours before the time appointed for the taking of the poll. The lodging 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 day and time for lodging Proxy Form	:	Sunday	26 November 2023	10.00 a.m.
Date and time of the 27 <sup>th</sup> AGM	:	Tuesday	28 November 2023	10.00 a.m.

This Circular is dated 31 October 2023

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## DEFINITIONS

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Unless the context otherwise requires, the following definitions shall 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 Classita Holdings Berhad
Bursa Securities	:	Bursa Malaysia Securities Berhad
Caely-D	:	Caely Development Sdn Bhd
Caely-EC	:	Caely Ecommerce Sdn Bhd
Caely-M	:	Caely (M) Sdn Bhd
Circular	:	This circular to the shareholders of Classita dated 31 October 2023
CMSA	:	The Capital Markets and Services Act 2007 as amended from time to time
Classita or the Company	:	Classita Holdings Berhad
Classita Group or Group	:	Classita and its subsidiaries, collectively
Classita Indonesia	:	PT Classita Indonesia Intimates
Classita-M	:	Classita (M) Sdn Bhd
CSY	:	Chan Swee Ying
Director	:	As defined in Section 2(1) of the CMSA and for the purpose of the Proposal, this includes any person who is or was within the preceding 6 months of the date on which the terms of the transaction were agreed upon, a Director of Classita or any other company which is a subsidiary of Classita or a holding company of Classita or a Chief Executive of Classita, its subsidiary or holding company
IESB	:	Ingenieur EPCM Sdn Bhd
IGB	:	Ingenieur Gudang Berhad
Kepayang Heights	:	Kepayang Heights Sdn Bhd
Longhorn	:	Longhorn Capital Sdn Bhd
LPD	:	19 October 2023, being the latest practicable date prior to the printing of this Circular
Main LR	:	The Main Market Listing Requirements of Bursa Securities, including any amendments thereto that may be made from time to time

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## DEFINITIONS

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Major Shareholder	:	A person who has an interest or interests in one or more voting shares in Classita and the number or the aggregate number of those shares, is :  (i) 10% or more of the total number of voting shares in Classita; or  (ii) 5% or more of the total number of voting shares in Classita where such person is the largest shareholder of Classita.  For the purpose of this definition, "interest in shares" has the meaning given in Section 8 of the Act.  For the purpose of the Proposal, this includes any person who is or was within the preceding 6 months of the date on which the terms of the transaction were agreed upon, a Major Shareholder of Classita as defined above or any other company which is a subsidiary of Classita or a holding company of Classita.
Marywah	:	Marywah Industries (M) Sdn Bhd
Proposed New Shareholders' Mandate / Proposal	:	Proposed New Shareholders' Mandate for Classita Group to enter into Recurrent Related Party Transactions.
Recurrent Related Party Transaction(s) / 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 in the ordinary course of business and are on terms not more favourable to the Related Party(ies) than those generally available to the public and are not to the detriment of the minority shareholders.
Related Party(ies)	:	A Director, Major Shareholder or person(s) connected with such Director or Major Shareholder of Classita Group
RM and sen	:	Ringgit Malaysia and sen respectively

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

Any reference in this Circular to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any reference to a time of day in this Circular shall be a reference to Malaysian time, unless otherwise specified.

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**CLASSITA HOLDINGS BERHAD**  
(Formerly known as Caely Holdings Bhd)  
[Registration No. 199601036023 (408376-U)]  
(Incorporated in Malaysia)

**Registered Office**

51-21-A  
Menara BHL Bank  
Jalan Sultan Ahmad Shah  
10050 George Town  
Penang

31 October 2023

**Board of Directors**

Ng Keok Chai (Executive Chairman)  
Datuk Kuan Poh Huat (Executive Director)  
Dato' Pahlawan Mior Faridalathrash Bin Wahid (Executive Director)  
Dato' Kang Chez Chiang (Independent Non-Executive Director)  
Krishnan A/L Dorairaju (Independent Non-Executive Director)  
Chong Seng Ming (Independent Non-Executive Director)  
Datuk Aureen Jean Nonis (Independent Non-Executive Director)  
Lester Chin Kent Lake (Non-Independent Non-Executive Director)

**To: Shareholders of Classita Holdings Berhad**

Dear Sir / Madam,

**CLASSITA HOLDINGS BERHAD**

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

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**1. INTRODUCTION**

On 03 October 2023, the Board announced to Bursa Securities of its intention to seek shareholders' mandate at the forthcoming 27<sup>th</sup> AGM to allow the Group, in the normal course of business, to enter into Recurrent Related Party Transactions provided that such transactions are made at arm's length, on the Group's normal commercial terms which are not more favourable to the Related Parties than those generally available to the public and are not to the detriment of the minority shareholders. Details of the Proposal are set out in the ensuing sections of this Circular.

The purpose of this Circular is to provide you with the relevant information on the Proposal and to seek your approval for the ordinary resolution pertaining to the Proposed New Shareholders' Mandate to be tabled at the forthcoming 27<sup>th</sup> AGM. The extract of the ordinary resolution is set out in "Appendix II" enclosed together with this Circular.

**SHAREHOLDERS OF CLASSITA ARE ADVISED TO READ AND CONSIDER THE CONTENTS OF THIS CIRCULAR CAREFULLY BEFORE VOTING ON THE ORDINARY RESOLUTION PERTAINING TO THE PROPOSAL AT THE FORTHCOMING AGM.**

## **2. DETAILS OF THE PROPOSAL**

### **2.1 Main LR**

Pursuant to Paragraph 10.09(2) of the Main LR, the Company may seek a shareholders' mandate in respect of 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 parties than those generally available to the public;
- (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 where:
  - (i) the consideration, value of the assets, capital outlay or costs of the aggregated transactions is equal to or exceeds RM1.0 million; or
  - (ii) any one of the percentage ratios of such aggregated transactions is equal to or exceeds 1%;

whichever is the higher;

- (c) the issuance of circular to shareholders for the shareholders' mandate shall include information as may be prescribed by Bursa Securities. The draft circular must be submitted to Bursa Securities together with a checklist showing compliance with such information;
- (d) in a meeting to obtain shareholders' mandate, the interested director, interested major shareholder or interested person connected with a 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) immediately announce to Bursa Securities when the actual value of the transactions entered into exceeds the estimated value of the transactions disclosed in the circular by 10% or more and to include the information as may be prescribed by the Bursa Securities in its announcement.

Accordingly, the Board proposes to seek the shareholders' approval for Proposal for the Group to enter into Recurrent Related Party Transactions.

### **2.2 Validity Period of the Proposal**

The Proposal, if approved by the shareholders at the forthcoming 27<sup>th</sup> AGM, will take effect from the passing of the ordinary resolution proposed at the forthcoming 27<sup>th</sup> AGM and shall continue to be in force until:-

- (a) the conclusion of the next AGM of the Company following the forthcoming 27<sup>th</sup> AGM at which the Proposal was passed, at which time it will lapse, unless by a resolution passed at such AGM, the authority is renewed; or
- (b) the expiration of the period within which the next AGM of the Company is required to be held pursuant to Section 340(2) of the Act (but must 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 a general meeting,

whichever is earlier.

Thereafter, the approval from shareholders will be sought for the renewal of shareholders' mandate for the Recurrent Related Party Transactions, as applicable, at each subsequent AGM of the Company or at a general meeting to be convened.

### 2.3 Principal activities of Classita Group

Classita is principally an investment holding company. The principal activities of its subsidiaries are as follows:-

No.	Name of Subsidiary	Principal Activities	Effective Equity Interest (%)
1.	Caely-M	Property development and construction, property management, direct sales, trading and consignment	100
2.	Marywah	Manufacturing and sales of undergarments, sales of protective facial mask and personal protective equipment	100
3.	Caely-D	Provision of sewing services, property development, construction and property management (dormant during financial period)	100
4.	Classita-M	Manufacturing and sales undergarments	100
5.	Caely-EC	Sales all kinds of garments, clothes & scarf; e-commerce and online manufacturing & logistic, pharmaceutical products, skincare & personal products	100
6.	Kepayang Heights	Property development and construction	97.24
7.	Longhorn	Investment Holding	100
8.	Classita Indonesia	Manufacturing and processing of apparel and others, wholesale of clothing and other retail	60

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## 2.4 Details of Recurrent Related Party Transactions

The Proposal will apply to the following transactions with the Related Parties:-

Transacting Party		Interested Major Shareholder and/or Persons Connected to her <sup>N4</sup>	Nature of Transactions	Estimated Aggregate Value Per Annum (RM)
Subsidiaries Of Classita Involved	Related Parties <sup>N3</sup>			
Marywah	IESB - Provider	CSY as mentioned below and in Section 6 of this Circular	Provision of construction works which includes civil, structural, building, mechanical, architectural works and other related services such as refurbishment and renovation works	10,000,000 <sup>N1</sup>
Caely-M	IESB - Provider	CSY as mentioned below and in Section 6 of this Circular	Provision of construction works which includes civil, structural, building, mechanical, architectural works and other related services such as refurbishment and renovation works	30,000,000 <sup>N2</sup>
Kepayang Heights	IESB - Provider	CSY as mentioned below and in Section 6 of this Circular	Provision of construction works which includes civil, structural, building, mechanical, architectural works and other related services such as refurbishment and renovation works	50,000,000 <sup>N1</sup>
Classita-M	IESB - Provider	CSY as mentioned below and in Section 6 of this Circular	Provision of construction works which includes civil, structural, building, mechanical, architectural works and other related services such as refurbishment and renovation works	10,000,000 <sup>N1</sup>

Notes:

- N1 The estimated aggregate values as stated above are for projects/transactions to be entered into from the date of the forthcoming AGM to the next AGM of the Company. Such estimated aggregate values are subject to changes. As at LPD, there is no project awarded.
- N2 The estimated aggregate values as stated above are for current project and future projects/transactions to be entered into from the date of the forthcoming AGM to the next AGM of the Company. Such estimated aggregate values are subject to changes. The current project for refurbishment works of commercial offices at Taiping, Perak was awarded on 31 May 2023 and the duration of this project is 8 months.
- N3 IESB is principally involved in construction works which includes civil, structural, building, architectural and mechanical works, piping fabrication and installation works and steel fabrication works and investment holding.



N4 Class of Related Parties and nature of their relationships were as follows:

- a) CSY was a Major Shareholder of Classita within the preceding 6 months of the date on which the terms of the transactions were agreed upon
- b) CSY is a Director and Major Shareholder of IGB
- c) IESB is a wholly-owned subsidiary of IGB

## **2.5 Review methods and procedures for Recurrent Related Party Transactions**

The Company had established the following methods and procedures to ensure the Related Party Transactions are undertaken on arm's length basis and on the normal commercial terms which are consistent with the Group's usual business practices and policies which are on terms not more favourable to the Related Parties than those extended to the public or third parties and are not to the detriment of the minority shareholders of the Company:

### **(a) Identification**

- (i) A list of the Related Parties will be circulated within the Group to notify that all Recurrent Related Party Transactions are required to be undertaken on an arm's length basis, under normal commercial terms consistent with the Group's business practices and policies, on terms not more favourable to the Related Parties than those generally available to the public and not to the detriment of the minority shareholders of the Company.
- (ii) All companies within the Group are required to inform the Finance Department before entering into any Recurrent Related Party Transactions, which are to be tabled to the Audit Committee for review on a quarterly basis.

### **(b) Authorisation**

- (i) The pricing methods and procedures of Recurrent Related Party Transactions are to be determined by market forces, demand and supply, quality and the availability of the products and/or services under similar commercial terms with unrelated third parties.
- (ii) All the Recurrent Related Party Transactions are carried out at arm's length and under the Group's normal commercial terms, which are not more favourable to the Related Parties than those generally available to the public and are not to the detriment of the minority shareholders of the Company.
- (iii) The Finance Department shall brief the Related Parties and/or the Directors who are deemed interested in the transaction of their responsibilities, obligations under the relevant Main LR, and the Group's policy and procedures for Recurrent Related Party Transactions.
- (iv) If any Director has an interest, direct or indirect, in any Recurrent Related Party Transactions, he or she shall abstain from any decision-making by the Board or Audit Committee in respect of the said transaction.
- (v) Where a Recurrent Related Party Transaction is of a value above RM1.0 million, it will be reviewed and approved by the Board. However if the value of a Recurrent Related Party Transaction is RM1.0 million and below, it will be reviewed and approved by one senior management who has no interest in the transaction.
- (vi) Wherever practicable and/or feasible, at least 2 other contemporaneous transactions with unrelated third parties for similar products/services and/or quantities will be used as comparison wherever possible, to determine whether the price and terms offered to/by the Related Parties are fair and reasonable and comparable to those offered to/by other unrelated third parties for the same or substantial similar type of

products/services and/or quantities. In the event that quotations or comparative pricing from unrelated third parties cannot be obtained for the proposed transactions, the Audit Committee will rely on the usual business norms and practices taking into account the efficiency, quality and type of support services to be provided to ensure that the Recurrent Related Party Transactions are not detrimental to the Group.

(c) Monitoring and reporting

- (i) A register shall be maintained by the respective companies within the Group to record all Recurrent Related Party Transactions entered into pursuant to the shareholders' mandate. All Recurrent Related Party Transactions shall be reported to the Audit Committee on a quarterly basis together with the quarterly financial reports.
- (ii) The Finance Department shall review all Recurrent Related Party Transactions pursuant to the shareholders' mandate to ensure the transactions are within the shareholders' mandate and to immediately notify the Board when the actual value of the transactions entered exceeds the estimated value of transactions pursuant to the shareholders' mandate by 10% or more.
- (iii) The Internal Auditors shall assist the Audit Committee to review all Recurrent Related Party Transactions entered into pursuant to the shareholders' mandate to ascertain the guidelines and procedures established to monitor all Recurrent Related Party Transactions have been adhered to.
- (iv) The Audit Committee shall review the internal audit report including the report from the Finance Department in relation to Recurrent Related Party Transactions on a quarterly basis together with the review of the Company's quarterly financial results.

## **2.6 Rationale of the Proposal**

The Recurrent Related Party Transactions entered or to be entered with the Related Parties are all in the ordinary course of business, which were undertaken at arm's length basis and on normal commercial terms which are not more favourable to the Related Parties than those generally extended to the public and are not detrimental to the interests of the minority shareholders of the Company.

The Recurrent Related Party Transactions are likely to continue to occur with some degree of frequency from time to time. By obtaining the shareholders' mandate and renewing the same on an annual basis, the Company does not need to convene separate meetings from time to time to seek your approval as and when potential Recurrent Related Party Transactions with the specific classes of Related Parties arise, thereby reducing substantial administrative time and expenses in convening such meetings. It would also enable the Group to realise the business opportunities as and when they shall become available to us in a more timely and effective manner.

The Recurrent Related Party Transactions are intended to meet the business needs of the Group at the best possible terms. By transacting with the Related Parties and the Group would have an advantage of familiarity with the background, financial well-being and management of the Related Parties, thus enabling more informed commercial decisions to be made. The Group and the Related Parties also have a good understanding of each other's business needs and expectations thus providing a platform where all parties can benefit from conducting the Recurrent Related Party Transactions.

## **2.7 Statement by Audit Committee**

The Audit Committee of the Company has reviewed the procedures set out in Section 2.5 above and is satisfied that the said procedures are sufficient to ensure that the RRPTs will be undertaken:

- on arm's length basis;
- under normal commercial terms consistent with the Group's business practices and policies;
- on terms not more favourable to the Related Parties than those generally available to the public; and
- not to the detriment of the minority shareholders of the Company.

The Audit Committee is of the view that the Group has put in place adequate procedures and processes to identify, track and monitor RRPTs in a timely and orderly manner, and will, at its discretion, amend the guidelines and procedures which are no longer appropriate or adequate, to ensure that the RRPTs are, at all times, carried out on terms consistent within the Group's practices and not detrimental to the minority shareholders. These procedures and processes will be reviewed on a yearly basis to be in line with the corporate objectives of the Group.

The Audit Committee of the Company, after having considered all the relevant aspects of the Proposal, including the rationale and effects of the Proposal, is of the opinion that the Proposal is in the best interest of the Group.

### **3. INTEREST OF DIRECTORS, MAJOR SHAREHOLDERS AND/OR PERSONS CONNECTED TO THEM**

None of the Directors of the Company and persons connected to them has any interest, direct or indirect, in the Proposal.

Save as disclosed below, none of the other Major Shareholders and/or persons connected to them has any interest, direct or indirect, in the Proposal.

CSY had ceased to be the Major Shareholder of Classita on 14 July 2023. As at LPD, CSY does not hold any shares in the Company, directly or indirectly.

However, CSY is deemed as interested Major Shareholder pursuant to Paragraph 10.02(f) of the Main LR as she was a Major Shareholder of Classita within the preceding 6 months on which the terms of the transactions are agreed upon. Therefore, CSY is deemed interested in the Proposed New Shareholders' Mandate.

CSY, being the former Major Shareholder of the Company, is deemed interested in the Proposal and accordingly, will abstain from voting in respect of her direct and/or indirect shareholdings, if any, on the ordinary resolution, deliberating or approving the Proposed New Shareholders' Mandate to be tabled at the forthcoming 27<sup>th</sup> AGM.

CSY has undertaken that she will ensure the persons connected with her, if any, will abstain from voting in respect of their direct and indirect shareholdings on the resolution, deliberating or approving the Proposed New Shareholders' Mandate at the forthcoming 27<sup>th</sup> AGM.

### **4. EFFECTS OF THE PROPOSAL**

The Proposal will not have any material effect on the issued and paid-up share capital, earnings, net assets, gearing and substantial shareholders' shareholdings of the Group.

### **5. APPROVALS REQUIRED**

The Proposal is subject to and conditional upon the approval of the shareholders of the Company at the forthcoming AGM.

### **6. DIRECTORS' RECOMMENDATION**

The Board after having considered all aspects of the Proposal, is of the opinion that the Proposal

is in the best interest of the Company.

Accordingly, the Board recommends that you vote in favour of the ordinary resolution pertaining to the Proposal to be tabled at the forthcoming 27<sup>th</sup> AGM.

**7. AMOUNT DUE AND OWING BY RELATED PARTIES**

As at LPD, there is no amount due and owing to the Group hence, the disclosure as per Practice Note 12, Annexure PN12-A, Sections 16A and 16B of the Main LR are not required.

**8. 27<sup>th</sup> AGM**

The 27<sup>th</sup> AGM will be held fully virtual on Tuesday, 28 November 2023 at 10.00 a.m. for the purpose of considering and, if thought fit, passing with or without modifications, the ordinary resolution to give effect to the Proposal.

If you are unable to attend and vote in person at the 27<sup>th</sup> AGM and intend to appoint a proxy to vote on your behalf, please complete, sign and return the Proxy Form in accordance with the instructions contained therein to the registered office of the Company at 51-21-A, Menara BHL Bank, Jalan Sultan Ahmad Shah, 10050 George Town, Penang not later than 48 hours before the time for holding the AGM or adjournment thereof, or in the case of a poll not less than 24 hours before the time appointed for the taking of the poll.

The lodging of the Proxy Form will not preclude you from attending and voting in person at the 27<sup>th</sup> AGM should you subsequently wish to do so.

Shareholders are advised to refer to the Administrative Guide issued together with the Notice of the 27<sup>th</sup> AGM and follow the procedures set out therein in order to participate remotely via the RPV facilities.

**9. FURTHER INFORMATION**

Shareholders are advised to refer to the Appendix I for further information.

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

**KRISHNAN A/L DORAIRAJU**  
Independent Non-Executive Director

**GENERAL INFORMATION**

**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 false or misleading statements or other facts, the omission of which would make any statement herein misleading.

**2. MATERIAL CONTRACTS**

As at the LPD, the Board confirms that there is no material contracts (not being contracts entered into in the ordinary course of business) entered into by the Company and/or its subsidiaries within 2 years immediately preceding the date of this Circular.

**3. MATERIAL LITIGATION, CLAIMS OR ARBITRATION**

Save as disclosed below, neither the Company nor its subsidiaries are engaged in any material litigation, claims and/or arbitration either as plaintiff or defendant, which has a material effect on the financial position of the Group and the Board is not aware of any proceedings, pending or threatened or of any facts likely to give rise to any proceedings, which might materially and adversely affect the business or financial position of the Group as at the LPD:

3.1 Leong Seng Wui, Kok Kwang Lim, Valhalla Capital Sdn Bhd (**Plaintiffs**) v Classita (**Defendant**) – Case No.: WA-24NCC-732-06/2022 (**Suit 732**)

The Plaintiffs requisitioned an extraordinary general meeting which was purportedly held on 15 June 2022. The Defendant had on the same day made an announcement stating that the said extraordinary general meeting was adjourned on the various grounds stipulated therein.

The Plaintiffs applied for the following orders pursuant to Suit 732:

- (a) A declaration that the adjournment of the extraordinary general meeting is invalid;
- (b) that any minutes of any records filed with any authorities based on the invalid adjournment be struck out under Section 602 of the Act;
- (c) A declaration that the extraordinary general meeting had continued (after the invalid adjournment) with all the Resolutions approved at the continued extraordinary general meeting on 15 June 2022 are valid save and except for Resolution No.1 (withdrawn) and Resolution No.2 (not carried out);
- (d) A declaration that the Resolutions approved at the continued extraordinary general meeting on 15 June 2022 as per (c) above shall take effect on 15 June 2022;
- (e) An order to compel the Defendant and/or its agents and/or employees, including but not limited to the Company Secretary of the Defendant to do all necessary to give effect to the Resolutions approved at the continued extraordinary general meeting on 15 June 2022, including but not limited to lodging all the necessary forms and documents with the Companies Commission of Malaysia and making all necessary announcements as mandated by Bursa Securities with immediate effect;

- (f) An injunction restraining the Defendant and/or its agents (including but not limited to its Company Secretary) and/or employees and/or its Board of Directors, namely person who have been removed as director as per Resolutions No. 3 to 12 of the Notice for the extraordinary general meeting, from acting and/or holding themselves as directors of the Defendant, including but not limited to appointing any additional directors to fill any casual vacancies, approving and/or executing any private sales, private placements or any other methods and means to dispose of the shares of the Defendant aside from the open market pending the conclusion of Suit 732; and
- (g) Any omission, defect, error, irregularity and/or deficiency of notice or time in connection with the extraordinary general meeting, including but not limited to the Notice for the extraordinary general meeting and the Special Notice, if any shall be validated and cured.

On 29 August 2022, the High Court of Malaya in Kuala Lumpur (**High Court**) granted an order (**Order**) allowing items (a) to (f) of the Plaintiffs' application above, with a costs of RM30,000.00 subject to allocator costs.

As a result of the Order, a new board of directors of the Defendant was appointed.

On 5 December 2022, leave of the High Court has been granted to the Defendant to commence committal proceedings against Loh Ming Choon, Wong Siaw Puie, Sin Hock Min, Mohamad Hanafiah bin Zakaria and Koo Chen Yeng (**Proposed Contemnors**) in respect of breaches of the Order. The Defendant had on 14 December 2022 filed the Notice of Application to commence committal proceedings against the Proposed Contemnors in respect of breaches of the Order (**Enclosure 129**).

Enclosure 129 is currently fixed for hearing on 30 November 2023.

The Defendant's solicitors are of the opinion that Defendant has put forth good grounds in support of Enclosure 129.

- 3.2 Classita, Caely-M, a wholly-owned subsidiary of Classita (**Plaintiffs**) v Datin Fong Nyok Yoon (**Defendant 1**), Dato' Chuah Chin Lai (**Defendant 2**), Siow Hock Lee (**Defendant 3**), Ooi Say Teik (**Defendant 4**), Hem Kan @ Chan Hong Kee (**Defendant 5**), Ng Boon Kang (**Defendant 6**), Tan Loon Cheang (**Defendant 7**), Dato' Wira Ng Chun Hau (**Defendant 8**), Lim Chee Pang (**Defendant 9**), Lim Say Yeong (**Defendant 10**), Beh Hong Shien (**Defendant 11**), Gok Ching Hee (**Defendant 12**) (**Defendant 1 to 12**, collectively referred to as "**Defendants**") – Case No.: BA-22NCC-133-10/2022 (**Suit 133**)

On 19 October 2022, the Plaintiffs filed Suit 133 against the Defendants relating to the misappropriation of funds of not less than RM30,552,000 from Caely-M (**Misappropriation**), conducts of non-disclosure of the Misappropriation, fraudulent concealment, conspiracy, fraud and deception, breach of directors' duties arising from or related to the Misappropriation.

The Defendants, amongst other, seek for:

- (a) general damages to be assessed by the Court (**General Damages**);
- (b) special damages in the sum of RM30,552,000 (**Special Damages**);
- (c) exemplary damages to be assessed and awarded together with the General Damages by the Court (**Exemplary Damages**);
- (d) interest at the rate of 5% per annum on General, Special and Exemplary Damages from the filing date until the date of full settlement; and

(e) costs.

The Defendants have filed their memorandum of appearance and defence respectively.

There are also several pending interlocutory applications before the Court, i.e., the Defendant 4's striking out application on 18 January 2023; Defendant 3 and Defendant 5 further and better particulars application on 09 January 2023; Defendant 8, Defendant 9 and Defendant 11 further and better particulars application on 26 March 2023. The interlocutory applications are fixed for hearing on 8 December 2023.

Suit 133 is also fixed for case management on 8 December 2023.

The Plaintiffs' solicitors are of the opinion that Plaintiffs have put forth good grounds in support of Suit 133.

3.3 Dato' Wira Ng Chun Hau (**Plaintiff**) v Classita, Dato' Kang Chez Chiang, Ng Keok Chai, Leong Seng Wui, Krishnan a/l Dorairaju, Dato' Mior Faridalathrash Bin Wahid, Chong Seng Ming, Kenny Khaw Chuan Wah (**Defendants**) – Case No.: BA-23NCvC-32-08/2023 (**Suit 32**)

The Plaintiff had referred to Classita's published or caused to be published a press release entitled – "Caely Lodges Police Report to investigate RM30.55 million Misappropriated Funds by Its Former Board" (**Press Release**) and asserts that the Press Release contains statements which are defamatory of him.

The Plaintiff seeks against the Defendants for the following:

- (a) Damages for libel, including aggravated damages and exemplary damages;
- (b) An injunction restraining Classita, whether by itself, its servant, or agents or otherwise and Dato' Kang Chez Chiang, Ng Keok Chai, Leong Seng Wui, Krishnan a/l Dorairaju, Dato' Mior Faridalathrash Bin Wahid, Chong Seng Ming, Kenny Khaw Chuan Wah from publishing or cause to be published the said or similar statements defamatory of the Plaintiff;
- (c) interests;
- (d) costs; and
- (e) further and/or other relief that the Court deems fit.

The determination on quantum and liability arising from Suit 32 will correspondingly depend on whether the High Court finds that there have been any defamatory remarks made by the Defendants against the Plaintiff.

On 28 July 2023, the Court ordered that Suit 32 be transferred to the Shah Alam High Court hearing Suit 133.

Suit 32 is fixed for case management on 8 December 2023.

The Company's solicitors are of the opinion that Classita has put forth a strong defence to resist Suit 32.

#### **4. DOCUMENTS AVAILABLE FOR INSPECTION**

The following documents are available for inspection at the registered office of the Company at 51-21-A, Menara BHL Bank, Jalan Sultan Ahmad Shah, 10050 George Town, Penang during normal office hours from Monday to Friday (except public holidays) from the date of this Circular up to and including the date of the forthcoming 27<sup>th</sup> AGM:-

- i) The Constitution of Classita;
- ii) The audited consolidated financial statements of the Classita for the financial period ended 30 June 2022 and financial year ended 30 June 2023; and
- iii) The relevant cause papers in respect of the material litigations referred to in Section 3 of this Appendix I.

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**CLASSITA HOLDINGS BERHAD**

(Formerly known as Caely Holdings Bhd)  
[Registration No. 199601036023 (408376-U)]  
(Incorporated in Malaysia)

**EXTRACT OF RESOLUTION TO BE TABLED AS SPECIAL BUSINESS  
AT THE FORTHCOMING 27<sup>th</sup> AGM**

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

"THAT, subject always to the provisions of the Companies Act 2016 (**CA 2016**), the Company's Constitution, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and/or any other regulatory authorities, the authority be and is hereby given for Company's subsidiaries to enter into recurrent related party transactions of a revenue or trading nature (**Proposed New Shareholders' Mandate**) as set out in Section 2.4 of the Circular to Shareholders dated 31 October 2023 in relation to the Proposed New Shareholders' Mandate provided that such transactions are in the ordinary course of business which are necessary for the day-to-day operations 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 and that such authority shall continue to be in force until :

- (a) the conclusion of the next AGM of the Company following the AGM at which the Proposed New Shareholders' Mandate is passed, at which time it will lapse unless by an ordinary resolution passed at the AGM, the authority is renewed;
- (b) the expiration of the period within which the next AGM of the Company after the date it is required to be held pursuant to Section 340(2) of CA 2016 (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of CA 2016); or
- (c) revoked or varied by ordinary resolution passed by the shareholders of the Company in a general meeting,

whichever is the earlier:

AND THAT, the Directors of the Company and the subsidiary companies be and are hereby authorised to complete and do all such acts including executing any documents as may be required to give full effect to such transactions as authorised by this resolution."