

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 professional advisers immediately.

Bursa Malaysia Securities Berhad (“Bursa Securities”) has not perused this Circular as it is prescribed as an exempt document pursuant to Paragraph 2.1 of Practice Note 18 of the Main Market Listing Requirements of Bursa Securities.

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DOLPHIN INTERNATIONAL BERHAD
[Registration No. 201201016010 (1001521-X)]
(Incorporated in Malaysia)

CIRCULAR TO SHAREHOLDERS

IN RELATION TO

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

The ordinary resolution in respect of the above will be tabled as a Special Business at the Eleventh Annual General Meeting (“11th AGM”) of Dolphin International Berhad (“the Company”) to be conducted on a fully virtual basis through live streaming and online Remote Participation and Electronic Voting (“**RPEV**”) facilities via online meeting platform at <https://meeting.boardroomlimited.my> (Domain Registration No. with MYNIC - D6A357657), provided by Boardroom Share Registrars Sdn. Bhd. in Malaysia on Thursday, 14 December 2023 at 11.00 a.m. or at any adjournment thereof. The notice of 11th AGM of the Company together with the Form of Proxy, are enclosed in the Company’s Annual Report 2023.

A member entitled to attend, speak and vote (collectively, “**participate**”) remotely at the 11th AGM via the RPEV facilities provided, is entitled to appoint a proxy or proxies to participate on his/her behalf. The completed and signed Form of Proxy must be lodged at the office of the Share Registrar of the Company situated at 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan. In the case of an appointment of a proxy made in electronic form, the Form of Proxy must be deposited through the Share Registrar’s website, Boardroom Smart Investor Portal at <https://investor.boardroomlimited.com>. Please refer to the procedures as set out in the Administrative Guide for the Fully Virtual 11th AGM for the electronic lodgement of Form of Proxy. The lodgement of the Form of Proxy will not preclude you from participating and voting in person at the 11th AGM should you subsequently wish to do so.

The Administrative Guide for the Fully Virtual 11th AGM is enclosed in the Company’s Annual Report 2023.

The last day and time for lodgement of the Form of Proxy is Tuesday, 12 December 2023 at 11.00 a.m.

DEFINITIONS

In this Circular, the following terms and abbreviations shall have the following meanings unless otherwise stated:

Act	:	The Companies Act 2016 as amended from time to time and includes every statutory modification or any re-enactment thereof for the time being in force
AGM	:	Annual general meeting
AP F&B	:	Asia Poly Food And Beverage Sdn. Bhd. [Registration No. 201601000614 (1171539-W)], a wholly-owned subsidiary of DIB
AP F&B Group	:	AP F&B and its subsidiary companies, collectively
APHB	:	Asia Poly Holdings Berhad [Registration No. 200301016756 (619176-A)]
Audit and Risk Management Committee	:	Audit and Risk Management Committee of DIB
Board	:	Board of Directors of DIB
Bursa Securities	:	Bursa Malaysia Securities Berhad [Registration No. 200301033577 (635998-W)]
Caritas	:	Caritas Et Veritas Sdn. Bhd. [Registration No. 201101032341 (960476-V)], an indirect 70% owned subsidiary of DIB
Circular	:	This circular to shareholders of DIB dated 31 October 2023
DASB	:	Dolphin Applications Sdn. Bhd. [Registration No. 200701033516 (791544-V)], a wholly-owned subsidiary of DIB
DIB or the Company	:	Dolphin International Berhad [Registration No. 201201016010 (1001521-X)]
DIB Group or the Group	:	DIB and its subsidiary companies, collectively
DIB Share(s) or Share(s)	:	Ordinary share(s) in DIB
Director(s)	:	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 or a chief executive of DIB or DIB Group
DRSSB	:	Dolphin Robotic Systems Sdn. Bhd. [Registration No. 201401016023 (1092109-T)] (ceased as an indirect wholly-owned subsidiary of DIB on 24 May 2023)

DEFINITIONS (CONT'D)

Edaran TCQ	:	Edaran TCQ Sdn. Bhd. [Registration No. 201901018722 (1328051-W)], an indirect wholly-owned subsidiary of DIB
EGM	:	Extraordinary general meeting of DIB
High Reserve F&B	:	High Reserve F&B Sdn. Bhd. [Registration No. 201501000114 (1125446-H)], an indirect wholly-owned subsidiary of DIB
Listing Requirements	:	Main Market Listing Requirements of Bursa Securities, including any amendments made in respect thereof from time to time
LPD	:	20 October 2023, being the latest practicable date prior to the printing of this Circular
Major Shareholder(s)	:	<p>A person who has an interest or interests in one or more voting shares in the Company and the number or aggregate number of those shares, is:</p> <p>(a) 10% or more of the total number of voting shares in the Company; or</p> <p>(b) 5% or more of the total number of voting shares in the Company where such person is the largest shareholder of the Company,</p> <p>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 major shareholder of the Company or any other company which is its subsidiary or holding company</p> <p>For the purpose of this definition, “interest” shall have the meaning of “interest in shares” has the meaning given in Section 8 of the Act</p>
Oharu Inn	:	Oharu Inn Sdn. Bhd. [Registration No. 202001019818 (1376138-A)], an indirect wholly-owned subsidiary of DIB
Proposed Renewal of Shareholders’Mandate	:	Proposed Renewal of shareholders’ mandate for DIB Group to enter into RRPTs of a revenue or trading nature
Related Party or Related Parties	:	Director(s), Major Shareholder(s) or person(s) connected with such director(s) or Major Shareholder(s) of DIB
RRPT	:	Recurrent related party transaction(s) entered into by DIB Group which involves the interest, direct or indirect, of the Related Parties, which is recurrent, of a revenue or trading nature and which is necessary for day-to-day operations of DIB Group
RM and Sen	:	Ringgit Malaysia and sen, respectively
Shareholder(s)	:	Shareholders of DIB
Substantial Shareholder(s)	:	A person who has interest or interests in one or more voting shares in DIB and the number or aggregate number of those shares, is not less than 5% of the total number of voting shares in DIB
UD Express Outlets	:	Food & Beverage convenience concept stores under the trademark “UD Express”

UDHSB	:	Uncle Don's Holdings Sdn. Bhd. [Registration No. 201801039364 (1301395-T)]
UDMSB	:	Uncle Don's Manufacturing Sdn. Bhd. [Registration No. 201501040414 (1165734-P)]
UDRSB	:	Uncle Don's Restaurants Sdn. Bhd. [Registration No. 201501039890 (1165208-K)]
Uncle Don's Outlets	:	AP F&B Group's restaurant outlets with the license to operate under the trade name of "Uncle Don's"
United Delight	:	United Delight Sdn. Bhd. [Registration No. 202101004255 (1404554-P)], a wholly-owned subsidiary of DIB
United Distribution	:	United Distribution Sdn. Bhd. [Registration No. 202001043738 (1400060-W)], a wholly-owned subsidiary of DIB
Verona Wines	:	Verona Wines Sdn. Bhd. [Registration No. 202101010308 (1410607-U)], an indirect 70% owned subsidiary of DIB

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 a corporation, unless otherwise specified.

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

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

All references to "you" in this Circular are to the Shareholders.

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DOLPHIN INTERNATIONAL BERHAD
[Registration No. 201201016010 (1001521-X)]
(Incorporated in Malaysia)

Registered Office
308, Block A (3rd Floor)
Kelana Business Centre
97, Jalan SS 7/2
Kelana Jaya
47301 Petaling Jaya
Selangor

31 October 2023

Board of Directors

Ir. Zulkifle Bin Osman (*Independent Non-Executive Chairman*)
Yeo Boon Thai (*Executive Director/Chief Executive Officer*)
Tan Ban Tatt (*Independent Non-Executive Director*)
Lim Seng Hock (*Independent Non-Executive Director*)
Yeo Boon Ho (*Non-Independent Non-Executive Director*)
Loke Mee Leng (*Independent Non-Executive Director*)

To: The Shareholders

Dear Sir/Madam,

PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE

1. INTRODUCTION

At the Tenth (10th) AGM held on 8 December 2022, the Company has sought and obtained its Shareholders' approval for a general mandate to enter into RRPTs in the ordinary course of business based on commercial terms which are not more favourable to the Related Parties than those generally available to the public and which are necessary for DIB Group's day-to-day operations. The aforesaid mandate will lapse at the conclusion of the forthcoming Eleventh ("11th") AGM of the Company unless authority for its renewal is obtained from the Shareholders.

On 27 October 2023, the Company announced its intention to seek the Shareholders' approval for the Proposed Renewal of Shareholders' Mandate pursuant to Paragraph 10.09 of the Listing Requirements.

THE PURPOSE OF THIS CIRCULAR IS TO PROVIDE YOU WITH THE RELEVANT INFORMATION ON THE PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE AND TO SET OUT THE VIEWS AND RECOMMENDATION OF THE BOARD AS WELL AS TO SEEK YOUR APPROVAL FOR THE RESOLUTION PERTAINING TO THE PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE TO BE TABLED AT THE FORTHCOMING 11TH AGM.

YOU ARE ADVISED TO READ AND CAREFULLY CONSIDER THE CONTENTS OF THIS CIRCULAR INCLUDING THE APPENDICES CONTAINED HEREIN BEFORE VOTING BY WAY OF POLL ON THE RESOLUTION TO GIVE EFFECT TO THE PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE TO BE TABLED AT THE FORTHCOMING 11TH AGM.

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2. DETAILS OF THE PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE

Pursuant to Paragraph 10.09(2) of the Listing Requirements, a listed issuer may seek a general mandate from its shareholders 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: -
 - (a) the issued share capital of the Company is RM60 million and above: -
 - (i) the consideration, value of the assets, capital outlay or costs of the Recurrent Related Party Transaction is RM1 million or more; or
 - (ii) the percentage ratio of such Recurrent Related Party Transaction is 1% or more,whichever is the higher or;
 - (b) the issued share capital is less than RM60 million: -
 - (i) the consideration, value of the assets, capital outlay or costs of the Recurrent Related Party Transaction is RM1 million or more; or
 - (ii) the percentage ratio of such Recurrent Related Party Transaction is 1% or more,whichever is the lower.
- (c) in a meeting to obtain shareholders' mandate, the interested directors, interested major shareholders or interested persons connected with a director or major shareholder; and where it involves the interest of an interested person connected with a director or major shareholder, such director or major shareholder, must not vote on the resolution to approve the RRPTs. An interested director or interested major shareholder must ensure that persons connected with him shall abstain from voting on the resolution approving the RRPTs; and
- (d) the listed issuer immediately announces to Bursa Securities when the actual value of a RRPT entered into by the listed issuer, exceeds the estimated value of the RRPT disclosed in the circular by 10% or more and must include the information as may be prescribed by Bursa Securities in its announcement.

The RRPTs that are contemplated under the Proposed Renewal of Shareholders' Mandate are complied with Paragraph 10.09(2) and the relevant provisions under Sections 3.1 and 3.2 of Practice Note 12 of the Listing Requirements.

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2.1 Principal activities of DIB Group

The principal activity of the Company is investment holding. The details of the principal activities of the subsidiaries company of DIB Group are set out in the table below:

No.	Name of subsidiaries company	Principal activities	Effective equity interest (%)
1.	AP F&B	Operating of restaurants, trading of all kinds of food products and investment holding.	100.00
2.	DASB	Involved in the sale, design, engineering, development and integration of electro-automation and related proprietary systems and products for the palm oil milling sector.	100.00
3.	United Delight	Operator of restaurants, operator of convenient stores, food manufacturing & trading and investment holding.	100.00
4.	United Distribution	Trading of food related products and beverages.	100.00
5.	High Reserve F&B <i>(held by AP F&B)</i>	Operating of restaurants, trading of all kinds of food products and investment holding.	100.00
6.	Edaran TCQ <i>(held by High Reserve F&B)</i>	Operating of restaurants and trading of all kinds of food products.	100.00
7.	Oharu Inn <i>(held by High Reserve F&B)</i>	Operating of restaurants and trading of all kinds of food products.	100.00
8.	PT Dolphin Indonesia <i>(held by DASB)</i>	Trading and maintenance services of palm oil industry products.	90.00
9.	Caritas <i>(held by United Delight)</i>	Operating of restaurant.	70.00
10.	Verona Wines <i>(held by Caritas)</i>	Wholesaler, distributor and trader of all alcohol related products.	70.00

Due to the diversity of DIB Group into the food and beverage services industry, it is anticipated that DIB Group would, in the normal course of business, continue to enter into transactions with the Related Parties, details of which are set out in Section 2.4 of this Circular. The said transactions will occur with some degree of frequency and could arise at any time.

These RRPTs which are necessary for the day-to-day operations of DIB Group, have been/will be based on normal commercial terms, at arms' length, and have been/will be transacted on terms that are not more favourable to the Related Parties than those generally available to the public.

The Board proposes to seek its shareholders' approval for the Proposed Renewal of Shareholders' Mandate of DIB Group to enter into transactions in the normal course of business within the classes of Related Parties set out in Section 2.4 of this Circular, provided such transactions are entered into at arm's length and on normal commercial terms which are not more favourable to the Related Parties than those generally available to the public and are not detrimental to the minority Shareholders.

The Proposed Renewal of Shareholders' Mandate will enable the Group to enter into the RRPTs without the necessity, in most instances, to convene meetings in order to procure specific prior

approval of the Shareholders. The RRPTs is subject to the review methods or procedures set out in Section 2.6 in this Circular.

2.2 Categories of RRPTs

The types of RRPTs to be covered under the Proposed Renewal of Shareholders' Mandate include the following transactions with Related Parties:

- (i) Purchases of raw food materials, pre-cooked food, cooking ingredients, drinks, alcoholic and non-alcoholic beverages, packaging materials, cleaning supplies, thermal paper, staff uniform, aprons, gloves and accessories, face masks and sanitizers for Uncle Don's outlets;
- (ii) Purchases of bar and kitchen equipment and utensils, tableware, glassware, cutlery, logo embossed tissues, toiletries, beer tokens, order slips, and other items required for the daily operation of Uncle Don's outlets;
- (iii) Payment of Royalty Fee, Branding Fee and promotional and advertising materials, purchases of equipment and utensils, tableware, glassware logo embossed tissues, and other items required for take-aways or consuming ready-made meals, freshly cooked meals, on-the-go snacks, dessert and drinks at the seating areas of UD Express outlets; and
- (iv) Purchases of raw food materials, pre-cooked food, cooking ingredients, drinks, packaging materials and cleaning supplies, thermal paper, staff uniform, aprons, gloves and accessories, face masks and sanitizers for UD Express outlets.

2.3 Validity Period of the Proposed Renewal of Shareholders' Mandate

In accordance with Paragraph 3.1.4 of Practice Note 12 of the Listing Requirements, the Proposed Renewal of Shareholders' Mandate is subject to annual renewal. In this respect, any authority conferred for the Proposed Renewal of Shareholders' Mandate, if approved by the Shareholders, shall take effect from the passing of the resolution in respect of the Proposed Renewal of Shareholders' Mandate to be tabled at the forthcoming 11th AGM and shall continue to be in force until:

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

whichever is earlier.

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2.4

Classes of Related Parties and nature of RRPTs

The details of the RRPTs and their estimated values for which approval is sought at the forthcoming 1th AGM of the Company pursuant to the Proposed Renewal of Shareholders' Mandate are set out below:

Transacting companies within DIB Group	Transacting Party	Nature of transaction(s)	Interest Parties ⁽⁴⁾	Estimated aggregate value of RRPTs as disclosed in the Circular to Shareholders dated 31 October 2022 (RM)	Actual Value of the RRPTs transacted from the 10 th AGM to LPD (RM)	Estimated aggregate value of RRPTs from the forthcoming 11 th AGM to the next AGM (RM)
AP F&B Group	UDMSB ⁽³⁾	Purchases of raw food materials, pre-cooked food, cooking ingredients, drinks, alcoholic and non-alcoholic beverages, packaging materials, cleaning supplies, thermal paper, staff uniform, aprons, gloves and accessories, face masks and sanitizers for Uncle Don's outlets ⁽¹⁾	Ian Ong Ming Hock Dato' Yeo Boon Leong Yeo Boon Ho Yeo Boon Thai	5,500,000	3,710,000	5,000,000 ⁽⁵⁾
AP F&B Group	UDRSB ⁽³⁾	Purchases of bar and kitchen equipment and utensils, tableware, glassware, cutlery, logo embossed tissues, toiletries, beer tokens, order slips, and other items required for the daily operation of Uncle Don's outlets ⁽¹⁾	Ian Ong Ming Hock Dato' Yeo Boon Leong Yeo Boon Ho Yeo Boon Thai	610,000	-	50,000 ⁽⁵⁾

Transacting companies within DIB Group	Transacting Party	Nature of transaction(s)	Interest Parties ⁽⁴⁾	Estimated aggregate value of RRPTs as disclosed in the Circular to Shareholders dated 31 October 2022 (RM)	Actual Value of the RRPTs transacted from the 10 th AGM to LPD (RM)	Estimated aggregate value of RRPTs from the forthcoming 11 th AGM to the next AGM (RM)
United Delight	UDRSB ⁽³⁾	Payment of Royalty Fee, Branding Fee and promotional and advertising materials, purchases of equipment and utensils, tableware, glassware logo embossed tissues, and other items required for take-aways or consuming ready-made meals, freshly cooked meals, on-the-go snacks, dessert and drinks at the seating areas of UD Express outlets ⁽²⁾	Ian Ong Ming Hock Dato' Yeo Boon Leong Yeo Boon Ho Yeo Boon Thai	50,000	-	50,000 ⁽⁵⁾
United Delight	UDMSB ⁽³⁾	Purchases of raw food materials, pre-cooked food, cooking ingredients, drinks, packaging materials and cleaning supplies, thermal paper, staff uniform, aprons, gloves and accessories, face masks and sanitizers for UD Express outlets ⁽²⁾	Ian Ong Ming Hock Dato' Yeo Boon Leong Yeo Boon Ho Yeo Boon Thai	100,000	-	50,000 ⁽⁵⁾

Notes:

- (1) Pursuant to the terms of the Franchise Agreements entered into between AP F&B Group and UDRSB which grant AP F&B Group exclusive rights to operate and manage the restaurants under the style and brand known as "Uncle Don's". This shall include transactions to be carried out for any new Uncle Don's outlets of DIB Group.

- (2) Pursuant to the terms of the Master Licensing Agreement entered into between United Delight and UDRSB which grants United Delight an exclusive master license for the use and/or sub-license of the operating system developed by UDRSB for developing, opening and operating of Food and Beverage convenience concept stores under the trademark "UD Express".
- (3) UDMSB is principally engaged in business of producing, sourcing, processing and manufacturing food products, beverages, products, distinctive food products and is the proprietor of the intellectual property for the preparation of, know how, ingredients and recipes of Uncle's Don's Homemade Chili Sauce and Tomato Sauce.

Whereas, UDRSB is principally engaged in food and beverage business and operating restaurant business outlets under the trade name of "Uncle Don's" and the trademark logo associated with the same ("proprietary marks") in accordance with a distinctive system and plan utilising and comprising certain proprietary marks, intellectual property, confidential information, standards, specifications, techniques, designs, identifying schemes and materials, insignia, management methods and standard operational procedures and has expended substantial time, effort and expense in the development and implementation of the same, including its recipes, preparation methods and presentation styles.

Both UDMSB and UDRSB are the wholly-owned subsidiaries of UDHSB. As at the LPD, the total share capital of UDHSB is RM1,200,100 comprising of 1,200,100 ordinary shares and the shareholders of UDHSB are as follows:-

Shareholders	No. of shares	% of issued shares
Ian Ong Ming Hock	868,768	72.4
Don Daniel Theseira	93,803	7.8
Jahnel Tortogo Aguaron	117,519	9.8
Robustus Capital Sdn. Bhd.	120,010	10.0

- (4) Ian Ong Ming Hock being an indirect major shareholder and director of UDMSB and UDRSB and a director of AP F&B;
- Dato' Yeo Boon Leong by virtue of his 10% indirect shareholding interests in the UDMSB and UDRSB and being a person connected to Yeo Boon Ho and Yeo Boon Thai, the Directors of DIB. Dato' Yeo is also a substantial shareholder of DIB. He is a major shareholder and Executive Chairman of APHB where APHB is a major shareholder of DIB; and
- Yeo Boon Ho, Yeo Boon Thai and Dato' Yeo Boon Leong are siblings.
- (5) The estimated values are calculated based on the historical data and/or best estimates by the management. Accordingly, the actual value of the transactions may vary from the estimated value disclosed above and subject to changes.

2.5 Amount owing by related parties pursuant to RRPTs

As at the LPD, there was no amount due and owing to DIB Group by the Related Parties pursuant to the RRPTs. As such, the disclosures required under Paragraphs 16A and 16B in Annexure Practice Note 12-A of the Listing Requirements are not applicable.

2.6 Review Methods or Procedures for the RRPTs

DIB Group has established various methods and procedures to ensure the RRPTs are undertaken at arms' length and on normal commercial terms, which are consistent with DIB Group's usual business practices and policies, on transaction prices and terms which are not more favourable to the Related Parties than those generally available to the public and are not detrimental to the minority Shareholders.

The review and disclosure procedures are as follows:

- (i) The definition of related party, list of related parties and the review procedures will be circulated and/or updated within the Group;
- (ii) Records will be maintained to record all RRPTs which are/will be entered into, which will be available for review by, among others, the auditors and Audit and Risk Management Committee. Any member of the Audit and Risk Management Committee may as he/she deems fit, request for additional information pertaining to RRPTs from independent sources or advisers;
- (iii) The RRPTs will only be entered into after taking into account of the pricing, the availability of stocks, order size, useful life, delivery time and level of service;
- (iv) The pricing, terms and conditions of the RRPTs shall be consistent with the Group's usual business practice and determined with due consideration to, amongst others, the demand and supply of the products, quality, level of service, credit terms and reliability of supply, where relevant, practical and feasible. At least two other contemporaneous transactions with unrelated third parties for similar products and/or services and/or quantities will be used as comparison, wherever available or possible, to determine whether the price and terms offered to and/or 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 and/or services and/or quantities.

In the event that quotations or comparative pricing from unrelated third parties cannot be obtained for the proposed RRPTs, the management will rely on their usual business practices and their market knowledge of prevailing industry norms bearing in mind the urgency and efficiency of services to be provided or required to ensure that the RRPTs are not detrimental to the Company and/or the Group;

- (v) Some transactions may be on a cost recovery basis, being recovery of part of the costs for sharing or provision of some services or on a negotiated basis where both parties would contract on terms which are mutually acceptable and beneficial;
- (vi) The Audit and Risk Management Committee shall review procedures, and shall continue to review the established guidelines and procedures, as and when required, on an annual basis with the authority to sub-delegate to individuals or committees within the Company as they deem appropriate;
- (vii) Where any Director or person connected to him/her or the Audit and Risk Management Committee has an interest (direct or indirect) in any RRPTs, he/she will abstain from voting on any matter relating to any decision making by the Board or the Audit and Risk Management Committee in respect of such transactions;
- (viii) The said interested Director shall undertake that he/she will ensure that persons connected with him/her abstain from voting on the resolution deliberating or approving the RRPTs at a general meeting;

- (ix) The annual internal audit plan shall incorporate a review of all RRPTs entered into pursuant to the shareholders' mandate to ensure that relevant approvals are obtained and the procedures in respect of such transactions are adhered to; and
- (x) The Board and Audit and Risk Management Committee shall review the internal audit reports to ascertain that the guidelines and procedures to monitor RRPTs have been complied with.

2.7 Thresholds for Approval of RRPTs

The RRPT which is below RM1.0 million in value for each transaction is subject to the approval of the Executive Director or Chief Executive Officer of the Company. Where the RRPT which is RM1.0 million and above shall be reviewed and approved by the Audit and Risk Management Committee and the Board before the transaction is entered into.

2.8 Statement by Audit and Risk Management Committee

The Audit and Risk Management Committee has seen and reviewed the guidelines and procedures set out in section 2.6 above and is of the view that they are sufficient to ensure that the RRPTs will be carried out at arm's length and on normal commercial terms which are not more favourable to the Related Parties involved than those generally available to the public and not detrimental to the interest of the Company and its minority shareholders.

The Audit and Risk Management Committee is of the view that the Group has in place adequate procedures and processes to monitor, track and identify RRPTs in a timely and orderly manner. The Audit and Risk Management Committee shall review these procedures and processes once a year. This is to ensure that the RRPTs are not detrimental or prejudicial to the minority shareholders of the Company.

2.9 Disclosure of RRPTs

Disclosure will be made in the annual report of the Company in accordance with Paragraph 3.1.5 of Practice Note 12 of the Listing Requirements, which requires a breakdown of the aggregate value of the RRPTs entered into during the financial year based on the following information:

- (a) the types of the RRPTs made; and
- (b) the names of the Related Parties involved in each type of the RRPTs made and their relationships with DIB Group.

The above disclosure will be made in the Company's annual report for each subsequent financial year after the Proposed Renewal of Shareholders' Mandate had been obtained.

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

The RRPTs entered into or to be entered into by the DIB Group are all in the ordinary course of business and intended to meet the business needs of the Group at the best possible terms so as to achieve the synergistic benefits within the DIB Group. As such, it is anticipated that the RRPTs would occur on a frequent and recurrent basis.

The Proposed Renewal of Shareholders' Mandate will eliminate the need to make announcements to the Exchange and/or to convene separate EGMs from time to time to seek shareholders' prior approvals for the Group to enter into such RRPTs. This will serve to reduce substantial administrative time and expenses in convening such EGMs without compromising the corporate objectives of the Group or affecting the business opportunities available to the Group.

The RRPTs provide the DIB Group the support for its operational and business needs and further enhance its ability to explore beneficial business opportunities within the DIB Group and the Related Parties.

4. EFFECTS OF THE PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE

The Proposed Renewal of Shareholders' Mandate will not have any material effect on the share capital of the Company as well as the consolidated net assets, gearing, earnings per share and the

shareholdings of the Substantial Shareholders.

5. INTERESTS OF DIRECTORS, MAJOR SHAREHOLDERS AND/OR PERSONS CONNECTED TO THEM

Save as disclosed below, none of the other Directors, Major Shareholders and/or Persons Connected, have any interest, direct or indirect, in the Proposed Renewal of Shareholders' Mandate:-

	<i>Shareholdings as at the LPD</i>			
	Direct No. of Shares	%	Indirect No. of Shares	%
<u>Interested Director of AP F&B</u>				
Ian Ong Ming Hock	-	-	-	-
<u>Interested Director of DIB</u>				
Yeo Boon Ho	3,135,609	2.3	-	-
Yeo Boon Thai	2,192,929	1.6	-	-
<u>Person Connected to Interested Director</u>				
Dato' Yeo Boon Leong	10,641,350	8.0	-	-

Ian Ong Ming Hock is deemed interested in the Proposed Renewal of Shareholders' Mandate by virtue of his common directorship in AP F&B, UDMSB and UDRSB as well as being an indirect major shareholder of UDMSB and UMRSB. He has abstained and/or will continue to abstain from deliberation and voting at the board meeting.

Dato' Yeo Boon Leong is deemed interested in the Proposed Renewal of Shareholders' Mandate by virtue of his 10% indirect shareholding interests in the UDMSB and UDRSB and person connected to Yeo Boon Ho and Yeo Boon Thai, the Directors of DIB.

Yeo Boon Ho and Yeo Boon Thai, the Directors of DIB and siblings of Dato' Yeo Boon Leong, are deemed interested in the Proposed Renewal of Shareholders Mandate. They have abstained and/or will continue to abstain from deliberation and voting at the Board meeting.

Ian Ong Ming Hock, Dato' Yeo Boon Leong, Yeo Boon Ho and Yeo Boon Thai will abstain from voting on the resolution pertaining to their direct and indirect shareholdings (if any) in the Company on the ordinary resolution in relation to the Proposed Renewal of Shareholders' Mandate at the forthcoming 11th AGM.

In addition, Ian Ong Ming Hock, Dato' Yeo Boon Leong, Yeo Boon Ho and Yeo Boon Thai have also given the undertakings that they will ensure that persons connected to them, where relevant, shall abstain from voting in respect of their direct and indirect shareholdings (if any) in the Company on the resolutions in relation to the Proposed Renewal of Shareholders' Mandate at the forthcoming 11th AGM.

6. APPROVAL REQUIRED

The Proposed Renewal of Shareholders' Mandate is conditional upon the approval of the Shareholders being obtained at the forthcoming 11th AGM to be convened.

7. DIRECTORS' RECOMMENDATION

The Board (with the exception of Yeo Boon Ho and Yeo Boon Thai, who have abstained from making any opinions in respect of the Proposed Renewal of Shareholders' Mandate), having considered all aspects of the Proposed Renewal of Shareholders' Mandate and after careful deliberation, is of the opinion that the Proposed Renewal of Shareholders' Mandate is in the best interest of the Company and accordingly, the Board (with the exception of Yeo Boon Ho and Yeo Boon Thai) recommends that the Shareholders to consider vote in favour of the resolution pertaining to the Proposed Renewal of Shareholders' Mandate to be tabled at the forthcoming 11th AGM.

8. 11th AGM

The ordinary resolution to vote on the Proposed Renewal of Shareholders' Mandate is set out in the Notice of 11th AGM contained therein. The 11th AGM will be conducted on a fully virtual basis through live streaming and online RPEV facilities via online meeting platform at <https://meeting.boardroomlimited.my> (Domain Registration No. with MYNIC - D6A357657), provided by Boardroom Share Registrars Sdn. Bhd. in Malaysia on Thursday, 14 December 2023 at 11.00 a.m. or at any adjournment thereof, for the purpose of considering and, if thought fit, passing the resolution with or without modification, the ordinary resolution so as to give effect to the Proposed Renewal of Shareholders' Mandate.

If you are unable to participate remotely at the 11th AGM via RPEV, you may complete and return the Form of Proxy in accordance with the instructions printed thereon as soon as possible and in any event so as to arrive at the office of the Share Registrar of the Company at 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, or by electronic lodgement via the Share Registrar's website, Boardroom Smart Investor Portal at <https://investor.boardroomlimited.com>, not less than forty eight (48) hours before the time set for holding the 11th AGM or at any adjournment thereof. The Form of Proxy should be completed strictly in accordance with the instructions contained therein.

The completion and return of Form of Proxy will not preclude you from attending and voting in person at the 11th AGM should you subsequently wish to do so.

Please refer to Administrative Guide for the Fully Virtual 11th AGM contained in DIB's Annual Report 2023.

9. FURTHER INFORMATION

You are advised to refer to Appendix I contained in this Circular for further information.

Yours faithfully

For and on behalf of the Board of

DOLPHIN INTERNATIONAL BERHAD

YEO BOON THAI

Executive Director / Chief Executive Officer

APPENDIX I – FURTHER INFORMATION

1. DIRECTORS' RESPONSIBILITY STATEMENT

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

2. MATERIAL CONTRACTS

Save as disclosed below, the Group has not entered into any material contracts, not being contracts entered into in the ordinary course of business, within the two (2) years immediately preceding the date of this Circular:

- (i) On 24 February 2023, AP F&B entered into a conditional Sale of Shares Agreement with Dato' Yeo Boon Leong, Yeo Boon Thai, Yeo Boon Ho and Yeo Soon Bee for the acquisition of 5,008,148 ordinary shares in High Reserve F&B, representing the entire enlarged equity interest in High Reserve F&B, for a purchase consideration of RM36 million to be satisfied via the allotment and issuance of 282,874,617 new ordinary shares in the Company at an issue price of RM0.0654 each and RM17.5 million in cash ("Acquisition"). The Acquisition was completed on 20 July 2023.

3. MATERIAL LITIGATION, CLAIMS OR ARBITRATION

Save as disclosed below, as at the LPD, neither DIB nor any of its subsidiary companies are engaged in any litigation, claims or arbitration, either as plaintiff or defendant, which may have a material effect on the financial position of the Group and the Board has no knowledge of any proceedings, pending or threatened, against the Group or of any fact which is likely to give rise to any proceeding which may materially and adversely affect the business or financial position of the Group:

- (i) **Originating Summon on Shah Alam High Court Civil Suit No.: BA-22NCvC-148-04/2023) Genesis Corp Pte Ltd, Neilson Navin A/L Anthony Aloysius and Chong Wai Chee (collectively, the "Plaintiffs") between DIB, DRSSB, DASB and Low Teck Yin (collectively, the "Defendants")**

On 3 May 2023, DRSSB, DASB and DIB, received from the Plaintiffs a sealed order dated 27 April 2023 ("Ex-parte Order") consisting of the following:

- (a) an interim order prohibiting the Defendants from voluntary winding up until the disposal of this action;
- (b) an interim order prohibiting Low Teck Yin and/or any directors and shareholders of the Defendants from taking any steps in relation to voluntary winding up of the companies until the disposal of this action; and
- (c) an interim order prohibiting the making of any decision in relation to voluntary winding up of the Defendants and to execute the decision relating to voluntary winding up until the disposal of this action.

Thereafter on 9 May 2023, the Defendants received the Writ and Statement of Claim both dated 19 April 2023, the Plaintiffs' notice of application dated 20 April 2023 ("Plaintiffs' Injunction Application") together with its affidavit in support.

In this suit, the Plaintiffs claimed against the Defendants for declaratory relief, injunction and damages based on fraudulent misrepresentation and breach of contract in respect of a purported investment scheme ("Purported Investment Scheme"). The Plaintiffs, among others, claimed that the 4th Defendant, Low Teck Yin had introduced the Purported Investment Scheme and Defendants had engaged the 1st Plaintiff as agent to promote the scheme and get investors. It was alleged that the 4th Defendant had represented to the Plaintiffs that:

- (a) the Purported Investment Scheme relates to a project of making and/or building and/or creating palm oil processing machine which could extract at least 5% more palm oil than normal machine;
- (b) the investors would get shares in DRSSB as a form of security of the alleged investment; and
- (c) the Purported Investment Scheme is for a period of 3 years with guaranteed returns on a quarterly basis, which would be paid via the 1st Plaintiff as an agent. It is the Defendants' defence that the Defendants were unaware of the Purported Investment Scheme and that 1st Plaintiff is not an agent of the Defendants at all material times.

On 31 May 2023, the Defendants filed applications to set aside the Ex-parte Order ("Setting Aside Applications"). The Defendants also filed affidavits in reply to oppose the Plaintiffs' Injunction Application.

On 1 August 2023, the Plaintiffs' Injunction Application was dismissed with costs of RM10,000 by the Shah Alam High Court while the Setting Aside Applications were allowed by the Shah Alam High Court.

On 25 August 2023, DASB and DIB filed an application for assessment of damages. The application for assessment of damages is fixed for final case management on 31 May 2024 before the fixed trial dates on 24, 25 and 26 June 2024.

The Writ has been fixed for trial on 8 to 10 April 2024. The next case management is fixed on 25 March 2024 for parties to file the pre-trial documents.

The Board and the solicitors are of the view that DASB and DIB have a reasonably good chance in resisting the claim.

(ii) Case Register No.: 93/Pdt.G/2018/PN.TNG ("Suit 1") between PT Dolphin Indonesia ("PTDI") (Plaintiff) and PT Himalaya Transmeka ("PTHT") (Defendant)

On 7 March 2018, PTDI attended the court hearing for the Writ of Summons filed on 29 January 2018 at the Tangerang District Court of Indonesia against PTHT, being the Defendant.

Based on the decision of Tangerang District Court dated 10 October 2018, PTHT has committed a default action by not completing the work project on time and also defaulted in not adhering to PTDI's time limit of the work project given to the PTHT.

On 24 October 2018, the Defendant filed an appeal against the decision of Tangerang District Court. On 20 August 2019, the Banten District Court upheld the decision of Tangerang District Court and instructed PTHT to pay the court fees.

On 19 November 2019, PTDI submitted the Cassation Memory Counter to the Supreme Court in response to Cassation Memory filed by PTHT on 23 October 2019. Based on the Cassation Decision on 9 September 2020, it has rejected the appeal from PTHT and sentenced PTHT to PTDI the judgement sum of IDR 352,417,462 plus court fees of IDR 500,000.

The lawyers of PTDI have filed an execution application and the Tangerang District Court has instructed PTDI to identify the assets of PTHT before any confiscation of its assets can be carried out to repay the settlement of the judgment sum.

The Board of Directors of the Group has decided not to pursue any further.

(iii) Case Register No.: 700/Pdt.G/2020/PN.JKT.UTR ("Suit 2") between PTDI (Defendant) and PTHT (Plaintiff)

On 7 December 2020, PTHT has disregarded the Tangerang District Court's decision and filed a lawsuit to another court, the North Jakarta District Court to claim a sum of IDR 5,745,021,436 for outstanding fees. On 4 November 2021, the North Jakarta District Court has dismissed the lawsuit and ordered PTHT to pay court fees of IDR 991,000.

PTHT has subsequently filed an appeal to the Jakarta High Court on 17 February 2022 which

was again dismissed on 22 June 2022 and PTHT to pay court fees of IDR 150,000.

PTHT had subsequently on 8 August 2022 has filed an appeal to the Supreme Court of the Republic Indonesia.

PTHT filed another lawsuit to West Jakarta District Court and based on the decision dated 28 February 2023, it has been resolved:

- (a) To reject the cassation from PTHT; and
- (b) To sentence PTHT to pay the court fees of IDR 500,000.

Up to the date of the financial statements, PTHT did not file for cassation at the Supreme Court of Indonesia, thus, this case is considered completed in terms of having received a decision that is legally binding.

(iv) Case Register No.: 167/Pdt.G/2022 PN.JKT.PST) between between PTDI (Defendant) and PT Arka Jaya Mandiri (“PTAJM”) (Plaintiff)

On 8 December 2017, PTDI had filed a Writ of Summons at the Serang District Court against PTAJM. The lawsuit is a petition to state that the PTAJM had been negligent by not completing the project on time and that PTDI has no further obligations to them.

The Serang District Court rejected the lawsuit because it did not pass the administrative selection and suggested PTDI to file the lawsuit to East Jakarta District Court. On 21 August 2018, PTDI filed the lawsuit to East Jakarta District Court.

On 12 February 2019, it was resolved that East Jakarta District Court does not have the authority to inspect and adjudicate this case and the court recommends legal proceedings through arbitration. PTDI decided not to pursue the case.

On 3 December 2020, PTAJM disregarded the East Jakarta District Court’s decision and filed a lawsuit to another court, the North Jakarta District Court. On 3 June 2021, the North Jakarta District Court was of the view that it does not have the authority to inspect the case and ordered PTAJM to pay court fees of IDR 641,000.

On 18 March 2022, PTAJM again filed a lawsuit with yet another court, the Central Jakarta District Court. On 26 July 2022, the Central Jakarta District Court was of the view that it does not have the authority to inspect the case and ordered PTAJM to pay court fees of IDR 810,000.

On 9 August 2022, PTAJM submitted an appeal at the DKI Jakarta District High Court. Based on the decision of DKI Jakarta District High Court dated 29 November 2022, it has been resolved:

- (a) Receive an appeal from PTAJM’s appellant;
- (b) Corroborate the decision of Central Jakarta District Court dated 26 July 2022; and
- (c) Sentence PTAJM to pay the court fees of IDR 150,000.

Up to the date of the financial statements, PTAJM did not file for cassation at the Supreme Court of Indonesia, thus, this case is considered completed in terms of having received a decision that is legally binding.

4. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at the registered office of the Company at 308, Block A (3rd Floor), Kelana Business Centre, 97, Jalan SS 7/2, Kelana Jaya, 47301 Petaling Jaya, Selangor Darul Ehsan during normal business hours (except public holidays) from the date of this Circular up to the time set for holding the 11th AGM or at any adjournment thereof:

- (i) Constitution of DIB;
- (ii) audited consolidated financial statements of DIB for the financial years ended 30 June 2022 and 30 June 2023;

- (iii) the material contract as referred to in Section 2 above; and
- (iv) the relevant cause papers in respect of material litigations referred to in Section 3 above.

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