

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in any doubt as to the course of action you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other professional advisers immediately.

Bursa Malaysia Securities Berhad (“**Bursa Securities**”) has conducted a limited review on this Circular in respect of the Proposed New Shareholders’ Mandate (as defined herein) and has not peruse the Proposed Renewal of Shareholders’ Mandate (as defined herein) pursuant to the provisions of Guidance Note 22 of the ACE Market Listing Requirements of Bursa Securities.

Bursa Securities takes no responsibility for the contents of this Circular, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Circular.



YX PRECIOUS METALS BHD

(Registration No. 202101001245 (1401543-M))
(Incorporated in Malaysia under the Companies Act, 2016)

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

The above proposals will be tabled as Special Business at the 3rd Annual General Meeting (“**AGM**”) of YX Precious Metals Bhd (“**YXPM**” or “**Company**”) to be held at Dewan Berjaya, Bukit Kiara Resort Berhad, Jalan Bukit Kiara, Off Jalan Damansara, 60000 Kuala Lumpur on Monday, 14 May 2024 at 10.00 a.m. or at any adjournment thereof. The Notice of AGM together with the Proxy Form are enclosed in the Annual Report of the Company for the financial year ended 31 December 2023.

A member entitled to attend, participate, speak and vote at the AGM is entitled to appoint a proxy or proxies to attend, participate, speak and vote on his/her behalf. In such event, the completed and signed Proxy Form must be lodged at the Registered Office of the Company at SO-26-02, Menara 1, No 3, Jalan Bangsar, KL Eco City, 59200 Kuala Lumpur, on or before the time and date indicated below if you are unable to attend the AGM. The lodging of the Proxy Form will not preclude you from attending, participating and voting in person at the AGM should you subsequently wish to do so.

Last date and time for lodging the Proxy Form : Friday, 12 May 2024 at 10.00 a.m.

Date and time of AGM : Tuesday, 14 May 2024 at 10.00 a.m.

This Circular is dated 8 April 2024

DEFINITIONS

Except where the context otherwise requires, the following definitions shall apply throughout this Circular:

“ACE Market”	: ACE Market of Bursa Securities
“Act”	: Companies Act, 2016 as may be amended from time to time and any re-enactment thereof
“AGM”	: Annual General Meeting of YXPM
“ARMC”	: Audit and Risk Management Committee of YXPM
“Board”	: Board of Directors of YXPM
“Bursa Securities”	: Bursa Malaysia Securities Berhad (200301033577 (635998-W))
“Circular”	: This circular to the Shareholders dated 8 April 2024
“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 6 months of the date on which the terms of the RRPTs were agreed upon, a Director or a chief executive of YXPM or any other company which is a subsidiary of YXPM or a holding company of YXPM
“DNYP”	: Datuk Ng Yih Pyng
“EASB”	: Emas Assayer Sdn Bhd (200001010661 (513267-X))
“EPS”	: Earnings per share
“GPM”	: Gemas Precious Metals Industries Sdn Bhd (199701010600 (426096-W))
“GRSB”	: GPM Refinery Sdn Bhd (202001025072 (1381392-H))
“Interested Directors”	: DNYP and NSC, collectively
“Listing Requirements”	: ACE Market Listing Requirements of Bursa Securities, as amended from time to time and any re-enactment thereof
“LPD”	: 20 March 2024, being the latest practicable date prior to the printing of this Circular
“Mandate Period”	: The period during which the RRPTs are to be entered into for which the Proposed New Shareholders’ Mandate is being sought. This period shall commence immediately upon the passing of the ordinary resolution for the Proposed New Shareholders’ Mandate at the forthcoming AGM until: (a) the conclusion of the next AGM, unless the authority is renewed by a resolution passed at the next AGM; (b) the expiration of the period within which the next AGM is required to be held pursuant to Section 340(2) of the Act (but will 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 the earlier

DEFINITIONS *(Cont'd)*

- “Major Shareholder(s)” : 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 share, is:
- (a) 10.00% or more of the total number of voting shares in the Company; or
 - (b) 5.00% or more of the total number of voting shares in the Company where such person is the largest shareholder of the Company,

For the purpose of this definition, “interest in shares” has the meaning given in Section 8 of the Act and for the purpose of the Proposed Shareholders’ Mandate, a Major Shareholder includes any person who is or was within the preceding 6 months of the date on which the terms of the transaction were agreed upon, a Major Shareholder of YXPM or any other company which is its subsidiary or holding company, in accordance with the definition in Chapter 10 of the Listing Requirements

- “NA” : Net assets
- “NSC” : Ng Sheau Chyn
- “Official List” : The list specifying all securities which have been admitted for listing of ACE Market and not removed
- “Person(s) Connected” : In relation to a Director or 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 or Major Shareholder;
 - (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 Director or Major Shareholder;
 - (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;
 - (f) a body corporate in which the Director or Major Shareholder, or persons connected with the him are entitled to exercise, or control the exercise of, not less than 20.00% of the votes attached to voting shares in the body corporate; or
 - (g) a body corporate which is a related corporation of the Director or Major Shareholder

“Proposed New Shareholders’ Mandate” : Proposed new shareholder’s mandate for the Group to enter into additional RRPTs during the Mandate Period

“Proposed Renewal of Shareholders’ Mandate” : Proposed renewal of existing shareholders’ mandate for the Group to enter into RRPTs during the Mandate Period

“Proposed Shareholders’ Mandate” : Collectively, the Proposed Renewal of Shareholders’ Mandate and Proposed New Shareholders’ Mandate

DEFINITIONS *(Cont'd)*

“Related Party(ies)”	: Director(s), Major Shareholder(s) or Person(s) Connected with such Director(s) or Major Shareholder(s) of YXPM, who are interested in the RRPTs as set out in Section 2.4 of this Circular
“RM” and “sen”	: Ringgit Malaysia and sen respectively
“RRPT(s)”	: Recurrent related party transaction(s) of a revenue or trading nature which are necessary for the day-to-day operations and in the ordinary course of business of YXPM Group
“Share(s)”	: Ordinary share(s) in YXPM
“Shareholder(s)”	: Shareholder(s) of YXPM
“Subsidiaries”	: EASB, GPM, GRSB, YXG and YX Vietnam, collectively
“Tomei”	: Tomei Consolidated Berhad (200501015912 (692959-W))
“VND”	: Vietnamese Dong
“YXG”	: Yi Xing Goldsmith Sdn Bhd (198701006292 (164963-M))
“YXPM” or “Company”	: YX Precious Metals Bhd (202101001245 (1401543-M))
“YXPM Group” or “Group”	: YXPM and its Subsidiaries, collectively
“YX Vietnam”	: YX Precious Metal (Vietnam) Company Limited (3603918677)

All references to “our Company” in this Circular are to YXPM and reference to “our Group” are to our Company and Subsidiaries collectively. References to “we”, “us”, “our”, and “ourselves” are to our Group.

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

All references to “you” and “your” in this Circular are to the shareholders of the Company.

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YX PRECIOUS METALS BHD
(Registration No. 202101001245 (1401543-M))
(Incorporated in Malaysia under the Companies Act, 2016)

Registered Office:

SO-26-02, Menara 1,
No 3, Jalan Bangsar,
KL Eco City,
59200 Kuala Lumpur

8 April 2024

Directors:

Puan Sri Nonadiah Binti Abdullah (*Non-Independent Non-Executive Chairman*)
Ng Sheau Chyn (*Managing Director*)
Aw Ee Leng (*Independent Non-Executive Director*)
Tang Yow Sai (*Independent Non-Executive Director*)
Wong Phait Lee (*Independent Non-Executive Director*)
Datuk Ng Yih Pyng (*Non-Independent Non-Executive Director*)

To: The Shareholders of YXPM

Dear Sir/Madam,

PROPOSED SHAREHOLDERS' MANDATE

1. INTRODUCTION

The Company had at its 2nd AGM held on 10 May 2023, obtained a shareholders' mandate for YXPM Group to enter into RRPTs of a revenue or trading nature which are necessary for the day-to-day operations and in the ordinary course of business of YXPM Group based on commercial terms which are not more favorable to the Related Parties than those generally available to the public. The aforesaid shareholders' mandate shall, in accordance with the Listing Requirements, lapse at the conclusion of the forthcoming 3rd AGM, unless authority for its renewal is obtained from the Shareholders at the forthcoming 3rd AGM.

On 27 February 2024, the Company had announced its intention to seek the Shareholders' approval for the Proposed Renewal of Shareholders' Mandate and the Proposed New Shareholders' Mandate to be entered into by YXPM Group during the Mandate Period at the forthcoming AGM.

The purpose of this Circular is to provide the Shareholders with the information of the Proposed Shareholders' Mandate, to set out the Board's recommendation thereon and to seek Shareholders' approval for the ordinary resolutions pertaining to the Proposed Shareholders' Mandate to be tabled at the forthcoming AGM. The Notice of the AGM together with the Proxy Form is enclosed in YXPM's Annual Report for the financial year ended 31 December 2023 and are available on the Company's website at <https://yxgroup.com.my/> or on Bursa Securities' website.

SHAREHOLDERS ARE ADVISED TO READ AND CONSIDER CAREFULLY THE CONTENTS OF THIS CIRCULAR TOGETHER WITH THE APPENDIX CONTAINED HEREIN BEFORE VOTING ON THE ORDINARY RESOLUTION PERTAINING TO THE PROPOSED SHAREHOLDERS' MANDATE AT THE FORTHCOMING AGM.

2. DETAILS OF THE PROPOSED SHAREHOLDERS' MANDATE

2.1 Provisions under the Listing Requirements

Pursuant to Rule 10.09(2) of the Listing Requirements, a listed issuer may seek a mandate from its shareholders in respect of RRPTs subject to the followings:

- (i) the transactions 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;
- (ii) the shareholder mandate is subject to annual renewal and disclosure is made in the annual report of the aggregate value of transactions conducted pursuant to the shareholder mandate during the financial year where the aggregate value is equal to or more than the threshold below in relation to a listed issuer with a share capital of RM60.00 million and above:
 - (a) the consideration, value of the assets, capital outlay or cost of the RRPT is RM1.00 million or more; or
 - (b) the percentage ratio of such RRPT is 1.00% or more,whichever is the higher;
- (iii) the listed issuers' circular to shareholders for the shareholder mandate includes the information as may be prescribed by Bursa Securities. The draft circular must be submitted to Bursa Securities for perusal together with a checklist showing compliance with such information;
- (iv) in a meeting to obtain a shareholder mandate, the interested director(s), interested major shareholder(s) or interested person(s) connected with the director(s) or major shareholder(s); and where it involves the interest of an interested person connected with a director or major shareholder, such director(s) or major shareholder(s), must not vote on the resolution to approve the RRPT(s). An interested director or interested major shareholder must ensure that persons connected with him abstain from voting on the resolution approving the RRPT(s); and
- (v) 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 10.00% or more and must include the information as may be prescribed by Bursa Securities in its announcement.

2.2 Principal activities of YXPM Group

The principal activity of the Company is investment holding, while its Subsidiaries are principally involved in wholesaling, design and manufacturing of gold jewellery. YXPM Group's other related products and services include sales of scrap and pure gold bars, manufacture of silver chains, and provision of refining services for precious metals.

The details of the Subsidiaries as well as its principal activities as at the LPD are set out in the table below:

Name of company	Country of incorporation	Effective equity interest (%)	Principal activities
<u>Held by YXPM:</u>			
YXG	Malaysia	100.00	Wholesale of gold jewellery and other related products and services
GPM	Malaysia	100.00	Design and manufacture of gold jewellery and other related products and services
GRSB	Malaysia	100.00	Provision of refining services for precious metals
EASB	Malaysia	100.00	Currently inactive. EASB intends to provide assaying services for precious metals. As at the LPD, EASB has not commenced operations
<u>Held by GPM:</u>			
YX Vietnam	Socialist Republic of Vietnam	100.00	Currently inactive. YX Vietnam intends to manufacture of gold jewellery and other related products and services. As at the LPD, YX Vietnam has not commenced operations

It is envisaged that in the normal course of the Group's business, transaction of revenue or trading nature between companies in the Group and the Related Parties are likely to occur, of which are necessary for the day-to-day operations of the Group.

The Board proposes to seek the Shareholders' approval for the Proposed Shareholders' Mandate for YXPM Group to enter into transactions in the normal course of business within the classes of Related Parties set out in Section 2.4 below, provided such transactions are entered into at arm's length and on transaction prices and normal commercial terms which are not more favorable to the Related Parties than those generally available to the public and are not to the detriment of the minority Shareholders. Such mandate will enable the Group to enter into the RRPTs without the necessity, in most instances, to make the otherwise required announcement or to convene meetings in order to procure specific prior approval of the Shareholders. The RRPTs will also be subject to the review procedures set out in Section 2.6 below.

2.3 Validity period of the Proposed Shareholders' Mandate

The Proposed Shareholders' Mandate, if approved by the Shareholders at the forthcoming AGM, will continue to be in force until:

- (i) the conclusion of the next AGM at which time it will lapse, unless by a resolution passed at the meeting, the authority is renewed;
- (ii) the expiration of the period within which the next 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
- (iii) revoked or varied by resolution passed by the Shareholders in general meeting,

whichever is the earlier.

Thereafter, the approval of the Shareholders for a renewal of the shareholders' mandate in relation to the RRPTs will be sought at each subsequent AGM.

2.4 Classes of Related Parties and nature of RRPTs

The nature of the RRPTs entered and/or to be entered into by YXPM Group and the class of Related Parties under the Proposed Shareholders' Mandate are as follows:

Proposed Renewal of Shareholders' Mandate

Companies within YXPM Group	Transacting parties	Interested parties	Nature of relationship	Nature of transaction	Vendor	Purchaser	Estimated value of transaction as disclosed in the preceding year circular to the Shareholders dated 7 April 2023 (RM'000)	Actual value transacted from last AGM up to the LPD (RM'000)	Estimated value of transaction from the forthcoming AGM up to the next AGM ⁽ⁱ⁾ (RM'000)
YXG	Ong Tiong Yee & Sons Sdn Bhd ("OTY")	NSC	<ul style="list-style-type: none"> NSC, being our Major Shareholder and Managing Director, is the spouse of Ong Kee Liang. Ong Kee Liang is a director and shareholder of OTY. 	Sales of gold jewellery	YXG	OTY	1,090	-	1,090
				Purchase of scrap gold bars	OTY	YXG	410	-	410
GPM	Gexcel Asia Sdn Bhd ("GASB")	NSC	<ul style="list-style-type: none"> NSC, being our Major Shareholder and Managing Director, is a director of GASB and also deemed shareholder of GASB through her shareholdings in Ng Teck Fong Holdings Sdn Bhd, the shareholder of GASB. 	Sales of corporate gold coins	GPM	GASB	80	-	80
				Purchase of manufacturing tools for jewellery manufacturing machines	GASB	GPM	420	95	420
GPM, GRSB, and YXG	Tomei Gold & Jewellery Holdings (M) Sdn Bhd ("TGJH")	Tomei	<ul style="list-style-type: none"> Tomei, being our Major Shareholder, is the holding company of TGJH. 	Sales of gold jewellery, provision of gold jewellery manufacturing services and provision of refinery services	GPM, GRSB and YXG	TGJH	62,000	35,422	68,000
				Purchase of pure and scrap gold bars and silver bars	TGJH	GPM, GRSB and YXG	41,000	31,737	52,000

2.4 Classes of Related Parties and nature of RRPTs (continued)

The nature of the RRPTs entered and/or to be entered into by YXPM Group and the class of Related Parties under the Proposed Shareholders' Mandate are as follows (continued):

Proposed Renewal of Shareholders' Mandate (continued)

Companies within YXPM Group	Transacting parties	Interested parties	Nature of relationship	Nature of transaction	Vendor	Purchaser	Estimated value of transaction as disclosed in the preceding year circular to the Shareholders dated 7 April 2023 (RM'000)	Actual value transacted from last AGM up to the LPD (RM'000)	Estimated value of transaction from the forthcoming AGM up to the next AGM ⁽ⁱ⁾ (RM'000)
EASB	TGJH	Tomei	<ul style="list-style-type: none"> Tomei, being our Major Shareholder, is the holding company of TGJH. 	Provision of assaying services	EASB	TGJH	300	-	300
GPM and YXG	TXG Financial Solutions Sdn Bhd ("TXGF") ⁽ⁱⁱ⁾	Tomei	<ul style="list-style-type: none"> Tomei, being our Major Shareholder, is the holding company of TXGF. 	Fee for hedging on gold price fluctuations	TXGF	GPM and YXG	360	81	_(iii)
GPM and YXG	Oasis Properties Sdn Bhd ("OPSB")	DNYP, NSC, Ng Sheau Yuen and Ng Yih Chen	<ul style="list-style-type: none"> DNYP, being our Major Shareholder and Non-Independent Non-Executive Director, is a director and shareholder of OPSB. NSC, being our Major Shareholder and Managing Director, is a director and shareholder of OPSB. Ng Sheau Yuen, being our Major Shareholder, is a director and shareholder of OPSB. 	Rental of premises from OPSB ⁽ⁱ⁾	OPSB	GPM and YXG	272	148	284

2.4 Classes of Related Parties and nature of RRPTs (continued)

The nature of the RRPTs entered and/or to be entered into by YXPM Group and the class of Related Parties under the Proposed Shareholders' Mandate are as follows (continued):

Proposed Renewal of Shareholders' Mandate (continued)

Companies within YXPM Group	Transacting parties	Interested parties	Nature of relationship	Nature of transaction	Vendor	Purchaser	Estimated value of transaction as disclosed in the preceding year circular to the Shareholders dated 7 April 2023 (RM'000)	Actual value transacted from last AGM up to the LPD (RM'000)	Estimated value of transaction from the forthcoming AGM up to the next AGM ⁽ⁱ⁾ (RM'000)
			<ul style="list-style-type: none"> Ng Yih Chen, being our Major Shareholder, is the spouse and father of Wee Ching Yun and Ng Yi Li, respectively. Wee Ching Yun and Ng Yi Li are directors and shareholders of NYC Resources Sdn Bhd. NYC Resources Sdn Bhd is a shareholder of OPSB. 						

Notes:

- (i) *The estimated value of transactions is based on information available at the point of estimation. The actual value of transactions may vary from the estimated values as disclosed above. Disclosure will be made in the next Annual Report of the Company of the actual aggregate value of transactions contemplated under the Proposed Shareholders' Mandate during the financial year. The estimated value of transactions are based on past historical transactions as well as rental agreements entered and expected to be entered with the Related Parties. Summary of rental agreement used in the estimated value of transactions are as follows:*

	<u>Lessor</u>	<u>Lessee</u>	<u>Premises type</u>	<u>Address</u>	<u>Tenancy period</u>	<u>Area (square feet)</u>	<u>Monthly rental</u>
(a)	OPSB	YXG	Office and factory space	No. 23-LG, 23-G, Jalan 2/131A, Project Jaya Industrial Estate, Jalan Kelang Lama, 58200 Kuala Lumpur.	1 January 2023 to 31 December 2024	3,294	RM4,250
(b)	OPSB	GPM	Office and factory space	No. 23-1, 23-2, 23-3, 27-LG, 27-G, 27-1, 27-2, 27-3 Jalan 2/131A, Project Jaya Industrial Estate, Jalan Kelang Lama, 58200 Kuala Lumpur.	1 January 2023 to 31 December 2024	13,176	RM15,130

2.4 Classes of Related Parties and nature of RRPTs (continued)

The nature of the RRPTs entered and/or to be entered into by YXPM Group and the class of Related Parties under the Proposed Shareholders' Mandate are as follows (continued):

Proposed Renewal of Shareholders' Mandate (continued)

- (ii) *During the financial year ended 31 December 2023, YXG and GPM carried out the gold prices hedging activities with TXGF and effective 1 October 2023, TXGF has transferred its gold hedging business to TXG Bullion Sdn Bhd ("TXGB"), another wholly-owned subsidiary of Tomei. Arising from that, YXG and GPM are now carrying out the gold prices hedging activities with TXGB and no longer have transactions with TXGF.*
- (iii) *The Company does not intend to seek renewal for this transaction at the forthcoming AGM in view of Note (ii) above.*

Proposed New Shareholders' Mandate

Companies within YXPM Group	Transacting parties	Interested parties	Nature of relationship	Nature of transaction	Vendor	Purchaser	Actual value transacted from the date of first transaction up to the LPD (RM'000)	Estimated value of transaction from the LPD up to the forthcoming AGM ⁽ⁱ⁾ (RM'000)	Estimated value of transaction from the forthcoming AGM up to the next AGM ⁽ⁱ⁾ (RM'000)
YX Vietnam	TGJH	Tomei	• Tomei, being our Major Shareholder, is the holding company of TGJH.	Sales of gold jewellery and provision of gold jewellery manufacturing services	YX Vietnam	TGJH	-	-	5,000
YX Vietnam	Tomei (Vietnam) Company Limited ("TVCL")	Tomei	• TVCL is a wholly-owned subsidiary of TGJH, which in turn is an indirect wholly-owned subsidiary of Tomei, being our Major Shareholder.	Rental of factory space ⁽ⁱⁱ⁾	TVCL	YX Vietnam	-	-	⁽ⁱⁱ⁾⁽ⁱⁱⁱ⁾ 164
GPM and YXG	TXGB ^(v)	Tomei	• Tomei, being our Major Shareholder, is the holding company of TXGB.	Fee for hedging on gold price fluctuations	TXGB	GPM and YXG	107	30	400

2.4 Classes of Related Parties and nature of RRPTs (continued)

The nature of the RRPTs entered and/or to be entered into by YXPM Group and the class of Related Parties under the Proposed Shareholders' Mandate are as follows (continued):

Proposed New Shareholders' Mandate (continued)

Notes:

(i) *The estimated value of transactions is based on information available at the point of estimation. The actual value of transactions may vary from the estimated values as disclosed above. Disclosure will be made in the next Annual Report of the Company of the actual aggregate value of transactions contemplated under the Proposed Shareholders' Mandate during the financial year.*

(ii) *The estimated value is based on the factory lease agreement entered with the Related Party. Summary of factory lease agreement used in the estimated value of transaction is as follow:*

<u>Lessor</u>	<u>Lessee</u>	<u>Premises type</u>	<u>Address</u>	<u>Tenancy period</u>	<u>Area</u>	<u>Monthly rental (including utility charges)^(iv)</u>
TVCL	YX Vietnam	Factory space	Lot 104/2-8, Road 4A, Amata Industrial Park, Long Binh Ward, Bien Hoa City, Dong Nai Province, Vietnam	5 June 2023 to 4 June 2028	400 m ²	VND72,000,000 (equivalent to approximately RM13,751 ⁽ⁱⁱⁱ⁾)

(iii) *The estimated value is based on Bank Negara Malaysia's exchange rate as at the LPD of RMI:VND5,236, and is subject to changes.*

(iv) *The rental shall commence upon commencement of operations by YX Vietnam. As at the LPD, YX Vietnam has not commenced operations.*

(v) *During the financial year ended 31 December 2023, YXG and GPM carried out the gold prices hedging activities with TXGF and effective 1 October 2023, TXGF has transferred its gold hedging business to TXGB, another wholly-owned subsidiary of Tomei. Arising from that, YXG and GPM are now carrying out the gold prices hedging activities with TXGB and no longer have transactions with TXGF.*

In respect of the RRPTs stated under the Proposed New Shareholders' Mandate, the Board confirmed that the aggregate percentage ratio of the RRPTs from the date of first transaction up to the date of the forthcoming AGM will not exceed 5.00%.

2.5 Amount due from and owing by the Related Parties

As at 31 December 2023 and as at the LPD, there is no amount owing from any of the related parties to the Group of which exceeded the normal credit terms of the Group.

2.6 Review procedures for the RRPT

YXPM Group has established the following procedures to ensure that the RRPTs are undertaken at arm's length basis and on transaction prices and normal commercial terms consistent with the Group's usual business practices and policies, which are not more favourable to the Related Parties than those generally available to the public and are not detrimental to the minority Shareholders:

- (i) a list of Related Parties has been circulated within the YXPM Group. All subsidiaries have been notified that all RRPTs are required to be undertaken at arm's length basis and on normal commercial terms and on terms not more favourable to the Related Parties than those generally available to the public;
- (ii) where applicable, the terms of the pricing of the RRPTs will be consistent with the Group's usual business practices and policies and will take into consideration the terms and conditions, level of service and expertise required, quality, reliability and consistency of products and services as compared with the prevailing market rate of prices and general practices by other service providers of similar capacity and capability;
- (iii) all RRPTs will be reviewed by the ARMC on a quarterly basis. Any member of the ARMC may as he/she deems fit, request for additional information pertaining to RRPTs from independent sources or advisers;
- (iv) the ARMC will report its findings to the Board for further action if during the quarterly review, the ARMC is of the view that the guidelines and procedures are not sufficient to ensure that the RRPTs are carried on normal commercial terms and/or the RRPTs are deemed detrimental to the minority shareholders of YXPM;
- (v) the ARMC shall review procedures, and shall continue to review the procedures, as and when required, with the authority to sub-delegate to individuals or committees within the Company as they deem appropriate; and
- (vi) if a member of the Board or the ARMC has an interest in the transaction, he/she will abstain from any decision making by the Board or the ARMC in respect of the transaction.

At least 2 other contemporaneous transactions with unrelated third parties for similar products/services and/or quantities will be used as comparison, wherever possible, to determine whether the price and terms offered to/by the Related Parties are fair and reasonable and comparable to those offered to/by other unrelated third parties for the same or substantially similar type of products/services and/or quantities. In the event that comparative pricing from unrelated third parties cannot be obtained, the transaction price will be determined in accordance with YXPM Group's usual business practice, and in the best interest of YXPM Group.

There are no specific thresholds for approval of RRPTs within our Group. All RRPTs are subject to the review and approval by the ARMC. All RRPTs contemplated under the Proposed Shareholders' Mandate will be carried out at arm's length basis, on transaction prices and on terms not more favorable to the Related Parties than those generally available to the public and are not to the detriment of the minority shareholders.

2.7 Disclosure in Annual Report

Disclosure will be made in the Annual Report of the Company in accordance with Rule 3.1.5 of Guidance Note 8 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:

- (i) the type of the RRPTs made; and
- (ii) the names of the Related Parties involved in each type of the RRPTs made and their relationships with YXPM Group.

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

2.8 Statement by ARMC

The ARMC has reviewed the procedures mentioned in Section 2.6 of this Circular and is of the view that:

- (i) the procedures are sufficient to ensure that the RRPTs are on terms not more favourable to the Related Parties than those generally available to the public and are not to the detriment of the minority Shareholders; and
- (ii) that the Group has in place adequate procedures and processes to monitor, track and identify RRPTs in a timely and orderly manner and to ensure that the RRPTs are carried out.

The ARMC shall review the RRPTs on a quarterly basis and also review the established guidelines and procedures to ascertain their compliance on an annual basis.

3. RATIONALE AND BENEFITS FOR THE PROPOSED SHAREHOLDERS' MANDATE

The RRPTs entered and to be entered into by the Group with the Related Parties are in the ordinary course of business of the Group. They are recurring transactions of revenue or trading nature, which are likely to occur with some degree of frequency and arise at any time and from time to time. As these transactions may be constrained by the time-sensitive nature and confidentiality of such transactions, it may be impractical to seek Shareholders' approval on a case-by-case basis before entering into such RRPTs. As such, the Company is seeking Shareholders' mandate pursuant to Rule 10.09(2) and Guidance Note 8 of the Listing Requirements for the RRPTs described in Section 2.4 of this Circular to allow the Group to enter into such RRPTs which are made on an arm's length basis and on normal commercial terms and which are not to the detriment of the minority Shareholders.

The RRPTs are intended to meet the business needs of the Group on the best possible terms. By transacting with the Related Parties, the Group would have an advantage of familiarity with the background and management of the Related Parties, thus enabling more informed commercial decisions to be made. In most dealings with the Related Parties, the Group and the Related Parties have close cooperation and a good understanding of each other's business needs thus providing a platform where all parties can benefit from conducting the RRPTs.

The Proposed Shareholders' Mandate, if approved by the Shareholders, will eliminate the need to make announcement to Bursa Securities or to convene separate general meetings from time to time to seek shareholder's approval as and when the RRPT(s) with specified classes of Related Parties arise. This will substantially reduce administrative time, inconvenience and avoid expenses associated with the convening of such general meetings on an ad hoc basis without compromising the corporate objectives of the Group or adversely affecting the business opportunities available to the Group.

4. EFFECTS OF THE PROPOSED SHAREHOLDERS' MANDATE

The Proposed Shareholder' Mandate will not have any material effect on the share capital, consolidated NA, EPS, gearing and the shareholdings of Major Shareholders.

5. APPROVALS REQUIRED

The Proposed Shareholders' Mandate is subject to the approval being obtained from the Shareholders at the forthcoming AGM to be convened.

6. INTEREST OF DIRECTORS, MAJOR SHAREHOLDERS AND PERSONS CONNECTED TO THEM

Save as disclosed below, none of the Directors and/or Major Shareholders and/or Persons Connected to them have any interest, directly or indirectly, in the Proposed Shareholders' Mandate as at the LPD:

	As at the LPD			
	Direct		Indirect	
	No. of Shares	(%)	No. of Shares	(%)
Interested Directors				
DNYP	100,000	0.03	271,603,000 ⁽ⁱ⁾	72.98
NSC	71,800	0.02	271,603,000 ⁽ⁱ⁾	72.98
Interested Major Shareholders				
Tomei	260,502,000	70.00	-	-
Teck Fong Corporation Sdn Bhd	8,476,000	2.28	260,502,000 ⁽ⁱⁱ⁾	70.00
Tropical Bliss Sdn Bhd	2,625,000	0.71	260,502,000 ⁽ⁱⁱ⁾	70.00
DNYP	100,000	0.03	271,603,000 ⁽ⁱ⁾	72.98
NSC	71,800	0.02	271,603,000 ⁽ⁱ⁾	72.98
Ng Yih Chen	-	-	271,828,000 ⁽ⁱⁱⁱ⁾	73.04
Ng Sheau Yuen	47,600	0.01	271,603,000 ⁽ⁱ⁾	72.98
Persons Connected				
Puan Sri Datin Gan Sao Wah @ Gan Sao Eng	248,000	0.07	-	-
Datin Choong Chow Mooi	236,400	0.06	-	-
Ng Yi Jie	75,000	0.02	-	-
Ng Yi Li	75,000	0.02	-	-
Ng Yi Min	75,000	0.02	-	-
Ong Kee Liang ^(iv)	-	-	71,800	0.02
Wee Ching Yun ^(v)	-	-	225,000	0.06

Notes:

- (i) Deemed interested by virtue of his/her shareholdings in Teck Fong Corporation Sdn Bhd and Tropical Bliss Sdn Bhd pursuant to Section 8 of the Act.
- (ii) Deemed interested by virtue of its shareholdings in Tomei pursuant to Section 8 of the Act.
- (iii) Deemed interested by virtue of his shareholdings in Teck Fong Corporation Sdn Bhd, Tropical Bliss Sdn Bhd and the shares held by his daughters, Ng Yi Jie, Ng Yi Li and Ng Yi Min in the Company pursuant to Section 8 of the Act.
- (iv) Deemed interested in the shares held by his spouse, NSC in the Company pursuant to Section 8 of the Act.
- (v) Wee Ching Yun is the spouse of Ng Yih Chen. She is deemed interested in the shares held by her daughters, Ng Yi Jie, Ng Yi Li and Ng Yi Min in the Company pursuant to Section 8 of the Act.

6. INTEREST OF DIRECTORS, MAJOR SHAREHOLDERS AND PERSONS CONNECTED TO THEM (continued)

The Interested Directors have and will continue to abstain from all Board deliberations and voting in respect of the RRPTs in which they have an interest as detailed in Section 2.4 of this Circular. The Interested Directors will also abstain from voting in respect of their direct and/or indirect shareholdings in YXPM at the forthcoming AGM to be convened by YXPM on the ordinary resolution approving the Proposed Shareholders' Mandate.

The interested Major Shareholders as mentioned above will also abstain from voting in respect to their direct and/or indirect shareholdings in YXPM at the forthcoming AGM to be convened by YXPM on the ordinary resolution approving the Proposed Shareholders' Mandate.

The Interested Directors and interested Major Shareholders have also undertaken to ensure that the Persons Connected with them will abstain from voting in respect of their direct and/or indirect shareholdings on the ordinary resolution pertaining to the Proposed Shareholders' Mandate at the forthcoming AGM.

7. DIRECTORS' RECOMMENDATION

The Board (save for the Interested Directors for the Proposed Shareholders' Mandate, who have abstained and will continue to abstain from the Board deliberations and voting in respect of the Proposed Shareholders' Mandate) after having considered all aspects of the Proposed Shareholders' Mandate, is of the opinion that the Proposed Shareholders' Mandate is fair and reasonable and is in the best interest of the Company.

Accordingly, the Board (save for the Interested Directors) recommends that the Shareholders vote in favour of the ordinary resolution pertaining to the Proposed Shareholders' Mandate to be tabled at the forthcoming AGM.

8. AGM

The ordinary resolution to vote on the Proposed Shareholders' Mandate is set out in the Notice of 3rd AGM contained in the Annual Report of the Company for the financial year ended 31 December 2023, which is made available on the Company's website at <https://yxgroup.com.my/> and on Bursa Securities' website, will be held at Dewan Berjaya, Bukit Kiara Resort Berhad, Jalan Bukit Kiara, Off Jalan Damansara, 60000 Kuala Lumpur on Monday, 14 May 2024 at 10.00 a.m. for the purpose of considering and, if thought fit, passing the resolution to give effect to the Proposed Shareholders' Mandate.

If you are unable to attend and vote in person at the AGM, please complete, sign and send the enclosed Proxy Form in accordance with the instructions therein as soon as possible in any event so as to arrive at the Registered Office of the Company at SO-26-02, Menara 1, No 3, Jalan Bangsar, KL Eco City, 59200 Kuala Lumpur not less than 48 hours before the time fixed for the AGM or any adjournment thereof. The lodging of the Proxy Form will not preclude you from attending, participating and voting in person at the AGM should you subsequently wish to do so.

9. FURTHER INFORMATION

Shareholders of YXPM are requested to refer to the attached **Appendix I** for additional information.

Yours faithfully
For and on behalf of the Board of Directors of
YX PRECIOUS METALS BHD

TANG YOW SAI
Independent Non-Executive Director

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 given in this Circular and confirm that after having made all reasonable enquiries, and to the best of their knowledge and belief, there are no facts, the omission of which would make any information herein false and misleading.

2. MATERIAL LITIGATION, CLAIMS OR ARBITRATION

As at the LPD, the Group is not engaged in any material litigation, claims or arbitration either as plaintiff or defendant, and there is no material claim against the Group, or material arbitration proceedings, which have a material effect on the business or financial position of the Group, and the Board confirmed that there are no proceedings pending or threatened or any facts likely to give rise to any proceedings which might materially affect the business or financial position of the Group.

3. MATERIAL CONTRACTS

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

- (i) Underwriting agreement dated 21 April 2022 between YXPM and Public Investment Bank Berhad, being the sole underwriter for the underwriting of 48,378,000 Shares pursuant to the initial public offering (“IPO”) of the Company for an underwriting commission at the rate of 2.00% of the total value of the Shares underwritten at the IPO price of RM0.28; and
- (ii) Placement agreement dated 21 April 2022 between YXPM and Public Investment Bank Berhad, being the sole placement agent for 63,270,000 Shares made available under the placement to selected investors as well as selected Bumiputera Investors approved by the Ministry of Investment, Trade and Industry, Malaysia at the IPO of RM0.28.

4. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection during normal office hours from Mondays to Fridays (except public holidays) at the Registered Office of the Company at SO-26-02, Menara 1, No 3, Jalan Bangsar, KL Eco City, 59200 Kuala Lumpur from the date of this Circular/Statement up to and including the date of the forthcoming AGM:

- (i) constitution of YXPM;
- (ii) material contracts referred to in Section 3 of this Appendix I; and
- (iii) audited financial statements of YXPM for the financial years ended 31 December 2022 and 31 December 2023.