THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

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 independent adviser immediately.

In line with the provisions of Practice Note 18 on Perusal of Draft Circulars and other Documents, Bursa Malaysia Securities Berhad has not perused the Circulars/Statement in relation to the Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature and the Proposed Renewal of Shareholders' Mandate for Share Buy-Back as these transactions fall under the category of Exempt Circulars as outlined in the aforesaid Practice Note.

KEIN HING INTERNATIONAL BERHAD

[Registration No. 200301013636 (616056-T)]
(Incorporated In Malaysia)

PART A

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

PART B

STATEMENT TO SHAREHOLDERS IN RELATION TO THE PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR SHARE BUY-BACK UP TO 10% OF THE ISSUED SHARES OF THE COMPANY

(collectively referred to as "Proposals")

The above Proposals will be tabled as Special Business at the Twenty-Third Annual General Meeting of KEIN HING INTERNATIONAL BERHAD ("the Company") to be held at Rafflesia Ballroom, Palm Garden Hotel, IOI Resort City, 62502 Putrajaya, Malaysia on Thursday, 15 October 2026 at 10.00 a.m.. The Notice of the Twenty-Third Annual General Meeting of the Company together with the Form of Proxy are enclosed with the Annual Report 2026 of the Company for the financial year ended 30 April 2026.

A shareholder entitled to attend, speak and vote at the Twenty-Third Annual General Meeting is entitled to appoint a proxy to attend, speak and vote on his (her) behalf by completing the enclosed Form of Proxy in accordance with the instructions thereon. The duly executed proxy form in a hard copy or his/her original certificate of appointment of corporate representative or his/her power of attorney should be deposited at the Registered Office of the Company at Lot 1863, Jalan Kolej, 43300 Seri Kembangan, Selangor Darul Ehsan, Malaysia or via Vistra Share Registry and IPO(my) portal at https://srmy.vistra.com, on or before the time and date indicated below should you be unable to participate in the Twenty-Third Annual General Meeting. Alternatively, a shareholder may appoint the Chairman of the meeting to be his/her proxy and indicate the voting instruction in the proxy form.

For further information, please refer to the Notice of the Twenty-Third Annual General Meeting.

Last day, date and time for lodging the Form of Proxy	: Tuesday, 13 October 2026 at 10.00 a.m.
Day, date and time of the Twenty-Third Annual General Meeting	: Thursday, 15 October 2026 at 10.00 a.m.

This Circular is dated 28 August 2026

Act	:	The Companies Act, 2016
AGM	:	Annual General Meeting
Board	:	The Board of Directors of KHIB
Bursa Securities	:	Bursa Malaysia Securities Berhad [200301033577 (635998-W)]
Chief Executive	:	The principal executive officer of the corporation for the time being, by whatever name called, and whether or not he is a director
Code	:	Malaysian Code on Take-Overs and Mergers, 2017
Director	:	Shall have the same meaning given 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 of KHIB, its subsidiary or holding company or a chief executive of KHIB, its subsidiary or holding company.
EPS	:	Earnings Per Share
Kam Loong	:	Kam Loong Mining Sdn. Bhd. [197001000698 (9969-D)], a Major Shareholder of KHIB
KHI	:	Kein Hing Industry Sdn. Bhd. [198101002290 (68403-W)], a wholly-owned subsidiary of KHIB
"KHIB" or "the Company"	:	Kein Hing International Berhad [200301013636 (616056-T)]
"KHIB Group" or "the Group"	:	KHIB and its subsidiaries
"KHIB Shares" or the "Shares"	:	Ordinary Shares in KHIB
KHIE	:	KHI Eduhouse Sdn. Bhd. [202401024410 (1570259-V)], a wholly-owned subsidiary of KHI
KHMH	:	Kein Hing Muramoto (Hung Yen) Joint Stock Company, a 51%-owned subsidiary of KHMV
KHMV	:	Kein Hing Muramoto (Vietnam) Co., Ltd., an 80%-owned subsidiary of KHIB
KHTV	:	Kein Hing Thai Nguyen (Vietnam) Co., Ltd., a wholly-owned subsidiary of KHMV
Listing Requirements	:	Main Market Listing Requirements of Bursa Securities
LPD	:	Latest Practical Date is 7 August 2026

Major Shareholder	:	A person who has an interest or interests in one (1) or more voting shares in the Company and the number of those shares, or the aggregate of those shares, is:- (a) 10% or more of the number of the voting shares in the corporation; or (b) 5% or more of the total number of the voting shares in the corporation where such person is the largest shareholder of the corporation. For the purpose of this definition, "interest in shares" shall have the meaning given in section 8 of the Act. A Major Shareholder includes any person who is or was within the preceding six (6) months of the date on which the terms of the transaction were agreed upon, a major shareholder of the Company or any other corporation which is its subsidiary or holding company
NA	:	Net Assets
Person Connected	:	In relation to a Director or a Major Shareholder, means such person who falls under any one of the following categories: (a) a family member of the Director or Major Shareholder; (b) a trustee of a trust (other than a trustee for a share scheme for employees or pension scheme) under which the Director, Major Shareholder or a family member of the Director or Major Shareholder is the sole beneficiary; (c) a partner of the Director, Major Shareholder or a partner of a person connected with that Director or Major Shareholder; (d) a person who is accustomed or under an obligation, whether formal or informal, to act in accordance with the directions, instructions or wishes of the Director or Major Shareholder; (e) a person in accordance with whose directions, instructions or wishes the Director or Major Shareholder is accustomed or is under an obligation, whether formal or informal, to act; (f) a body corporate or its Directors which/who is/are accustomed or under an obligation, whether formal or informal, to act in accordance with the directions, instructions or wishes of the Director or Major Shareholder; (g) a body corporate or its Directors whose directions, instructions or wishes the Director or Major Shareholder is accustomed or under an obligation, whether formal or informal, to act; (h) a body corporate in which the Director, Major Shareholder and/or persons connected with him are entitled to exercise, or control the exercise of, not less than 20% of the votes attached to voting shares in the body corporate; or (i) a body corporate which is a related corporation.
Proposed Renewal of Shareholders' Mandate	:	Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a revenue or trading nature which are necessary for the day-to-day operations of the Group

Proposed Share Buy-Back	:	Proposal of the Company to grant its Directors a general mandate to exercise the authority to carry out a share buy-back of its own shares up to a maximum of 10% of its issued Shares Capital (excluding treasury shares)
Related Party(ies)	:	A Director, Major Shareholder or person connected with such Director or Major Shareholder.
"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 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.
RM or Sen	:	Ringgit Malaysia and sen respectively
Shareholders' Mandate	:	Shareholders' mandate for the Recurrent Related Party Transactions
TCY Holdings	:	T.C. Yap Holdings Sdn. Bhd. [198401000749 (113270-M)]
Treasury Shares	:	The KHIB Shares purchased by the Company that can be retained, distributed as dividend or resold and/or subsequently cancelled
ZI	:	Zenne Infinity Sdn. Bhd. [200101024440 (560198-X)], a wholly-owned subsidiary of KHIB

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

Any reference in this Circular to any enactment is a reference to that enactment as for the time being amended or re-enacted.

Any reference to a time of day in this Circular shall be a reference to a Malaysian time, unless otherwise stated.

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

KEIN HING INTERNATIONAL BERHAD
[Registration No. 200301013636 (616056-T)
(Incorporated in Malaysia)

Registered Office:-
Lot 1863, Jalan Kolej
43300 Seri Kembangan
Selangor Darul Ehsan

28 August 2026

Directors:-

Darsan Singh A/L Balwant Singh *(Independent Non-Executive Chairman)*
Yap Toon Choy *(Group Managing Director)*
Yong Elaine *(Executive Director)*
Khor Yew Chye *(Senior Independent Non-Executive Director)*
Jancy Oh Suan Tin *(Independent Non-Executive Director)*
Low Khoon Boon *(Independent Non-Executive Director)*
Gan Poh Chan *(Independent Non-Executive Director)*

To: The Shareholders of Kein Hing International Berhad

Dear Sir/Madam,

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

1. INTRODUCTION

The Board had on 25 June 2026 announced its intention to seek shareholders' approval at the forthcoming Twenty-Third AGM to renew the terms of the existing Shareholders' Mandate for the Recurrent Related Party Transactions of a revenue or trading nature as set out in the Circular to Shareholders dated 28 August 2026. The existing Shareholders' Mandate will expire at the conclusion of the forthcoming Twenty-Third AGM.

The purpose of this Circular is to provide you with the relevant details of the Proposed Renewal of Shareholders' Mandate and to seek your approval for the ordinary resolutions in relation thereto to be tabled as Special Business at the forthcoming Twenty-Third AGM of the Company to be held at Rafflesia Ballroom, Palm Garden Hotel, IOI Resort City, 62502 Putrajaya, Malaysia on Thursday, 15 October 2026 at 10.00 a.m..

YOU ARE ADVISED TO READ THIS CIRCULAR TOGETHER WITH THE APPENDIX BEFORE VOTING ON THE ORDINARY RESOLUTIONS PERTAINING TO THE PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE.

2. DETAILS OF THE PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE

2.1 Existing Shareholders' Mandate

Pursuant to the Circular to Shareholders of KHIB dated 29 August 2025, KHIB had obtained the approval of its shareholders at the Twenty-Second AGM held on 10 October 2025 to enter into Recurrent Related Party Transactions with Related Parties on the terms set out in the said Circular. Under Paragraph 10.09 of the Listing Requirements, KHIB's existing Shareholders' Mandate would require shareholders' approval for renewal when it expires at the forthcoming Twenty-Third AGM.

In compliance with Paragraph 10.09 of the Listing Requirements, KHIB proposes to seek its shareholders' approval for the Proposed Renewal of Shareholders' Mandate which will enable the KHIB Group to enter into the Recurrent Related Party Transactions as set out in Section 2.3.3 below.

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

a) the conclusion of the Twenty-Fourth AGM of the Company, at which time it will lapse unless, by a resolution passed at the Twenty-Fourth AGM, the authority is renewed;

b) the expiration of the period within which the Twenty-Fourth AGM after that date is required to be held pursuant to Section 340(2) of the Act (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or

c) it is revoked or varied by resolution passed by the shareholders in general meeting,

whichever is the earlier.

The Proposed Renewal of Shareholders' Mandate shall apply in respect of all Recurrent Related Party Transactions to be entered into from the date of the forthcoming Twenty-Third AGM to the Twenty-Fourth AGM. Thereafter, approval from shareholders for a renewal of Shareholders' Mandate will be sought at each subsequent AGM of KHIB.

In making the disclosure of the aggregate value of the Recurrent Related Party Transactions conducted pursuant to the existing Shareholders' Mandate, KHIB has provided a breakdown of the aggregate value of the Recurrent Related Party Transactions made during the financial year ended 30 April 2026 in the Annual Report 2026 based on the following information:-

a) the type of the Recurrent Related Party Transactions made; and

b) the names of the Related Parties involved in each type of the Recurrent Related Party Transactions made and their relationship with the Group.

Shareholders are advised to refer to pages 139 to 140 of the Annual Report 2026 for further details.

2.2 Details of the Proposed Renewal of Shareholders' Mandate

KHIB is proposing to seek its shareholders' approval to renew the existing Shareholders' Mandate to enable the Group to continue entering into the Recurrent Related Party Transactions with the Related Parties.

The Company is principally an investment holding company whilst the principal activities of its subsidiaries are as follows:-

KHIB's Subsidiaries	Effective Ownership Interest	Principal activities
KHI	100%	Sheet metal forming, precision machining, components assembly and manufacture and sales of gas appliances
KHMV	80%	Sheet metal forming, precision machining and assembly of components for electronic, automotive and other industries
ZI	100%	Trading in electrical and electronic products, home appliances and gas appliances

KHI's Subsidiaries	Effective Ownership Interest	Principal activities
KHIE	100%	Establishing, managing and operating child care centre, pre-schools, early childhood education and daycare centre

KHMV's Subsidiaries	Effective Ownership Interest	Principal activities
KHTV	100%	Sheet metal forming, precision machining, manufacturing and fabrication of tools and dies and assembly of components
KHMH	51%	Sheet metal forming, precision machining and assembly of components for electronic, automotive and other industries

2.3 Class and Nature of Recurrent Related Party Transactions

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

The Related Parties are as described below:-

2.3.1 <u>Class of Related Parties</u>

<u>Directors and/or Major Shareholders:-</u>

Related Parties	Nature of Relationship
Yap Toon Choy	➢ Group Managing Director and Major Shareholder of KHIB. ➢ Managing Director of KHI. ➢ A Director and Major Shareholder of TCY Holdings. ➢ Spouse of Madam Yong Elaine.
Yong Elaine	➢ Executive Chairman and Major Shareholder of KHIB. ➢ A Director of KHI. ➢ A Director and Major Shareholder of TCY Holdings. ➢ Spouse of Mr. Yap Toon Choy.
Kam Loong	➢ Major Shareholder of KHIB. ➢ Mr. Yap Ah Fatt is a Director and Substantial Shareholder of Kam Loong and his spouse, Madam Foo Khen Ling is also a Director and Substantial Shareholder of Kam Loong.
Yap Ah Fatt	➢ Major Shareholder of KHIB by virtue of his substantial shareholdings in Kam Loong, which is a Major Shareholder of KHIB and his direct interest in KHIB. ➢ Spouse of Madam Foo Khen Ling
Foo Khen Ling	➢ Major Shareholder of KHIB by virtue of her substantial shareholdings in Kam Loong, which is a Major Shareholder of KHIB and her direct interest in KHIB. ➢ Spouse of Mr. Yap Ah Fatt.

2.3.2 Interest of Directors, Major Shareholders and Persons Connected to Them

The direct and indirect interests of the interested Directors, Major Shareholders and persons connected with Directors and Major Shareholders in KHIB as at 31 July 2026 are as follows:-

Interested Directors:-				
Name	**Direct Interest**	**%**	**Indirect Interest**	**%**
Yap Toon Choy	41,172,582	37.81	22,762,077[a]	20.90
Yong Elaine	22,762,077	20.90	41,172,582[b]	37.81

(a) Deemed interest by virtue of him being the spouse of Yong Elaine, a major shareholder of KHIB pursuant to Section 197 of the Act.

(b) Deemed interest by virtue of her being the spouse of Yap Toon Choy, a major shareholder of KHIB pursuant to Section 197 of the Act.

Interested Major Shareholders and persons connected to Directors and/or Major Shareholders:-				
Name	**Direct Interest**	**%**	**Indirect Interest**	**%**
Yap Toon Choy	41,172,582	37.81	22,762,077[(a)]	20.90
Yong Elaine	22,762,077	20.90	41,172,582[(b)]	37.81
Kam Loong	11,701,800	10.75	-	-
Yap Ah Fatt	22,000	0.02	12,911,800[(c)]	11.86
Foo Khen Ling	1,210,000	1.11	11,723,800[(c)]	10.77

(a) Deemed interested by virtue of him being the spouse of Yong Elaine, a major shareholder of KHIB pursuant to Section 197 of the Act.

(b) Deemed interested by virtue of her being the spouse of Yap Toon Choy, a major shareholder of KHIB pursuant to Section 197 of the Act.

(c) Deemed interested by virtue of his/her direct interest in Kam Loong pursuant to Section 8(4)(b) and in each other's interest by virtue of Section 197 of the Act.

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2.3.3 Nature of Recurrent Related Party Transactions

The types of Recurrent Related Party Transactions which are to be covered by the Proposed Renewal of Shareholders' Mandate and the estimated value of the Recurrent Related Party Transactions are disclosed in the following tabulation:-

No.	Nature of Recurrent Related Party Transaction	Related Parties	Interested Director, Major Shareholder and Person Connected	* Estimated Value of the transaction from the Twenty-Third AGM to Twenty-Fourth AGM (RM)	Actual value transacted from 11 October 2025 to 7 August 2026 (RM)	Estimated value as disclosed in the Circular to shareholders dated 29 August 2025 (RM)	** Reasons for deviation where the Actual Value exceeds the Estimated Value by 10% or more
1.	KHI entered into a tenancy agreement with TCY Holdings on 1 May 2026 for rental of the premises from TCY Holdings. Location 1, 3, 5, 7, 9, 11, 11A, 15A, 17 & 19, Jalan Indah, 2/16, Taman Universiti Indah, 43300 Seri Kembangan, Selangor Darul Ehsan. Monthly rental RM26,193.75 Tenure Three (3) years (1 May 2026 to 30 April 2029 with an option to renew the tenancy for a further term of three (3) years.)	TCY Holdings is a person connected to Yap Toon Choy and Yong Elaine, who are Directors and Major Shareholders of KHIB	Yap Toon Choy and Yong Elaine	360,000.00	223,837.50	270,000.00	Not Applicable

No.	Nature of Recurrent Related Party Transaction	Related Parties	Interested Director, Major Shareholder and Person Connected	* Estimated Value of the transaction from the Twenty-Third AGM to Twenty-Fourth AGM (RM)	Actual value transacted from 11 October 2025 to 7 August 2026 (RM)	Estimated value as disclosed in the Circular to shareholders dated 29 August 2025 (RM)	** Reasons for deviation where the Actual Value exceeds the Estimated Value by 10% or more
2.	KHI entered into a tenancy agreement with Mr. Yap Toon Choy on 1 February 2026 for rental of two (2) apartment units for the use by its employees. <u>Location</u> Units no. C2-2 and C5-2, Excelsa Apartment, Jalan Indah 1/9, Taman Universiti Indah, 43300 Seri Kembangan, Selangor Darul Ehsan. <u>Monthly rental</u> RM2,000.00 <u>Tenure</u> Two (2) years (1 February 2026 to 31 January 2028 with an option to renew the tenancy for a further term of two (2) years.)	Yap Toon Choy is a Director and Major Shareholder of KHIB and person connected to Yong Elaine, who is also a Director and Major Shareholder of KHIB	Yap Toon Choy and Yong Elaine	30,000.00	20,000.00	30,000.00	Not Applicable

No.	Nature of Recurrent Related Party Transaction	Related Parties	Interested Director, Major Shareholder and Person Connected	* Estimated Value of the transaction from the Twenty-Third AGM to Twenty-Fourth AGM (RM)	Actual value transacted from 11 October 2025 to 7 August 2026 (RM)	Estimated value as disclosed in the Circular to shareholders dated 29 August 2025 (RM)	** Reasons for deviation where the Actual Value exceeds the Estimated Value by 10% or more
3.	KHI entered into a tenancy agreement with Mr. Yap Toon Choy on 1 August 2025 which was subsequently replaced by a new tenancy agreement dated 1 January 2026 for rental of the premises for shop office purpose. KHI will terminate this tenancy on 31 October 2026 and ZI will enter into a new tenancy with Mr. Yap Toon Choy instead for rental of the premises for shop office purpose, commencing from 1 November 2026. <u>Location</u> No. 13, Jalan Besar Susur 1, 43300 Seri Kembangan, Selangor Darul Ehsan. <u>Monthly rental</u> KHI - RM2,000.00 ZI – RM3,000.00 <u>Tenure</u> KHI – Ten (10) Months (1 January 2026 to 31 October 2026). ZI – Two (2) years (1 November 2026 to 31 October 2028 with an option to renew the tenancy for a further term of two (2) years.)	Yap Toon Choy is a Director and Major Shareholder of KHIB and person connected to Yong Elaine, who is a Director and Major Shareholder of KHIB	Yap Toon Choy and Yong Elaine	40,000.00	28,000.00	80,000.00	Not Applicable

No.	Nature of Recurrent Related Party Transaction	Related Parties	Interested Director, Major Shareholder and Person Connected	* Estimated Value of the transaction from the Twenty-Third AGM to Twenty-Fourth AGM (RM)	Actual value transacted from 11 October 2025 to 7 August 2026 (RM)	Estimated value as disclosed in the Circular to shareholders dated 29 August 2025 (RM)	** Reasons for deviation where the Actual Value exceeds the Estimated Value by 10% or more
4.	KHI entered into a tenancy agreement with Kam Loong on 1 August 2026 for rental of the premises for production and warehouse purposes. <u>Location</u> Lot 1861A & 1861B, Jalan Kolej, 43300 Seri Kembangan, Selangor Darul Ehsan. <u>Monthly rental</u> RM14,000.00 <u>Tenure</u> Two (2) years (1 August 2026 to 31 July 2028 with an option to renew the tenancy for a further term of two (2) years.)	Yap Ah Fatt and Foo Khen Ling are persons connected to Kam Loong which is a Major Shareholder of KHIB	Kam Loong	193,000.00	140,000.00	193,000.00	Not Applicable

No.	Nature of Recurrent Related Party Transaction	Related Parties	Interested Director, Major Shareholder and Person Connected	* Estimated Value of the transaction from the Third-Second AGM to Twenty-Fourth AGM (RM)	Actual value transacted from 11 October 2025 to 7 August 2026 (RM)	Estimated value as disclosed in the Circular to shareholders dated 29 August 2025 (RM)	** Reasons for deviation where the Actual Value exceeds the Estimated Value by 10% or more
5.	KHI entered into a tenancy agreement with Kam Loong on 1 August 2026 for rental of the premises for production and warehouse purposes. <u>Location</u> Lot 1861C, Jalan Kolej, 43300 Seri Kembangan, Selangor Darul Ehsan. <u>Monthly rental</u> RM7,000.00 <u>Tenure</u> Two (2) years (1 August 2026 to 31 July 2028 with an option to renew the tenancy for a further term of two (2) years.)	Yap Ah Fatt and Foo Khen Ling are persons connected to Kam Loong which is a Major Shareholder of KHIB	Kam Loong	97,000.00	70,000.00	97,000.00	Not Applicable

* *The estimates in the above tables are based on the information available at the point of estimation. The estimated value of the transactions may vary from the actual value of the transactions in the future. The actual value of the transactions will be disclosed in the Annual Report of the Company in respect of the financial year ending 30 April 2027.*

** *When the actual value exceeds the estimated value disclosed in the Circular by 10% or more, an announcement is required to be made to Bursa Securities.*

2.3.4 Amount Due and Owing by Related Parties

There is no outstanding amount due and owing by related parties under the Recurrent Related Party Transaction which exceeded the credit term as at 30 April 2026.

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3. RATIONALE AND BENEFITS OF THE PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE TO THE KHIB GROUP

3.1 Rationale

The Proposed Renewal of Shareholders' Mandate will enable the KHIB Group to enter into Recurrent Related Party Transactions that are in the ordinary course of business, are revenue or trading in nature and are necessary for the KHIB Group's day-to-day operations ("these transactions" or "RRPTs"). These RRPTs are likely to occur with some degree of frequency and arise at any time and from time to time and may be constrained by the time-sensitive nature. It may also be impracticable to seek shareholders' approval on a case-by-case basis before entering into such Recurrent Related Party Transactions. The obtaining of the proposed Shareholders' Mandate on an annual basis would eliminate the need to convene separate general meetings from time to time to seek shareholders' approval as and when potential Recurrent Related Party Transactions arise; thereby reducing substantially administrative time and expenses associated with the convening of such meetings, without compromising the corporate objectives of the KHIB Group or adversely affecting the business opportunities available to the Group. The Board is, therefore seeking a mandate pursuant to Paragraph 10.09 of the Listing Requirements for the Recurrent Related Party Transactions described in section 2.3.3 above with the class of Related Parties specified in section 2.3.1 above to allow the KHIB Group to enter into such Recurrent Related Party Transactions made on arm's length basis and on normal commercial terms that are not more favourable to the related party than those generally available to the public and which are not prejudicial to the interests of the minority shareholders.

3.2 Benefits

The Group has a long-standing business relationship with the Related Parties as detailed in section 2.3.1.

The properties rented by KHI and ZI from TCY Holdings and Mr. Yap Toon Choy provide factory and warehouse spaces, shop office for ZI's Zenne brand of gas appliances, and accommodation to the employees of KHI. The locations of these properties are logistically located near to the factories of KHI; thus reducing the transportation costs of and the time taken by the employees to come to work and enhancing the safety and punctuality of the employees. The factories are also located strategically and logistically near to each other for ease of administration and communication.

The rental of premises by KHI from Kam Loong was made many years ago since 1 January 1997 before Kam Loong became a major shareholder of the Company on 3 November 2011. These premises are rented from Kam Loong to provide production and warehouse facilities to KHI. These premises are located logistically within the vicinity of KHI's production and distribution hub in the area. These premises are, therefore, an integral part of KHI's established production and warehouse facilities in Malaysia. Thus, it is logical, strategic, expedient and cost effective to continue to rent from Kam Loong.

4. REVIEW METHODS OR PROCEDURES OF THE PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE

4.1 Review Methods or Procedures

To ensure that all Recurrent Related Party Transactions are undertaken on an arm's length basis and on the Group's normal commercial terms consistent with the Group's usual business arrangements, practices and policies and on transaction prices and terms not more favourable to the Related Parties than those generally available to the public and will not be detrimental to minority shareholders, the Management will ensure that:-

(i) the transactions with the Related Parties will only be entered into after taking into account the pricing, level of service, quality of product and other related factors, which are generally on terms not more favourable to the Related Parties than those extended to unrelated third parties and are not to the detriment of the minority shareholders;

(ii) the pricing, level of service and quality of products shall be at the prevailing market rates/prices of the service or product including where appropriate preferential rates and discounts accorded for bulk purchases (the same as are accorded to third party bulk purchase) and on the service or product provider's usual commercial terms, and otherwise in accordance with applicable industry norm;

(iii) the terms and conditions on purchases and sales are determined by market forces, under similar commercial terms for transactions with third parties which depend on the demand and supply of the products and subject to the availability of the products in the market;

(iv) the cost-plus method will be used where appropriate in the determination of fair price or contract rates. This method determines the arm's length price or rate by adding an appropriate mark-up to the cost of production;

(v) at least two (2) other contemporaneous transactions with unrelated third parties for similar products/services and/or quantities will be used as comparison, wherever possible, to determine whether the price and terms offered to/by the Related Parties are fair and reasonable and comparable to those offered to/by other unrelated third parties for the same or substantially similar type of products/services and/or quantities. In the event that quotation or comparative pricing from unrelated third parties cannot be obtained (for instance, if there are no unrelated third party vendors/customers of similar products or services, or if the product/service is a propriety item), the transaction price will be determined by the KHIB Group based on similar costing method of pricing used for other products/services and/or quantities to ensure that the Recurrent Related Party Transaction is not detrimental to the KHIB Group;

(vi) the rentals paid to the related parties are within the range of the rental paid on properties in the surrounding areas for such properties according to the publicly available information.

(vii) the Internal Auditors of the Company will on half yearly basis review on behalf of the Audit and Risk Management Committee the adequacy of the procedures and processes of the KHIB Group to monitor, track and identify Recurrent Related Party Transactions, and to ensure that the procedures and processes are followed.

The guidelines for the relevant approving authority practised by the KHIB Group in relation to the Recurrent Related Party Transactions are as follows:-

(i) Transactions below RM500,000 each in value, will be reviewed and approved by the senior executive(s) (not being a person connected to the Related Party) designated by the Audit and Risk Management Committee from time to time for such purpose and tabled for review by the Audit and Risk Management Committee on a quarterly basis; and

(ii) Transactions equal to or exceeding RM500,000 each in value will be reviewed and approved by the Audit and Risk Management Committee.

4.2 Abstain from Voting

Further, where any Director has an interest (direct or indirect) in any Recurrent Related Party Transaction, such a Director shall abstain from voting on the RRPT concerned. Where any member of the Audit and Risk Management Committee is interested in any transaction, that member shall abstain from voting on any RRPT relating to any decisions to be taken by the Audit and Risk Management Committee with respect to such RRPT.

Pursuant to Paragraph 10.09 of the Listing Requirements, in a meeting to obtain the Proposed Renewal of Shareholders' Mandate, the interested Director, interested Major Shareholder or interested person 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, shall abstain from voting or deliberating or approving the resolutions in respect of the Recurrent Related Party Transactions.

An interested Director or interested Major Shareholder must also ensure that persons connected with him abstain from voting or deliberating or approving the resolutions in respect of the Recurrent Related Party Transactions. Interested Directors shall also abstain from deliberating or voting at board meetings in respect of the Recurrent Related Party Transactions in which they are interested.

4.3 Disclosure

In accordance with the Listing Requirements, disclosure will be made in the annual report of the breakdown of the aggregate value of the RRPTs conducted during the financial year pursuant to the mandate given by the shareholders based on the following information:-

(a) type of transaction made; and
(b) name of the related parties involved in each type of the RRPTs made and their relationships with the Company and/or any of its subsidiaries.

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5. STATEMENT BY AUDIT AND RISK MANAGEMENT COMMITTEE

The overall responsibility of determining whether the methods or procedures for reviewing all Recurrent Related Party Transactions are appropriate, rests with the Audit and Risk Management Committee. Review and ascertainment of whether the methods or procedures established to monitor Recurrent Related Party Transactions have been complied with will be conducted by the Audit and Risk Management Committee on half yearly basis with the assistance of the Internal Auditors. The Internal Auditors had reviewed the Recurrent Related Party Transactions during their audits carried out in September 2025 and March 2026, and their conclusion was that the Recurrent Related Party Transactions were in the best interest of the Company, fair, reasonable and on normal commercial terms and not detrimental to the interest of the minority shareholders of the Company.

Should the Audit and Risk Management Committee determine that the methods or procedures stated in section 4.1 are inadequate to ensure that:-

(i) the Recurrent Related Party Transactions are conducted at arm's length and on normal commercial terms; and

(ii) such transactions 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;

the Company will obtain a fresh Shareholders' Mandate based on the new methods or procedures.

The Audit and Risk Management Committee has the discretion to request for higher limits to be imposed or for the additional methods or procedures to be followed if it considers such a request to be appropriate. In that event, such limits or procedures may be implemented without the approval of shareholders, provided that they are more stringent than the existing limits or procedures.

The Audit and Risk Management Committee of the Company has reviewed the methods or procedures as specified in section 4.1 and is of the opinion that they are sufficient to ensure that the Recurrent Related Party Transactions 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.

In conclusion, the KHIB Group has in place adequate processes and procedures to monitor, track and identify the RRPTs in a timely and orderly manner.

6. CONDITION FOR THE PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE

The Proposed Renewal of Shareholders' Mandate is subject to the approval to be obtained from the shareholders of the Company at the forthcoming Twenty-Third AGM to be convened.

7. EFFECTS OF THE PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE

The Proposed Renewal of Shareholders' Mandate, if obtained at the Twenty-Third AGM, will not have any effect on the earnings per share, gearing and net assets per share at the Group level, issued and paid-up share capital, substantial shareholding and dividend rate of the Company.

8. DIRECTORS' AND MAJOR SHAREHOLDERS' INTERESTS

The interested Directors, Mr. Yap Toon Choy and Madam Yong Elaine, and persons connected to them, have abstained and will continue to abstain from the Board's deliberation and voting in respect of their direct and indirect shareholdings in KHIB on the ordinary resolutions approving the Proposed Renewal of Shareholders' Mandate.

The interested Major Shareholders namely, Mr. Yap Toon Choy, Madam Yong Elaine, Kam Loong, Mr. Yap Ah Fatt and Madam Foo Khen Ling and persons connected to them, have abstained and will continue to abstain from the deliberation and voting in respect of their direct and indirect shareholdings in KHIB on the ordinary resolutions approving the Proposed Renewal of Shareholders' Mandate.

The interested Directors and/or Major Shareholders, Mr. Yap Toon Choy, Madam Yong Elaine, Kam Loong, Mr. Yap Ah Fatt and Madam Foo Khen Ling will abstain and undertake to ensure that the persons connected to them will also abstain from voting in respect of their direct and indirect shareholdings as are stated in section 2.3.1 of this Circular to shareholders on the ordinary resolutions, deliberating or approving the Proposed Renewal of Shareholders' Mandate to be tabled as Special Business at the forthcoming Twenty-Third AGM.

Save as disclosed above, none of the other Directors and/or Major Shareholders and persons connected to them have any interests, direct or indirect, in the Proposed Renewal of Shareholders' Mandate.

9. DIRECTORS' RECOMMENDATION

The Board, with the exception of Mr. Yap Toon Choy and Madam Yong Elaine, is of the opinion that the Proposed Renewal of Shareholders' Mandate is in the best interest of the shareholders of the Company.

The Board, with the exception of Mr. Yap Toon Choy and Madam Yong Elaine who have abstained from making a recommendation on the Proposed Renewal of Shareholders' Mandate, recommends that you vote in favour of the ordinary resolutions pertaining to the Proposed Renewal of Shareholders' Mandate to be tabled as Special Business at the forthcoming Twenty-Third AGM.

10. TWENTY-THIRD AGM

The ordinary resolutions in relation to the Proposed Renewal of Shareholders' Mandate have been extracted and included in this Circular. The Twenty-Third AGM of the Company which will be held on Thursday, 15 October 2026 for the purpose of considering and if thought fit, passing the ordinary resolutions to give effect to the Proposed Renewal of Shareholders' Mandate will be conducted at Rafflesia Ballroom, Palm Garden Hotel, IOI Resort City, 62502 Putrajaya, Malaysia.

Members who are unable to attend and vote in person at the Twenty-Third AGM may appoint the Chairman of the meeting as his/her proxy and indicate the voting instructions in the Form of Proxy which is enclosed in the Company's Annual Report 2026. Alternatively, Members may appoint his/her proxy in which case Members are advised to deposit their completed and signed proxy forms, or original certificate of appointment of corporate representative or powers of attorney at the Registered Office of the Company at Lot 1863, Jalan Kolej, 43300 Seri Kembangan, Selangor Darul Ehsan, Malaysia or via Vistra Share Registry and IPO(my) portal at https://srmy.vistra.com, not later than 10.00 a.m. on Tuesday, 13 October 2026. The lodging of the Form of Proxy will not preclude you from attending and voting in person at the forthcoming Twenty-Third AGM should you subsequently wish to do so.

11. FURTHER INFORMATION

Shareholders are requested to refer to the attached Appendix I which forms an integral part of this Circular, for further information.

Yours faithfully,
For and on behalf of the Board of Directors of
KEIN HING INTERNATIONAL BERHAD

KHOR YEW CHYE
Senior Independent Non-Executive Director

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PART B

STATEMENT TO SHAREHOLDERS IN RELATION TO THE PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR SHARE BUY-BACK UP TO 10% OF THE ISSUED SHARES OF THE COMPANY

KEIN HING INTERNATIONAL BERHAD
[Registration No. 200301013636 (616056-T)]
(Incorporated in Malaysia)

Registered Office:-
Lot 1863, Jalan Kolej
43300 Seri Kembangan
Selangor Darul Ehsan

28 August 2026

Directors:-

Darsan Singh A/L Balwant Singh *(Independent Non-Executive Chairman)*
Yap Toon Choy *(Group Managing Director)*
Yong Elaine *(Executive Director)*
Khor Yew Chye *(Senior Independent Non-Executive Director)*
Jancy Oh Suan Tin *(Independent Non-Executive Director)*
Low Khoon Boon *(Independent Non-Executive Director)*
Gan Poh Chan *(Independent Non-Executive Director)*

To: The Shareholders of Kein Hing International Berhad

Dear Sir/Madam,

PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR SHARE BUY-BACK

1. INTRODUCTION

The Shareholders had at the Company's Twenty-Second Annual General Meeting on 10 October 2025 approved the authority for the Company to purchase such number of shares of up to ten percent (10%) of the prevailing total number of Issued Shares of the Company.

In accordance with the Listing Requirements, the said authority will expire at the conclusion of the forthcoming Twenty-Third AGM of the Company unless authority for its renewal is obtained from shareholders of the Company.

Accordingly, on 25 June 2026, the Company announced to Bursa Securities that it intends to seek shareholders' approval for the Proposed Renewal of Shareholders' Mandate for Share Buy-Back at the forthcoming Twenty-Third AGM of the Company.

The purpose of this Statement is to provide you with details of the Proposed Renewal of Shareholders' Mandate for Share Buy-Back and to seek your approval for the Ordinary Resolution to be tabled at the forthcoming Twenty-Third AGM.

2. DETAILS OF THE PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR SHARE BUY-BACK

2.1 Quantum and Funding

As at 7 August 2026, the number of issued Shares of the Company stood at 108,899,996 ordinary shares in KHIB. Therefore, the maximum number of Shares which may be purchased by the KHIB will be ten percent (10%) of the total number of issued Shares of KHIB or 10,889,999 Shares. The Proposed Renewal of Shareholders' Mandate for Share Buy-Back will be effected through KHIB's appointed stockbroker.

The maximum amount of funds to be allocated for the Proposed Renewal of Shareholders' Mandate for Share Buy-Back is limited to and is made wholly out of retained profits of the Company. As at 30 April 2026, the audited retained profits of the Company was RM26,354,888. The Proposed Renewal of Shareholders' Mandate for Share Buy-Back, if implemented, will be funded by internally generated funds of the Company.

The Proposed Renewal of Shareholders' Mandate for Share Buy-Back is subject to the compliance with Sections 112, 113 and 127 of the Act (as may be amended, modified or re-enacted from time to time) and any prevailing laws, rules and regulations, orders, guidelines and requirements issued by the relevant authorities ("Prevailing Laws") at the time of the purchase. The Proposed Renewal of Shareholders' Mandate for Share Buy-Back will be in accordance with the Prevailing Law at the time of the purchase including compliance with the public shareholding spread as required by the Listing Requirements for a company listed on the Main Market of Bursa Securities.

The Proposed Renewal of Shareholders' Mandate for Share Buy-Back will allow your Directors to exercise the power of the Company to purchase its own Shares at any time within the effective period as stated above. The actual number of Shares to be purchased, the total amount of funds to be utilised as well as the timing of the Proposed Share Buy-Back will depend on the market conditions, sentiments at Bursa Securities, the availability of the retained profits, as well as the financial resources available to the Company.

2.2 Pricing

The Company may only purchase its own Shares at a price which is not more than fifteen percent (15%) above its weighted average market price on Bursa Securities for the past five (5) market days immediately preceding the date of the purchase(s).

In the case of a resale of Treasury Shares, if any, KHIB may only resell the Treasury Shares on Bursa Securities at a price which is:

(a) not less than the weighted average market price for the Shares for the five (5) market days immediately prior to the resale; or

(b) a discounted price of not more than five percent (5%) to the weighted average market price for KHIB Shares for the five (5) market days immediately prior to the resale provided that:-

   (i) the resale takes place not earlier than thirty (30) days from the date of purchase; and
   (ii) the resale price is not less than the cost of purchase of Shares being resold.

2.3 Treatment of Shares Purchased

Section 127 (4) of the Act provides for Shares that are purchased pursuant to the Share Buy-Back to be dealt with by the Directors in the following manner:-

a) cancel the Shares so purchased; and/or
b) retain the Shares so purchased as Treasury Shares, to be distributed as dividend to the shareholders and/or to be sold on Bursa Securities in accordance with the rules of Bursa

Securities (if the opportunity arises for the Company to realise gains from such resale on the market) and/or to be subsequently cancelled; and/or

c) retain part of the Shares so purchased as Treasury Shares and cancel the remainder.

Where the Directors intend to retain the Purchased Shares as Treasury Shares, or cancel the Purchased Shares, or both, an appropriate announcement will be made to Bursa Securities as and when the Proposed Renewal of Shareholders' Mandate for Share Buy-Back is exercised.

If the Board decides to retain the Purchased Shares as Treasury Shares, it may among others distribute the Treasury Shares as dividend to the Shareholders and/or resell the Purchased Shares on Bursa Securities and utilise the proceeds for any feasible investment opportunity arising in the future, or as working capital. The treatment of the Treasury Shares, whether treated as dividends, resold on Bursa Securities or cancelled by the Company, will be dependent on the availability of the retained earnings of the Company and shall be at the discretion of the Board.

In the event KHIB wishes to purchase its own Shares, KHIB is required to lodge a declaration of solvency to Bursa Securities and release an announcement on the day the purchase is made.

While, the Shares are held as Treasury Shares, the rights attached on them as to voting, dividends and participation in other distribution and otherwise are suspended and the Treasury Shares shall not be taken into account in calculating the number or percentage of Shares or of a class of Shares in the Company for any purposes including substantial shareholdings, takeovers, notices, the requisition of meetings, the quorum for a meeting and the result of a vote at a meeting.

2.4 Implications of the Code

Based on the Company's Issued Shares and the shareholding of the Major Shareholders of the Company as at 7 August 2026, the effect on the shareholdings of the Major Shareholders of the Company after the implementation of the Proposed Share Buy-Back is shown in Section 5.2 of this Circular.

Collectively, the percentage of shareholdings of Yap Toon Choy and Yong Elaine is 58.71% while Kam Loong, Yap Ah Fatt and Foo Khen Ling is 11.88% before the Proposed Shareholders' Mandate for Share Buy-Back and 65.23% and 13.19% respectively after the exercise of the Proposed Shareholders' Mandate for Share Buy-Back in full.

Pursuant to Part II of the Code, if a person or a group of persons acting in concert holding more than 33% but less than 50% of the voting shares of a company and such person or group of persons acting in concert acquiring or intends to acquire in any period of six (6) months more than 2% of the voting shares of the company, there is an obligation to undertake a mandatory general offer for the remaining ordinary shares of the company not already owned by the said person or persons acting in concert.

In addition, pursuant to Practice Note 2.3 of the Code, where a group of persons acting in concert holds more than 50% of the voting shares of the Company, no obligation under Part II of the Code will arise from any further acquisition by such persons acting in concert unless a single member in the group of persons acting in concert acquires voting shares sufficient to increase his holding to more than 33% of the Company or, if he holds more than 33% and less than 50%, acquires more than 2% of the voting shares of the Company in any six (6) months period.

As at the date of this Statement, the Company has yet to decide on the percentage of its own Shares to be purchased under the Proposed Renewal of Shareholders' Mandate for Share Buy-Back. However, should the Company decide to purchase its own Shares which will result, for example, if Yap Toon Choy's shareholding in KHIB in any period of six (6) months to increase by more than 2% of the voting shares of the Company, it will seek a waiver from the Securities Commission under Practice Note 2.9.10 of the Code before the Company purchases its own Shares resulting in the trigger point being breached. In view of this, the Company will be mindful in exercising the Share Buy-Back to ensure that the individual Major Shareholder's shareholding will not breach either the 33% threshold or the 2% every 6 months threshold as the case may be, which will result in a mandatory offer by the Major Shareholder concerned.

2.5 Public Shareholding Spread

Pursuant to Paragraph 8.02 of the Listing Requirement of Bursa Securities for the Main Market ("MMLR"), a listed company must ensure that at least 25% of its total listed shares (excluding treasure shares) are in the hands of public shareholders. Based on the Register of Depository as at 7 August 2026, the Company's public shareholding spread was 29.37% which is above the minimum requirement of 25%.

The Company will not proceed to buy back any shares that will result in the public shareholding spread to reduce below 25% of the Issued Shares of the Company.

2.6 Purchase of KHIB Shares

The Company did not purchase any KHIB shares in the previous twelve (12) months made up to the date of this Statement. KHIB does not have any Treasury Shares and has not resold or cancelled any Treasury Shares in the same period.

2.7 Potential Advantages and Disadvantages of the Proposed Share Buy-Back Authority

The Proposed Renewal of Shareholders' Mandate for Share Buy-Back, if exercised, is expected to potentially benefit KHIB Group and its shareholders in the following manner:-

(a) The EPS of KHIB Group would be enhanced (all things being equal). This is expected to have a positive impact on the market price of KHIB Shares, which will benefit the shareholders of KHIB.

(b) If the Shares are bought back as Treasury Shares, it will provide the Directors an option to sell the Purchased Shares at a higher price and therefore, make an exceptional gain for the Company. Alternatively, the Purchased Shares can be distributed as share dividend to the shareholders.

The potential disadvantages of the Proposed Renewal of Shareholders' Mandate for Share Buy-Back to the Company and its shareholders may be as follows:

(i) As the Proposed Share Buy-Back can only be made out of retained profits, it may reduce in the distributable reserves available for dividends to be declared to the shareholders of the Company in the immediate future.

(ii) It may result in the Company foregoing other investment opportunities that may emerge in the future due to the reduction in financial resources of the KHIB Group after financing the Proposed Share Buy-Back.

In any event, the Directors will be mindful of the interest of the KHIB Group and the shareholders in implementing the Proposed Renewal of Shareholders' Mandate for Share Buy-Back.

3. RATIONALE AND BENEFITS OF THE PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR SHARE BUY-BACK

The Proposed Renewal of Shareholders' Mandate for Share Buy-Back will enable the KHIB Group to utilise its financial resources that do not have an immediate usage to purchase the Shares of the Company to stabilise the supply and demand of its Shares in the open market and thereby support its fundamental value. Should KHIB Shares be cancelled, either immediately or subsequently after being held as Treasury Shares, the Proposed Renewal of Shareholders' Mandate for Share Buy-Back is expected to improve the EPS of KHIB in the Group and benefit the shareholders of the Company.

The Purchased Shares, which are held as Treasury Shares, may be realised with potential gains from resale of Treasury Shares without affecting the total issued shares of the Company. In the event the Treasury Shares are distributed as share dividends, it serves as a reward to the shareholders of the Company.

The Proposed Renewal of Shareholders' Mandate for Share Buy-Back is not expected to have any potential material disadvantage to the Company and its shareholders, as it will be exercised only after in depth consideration of the financial resources of the KHIB Group and of the resultant impact on its shareholders. The Directors in exercising any decision on the Proposed Renewal of Shareholders' Mandate for Share Buy-Back will be mindful of the interest of the Company and its shareholders.

4. FINANCIAL EFFECTS OF THE PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR SHARE BUY-BACK

On the assumption that the Proposed Renewal of Shareholders' Mandate for Share Buy-Back is carried out in full, the effects of the Proposed Renewal of Shareholders' Mandate for Share Buy-Back on the share capital, NA, EPS, working capital, and shareholdings of Directors and Major Shareholders of KHIB are set out below:-

(i) Issued Shares

Assuming the Proposed Renewal of Shareholders' Mandate for Share Buy-Back is carried out in full by the Company, the maximum number of shares that the Company can buy back and cancel is limited to 10,889,999 shares. The proforma effect on the issued Shares of KHIB of such a cancellation of shares is summarised below:-

	No. of Shares
Issued Shares as at 7 August 2026	108,899,996
Less: Maximum number of Purchased Shares that may be cancelled	10,889,999
Reduced issued Shares in the event that the Purchased Shares are cancelled	98,009,997

However, the Proposed Renewal of Shareholders' Mandate for Share Buy-Back will have no effect on the issued Shares of KHIB if all the Shares are to be retained as Treasury Shares, resold or distributed to the shareholders.

(ii) NA and EPS

The Proposed Renewal of Shareholders' Mandate for Share Buy-Back may increase or decrease the NA per Share of KHIB depending on the purchase price in comparison to the NA per Share of KHIB at the time that the purchase is made. Assuming KHIB Shares purchased are cancelled, the Proposed Renewal of Shareholders' Mandate for Share Buy-Back will reduce the consolidated NA per Share if the purchase price exceeds the audited consolidated NA per Share at the time of purchase and conversely would increase the consolidated NA per Share if the purchase price is less than the audited consolidated NA per Share at the time of purchase.

If the purchased KHIB Shares are kept as Treasury Shares, the NA per KHIB Share would decrease unless the cost per share of the Treasury Shares purchased is below the NA per Share at the relevant point in time. This is due to the requirement for Treasury Shares to be carried at cost and be offset against equity, resulting in a decrease in the NA of the Company.

The effect on the EPS of KHIB Group will depend on the purchase prices of the Shares, the opportunity cost and the number of Shares purchased.

(iii) Working Capital

The Working Capital of KHIB Group will be reduced to the extent of the amount of funds utilised for the purchases of the Shares but is not expected to have a material adverse effect on the Working Capital of KHIB Group.

Similarly, the Working Capital of KHIB Group will increase to the extent of the amount of funds obtained from the resale of the Treasury Shares.

(iv) Dividend

The Proposed Renewal of Shareholders' Mandate for Share Buy-Back is not expected to adversely affect the payment of dividends to shareholders. If the amount of dividends to be paid remain the same in Ringgit term as in the previous year and as there will be less Shares qualifying for dividends after the Share Buy-Back, the remaining shareholders would potentially receive a higher dividend payment.

(v) Historical Share Prices

The monthly highest and lowest market price of KHIB Shares as traded on the Bursa Securities for the past twelve (12) months from August 2025 to July 2026 are set out below: -

	High	**Low**
2025	**RM**	**RM**
August	1.16	1.00
September	1.23	0.995
October	1.45	1.16
November	1.41	1.25
December	1.30	1.18
2026		
January	1.30	1.19
February	1.29	1.16
March	1.30	1.15
April	1.26	1.05
May	1.18	1.00
June	1.12	1.01
July	1.07	1.00

(source: yahoo!finance)

The last transacted market price of KHIB Shares as at the LPD was RM1.04.

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5. INTEREST OF DIRECTORS AND MAJOR SHAREHOLDERS

None of the Directors, Major Shareholders and persons connected to the Directors and /or Major Shareholders (as defined in the Listing requirements of Bursa Securities) have any direct or deemed interest in the Proposed Renewal of Shareholders' Mandate for Share Buy-Back and resale of Treasury Shares (if any).

5.1 Directors

The table below shows the direct and indirect equity interests held by the Directors as at 7 August 2026 and their pro-forma percentage shareholdings in KHIB, assuming that the Proposed Renewal of Shareholders' Mandate for Share Buy-Back was carried out in full on 7 August 2026.

Name	**No. of KHIB Shares held**							
	Before the Proposed Shareholders' Mandate for Share Buy-Back				**After the Proposed Shareholders' Mandate for Share Buy-Back**			
	Direct Shareholding		**Indirect Shareholding**		**Direct Shareholding**		**Indirect Shareholding**	
Directors	**No. of Shares**	**%**	**No. of Shares**	**%**	**No. of Shares**	**%**	**No. of Shares**	**%**
Yap Toon Choy	41,172,582	37.81	22,762,077[(a)]	20.90	41,172,582	42.01	22,762,077 [(a)]	23.22
Yong Elaine	22,762,077	20.90	41,172,582[(b)]	37.81	22,762,077	23.22	41,172,582 [(b)]	42.01
Darsan Singh A/L Balwant Singh	-	-	-	-	-	-	-	-
Khor Yew Chye	-	-	-	-	-	-	-	-
Jancy Oh Suan Tin	-	-	-	-	-	-	-	-
Low Khoon Boon	-	-	-	-	-	-	-	-
Gan Poh Chan	-	-	-	-	-	-	-	-

Notes :

(a) Deemed interested by virtue of him being the spouse of Yong Elaine, a major shareholder of KHIB pursuant to Section 197 of the Act.

(b) Deemed interested by virtue of her being the spouse of Yap Toon Choy, a major shareholder of KHIB pursuant to Section 197 of the Act.

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5.2 Major Shareholders

The table below shows the direct and indirect equity interests held by the Major Shareholders as at 7 August 2026 and their pro-forma percentage shareholdings in KHIB, assuming that the Proposed Renewal of Shareholders' Mandate for Share Buy-Back was carried out in full on 7 August 2026.

Name	No. of KHIB Shares held							
	Before the Proposed Shareholders' Mandate for Share Buy-Back				After the Proposed Shareholders' Mandate for Share Buy-Back			
	Direct Shareholding		Indirect Shareholding		Direct Shareholding		Indirect Shareholding	
Major Shareholders	**No. of Shares**	**%**	**No. of Shares**	**%**	**No. of Shares**	**%**	**No. of Shares**	**%**
Yap Toon Choy	41,172,582	37.81	22,762,077[(a)]	20.90	41,172,582	42.01	22,762,077[(a)]	23.22
Yong Elaine	22,762,077	20.90	41,172,582[(b)]	37.81	22,762,077	23.22	41,172,582[(b)]	42.01
Kam Loong	11,701,800	10.75	-	-	11,701,800	11.94	-	-
Yap Ah Fatt	22,000	0.02	12,911,800[(c)]	11.86	22,000	0.02	12,911,800[(c)]	13.17
Foo Khen Ling	1,210,000	1.11	11,723,800[(c)]	10.77	1,210,000	1.23	11,723,800[(c)]	11.96

Notes :
(a) Deemed interested by virtue of him being the spouse of Yong Elaine, a major shareholder of KHIB pursuant to Section 197 of the Act.
(b) Deemed interested by virtue of her being the spouse of Yap Toon Choy, a major shareholder of KHIB pursuant to Section 197 of the Act.
(c) Deemed interested by virtue of his/her direct interest in Kam Loong pursuant to Section 8(4)(b) and in each other's interest by virtue of Section 197 of the Act.

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6. CONDITION FOR THE PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR SHARE BUY-BACK

The Proposed Renewal of Shareholders' Mandate for Share Buy-Back is conditional upon approval to be obtained from the Shareholders of KHIB at the forthcoming Twenty-Third AGM. The Proposed Renewal of Shareholders' Mandate for Share Buy-Back to be procured from the Shareholders of the Company at the forthcoming Twenty-Third AGM is subject to annual renewal.

7. DIRECTORS' STATEMENT AND RECOMMENDATION

The Board, having considered all aspects of the Proposed Renewal of Shareholders' Mandate for Share Buy-Back, is of the opinion that the Proposed Renewal of Shareholders' Mandate for Share Buy-Back is in the best interest of the Company. Accordingly, the Board recommends that you vote in favour of the Proposed Renewal of Shareholders' Mandate for Share Buy-Back at the forthcoming Twenty-Third AGM of the Company.

8. TWENTY-THIRD AGM

The ordinary resolution in relation to the Proposed Renewal of Shareholders' Mandate for Share Buy-Back has been extracted and included in this Statement ("Appendix II"). The Twenty-Third AGM of the Company which will be held on 15 October 2026 for the purpose of considering and if thought fit, passing the ordinary resolution to give effect to the Proposed Renewal of Shareholders' Mandate for Share Buy-Back will be conducted at Rafflesia Ballroom, Palm Garden Hotel, IOI Resort City, 62502 Putrajaya, Malaysia.

Members who are unable to attend and vote in person at the Twenty-Third AGM may appoint the Chairman of the meeting as his/her proxy and indicate the voting instructions in the Form of Proxy which is enclosed in the Company's Annual Report 2026. Alternatively, Members may appoint his/her proxy in which case Members are advised to deposit their complete and signed proxy forms, or original certificate of appointment of corporate representative or powers of attorney at the Registered Office of the Company at Lot 1863, Jalan Kolej, 43300 Seri Kembangan, Selangor Darul Ehsan, Malaysia or via Vistra Share Registry and IPO(my) portal at https://srmy.vistra.com, not later than 10.00 a.m. on Tuesday, 13 October 2026. The lodging of the Form of Proxy will not preclude you from attending and voting in person at the forthcoming Twenty-Third AGM should you subsequently wish to do so.

Yours faithfully,
For and on behalf of the Board of Directors of
KEIN HING INTERNATIONAL BERHAD

KHOR YEW CHYE
Senior Independent Non-Executive Director

1. RESPONSIBILITY STATEMENT

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

2. MATERIAL LITIGATION

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

3. MATERIAL CONTRACTS

Save as disclosed below, neither KHIB nor its subsidiaries have entered into any contracts *(not being contracts entered into in the ordinary course of business)* within the two (2) years immediately preceding the date of this Circular:-

- KHIB had on 13 September 2024 entered into a Sale and Purchase Agreement with a third-party developer, Wisdom Infinity Sdn. Bhd., for the acquisition of a semi-detached factory with office namely Lot No. F 10 with a built-up of approximately 15,216 square feet which will be situated on a freehold land measuring approximately 23,479.51 square feet, pending land subdivision, and the said land is currently held under the master land title Lot 541 (Geran No. Hakmilik 311880) and Lot 542 (Geran No. Hakmilik 311881) both situated at Seksyen 1, Pekan Jenjarom, Daerah Kuala Langat, Negeri Selangor, Malaysia for a net consideration of RM5,939,183 only.
- KHIB had on 4 October 2024 entered into a Sale and Purchase Agreement with a third-party developer, Hicom Indungan Sdn. Bhd., for the acquisition of one (1) piece of freehold industrial land identified as Plot 41, Phase 2C, Hicom Pegoh Industrial Park, Melaka, Malaysia with a land area of approximately 3.25 acres equivalent to 141,469 square feet forming part and parcel of land held under Geran 69390 Lot 15370 (Formerly PT 2539), Geran 47512 Lot 5043 to Lot 5350, both in Mukim Pegoh, Daerah Alor Gajah, Negeri Melaka and government land for which the title has yet to be issued for a cash consideration of RM5,379,660 only.
- KHMH, a 51%-owned subsidiary of KHMV, had on 11 February 2025 entered into a Sublease Agreement of land use rights and infrastructure attached to the land with a third-party developer, Thang Long Industrial Park II Corporation, for the sublease of one (1) piece of an industrial park land identified as Plot No. Y6-B, Thang Long Industrial Park II, Hung Long Commune, My Hao Town, Hung Yen Province, Vietnam with a land area of approximately 12,000 square meters free of any restriction on land use rights for a lease term beginning from the date of Sublease Agreement to 16 November 2056 for a cash consideration of VND42,588,000,000 only (equivalent to approximately RM7.5 million). KHMV is an 80%-owned subsidiary of the Company.
- KHIB had on 10 June 2025 entered into a Conditional Transfer Agreement ("Transfer Agreement") with Mr Shingo Muramoto, the Vendor for the acquisition of 5% of the Charter

Capital held by him in KHMV equivalent to USD110,000 for a cash consideration of USD400,000 which is approximately RM1.7 million subject to the terms and conditions in the Transfer Agreement.

4. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at the Registered Office of the Company at Lot 1863, Jalan Kolej, 43300 Seri Kembangan, Selangor Darul Ehsan, Malaysia during normal business hours from the date of this Statement up to and including the date of the Twenty-Third AGM:-

a) the Constitution of the Company;
b) the audited financial statements of KHIB Group for the past two (2) years ended 30 April 2025 and 30 April 2026; and
c) material contracts referred to in paragraph 3 above.

KEIN HING INTERNATIONAL BERHAD
[Registration No. 200301013636 (616056-T)]
(Incorporated in Malaysia)

EXTRACT OF RESOLUTIONS TO BE TABLED AS SPECIAL BUSINESS AT THE FORTHCOMING TWENTY-THIRD AGM

(b) PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE WITH T.C. YAP HOLDINGS SDN. BHD. AND MR. YAP TOON CHOY

"**THAT** approval be and is hereby given to the Kein Hing International Berhad ("KHIB") Group to enter into and give effect to the recurrent related party transactions of a revenue or trading nature with T.C. Yap Holdings Sdn. Bhd. and Mr. Yap Toon Choy, the Group Managing Director and Major Shareholder of KHIB as stated in section 2.3.3 of the Circular to Shareholders of the Company dated 28 August 2026, being necessary for the day-to-day operations of the KHIB Group, subject to the following:-

(i) the transactions are in the ordinary course of business and are on terms not more favourable to the related parties than those generally available to the public and is not to the detriment of the minority shareholders and that such transactions are made on an arm's length basis and on normal commercial terms; and

(ii) disclosure is made in the annual report of the aggregate value of transactions conducted pursuant to this shareholders' mandate during the financial year; and

(iii) the authority given shall continue to be in force until:-

   (a) the conclusion of the Twenty-Fourth Annual General Meeting ("AGM") of the Company, at which time it will lapse unless, by a resolution passed at the Twenty-Fourth AGM, the authority is renewed; or

   (b) the expiration of the period within which the Twenty-Fourth AGM of the Company is required to be held pursuant to Section 340(2) of the Companies Act, 2016 (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Companies Act, 2016); or

   (c) it is revoked or varied by resolution passed by the shareholders in general meeting,

whichever is earlier.

THAT the Directors be and are hereby authorised to complete and do all such acts, deeds and things necessary to give effect to the transactions contemplated or authorised by this resolution."

(c) PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE WITH KAM LOONG MINING SDN. BHD.

"**THAT** approval be and is hereby given to the KHIB Group to enter into and give effect to the recurrent related party transactions of a revenue or trading nature with Kam Loong Mining Sdn. Bhd., a Major Shareholder of KHIB as stated in section 2.3.3 of the Circular to Shareholders of the Company dated 28 August 2026, being necessary for the day-to-day operations of the KHIB Group, subject to the following:-

(i) the transactions are in the ordinary course of business and are on terms not more favourable to the related parties than those generally available to the public and is not to the detriment of the minority shareholders and that such transactions are made on an arm's length basis and on normal commercial terms; and

(ii) disclosure is made in the annual report of the aggregate value of transactions conducted pursuant to this shareholders' mandate during the financial year; and

(iii) the authority given shall continue to be in force until:-

(a) the conclusion of the Twenty-Fourth AGM of the Company, at which time it will lapse unless, by a resolution passed at the Twenty-Fourth AGM, the authority is renewed; or

(b) the expiration of the period within which the Twenty-Fourth AGM of the Company is required to be held pursuant to Section 340(2) of the Companies Act, 2016 (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Companies Act, 2016); or

(c) it is revoked or varied by resolution passed by the shareholders in general meeting,

whichever is earlier.

THAT the Directors be and are hereby authorised to complete and do all such acts, deeds and things necessary to give effect to the transactions contemplated or authorised by this resolution.**"**

(d) PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR SHARE BUY-BACK

"**THAT** subject to the Companies Act 2016, the Constitution of the Company, the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") and all other prevailing laws, rules, regulations and orders issued and/or amended from time to time by the relevant regulatory authorities, the Company be and is hereby authorised to purchase and/or to hold up to ten percent (10%) of the issued Shares of the Company ("Proposed Share Buy-Back") as may be determined by the Directors of the Company from time to time through Bursa Securities upon such terms and conditions as the Directors of the Company may deem fit and expedient in the best interest of the Company and an amount not exceeding the retained profits of the Company, be allocated by the Company for the Proposed Share Buy-Back. The retained profits of the Company are RM26,354,888 for the financial year ended 30 April 2026.

AND THAT upon completion of the purchase by the Company of its own shares, the Directors of the Company be and are hereby authorised to cancel such shares or retain such shares as the Treasury Shares or a combination of both. The Directors of the Company are further authorised to resell the Treasury Shares on Bursa Securities or distribute the Treasury Shares as dividends to the shareholders of the Company or subsequently cancel the Treasury Shares or any combination of the three.

AND FURTHER THAT the Directors of the Company be and are hereby authorised to carry out the Proposed Share Buy-Back immediately upon the passing of this resolution until:

(a) the conclusion of the Twenty-Fourth AGM of the Company at which time the authority shall lapse, unless by ordinary resolution passed at the Twenty-Fourth AGM, the authority is renewed, either unconditionally or subject to conditions; or

(b) the expiration of the period within which the Twenty-Fourth AGM of the Company is required to be held pursuant to Section 340(2) of the Companies Act, 2016 (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Companies Act, 2016); or

(c) it is revoked or varied by ordinary resolution passed by the shareholders of the Company in a general meeting,

whichever occur first but not so as to prejudice the completion of purchase(s) by the Company before the aforesaid expiry date and to take all steps as are necessary and/or to do all such acts and things as the Directors of the Company deem fit and expedient in the interest of the Company to give full effect to the Proposed Share Buy-Back with full powers to assent to any conditions, modifications, amendments and/or variations as may be imposed by the relevant authorities."

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