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AlloyMtd

MTD ACPI ENGINEERING BERHAD

(Company No. 258836-V)
(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; AND**

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

The above proposals will be tabled as Special Business at the Twenty-Fourth ("24th") Annual General Meeting ("AGM") of MTD ACPI Engineering Berhad ("MTDACPI" or "Company"). The 24th AGM of MTDACPI will be held at 1, Jalan Batu Caves, 68100 Batu Caves, Selangor Darul Ehsan on Thursday, 7 September 2017 at 9.30 a.m. or any adjournment thereof. Notice of the 24th AGM of MTDACPI together with the Form of Proxy are set out in the 2017 Annual Report of the Company.

The Form of Proxy must be completed and lodged at the Registered Office of the Company at 1, Jalan Batu Caves, 68100 Batu Caves, Selangor Darul Ehsan, Malaysia not less than twenty-four (24) hours before the time appointed for the taking of the poll. The lodging of the Form of Proxy will not preclude you from attending and voting in person at the meeting should you subsequently wish to do so.

Last day and time for lodging the Form of Proxy : Wednesday, 6 September 2017 at 9.30 a.m.

Date and time of the 24th AGM of MTDACPI : Thursday, 7 September 2017 at 9.30 a.m.

This Circular is dated 28 July 2017

DEFINITIONS

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

“Act”	:	Companies Act, 2016 as amended from time to time and any re-enactment thereof
“ACE”	:	Alloy Concrete Engineering Sdn Bhd (324487-X)
“ACSB”	:	Alloy Capital Sdn Bhd (1000647-U)
“AGM”	:	Annual General Meeting of MTDACPI
“Alloy”	:	Alloy Consolidated Sdn Bhd (9850-H)
“Alloy Group”	:	Alloy and its subsidiaries excluding MTD Group and MTDACPI Group
“AlloyMtd Group”	:	Alloy and its subsidiaries inclusive of MTD, MTDACPI and their subsidiaries
“ANIH”	:	ANIH Berhad (939539-X)
“Board”	:	Board of Directors of MTDACPI
“Building”	:	A building leased by MTD Properties Sdn Bhd, a wholly-owned subsidiary of MTD and located at 1, Jalan Batu Caves, 68100 Batu Caves, Selangor Darul Ehsan, Malaysia
“Bursa Securities”	:	Bursa Malaysia Securities Berhad (635998-W)
“Director(s)”	:	Shall have the meaning given in Section 2(1) of the Act and includes any person who is or was within the preceding six (6) months of the date on which the terms of the transaction were agreed upon, a director of the Company or any other company which is its subsidiary or holding company or a chief executive officer of the Company, its subsidiary or holding company
“EPS”	:	Earnings per share
“LSSB”	:	Lambang Simfoni Sdn Bhd (423407-X)
“Listing Requirements”	:	Bursa Securities Main Market Listing Requirements, including any amendment thereto that may be made from time to time
“Major Shareholder(s)”	:	A person who has an interest or interests in one or more voting shares in a corporation and the nominal amount of that share, or the aggregate of the nominal amounts of those shares, is: (a) ten percent (10%) or more of the aggregate of the nominal amounts of all the voting shares in the corporation; or (b) five percent (5%) or more of the aggregate of the nominal amounts of all the voting shares in the corporation where such person is the largest shareholder of the corporation For the purpose of this definition, “interest in shares” has the meaning given in Section 8 of the Act. A major shareholder includes any person who is or was within the preceding six (6) months of the date on which the terms of the transaction were agreed upon, a major shareholder of the Company or any other company which is its subsidiary or holding company
“Metacorp”	:	Metacorp Berhad (93570-P)
“MTD”	:	MTD Capital Bhd (256187-T)
“MTDESB”	:	MTD Equity Sdn Bhd (393798-D)
“MTD Group”	:	MTD and its subsidiaries excluding MTDACPI Group
“MTDACPI” or “Company”	:	MTD ACPI Engineering Berhad (258836-V)
“MTDACPI Group”	:	MTDACPI and its subsidiaries

DEFINITIONS (Cont'd)

“NA”	:	Net assets
“Nik Fadzrina”	:	Nik Fadzrina Binti Tan Sri Nik Hussain <ul style="list-style-type: none">- Director of MTD and Nikvest- Daughter of Tan Sri Dr. Nik Hussain
“Nik Faizul”	:	Nik Faizul Bin Tan Sri Nik Hussain <ul style="list-style-type: none">- Director of Alloy, ACSB, ACE, MTD and Nikvest- Son of Tan Sri Dr. Nik Hussain
“Nik Firdaus”	:	Nik Firdaus Binti Tan Sri Nik Hussain <ul style="list-style-type: none">- Director of Alloy, MTD and Nikvest- Daughter of Tan Sri Dr. Nik Hussain
“Nikvest”	:	Nikvest Sdn Bhd (159766-X)
“Proposed New RRPT Mandate”	:	Proposed Shareholders’ Mandate for New Recurrent Related Party Transactions of a Revenue or Trading Nature
“Proposed Renewal of RRPT Mandate”	:	Proposed Renewal of Shareholders’ Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature
“Proposed RRPT Mandate”	:	Proposed Renewal of RRPT Mandate and Proposed New RRPT Mandate
“Puan Sri Fuziah”	:	Puan Sri Nik Fuziah Binti Tan Sri Nik Hussain <ul style="list-style-type: none">- Director of Alloy, Nikvest, MTDESB- Daughter of Tan Sri Dr. Nik Hussain- Spouse of Tan Sri Dr. Azmil
“Related Party(ies)”	:	Director(s), Major Shareholder(s) or person(s) connected with such Director(s) or Major Shareholder(s) of MTDACPI Group
“Recurrent Related Party Transaction(s)” or “RRPT(s)”	:	Recurrent related party transactions of a revenue or trading nature with Related Party which are in the ordinary course of business and necessary for the day-to-day operation of MTDACPI Group
“RM”	:	Ringgit Malaysia
“Share(s)”	:	Ordinary shares in MTDACPI
“Tan Sri Dr. Azmil”	:	Tan Sri Dr. Azmil Khalili Bin Dato’ Khalid <ul style="list-style-type: none">- Director of Alloy, ACSB, ACE, MTD, Metacorp, MTDESB, LSSB and MTDACPI- Spouse of Puan Sri Fuziah
“Tan Sri Dr. Nik Hussain”	:	Tan Sri Dr. Nik Hussain Bin Abdul Rahman <ul style="list-style-type: none">- Director of Alloy, Nikvest, MTD, MTDESB, LSSB and Metacorp- Father of Nik Faizul, Puan Sri Fuziah, Nik Firdaus and Nik Fadzrina

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AlloyMtd

MTD ACPI ENGINEERING BERHAD

(Company No. 258836-V)
(Incorporated in Malaysia)

Registered Office
1, Jalan Batu Caves
68100 Batu Caves
Selangor Darul Ehsan
Malaysia

28 July 2017

The Board of Directors

Dato' Ir. A. Rashid Bin Omar (*Chairman, Independent Non-Executive Director*)
Tan Sri Dr. Azmil Khalili Bin Dato' Khalid (*President & Chief Executive Officer / Non-Independent Executive Director*)
Nik Firdaus Binti Tan Sri Nik Hussain (*Chief Operating Officer / Non-Independent Executive Director*)
Dato' Ir. Kalid Bin Alias (*Senior Independent Non-Executive Director*)
Nik Din Bin Nik Sulaiman (*Independent Non-Executive Director*)
Keith George Cowling (*Non-Independent Executive Director*)
Nik Fadzrina Binti Tan Sri Nik Hussain (*Non-Independent Non-Executive Director*)

To : The Shareholders of MTDACPI

Dear Sir / Madam,

- i) **PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE; AND**
- ii) **PROPOSED SHAREHOLDERS' MANDATE FOR NEW RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE**

1. INTRODUCTION

On 7 July 2017, MTDACPI had announced that the Company proposes to seek shareholders' approval for the following:

- (i) Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature; and
- (ii) Proposed Shareholders' Mandate for New Recurrent Related Party Transactions of a Revenue or Trading Nature.

The purpose of this Circular is to provide you with the details of the Proposed RRPT Mandate and to seek your approval for the Ordinary Resolutions to be tabled at the forthcoming Twenty-Fourth AGM to be held on 7 September 2017 ("24th AGM"). The Notice of 24th AGM together with the Form of Proxy are set out in the 2017 Annual Report of the Company.

YOU ARE ADVISED TO READ THE CONTENTS OF THIS CIRCULAR CAREFULLY BEFORE VOTING ON THE RESOLUTIONS PERTAINING TO THE PROPOSALS AT THE 24TH AGM.

2. PROPOSED RRPT MANDATE

The Proposed RRPT Mandate will commence immediately upon the passing of the Ordinary Resolutions by shareholders at the 24th AGM and will remain in effect until:

- (a) the conclusion of the next AGM following this AGM, at which it will lapse, unless by a resolution passed at a general meeting of the Company, the authority is renewed;
- (b) the expiration of the period within which the next AGM after this AGM is required to be held pursuant to Section 340(1) 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 a resolution passed by the shareholders in a general meeting;

whichever is the earlier (“**Validity Period**”).

The Board propose to seek approval from shareholders for the RRPTs as set out in Section 2.1.3, which MTDACPI Group anticipate to enter into from the date of the 24th AGM until expiry of the Validity Period as set out above whichever, is applicable. Approval from shareholders will be sought for the Proposed RRPT Mandate at the next AGM and at each subsequent AGM, subject to satisfactory review by the Audit Committee of the Company of its continued application to the Recurrent Related Party Transactions.

The Proposed RRPT Mandate is intended to facilitate transactions of a revenue or trading nature in the ordinary course of business which are necessary for the day-to-day operations of MTDACPI Group, which are likely to occur with some degree of frequency at any time with the Related Parties during the Validity Period, provided that the transactions are carried out at arm’s length and on normal commercial terms, which are not prejudicial to the minority shareholders, and on terms not more favourable to the Related Parties than those generally available to the public.

The Proposed RRPT Mandate is subject to annual renewal and disclosure is made in the annual report of the aggregate value of transactions conducted pursuant to this mandate during the financial year.

2.1 Details of the Proposed RRPT Mandate

2.1.1 Details of MTDACPI Group

The principal activities of MTDACPI are investment holding company and project management. The principal activities of its subsidiaries are civil engineering and construction works, manufacturing and marketing of precast concrete products for infrastructure projects and buildings, manufacturing of concrete roof tiles, provision of consultancy and management services.

2.1.2 Classes of Related Parties

(A) Alloy Group

The principal activities of Alloy Group are general construction, roads and highway maintenance, soil erosion control services, highway management and toll operation, outdoor advertising services and insurance broker.

Alloy is deemed interested in MTDACPI (67.78%) through the interests of its subsidiaries namely, MTD (50.77%) and ACSB (17.01%). Alloy’s interest in MTD is by virtue of its direct shareholding of 26.01% and indirect shareholding of 51.18% through its wholly-owned subsidiaries, ACSB (47.78%) and ACE (3.4%).

(B) Nikvest

The principal activities of Nikvest are investment holding and letting of properties.

Nikvest is deemed interested in MTDACPI (50.77%) by virtue of its major shareholding in MTD (22.81%). Tan Sri Dr. Nik Hussain’s children are the ultimate major shareholders of Nikvest.

(C) ANIH

The principal activity of ANIH is investment holding.

ANIH is deemed interested in MTDACPI by virtue of the interests of its shareholders namely, Tan Sri Dr. Nik Hussain (51%) and Tan Sri Dr. Azmil, (49%), both have indirect interest of 67.78% in MTDACPI .

(D) MTD Group

The principal activities of MTD are investment holding and provisioning project management services while its subsidiaries and joint venture companies are engaged in the following core businesses:

- (i) infrastructure development;
- (ii) provision of project consultancy services;
- (iii) turnkey and project management services;
- (iv) construction, building and public engineering works;
- (v) property development and letting of property;
- (vi) solid waste management;
- (vii) manufacturing and marketing of specialty highways and safety products; and
- (viii) construction, manufacturing and marketing of heavy element precast products for viaducts, elevated highways, highways, light rail transit guideways and bridges and construction related businesses.

MTD is deemed interested in MTDACPI by virtue of its shareholding of 0.87% and interest of its wholly-owned subsidiaries namely, MTDESB and Metacorp of 38.10% and 11.8% respectively. MTD has direct interest of 8.6% and indirect interest of 91.4% in Metacorp through its wholly-owned subsidiary, LSSB.

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2.1.3 Nature of RRPTs

The details and nature of RRPTs under the Proposed Renewal of RRPT Mandate which have been or will be entered into by MTDACPI Group in the ordinary course of business of MTDACPI Group with the Related Parties are set out below.

PROPOSED RENEWAL OF RRPT MANDATE

Related Party ⁽¹⁾	Nature of Transactions	Shareholders' Mandate obtained on 8/9/2016 until the conclusion of the 24th AGM (RM' million)	Actual Value of RRPT transacted from 8/9/2016 until 30/6/2017 ⁽²⁾ (RM' million)	Estimated Value of Proposed Renewal of RRPT Mandate during the Validity Period ⁽³⁾ (RM' million)	Interested Directors and/or Major Shareholders of MTDACPI
Alloy Group	Procurement of insurance and related services from Alloy Group	6	0.5	5	<u>Interested Directors:</u> Tan Sri Dr. Azmil, Nik Firdaus and Nik Fadzrina <u>Interested Major Shareholders:</u> MTDESB, Metacorp, ACSB, LSSB, MTD, Nikvest, Alloy, Tan Sri Dr. Nik Hussain, Tan Sri Dr. Azmil, Puan Sri Fuziah, Nik Faizul and Ruslan Bin Sulaiman
	Provision of construction and property development works by MTDACPI Group to Alloy Group	18.5	Nil	18.5	
	Provision of civil engineering, construction and property development projects awarded by MTDACPI Group to Alloy Group	250	7.2	250	
	Supply of road marking, bridge expansion joint, bituminous and plastic products, road surfacing maintenance & pavement works and other road furniture items by MTDACPI Group to Alloy Group	27.5	3.3	Not Seeking Renewal of Shareholders' Mandate	
	Supply of infrastructure, construction & building materials and ancillary installation works by MTDACPI Group to Alloy Group	3	Nil	3	
	Provision of advertising services by Alloy Group to MTDACPI Group	0.5	Nil	0.5	

PROPOSED RENEWAL OF RRPT MANDATE

Related Party ⁽¹⁾	Nature of Transactions	Shareholders' Mandate obtained on 8/9/2016 until the conclusion of the 24th AGM (RM' million)	Actual Value of RRPT transacted from 8/9/2016 until 30/6/2017 ⁽²⁾ (RM' million)	Estimated Value of Proposed Renewal of RRPT Mandate during the Validity Period ⁽³⁾ (RM' million)	Interested Directors and/or Major Shareholders of MTDACPI
MTD Group	<p>Supply of road marking, bridge expansion joint, bituminous and plastic products, road surfacing, maintenance & pavement works and other road furniture items by MTDACPI Group to MTD Group</p> <p>Renting of office space in the Building from and payable to MTD Group, on monthly basis for tenancy of not more than three (3) years (inclusive of utilities, other expenses and Goods & Services Tax) at RM325,233 per month</p> <p>Provision of security services by MTD Group to MTDACPI Group</p> <p>Provision of civil engineering, construction and property development works by MTDACPI Group to MTD Group</p> <p>Provision of interest for advances provided by MTD Group to MTDACPI Group</p> <p>Provision of Internal Audit Services provided by MTD Group to MTDACPI Group</p> <p>Civil engineering, construction, property development projects awarded by MTDACPI Group to MTD Group</p> <p>Supply of road marking, bridge expansion joint, bituminous and plastic products, road surfacing, maintenance & pavement works and other road furniture items by MTDACPI Group to ANIH</p>	<p>4</p> <p>3.7</p> <p>1.5</p> <p>1,500</p> <p>5</p> <p>0.42</p> <p>500</p> <p>16</p>	<p>0.01</p> <p>3</p> <p>0.6</p> <p>60.2</p> <p>1.3</p> <p>0.2</p> <p>Nil</p> <p>0.1</p>	<p>Not Seeking Renewal of Shareholders' Mandate</p> <p>8.6</p> <p>1</p> <p>350</p> <p>7</p> <p>0.7</p> <p>Not Seeking Renewal of Shareholders' Mandate</p> <p>Not Seeking Renewal of Shareholders' Mandate</p>	<p><u>Interested Directors:</u> Tan Sri Dr. Azmil, Nik Firdaus and Nik Fadzrina</p> <p><u>Interested Major Shareholders:</u> MTDESB, Metacorp, ACSEB, LSSB, MTD, Nikvest, Alloy, Tan Sri Dr. Nik Hussain, Tan Sri Dr. Azmil, Puan Sri Fuziah, Nik Faizul and Ruslan Bin Sulaiman</p>
ANIH					

The details and nature of RRPTs under the Proposed New RRPT Mandate which will be entered into by MTDACPI Group in the ordinary course of business of MTDACPI Group with the Related Parties are set out below.

PROPOSED NEW RRPT MANDATE

Related Party ⁽¹⁾	Nature of Transactions	Estimated Value of Proposed New RRPT Mandate during the Validity Period ⁽⁴⁾ (RM' million)	Interested Directors and/or Major Shareholders of MTDACPI
MTD Group	Renting of premise ⁽⁵⁾ from and payable to MTD Group, payable on monthly basis for tenancy of three (3) years (inclusive of cost of utilities, other expenses and goods & services tax) at RM636 per month	0.1	<u>Interested Directors:</u> Tan Sri Dr. Azmil, Nik Firdaus and Nik Fadzrina <u>Interested Major Shareholders:</u> MTDESB, Metacorp, ACSB, LSSB, MTD, Nikvest, Alloy, Tan Sri Dr. Nik Hussain, Tan Sri Dr. Azmil, Puan Sri Fuziah, Nik Faizul and Ruslan Bin Sulaiman
	Provision for civil engineering, construction and property development projects awarded to MTDACPI Group by MTD Group	2,000	
	Provision for project management services rendered by MTDACPI Group to MTD Group	6	
	Provision for project management services rendered by MTD Group to MTDACPI Group	5	
	Provision for renting of motor vehicles by MTDACPI Group to MTD Group	0.1	
	Provision for renting of motor vehicles by MTD Group to MTDACPI Group	0.1	

Notes:

⁽¹⁾ Anticipated or potential Related Parties of MTDACPI Group.

⁽²⁾ None of the actual value of RRPT exceeded the shareholders' mandate.

⁽³⁾ The estimated value of RRPTs during the Validity Period which may be revised.

⁽⁴⁾ The estimated value of new transactions for anticipated/potential contracts between MTDACPI Group and Related Parties during the Validity Period which may be revised.

⁽⁵⁾ The premise is located at No. 137, Jalan TU3, Taman Tasik Utama, Ayer Keroh, 75450 Melaka, Malaysia.

Interested Directors/Major Shareholders and Persons Connected to them and nature of relationship of MTDACPI Group with the Related Parties as at 30 June 2017, are as follows:

- (1) MTD is deemed interested in MTDACPI by virtue of its shareholding of 0.87% and interest of its wholly-owned subsidiaries namely, MTDESB and Metacorp of 38.10% and 11.80% respectively. MTD has direct interest of 8.6% and indirect interest of 91.4% in Metacorp through its wholly-owned subsidiary, LSSB;
- (2) Alloy is deemed interested in MTDACPI (67.78%) through the interests of its subsidiaries namely, MTD (50.77%) and ACSB (17.01%). Alloy's interest in MTD is by virtue of its direct shareholding of 26.01% and indirect shareholding of 51.18% through its wholly-owned subsidiaries, ACSB (47.78%) and ACE (3.4%);
- (3) Nikvest is deemed interested in MTDACPI (50.77%) by virtue of its major shareholdings in MTD (22.81%). Tan Sri Dr. Nik Hussain's children are the ultimate major shareholders of Nikvest;
- (4) Tan Sri Dr. Nik Hussain, is deemed interested in MTDACPI by virtue of his interests in MTD (100%) through his children's interests in Nikvest (22.81%) and Puan Sri Fuziah's interest (77.19%) in Alloy;
- (5) Tan Sri Dr. Azmil, is deemed interested in MTDACPI (67.78%) by virtue of Puan Sri Fuziah's interest in Alloy; and
- (6) Nik Faizul, Nik Firdaus and Nik Fadzrina are deemed interested in MTDACPI (50.77%) by virtue of their interests in MTD (22.81%) through their interest in Nikvest.

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2.1.4 Amount Due and Owing to MTDACPI Group by Related Parties

The breakdown of the total outstanding amount due and owing by Related Parties under the RRPTs which exceeded the credit terms as at end of the financial year ended 31 March 2017 ("Outstanding RRPT Receivables") are as follows:

Related Party	RRPTs	Principal Sum (RM)	Outstanding RRPT Receivables (RM)		
			≤ 1 year	> 1 year to 3 years	> 3 years to 5 years
Alloy Group	Highway maintenance contracts	1,539,070	429,694	185,367	32,662
ANIH	Supply of highway maintenance products	1,145	Nil	Nil	Nil
MTD Group	Construction works	1,895,413	1,238,610	Nil	Nil

There is no Outstanding RRPT Receivables exceeding the credit term of more than 5 years.

The management of the Company monitors and analyses the collection of Outstanding RRPT Receivables on regular basis, and engaged the Related Parties for expeditious payment.

No late payment charge is imposed by MTDACPI Group on the Outstanding RRPT Receivables, which exceeded the credit terms and *vice-versa*, no late payment charge is imposed by Related Parties.

The Board is aware of the Outstanding RRPT Receivables which exceeded the credit term and opined that these Outstanding RRPT Receivables are owing in the ordinary course of business, and there will be no recoverable issue as the Related Parties have good credit standing and long standing relationship with MTDACPI Group.

2.2 Rationale and Benefits of the Proposed RRPT Mandate

The rationale and benefits of the Proposed RRPT Mandate are as follows:

- (a) The Related Parties have long standing relationship with MTDACPI Group where similar businesses are conducted and transactions with the Related Parties are likely to occur to take advantage of reliability in the standard of services, support provided, sharing of product information and knowledge; and further, MTDACPI Group would have the added advantage of confidence and familiarity with the background and management of the Related Parties and *vice-versa*, thus enabling more informed decision-making by MTDACPI Group;
- (b) To facilitate transactions with Related Parties which are priced competitively and are carried out in the ordinary course of business of MTDACPI Group, entered into at arm's length and ordinary commercial terms not more favourable to the Related Parties than those generally available to the public and are not detrimental to the interests of the minority shareholders;
- (c) To enter into recurrent transactions in the ordinary course of business which are time-sensitive, confidential and frequent without having to make immediate announcements and to convene separate general meetings of the Company, to seek shareholders' approval on transactions pursuant to the financial limits imposed by Bursa Securities under Paragraph 10.08 of the Listing Requirements;
- (d) The transactions with the Related Parties create mutual benefits for the parties and reflect the objectives of AlloyMtd Group to achieve synergy for efficient and effective day-to-day operations. This will substantially reduce expenses associated with the convening of general meetings on an ad-hoc basis, improve administration efficiency and allow manpower resources and time to be channeled towards attaining other corporate objectives; and
- (e) MTDACPI Group benefits from the close working relationship with the Related Parties and the prompt and reliable services and products from them. The Related Parties also possess relevant experience and expertise in the respective fields, which are required by MTDACPI Group in its day-to-day operations.

2.3 Review Procedures for the RRPTs

There are procedures established by MTDACPI Group to ensure that RRPTs are undertaken on arm's length basis and on normal commercial terms consistent with the business practices and policies of MTDACPI Group, which are generally not more favourable to the Related Parties than those generally available to the public and not detrimental to the minority shareholders. The procedures are as follows:

- (a) A list of Related Parties of MTDACPI Group will be circulated to the Directors and management of the Company and its subsidiaries to notify that all RRPTs are required to be undertaken on arm's length basis and on normal commercial terms and on terms not more favourable to the Related Party than those generally available to the public and not detrimental to the minority shareholders;

- (b) RRPTs will be reviewed by the Audit Committee on quarterly basis. Any member of the Audit Committee may as he deems fit, requests for additional information pertaining to the transactions including from independent sources or advisers;
- (c) The management of MTDACPI will monitor and review all RRPTs which are entered into pursuant to shareholders' mandate. The RRPTs will be recorded in a register and the breakdowns of aggregate value of the transactions during the financial year are disclosed in the annual report of the Company;
- (d) The annual internal audit plan shall incorporate a review of all RRPTs entered into pursuant to shareholders' mandate, to ensure that relevant approvals have been obtained and review procedures in respect of RRPTs have been complied with;
- (e) The Board and the Audit Committee of MTDACPI shall review the internal audit reports to ascertain that the review procedures established to monitor, track and identify RRPTs in a timely and orderly manner are adequate and have been complied with;
- (f) If a member of the Board or Audit Committee has an interest in the transaction to be reviewed by the Board or the Audit Committee as the case may be, he will not participate in deliberation of such transaction and will abstain from any decision-making in the Board or the Audit Committee in respect of that transaction;
- (g) The management of MTDACPI will ensure at least two (2) other contemporaneous transactions with unrelated third parties for similar products/services, and/or quantities will be used as comparison, wherever possible, to determine whether the price and terms offered to/by the Related Parties are fair and reasonable and comparable to those offered to/by other unrelated third parties for the same/substantially similar type of products/services and/or quantities. Where there is no similar or substantially similar nature of transactions between MTDACPI Group and unrelated third parties; the price, terms and conditions of the transactions for the products or services will be in accordance with applicable industry norms, prevailing commercial rates and will not be detrimental to the minority shareholders;
- (h) The thresholds for approval of RRPTs by the Board subject to the recommendation of the Audit Committee are as follows:
 - (i) Renting of office space in the Building from MTD Group exceeding RM1 million per contract;
 - (ii) Procurement of insurance and related services from Alloy Group exceeding RM500,000 per contract;
 - (iii) Provision/award and acceptance of construction, property development or project management services contracts exceeding RM15 million per contract;
 - (iv) Supply of materials and construction of ancillary installations works exceeding RM10 million per contract; and
 - (v) Provision of interest on advances provided by MTD Group to MTDACPI Group exceeding RM1 million per transaction.
- (i) The cost plus method, if deemed necessary, will be used to determine the price of the transactions. This method determines the arm's length price by adding an appropriate mark-up to the cost of transaction at a percentage not more favourable to the Related Parties than those generally available to unrelated third parties and ensures that the RRPTs are not detrimental to MTDACPI Group; and
- (j) The Company will immediately announce to Bursa Securities when the actual value of a RRPT entered into by the Company exceed the estimated value of the RRPT disclosed in this Circular by 10% or more and include, information as may be prescribed by Bursa Securities in its announcement.

2.4 Statement by the Audit Committee

The Audit Committee of the Company has considered the procedures and processes mentioned in Section 2.3 on an annual basis and is satisfied that MTDACPI Group have in place adequate procedures and processes to monitor, track and identify RRPTs in a timely and orderly manner as well, as sufficient to ensure the RRPTs are entered into at arm's length and not more favourable to the Related Parties than those generally available to the public and not detrimental to the minority shareholders.

2.5 Directors' and/or Major Shareholders' Interests

The interest of the interested Directors of MTDACPI as at 30 June 2017, being the latest practicable date prior to the printing of this Circular are as follows:

Directors	No of ordinary shares			
	Direct	% ⁽¹⁾	Indirect	% ⁽¹⁾
Tan Sri Dr. Azmil	-	-	156,565,409	67.78 ⁽²⁾
Nik Firdaus	-	-	117,269,410	50.77 ⁽³⁾
Nik Fadzrina	-	-	117,269,410	50.77 ⁽³⁾

Notes:

(1) *Net of 637,000 treasury shares held.*

(2) *Deemed interested by virtue of Puan Sri Fuziah's interest in Alloy.*

(3) *Deemed interested by virtue of their interests in Nikvest pursuant to Section 8 of the Act.*

The interest of the interested Major Shareholders of MTDACPI as at 30 June 2017, being the latest practicable date prior to the printing of this Circular are as follows:

Major Shareholders	No of ordinary shares			
	Direct	% ⁽¹⁾	Indirect	% ⁽¹⁾
MTDESB	88,000,000	38.10	-	-
Metacorp	27,254,610	11.80	-	-
ACSB	39,295,999	17.01	117,269,410	50.77 ⁽²⁾
LSSB	-	-	27,254,610	11.80 ⁽³⁾
MTD	2,014,800	0.87	115,254,610	49.90 ⁽⁴⁾
Nikvest	-	-	117,269,410	50.77 ⁽⁵⁾
Alloy	-	-	156,565,409	67.78 ⁽⁶⁾
Tan Sri Dr. Nik Hussain	-	-	156,565,409	67.78 ⁽⁷⁾
Tan Sri Dr. Azmil	-	-	156,565,409	67.78 ⁽⁸⁾
Puan Sri Fuziah	-	-	156,565,409	67.78 ⁽⁹⁾
Ruslan Bin Sulaiman	-	-	156,565,409	67.78 ⁽⁹⁾
Nik Faizul	-	-	117,278,660	50.77 ⁽¹⁰⁾

Notes:

(1) *Net of 637,000 treasury shares held.*

(2) *Deemed interested by virtue of its major shareholding in MTD.*

(3) *Deemed interested by virtue of its major shareholding in Metacorp.*

(4) *Deemed interested by virtue of the interests of its wholly-owned subsidiaries namely, MTDESB and Metacorp.*

(5) *Deemed interested by virtue of its major shareholding in MTD.*

(6) *Deemed interested by virtue of the interests of its subsidiaries namely, MTD and ACSB. Alloy has direct shareholding of 26.01% and indirect shareholding of 51.18% in MTD through its wholly-owned subsidiaries, ACSB (47.78%) and ACE (3.4%).*

(7) *Deemed interested by virtue of his interests in MTD through his children's interests in Nikvest and Puan Sri Fuziah's interest in Alloy.*

(8) *Deemed interested by virtue of Puan Sri Fuziah's interest in Alloy.*

(9) *Deemed interested by virtue of their major shareholding in Alloy.*

(10) *Deemed interested by virtue of his spouse's shareholding in MTDACPI and his indirect interest in Nikvest.*

2.6 Abstention from Voting

The interested Directors namely, Tan Sri Dr. Azmil, Nik Firdaus and Nik Fadzrina have abstained from deliberations and voting on the Proposed RRPT Mandate at the Board level. Nik Fadzrina also had abstained from deliberations at the Audit Committee level.

The interested Directors (Tan Sri Dr. Azmil, Nik Firdaus and Nik Fadzrina) and interested Major Shareholders (MTDESB, Metacorp, ACSB, LSSB, MTD, Nikvest, Alloy, Tan Sri Dr. Nik Hussain, Tan Sri Dr. Azmil, Puan Sri Fuziah, Ruslan Bin Sulaiman and Nik Faizul) [collectively referred to as "Interested Directors/Major Shareholders"] will abstain from voting in respect of their direct and indirect shareholdings in MTDACPI on the Ordinary Resolutions pertaining to the Proposed RRPT Mandate at the 24th AGM. In addition, the interested Directors/Major Shareholders have undertaken to ensure that persons connected with them will abstain from voting on the Ordinary Resolutions in respect of the Proposed RRPT Mandate to be tabled at the 24th AGM.

Save as disclosed above, none of the other Directors or Major Shareholders of the Company or persons connected with them have any interest, direct or indirect, in the Proposed RRPT Mandate.

2.7 Effects of the Proposed RRPT Mandate

The Proposed RRPT Mandate will have no effect on the issued and paid-up share capital of MTDACPI, Major Shareholders' shareholdings, NA and EPS of MTDACPI Group.

3. APPROVAL REQUIRED

The Proposed Renewal of RRPT Mandate and Proposed New RRPT Mandate are subject to the approval being obtained from the shareholders of MTDACPI at the 24th AGM to be convened. The Proposed Renewal of RRPT Mandate and Proposed New RRPT Mandate are not inter-conditional.

4. DIRECTORS' RECOMMENDATION

4.1 Proposed RRPT Mandate

The Board (save and except for Tan Sri Dr. Azmil, Nik Firdaus and Nik Fadzrina, who are deemed interested in the Proposed RRPT Mandate, have abstained from giving their opinion and making any recommendation in respect of the Proposed RRPT Mandate), having considered all aspects of the Proposed RRPT Mandate are of the opinion that the Proposed RRPT Mandate are in the best interests of MTDACPI Group and recommend that you vote in favour of the Ordinary Resolutions in relation to the Proposed RRPT Mandate to be tabled at the 24th AGM.

5. AGM

The 24th AGM, the notice of which is set out in the 2017 Annual Report of the Company will be held at 1, Jalan Batu Caves, 68100 Batu Caves, Selangor Darul Ehsan, Malaysia on Thursday, 7 September 2017 at 9.30 a.m. for the purpose of considering and, if thought fit, passing with or without modification, *inter-alia*, the Ordinary Resolutions set out in the Notice of 24th AGM.

If you are unable to attend or vote in person at the 24th AGM and wish to appoint a proxy to attend and vote in your stead, you are requested to complete, sign and return the Form of Proxy in accordance with the instructions printed thereon to the Registered Office of the Company at 1, Jalan Batu Caves, 68100 Batu Caves, Selangor Darul Ehsan, Malaysia not less than twenty-four (24) hours before the time appointed for the taking of the poll. The lodging of the Form of Proxy does not preclude you from attending and voting in person at the meeting should you subsequently wish to do so.

6. FURTHER INFORMATION

Shareholders are requested to refer to the attached Appendix I of this Circular for further information.

Yours faithfully
For and on behalf of the Board of
MTD ACPI ENGINEERING BERHAD

Dato' Ir. Kalid Bin Alias
Senior Independent Non-Executive Director

FURTHER INFORMATION

1. RESPONSIBILITY STATEMENT

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

2. MATERIAL LITIGATION

Save as disclosed below, as at 30 June 2017, being the latest practicable date prior to the printing of this Circular, MTDACPI Group are not engaged in any material litigation, claims or arbitration either as a plaintiff or defendant which has a material effect on the financial position of MTDACPI Group and the Board is not aware of any proceedings, pending or threatened against MTDACPI Group, or of any facts likely to give rise to any proceedings which might materially or adversely affect the position or business of MTDACPI Group.

(i) In the matter of an arbitration between MTD Construction Sdn Bhd and Kerajaan Malaysia

MTD Construction Sdn Bhd ("Claimant"), a wholly-owned subsidiary of MTDACPI has entered into a formal contract ("Contract") with the Kerajaan Malaysia ("GOM" or "Respondent"), wherein the Claimant has been appointed by the GOM to undertake the design and construction of "Projek Jalan Raya Simpang Pulai-Lojing-Gua Musang ke Kuala Berang, Pakej 2 (dari Pos Selim, Perak Darul Ridzuan ke Ladang Blue Valley, Kampung Raja, Cameron Highlands, Pahang Darul Makmur)" ("Project"), subject to the terms and provisions of the Contract. Pursuant to an agreement between the Superintendent Officer ("S.O") of the Project (acting as the representative of the Respondent), the Claimant had provided a retention bond of RM14.1 million pursuant to a bank guarantee ("Retention Guarantee") in lieu of the retention monies to be withheld by the Respondent in accordance to the terms and provisions of the Contract. The Respondent had issued a demand notice to HSBC Bank Malaysia Berhad ("HSBC"), demanding the pay out of the Retention Guarantee on the grounds of breach of Contract by the Claimant and the Claimant had filed an application to restrain the GOM from making a demand for the Retention Guarantee and receive payment from HSBC for the said Retention Guarantee, and to restrain HSBC from releasing the money until the final disposal of the matter in respect of the Project. HSBC had paid out the Retention Guarantee to the Respondent following the judgment from the High Court on 15 March 2011.

The Claimant had filed an application for an injunction at the High Court to restrain among others, the Respondent from making a demand for the Retention Guarantee. The application for the injunction was heard on 18 February 2011 and the Learned Judge dismissed the application for the injunction with cost. An application for an injunction pending the hearing of the appeal was also dismissed by the Learned Judge.

In addition to the above, the S.O has continuously demanded the Claimant to rectify the slope at Chainage (Ch.) 26+000 of the Project which has shown distress.

In view of the foregoing and to safeguard the interest of the Claimant, the Claimant had on 14 June 2011 issued the Notice of Dispute and Notice of Arbitration pursuant to the provision of Clause 52 of the conditions of the Contract and required the matter to be referred to Arbitration for the disputes which is not limited to the following:

- (i) that the Respondent had wrongly demanded the paid out of the Retention Guarantee and that the amount so paid out of the Respondent on the Retention Guarantee ought to be refunded to the Claimant;
- (ii) that the S.O ought to issue a Certificate of Making Good Defects to the Claimant; and
- (iii) a declaration by the arbitral tribunal that the Claimant was not liable to rectify the distress on the slope at Ch.26+000 of the Project and the Claimant would not be responsible for any failures on any part of the Project.

On 9 August 2012, an Arbitrator has been appointed by the Kuala Lumpur Regional Centre of Arbitration.

The hearing of this matter had already begun since 17 September 2013 and few hearing dates had been fixed and proceeded up to 10 February 2014.

However the continued hearing of this matter had been postponed pending the disposal of Respondent's application to amend their Points of Defence which was filed on the 28 February 2014. Hearing for this application together with the Claimant's rebuttal was held on the 7 March 2014 and the Arbitrator accepted the Respondent's contentions to support its application vide order dated 14 March 2014 except on the issue of whether the Respondent's application is time barred. The Arbitrator had given further directions on 17 April 2014 for parties to file their respective affidavits and written submissions by 13 June 2014 and date for the oral submissions will be fixed by the Arbitrator. The Claimant vide its lawyer had thereafter requested for the filing of the documents to be deferred to 30 June 2014 due to the witness of the Claimant being on long medical leave post-surgery.

The Claimant's solicitor vide an email dated 17 November 2014 to the Arbitrator requesting the Arbitrator to reconsider his partial decision on the Respondent's application to amend its Defence and Counterclaim as the amendments concerns the addition of new dispute, i.e. the claim for the alleged failure at CH 23+650 – CH24 + 100 LHS; and the substantial increase in the quantum of the counterclaim. The Claimant's solicitor further state that the learned Senior Federal Counsel has confirmed that the counterclaim is by way of a counterclaim and not set-off. This is thus a new cause of action that has not previously been referred to and be part of the Arbitrator's jurisdiction. Further, the Claimant's notice of dispute which states "including but not limited to" should be construed as that from the Claimant's perspective.

The Arbitrator responded via his email dated 2 December 2014 that he had in his Order dated 14 March 2014, given his ruling on the issue of jurisdiction after considering all the issues raised by the parties. Hence he declined the Claimant's request to reconsider this Order.

On 9 February 2015, the parties agreed to proceed accordingly with the hearing of the matter proper. The Claimant requested for the time barred issue to be deliberated in the hearing proper and for the Arbitrator to decide this matter at the end of the arbitration proceeding. The Arbitrator handed out further directions as follows:

- (i) the Claimant to file in Reply to Amended Defence by 16 March 2015;
- (ii) the Respondent to file their reply to defence to counterclaim on 17 April 2015; and
- (iii) amended witness statement to be filed on 18 May 2015.

The Claimant's Amended Reply to Defence and Amended Defence to Counterclaim has been filed on 9 June 2015 and the matter had been fixed for continued hearing on 6, 7, 13 and 14 July 2015.

However, the Respondent only filed their Reply to Amended Reply to Defence and Amended Defence to Counter Claim on 3 July 2015. The Arbitrator upon agreement by both parties vacated the trial dates fixed on 6, 7, 13 and 14 July 2015.

At the meeting with the Arbitrator held on 20 October 2015, the following directions were given:

- (i) Additional Witness Statement of the Claimant and additional documents for the parties shall be filed on 1 December 2015;
- (ii) Continued hearing for factual witness was fixed on 21 and 22 December 2015 and continued on 21, 22 and 25 January 2016; and
- (iii) Hearing for expert witness was fixed on 29 February 2016 continued on 3, 10, 11 and 14 March 2016.

The continued hearing on 21 and 22 December 2015 however was vacated. The additional witness statement duly filed on 11 January 2016.

The cross-examination on Original Witness Statement (CWS1) had been concluded on 21 January 2016. The Arbitrator on the even date has provided direction as follows:

- (i) Original hearing dates of 22 and 25 January, 29 February and 11 March 2016 are vacated and the next tentative hearing dates have been fixed as 16, 17 and 18 February 2016. All dates in March fixed earlier are retained;
- (ii) Respondent to submit their witness statement on or before 5 February 2016; and
- (iii) Tentative hearing dates for expert witness is fixed on 18, 19, 25, 26 May 2016 replacing the earlier dates.

The continued hearing dates then proceeded on 16 and 17 February 2016 with the conclusion of testimonies given by the Claimant's factual witness and the hearing for the Respondent's factual witnesses to give their testimonies had been heard on 3, 4, 10, 11 and 28 March 2016 and was concluded on 4 April 2016.

Hearing for expert witnesses for both parties were fixed on 23, 24, 25 and 26 May 2016 and was concluded on 30 June 2016 marking the end of hearings of this Arbitration. The Arbitrator thereafter issued the following directions:

- (i) Claimant to submit its written submission on or before 30 September 2016;
- (ii) Respondent to submit its submission in reply on or before 31 December 2016;
- (iii) Any reply from the Claimant to Respondent's submission above to be submitted on or before 15 February 2017; and
- (iv) Decision will be delivered within 1 to 2 months thereafter.

The solicitors for the Claimant has requested for an extension of time for the Claimant to file its Written Submissions by 30 June 2017.

The filing of the Respondent's Written Submissions shall correspondingly be extended

(ii) **Shah Alam High Court Suit No. 22C-7-05/2014**
Persys Engineering Sdn Bhd v Waterize Resources Sdn Bhd

On 5 May 2014, Persys Engineering Sdn Bhd ("Plaintiff"), filed a Writ of Summons and Statement of Claim against Waterize Resources Sdn Bhd ("Defendant") for the outstanding sum of RM1,901,620.00 for works done arising from the Contract of Site Clearance, Earthworks, Retaining Walls, and Drainage Works for "Cadangan Pembangunan di Atas Lot 48731 (PT 45264), Mukim Petaling, Daerah Petaling, Selangor Darul Ehsan". The Defendant had also on 2 June 2014 filed a counterclaim for the sum of RM1,095,875.00 being alleged losses and damages suffered by them. The Reply to Defence and Counterclaim has been filed by Persys Engineering Sdn Bhd on 27 June 2014. On 27 June 2014, the Plaintiff proceeded with filing of Summary Judgment application.

The Court had on 10 October 2014 allowed the Summary Judgment for the sum of RM1,853,345.10 against the Defendant with costs of RM5,000.00 ("Order").

On 21 October 2014, the Defendant filed their notice of appeal to the Court of Appeal appealing for the Order ("Appeal") and the same has been fixed for hearing on 16 March 2015.

The Defendant then on 27 October 2014 proceeded to file stay of execution for the Order ("Stay of Execution") pending disposal of the counterclaim against the Plaintiff. As such, the Plaintiff filed application to strike out the Defendant's counterclaim ("Striking Out") on 12 November 2014. Both applications fixed for hearing on 23 January 2015.

On 23 January 2015, the learned Judge allowed the Striking Out with costs of RM2,500.00 and dismissed the Stay of Execution with costs of RM2,500.00 ("Orders").

In view of the Orders, the Defendant had on 6 March 2015 filed notice of discontinuance for the Appeal.

The Plaintiff had on 21 April 2015 and 18 May 2015 served statutory demand pursuant to Section 218 of the Companies Act 1965 to the Defendant.

As there was no response from the Defendant, the Plaintiff proceeded with winding up petition against the Defendant.

On the hearing dated 2 November 2015, the learned Judge has granted Plaintiff order in terms, as follows:

- a) that the Respondent (Defendant), Waterize Resources Sdn Bhd (Company No: 651159-H) be wound up;
- b) that the Director General of Insolvency be appointed as Liquidator of the Respondent (Defendant); and
- c) that the costs of this Petition of RM5,000.00 be paid out of the assets of the Respondent (Defendant).

The Proof of Debt has been filed on 15 December 2015 and awaiting for Creditors' Meeting to be fixed.

3. MATERIAL CONTRACTS

Safe as disclosed below, the Company nor its subsidiaries have entered into any material contracts, not being contracts entered into in the ordinary course of business of the Group, within two (2) years immediately preceding the date of this Circular:

- (i) On 8 November 2016, the Company together with its wholly-owned subsidiaries, ACP Technologies Sdn Bhd, ACP (Tracks) Sdn Bhd and ACPI Engineering Sdn Bhd had entered into a Share Sale Agreement with Saujanika Sdn Bhd ("Saujanika"), its wholly-owned subsidiaries for the disposal of the entire issued and paid up share capital of ASC Engineering Sdn Bhd, MTD ACP Precast Sdn Bhd, Persys Sdn Bhd and ACP-DMT Sdn Bhd ("Target Companies Sale Shares") ("Internal Restructuring SSA") pursuant to the Company's internal restructuring exercise at a total consideration of RM20,318,142.00.

- (ii) On 8 November 2016, the Company had executed a Deed of Assignment with its wholly-owned subsidiaries, ACP Technologies Sdn Bhd, ACP (Tracks) Sdn Bhd and ACPI Engineering Sdn Bhd for the assignment of rights to receive the shares in Saujanika Sdn Bhd issued as consideration for the acquisition of the Internal Restructuring Sale Shares to the Company. The Internal Restructuring was completed on 15 December 2016 following the issuance of 20,318,142 new Saujanika Shares to MTD ACPI Engineering Berhad for the Target Companies Sale Shares pursuant to the Internal Restructuring SSA and the Deed of Assignment dated 8 November 2016.
- (iii) On 8 November 2016, the Company had entered into a conditional Share Sale Agreement with MTD Capital Bhd for the disposal of the entire issued and paid up share capital of Saujanika Sdn Bhd to MTD Capital Bhd at a sale consideration of RM9,059,056.
- (iv) On 26 January 2017, the Company had entered into a Debt Restructuring Agreement with its wholly-owned subsidiaries, MTD Construction Sdn Bhd, Persys Engineering Sdn Bhd, Associated Concrete Products (Malaysia) Sdn Bhd, ASC Tiles Sdn Bhd, Makin Permata Sdn Bhd and ACP Marketing Sdn Bhd and Saujanika Sdn Bhd with its wholly-owned subsidiaries, ACP-DMT Sdn Bhd, Persys Sdn Bhd, ASC Engineering Sdn Bhd and MTD ACP Precast Sdn Bhd for restructuring of the intercompany non-trade debts as at 30 September 2016.

The Company's subsidiaries will novate and assign to the Company the total non-trade debts owing to Saujanika Sdn Bhd's subsidiaries and in turn Saujanika Sdn Bhd's subsidiaries will also novate and assign to Saujanika Sdn Bhd the total non-trade debts owing to the Company and its subsidiaries. Following the restructuring of the intercompany non-trade debts, the Company will assume the total non-trade debts of RM20,646,619.00 to Saujanika Sdn Bhd and Saujanika Sdn Bhd will assume the total non-trade debts of RM5,830,060.00 to the Company and shall then be set off against each other. Upon completion of the debt restructuring exercise, the Company's total non-trade debts to Saujanika Sdn Bhd is reduced to RM14,816,559.00 and Saujanika Sdn Bhd's total non-trade debts is fully settled and extinguished.

- (v) On 26 January 2017, the Company had entered into a Supplemental Share Sale Agreement with MTD Capital Bhd for disposal of 20,318,144 ordinary shares of Saujanika Sdn Bhd, representing 100% equity interest in Saujanika Sdn Bhd, to MTD Capital Bhd at a revised sale consideration of RM14,816,559. The disposal was completed on 30 March 2017. Following the completion of the disposal, Saujanika Sdn Bhd and its subsidiaries had ceased to be subsidiaries of MTD ACPI Engineering Berhad.
- (vi) On 29 June 2016, ACP Marketing Sdn Bhd, an indirect wholly-owned subsidiary of the Company had entered into a Sale and Purchase Agreement with Kong Hwee Iron Works & Construction (M) Sdn Bhd for the disposal of a parcel of vacant industrial land held under H.S.(D) 23583, Lot No. PTD 8783, Mukim of Senai, District of Kulajaya, Johor Darul Takzim measuring approximately 261,360 square feet, for a total cash consideration RM5,540,832.00 [inclusive of 6% GST].
- (vii) On 4 August 2015, Associated Concrete Products (Malaysia) Sdn Bhd, a wholly-owned subsidiary of the Company had entered into a Sale and Purchase Agreement with Serba Wangi (Perak) Sdn Bhd for the disposal of the following assets at a total consideration RM15,105,000.00 [inclusive of 6% Malaysian Goods & Services Tax ("GST")]:
 - (a) Three (3) plots of freehold industrial land held under Geran 30196, Lot 47084, Geran 30197, Lot 47085 and sub-divided portion of Geran 24102, Lot 23528, Mukim Hulu Kinta, District of Kinta, State of Perak Darul Ridzuan together with buildings and factory structure erected thereon for a consideration of RM12,985,000.00 (inclusive of 6% GST); and
 - (b) All plant and machinery fixed to the aforesaid buildings and factory structure for a consideration of RM2,120,000.00 (inclusive of 6% GST).

4. DOCUMENTS FOR INSPECTION

The following documents are available for inspection at the Registered Office of the Company at 1, Jalan Batu Caves, 68100 Batu Caves, Selangor Darul Ehsan, Malaysia during normal business hours on Monday to Friday (except public holidays) from the date of this Circular up to and including the date of the 24th AGM:

- (i) Memorandum and Articles of Association of MTDACPI;
- (ii) Audited financial statements of MTDACPI for the past two (2) financial years ended 31 March 2016 and 31 March 2017;
- (iii) The relevant cause papers in respect of material litigation referred to in Section 2 above; and
- (iv) Material contracts referred to in Section 3 above.