

**MINDA GLOBAL BERHAD**  
**(Company No. 1209985-V)**

**RELATED PARTY TRANSACTIONS POLICY**

**Definitions:**

- “Act”** Companies Act 2016
- “Board” or “Directors”** : The Directors for the time being of the Company or such number of them as have authority to act for the Company.
- “Director” has the meaning given in section 2(1) of the CMSA and 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) a Director of the Company, its subsidiary or holding company; or
  - b) CEO of the Company, its subsidiary or holding company.
- “Bursa”** : Bursa Malaysia Securities Berhad (Company No. 635998-W).
- “Company”** : Minda Global Berhad
- “CEO”** : The principal executive officer of the Company for the time being, by whatever name called, and whether or not he or she is a Director.
- “CMSA”:** The Capital Markets and Services Act 2007
- “Company Secretary” or “Secretaries”** : Any person or persons jointly appointed to perform the duties of a secretary of the Company including any person(s) appointed temporarily and any representative of the secretary.
- “Family”** : In relation to a person means such person who falls within any one of the following categories:
- a) spouse;
  - b) parent;
  - c) child including an adopted child and step-child;
  - d) brother or sister; and
  - e) spouse of the person referred in point (c) and (d) above.
- “Group”** : The Company and its subsidiaries.
- “LR”** : Bursa Securities Main Market Listing Requirements including any relevant practice and/or guidance notes, directives, guidelines issued pursuant thereto and any amendment, modification, supplemental to the listing requirements that may be made from time to time.
- “Person”** Includes a Related Party, including any party as specified within the LR

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<b>“Person connected”</b>	In relation to any person (referred to as “said Person”), means such person who falls under any one of the following categories: <ul style="list-style-type: none"><li>a) a family member of the said Person;</li><li>b) trustee of a trust (other than a trustee for a share scheme for employees or pension scheme) under which the Director or major shareholder, is the sole beneficiary;</li><li>c) a partner of the said Person;</li><li>d) a person, or where the person is a body corporate, the body corporate or its directors, who is/are accustomed or under an obligation, whether formal or informal, to act in accordance with the directions, instructions or wishes of the said Person;</li><li>e) a person, or where the person is a body corporate, the body corporate or its directors, in accordance with whose directions, instructions or wishes the Director or major shareholder is accustomed or is under an obligation, whether formal or informal, to act;</li><li>f) a body corporate in which the said Person, or persons connected with the said Person are entitled to exercise, or control the exercise of, not less than 20% of the votes attached to voting shares in the body corporate; or</li><li>g) a body corporate which is a related corporation of the said Persons.</li></ul>
<b>“Related Party”</b>	A Director, major shareholder or person connected with such Director or major shareholder
<b>“Recurrent Related Party Transaction”</b>	A related party transaction which is recurrent, of a revenue or trading nature and which is necessary for day-to-day operations of the Group
<b>“RPT” or “Related Party Transaction”</b>	: A transaction entered into by the Group which involves the interest, direct or indirect, of a related party

## 1. Introduction

The Company is principally an investment holding company. It is anticipated that the Group would, in the ordinary course of business, enter into transactions of revenue or trading nature with a related party or parties.

## 2. Objectives

This policy is designed to ensure RPTs are carried out in the ordinary course of business, are made at arm’s length and on normal commercial terms which are not more favourable to the related party or parties than those generally available to the public and are not on terms that are detrimental to the minority shareholders of the Company.

This policy also aims to comply with the Part E, Paragraph 10.08 and 10.09 of the LR.

**3. Policies and Procedures**

- 3.1. The transactions with the Related Party or Parties will only be entered into after taking into account the pricing, quality of product / services, expertise and other related factors. The transaction prices will be determined by market forces which will depend on the supply and demand of the products / services and subject to the availability of the products in the market or at prices similar to those prices for transactions with unrelated third parties including, where appropriate, preferential rates and discounts accorded for bulk purchases (the same as are accorded to third party bulk purchase).
- 3.2. The terms and conditions of the transactions will be determined by the product / service provider's usual commercial terms or in accordance with applicable industry norm.
- 3.3. Records will be maintained by the Group to record all the Recurrent Related Party Transactions entered into pursuant to a Shareholders' Mandate, as well as other Related Party Transactions, to ensure that relevant approvals have been obtained and review procedures in respect of such transactions are adhered to.
- 3.4. 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 Party or 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 to unrelated third parties cannot be obtained (for instance, if there are no unrelated third party customers of similar products, or if the product is a propriety item), the transaction price will be determined based on the margin transacted for other similar product/services and the transaction price will be reviewed taking into account prevailing market rates/prices that are agreed upon under similar commercial terms for transactions with third parties, business practices and policies and on terms which are generally in line with industry norms in order to ensure the Related Party Transaction is not detrimental to the Group.
- 3.5. The Audit Committee of the Company has in place adequate procedures and processes to monitor, track and identify Related Party Transactions in a timely and orderly manner, and the frequency of review of these procedures and processes.
- 3.6. The Audit Committee periodically reviews the procedures set by the Company to monitor Related Party Transactions to ensure that these transactions are carried out on normal commercial terms not more favourable to the Related Party than those generally available to the public and are not detrimental to the minority shareholders of the Company. All reviews by the Audit Committee are reported to the Board for further action. In its review and approval of such transactions, the Audit Committee may, as it deems fit, request for additional information pertaining to the transactions from independent sources or professionals; and
- 3.7. All the Directors and Major Shareholders are required to declare and disclose any transaction in which they are deemed interested and such transactions must be subject to the scrutiny of the Audit Committee. In addition, the Directors and Major Shareholders have given their undertakings that all business transactions entered into between the Group and themselves and/or Persons Connected with them shall be negotiated on and agreed at arm's length basis on 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.

**4. Threshold for Approval**

The threshold for Related Party Transactions, including Recurrent Related Party Transactions, will be determined by the Audit Committee on a yearly basis, subject to the provisions in the LR and/or the Act, where necessary. Where any Director has an interest (direct or indirect) in any Related Party Transactions, such Director shall abstain from deliberation and voting on the matter.

**5. Disclosure**

Disclosure will be made in the Company's Annual Report of the breakdown of the aggregate value of Related Party Transactions conducted, types of Related Party Transactions made, names of the Related Party or Parties involved in each type of Related Party Transactions and their relationship with the Group pursuant to the Shareholders' Mandate (where applicable) during the financial year, and in the Annual Report for the subsequent financial year that the Shareholders' Mandate continues to be in force.

**6. Review**

The Related Party Transaction Policy is to be regularly reviewed by the Board as and when required.

This Policy is dated 14 February 2018 and supersedes any terms of reference previously in force.