

**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.**

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

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**MClean**

**MCLEAN TECHNOLOGIES BERHAD**

(Company No. 893631-T)  
(Incorporated in Malaysia)

**CIRCULAR TO SHAREHOLDERS  
IN RELATION TO THE**

- (I) PROPOSED RENEWAL OF EXISTING SHAREHOLDERS’ MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE; AND**
  
- (II) PROPOSED NEW SHAREHOLDERS’ MANDATE FOR ADDITIONAL RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING IN NATURE**

**AND**

**NOTICE OF EXTRAORDINARY GENERAL MEETING**

The Notice of Extraordinary General Meeting (“**EGM**”) of MClean Technologies Berhad to be held at Tawau Room, Auditorium & Convention Center @ The Podium, Ground Floor, Menara Hup Seng, No 1 & 3, Jalan P. Ramlee, 50250 Kuala Lumpur on Thursday, 24 May 2018 at 11.15 a.m. or immediately after the conclusion or adjournment (as the case may be) of the 8<sup>th</sup> Annual General Meeting (“**AGM**”) to be held at the same venue on the same day at 10.00 a.m., whichever is later, together with the Proxy Form are enclosed in this Circular.

A shareholder entitled to attend and vote at the EGM is entitled to appoint up to 2 proxies to attend and vote at the meeting. The completed Proxy Form must be deposited at the office of MClean Technologies Berhad’s Share Registrar, Tricor Investor & Issuing House Service Sdn Bhd, Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8 Jalan Kerinchi 59200 Kuala Lumpur not less than 48 hours before the time and date indicated below. The lodgement of the Proxy Form will not preclude you from attending and voting in person at the EGM should you subsequently wish to do so.

Last day, date and time for lodging the Proxy form : Tuesday, 22 May 2018 at 11.15 a.m.  
Day, date and time of the EGM : Thursday, 24 May 2018 at 11.15 a.m.

This Circular is dated 8 May 2018

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## DEFINITIONS

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

“5D-VWAP”	:	5-day volume weighted average market price
“Act”	:	Companies Act 2016
“AGM”	:	Annual General Meeting
“Board”	:	Board of Directors of the Company
“Bursa Securities”	:	Bursa Malaysia Securities Berhad
“Circular”	:	This circular to the shareholders dated 8 May 2018
“CMSA”	:	Capital Markets and Services Act 2007
“Director”	:	A natural person who holds a directorship in the Company, whether in an executive or non-executive capacity, and shall have the meaning given in Section 2 of the Act and Section 2(1) of the CMSA
“DW Clean Tech”	:	DW Clean Tech Pte Ltd, a company incorporated in Singapore
“DWZ”	:	DWZ Industries Sdn Bhd, a 55% owned subsidiary of MClean
“DWZJ”	:	DWZ Industries (Johor) Sdn Bhd, a wholly-owned subsidiary of DWZ
“EGM”	:	Extraordinary general meeting
“FPE”	:	Financial period ended
“FYE”	:	Financial year ended/ending, as the case may be
“HDD”	:	Hard Disk Drive, a non-volatile electronic storage device that uses rotating disks coated with ferromagnetic materials as the medium to record digitally encoded data
“HuiTech”	:	Hui Technologies Pte Ltd, a company incorporated in Singapore
“Listing Requirements”	:	ACE Market Listing Requirements of Bursa Securities
“LPD”	:	16 April 2018, being the latest practicable date prior to the printing of this Circular
“M&F”	:	M&F Packaging and Processing Sdn Bhd, a company incorporated in Malaysia
“MAC”	:	MClean Advance Carrier Pte Ltd, a company incorporated in Singapore and a wholly-owned subsidiary of MClean

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**DEFINITIONS (CONT'D)**

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- “Major Shareholder” : A person who has an interest or interests in 1 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) 10% or more of the aggregate of the nominal amounts of all the voting shares in the Company; or
  - (b) 5% or more of the aggregate of the nominal amounts of all the voting shares in the Company where such person is the largest shareholder of the Company
- This 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 the Company
- “MCL” : MCLearn Cloud Logistic Pte Ltd, a company incorporated in Singapore and a 55% owned subsidiary of MAC
- “MCLearn” or “Company” : MCLearn Technologies Berhad
- “MCLearn Group” or “Group” : MCLearn and its group of companies
- “MCLearn Shares” or “Shares” : Ordinary shares in MCLearn
- “MPPL” : MCLearn Precision Pte Ltd, a company incorporated in Singapore and a wholly-owned subsidiary of MCLearn
- “MTM” : MCLearn Technologies (M) Sdn Bhd, a wholly-owned subsidiary of MCLearn
- “MTPL” : MCLearn Technologies Pte Ltd, a company incorporated in Singapore and a wholly-owned subsidiary of MPPL
- “MTTCL” : MCLearn Technologies (Thailand) Company Limited, a company incorporated in Thailand and a wholly-owned subsidiary of MTPL
- “MTWCL” : MCLearn Technologies (Wuxi) Co. Ltd, a company incorporated in the PRC and a wholly-owned subsidiary of MTPL
- “Person(s) Connected” : Shall have the same meaning given in Rule 1.01 of the Listing Requirements
- “PRC” : People’s Republic of China
- “Proposed Mandates” : Proposed New Mandate and Proposed Renewal Mandate, collectively
- “Proposed New Mandate” : Proposed new shareholders’ mandate for RRPT between:
- (i) MTPL and DW Clean Tech;
  - (ii) MTPL and HuiTech; and
  - (iii) MTPL and M&F

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**DEFINITIONS (CONT'D)**

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“Proposed Renewal Mandate”	:	Proposed renewal of the existing shareholders’ mandate obtained at the 7 <sup>th</sup> AGM for RRPT between: <ul style="list-style-type: none"><li>(i) DWZ and Decor Industries Pte Ltd;</li><li>(ii) MTPL and JCS Biotech Pte Ltd; and</li><li>(iii) MTWCL and JCS Biotech Pte Ltd</li></ul>
“Related Party(ies)”	:	A Director, Major Shareholder or person connected with such Director or Major Shareholder of MClean (or any other company which is its subsidiary company) who are interested in the Proposed Mandates. For the purpose of this definition, “Director” and “Major Shareholder” includes any person who is or was within the preceding 6 months of the date on which the terms of transaction were agreed upon, a director or Major Shareholder or person connected with such Director or Major Shareholder of the Group
“RM” and “sen”	:	Ringgit Malaysia and sen, respectively
“RMB”	:	Renminbi
“RRPT”	:	Recurrent transactions of a revenue or trading nature which are in the ordinary course of business and are necessary for day-to-day operations, entered into by the MClean Group which involve the interest, direct or indirect, of a Related Party
“SCPL”	:	Sonic Clean Pte Ltd, a company incorporated in Singapore and a wholly-owned subsidiary of MTPL
“SGD”	:	Singapore Dollars
“Singapore”	:	Republic of Singapore
“Subsidiary Companies”	:	A corporation that is deemed to be a subsidiary of another corporation, if that other corporation: <ul style="list-style-type: none"><li>(a) controls the board of directors of the first-mentioned corporation;</li><li>(b) controls more than half of the voting power of the first-mentioned corporation; or</li><li>(c) holds more than half of the issued share capital of the first-mentioned corporation</li></ul>
“THB”	:	Thai Baht
“USD”	:	United States Dollar

Words incorporating the singular shall, where applicable, include the plural and vice versa and words incorporating the masculine gender shall, where applicable, include the feminine and neuter genders and vice versa.

Reference to persons shall include a corporation, unless otherwise specified. Any reference in this Circular to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any reference to a time of day in this Circular shall be a reference to Malaysian time, unless otherwise specified.

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**MClean**

**MCLEAN TECHNOLOGIES BERHAD**

(Company No. 893631-T)  
(Incorporated in Malaysia)

**Registered Office:**  
Suite 1301, 13<sup>th</sup> Floor, City Plaza  
Jalan Tebrau  
80300 Johor Bahru  
Johor

8 May 2018

**Board of Directors**

Yeo Hock Huat (*Executive Chairman*)

Lim Han Kiau (*Chief Executive Officer*)

Datuk Wira Mark William Ling Lee Meng (*Senior Independent Non-Executive Director*)

Dr Ho Choon Hou (*Independent Non-Executive Director*)

Pang Kong Chek (*Independent Non-Executive Director*)

Yeo Seow Lai (*Non-Independent Non-Executive Director*)

To: Shareholders of the Company

Dear Sir/Madam,

- (I) **PROPOSED RENEWAL OF EXISTING SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE; AND**
- (II) **PROPOSED NEW SHAREHOLDERS' MANDATE FOR ADDITIONAL RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING IN NATURE**

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**1. INTRODUCTION**

At the Company's EGM on 20 June 2017, the shareholders of the Company had provided their mandate for the Group to enter into the RRPT pertaining to Proposed Renewal Mandate. The said shareholders' mandate, in accordance with the Listing Requirements, shall expire at the 8<sup>th</sup> AGM (to be held on the same date as the EGM) unless authority for its renewal is obtained from the shareholders of the Company at the EGM, which is to be convened on 24 May 2018.

On 27 April 2018, the Company had announced that it intends to seek its shareholders' approval for the Proposed Mandates, which are set out in the Section 2.3 of this Circular.

**THE PURPOSE OF THIS CIRCULAR IS TO PROVIDE THE SHAREHOLDERS OF MCLEAN WITH DETAILS OF THE PROPOSED MANDATES, TO SET OUT THE BOARD'S RECOMMENDATION AND TO SEEK APPROVAL OF THE SHAREHOLDERS OF MCLEAN FOR THE RESOLUTIONS PERTAINING TO THE PROPOSED MANDATES TO BE TABLED AT THE FORTHCOMING EGM OF THE COMPANY. SHAREHOLDERS OF MCLEAN ARE ADVISED TO READ AND CONSIDER CAREFULLY THE CONTENTS OF THIS CIRCULAR TOGETHER WITH THE APPENDIX I CONTAINED HEREIN BEFORE VOTING ON THE RESOLUTIONS TO GIVE EFFECT TO THE PROPOSED MANDATES AT THE FORTHCOMING EGM.**

## 2. DETAILS OF THE PROPOSED MANDATES

### 2.1 Provisions under the Listing Requirements

Pursuant to Rule 10.09 of the Listing Requirements, a listed company may seek a shareholders' mandate in respect of RRPT involving recurrent transactions of a revenue or trading nature which are necessary for its day-to-day operations subject to, *inter alia*, the following:

- (i) the transactions are in the ordinary course of business and are on terms not more favourable to the Related Party than those generally available to the public;
- (ii) the shareholders' mandate is subject to annual renewal and disclosure is made in the annual report of the aggregate value of transactions conducted pursuant to the shareholders' mandate during the financial year where the aggregate value is equal to or more than the threshold prescribed as follows:
  - (a) the consideration, value of the assets, capital outlay or costs of the RRPT is RM1 million or more; or
  - (b) the percentage ratio of such RRPT is 1% or more,whichever is the lower;
- (iii) in a meeting to obtain shareholders' mandate, the relevant related party must comply with the following requirements as set out in Rule 10.08(7):
  - (a) a related party with any interest, direct or indirect ("**Interest Related Party**") must not vote on the resolution in respect of the related party transaction;
  - (b) an Interested Related Party who is a director or Major Shareholder must ensure that person connected with it abstain from voting on the resolution in respect of the related party transaction;
  - (c) where the Interested Related Party is a person connected with a director or Major Shareholder, such director or Major Shareholder must not vote on the resolution in respect of the related party transaction;
- (iv) the listed company immediately announces to the Bursa Securities when the actual value of a RRPT entered into by the listed company, exceeds the estimated value of the RRPT disclosed in the circular by 10% or more and must include the information as may be prescribed by Bursa Securities in its announcement; and
- (v) the issuance of a circular to shareholders which includes information as set out in the Listing Requirements.

Where a listed corporation has procured the shareholders' mandate pursuant to the above, the provision of Rule 10.08 of the Listing Requirements shall not apply with regard to transactions as detailed in this section.

In its ordinary course of business, the Group has entered into certain RRPT and it is anticipated that the Group would enter into such transactions with Related Parties in the ordinary course of business, the particulars of which are set out in Section 2.3 below.

Accordingly, the Company proposes to seek the approvals from its shareholders for the MClean Group to enter into RRPT with Related Parties as disclosed in Section 2.3 below, on terms not more favourable to the Related Parties than those generally available to or from the public and are not detrimental to the minority shareholders.

If approved at the forthcoming EGM, the shareholders' mandate is subject to annual renewal and will continue to be in force until:

- (i) the conclusion of the next AGM of the Company; or
- (ii) the expiration of the period within which the next AGM of the Company, after the date it is required to be held pursuant to Sections 340(1) and (2) of the Act (but must 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 a general meeting,

whichever is earlier.

Disclosures have been made in MClean's Annual Report 2017 of the actual breakdown of the aggregate value of RRPT made pursuant to the existing shareholders' mandate during the financial year ended 31 December 2017.

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## 2.2

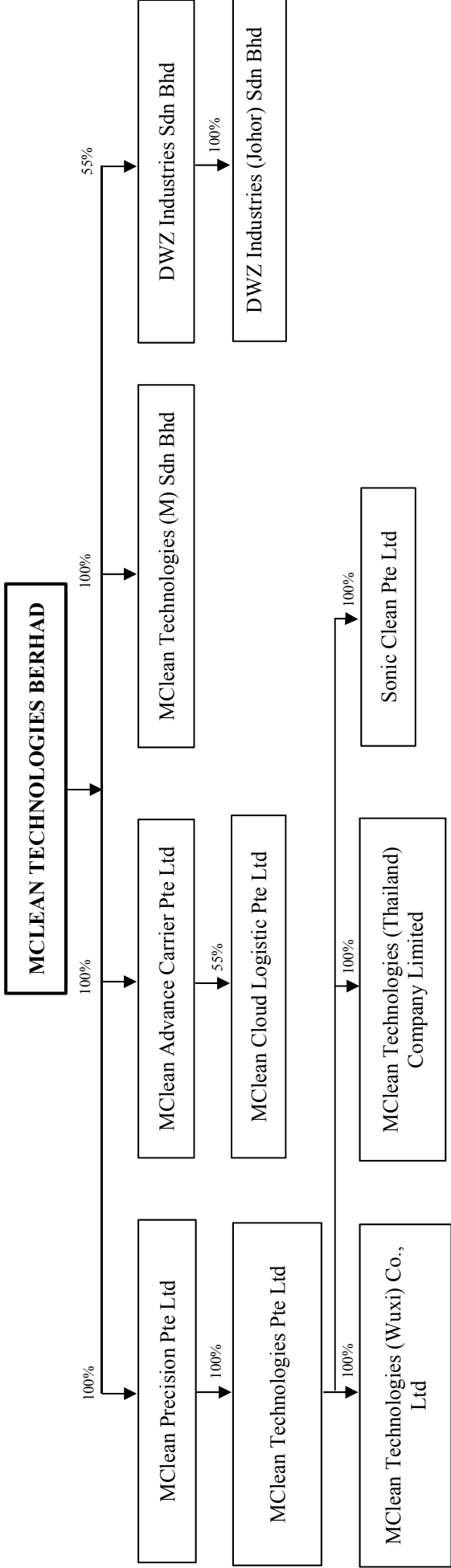
### Principal Activities of the MClean Group

The principal activity of the Company is investment holding. The MClean Group is involved in the provision of surface treatment, precision cleaning and washing solutions for components of HDD, media cassettes, trays, as well as medical devices and other components that require a high level of precision cleaning as well as surface treatment and finishing of metal parts for electrical and electronic industries.

The particulars of the Subsidiary Companies and their principal activities as at the LPD are as follows:

Subsidiary Companies	Date / Country of incorporation	Effective equity interest (%)	Issued share capital / Registered capital	Principal activities
MPPL	2 June 2001 / Singapore	100.00	SGD1,000,000	Investment holding and provision of washing, assembling and sorting services for electronic components and sale of electronic components.
MTPL	5 December 2003 / Singapore	100.00	SGD1,000,000	Provision of precision cleaning, assembly services, and other related services to HDD industry and sale of module relating to technical assembly services as well as provision of clean bulk packing services and its services.
MTM	10 June 2016 / Malaysia	100.00	RM2,500,000	Currently dormant. Intended to be provision of precision cleaning, surface treatment and related packaging services.
MAC	4 November 2009 / Singapore	100.00	SGD2,400,001	Investment holding company.
MTWCL	14 July 2006 / PRC	100.00	USD2,600,000	Provision of precision cleaning, assembly services, clean bulk packaging services and other related services.
MTTCL	17 March 2017 / Thailand	100.00	THB16,000,000	Provision of precision cleaning, assembly services and other related services to hard disk drive industry.
SCPL	8 November 2001 / Singapore	100.00	SGD2,020,000	Provision of cleanroom washing services and supplies and manufacture of disk drive sub-assemblies.
MCL	19 June 2017 / Singapore	55.00	SGD100.00	Provision of supply chain and time to market delivery solution
DWZ	18 September 1996 / Malaysia	55.00	RM1,000,000	Provision of surface treatment and finishing specialist for electrical and electronic industries.
DWZJ	28 April 2006 / Malaysia	55.00	RM300,000	Provision of surface treatment and finishing specialist for electrical and electronic industries.

The group structure of MClean Group are as follows:



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## 2.3 Proposed Mandates

### Proposed Renewal Mandate

The details of the RRPT in respect of the Proposed Renewal Mandate are as follows:

Company in M/Clean Group	Transacting party	Interested related parties	Nature of relationships	Nature of transactions	Estimated transaction value for existing shareholders' mandate from 20/06/2017 (date of 7 <sup>th</sup> AGM) to date of EGM/ 8 <sup>th</sup> AGM (RM)	Actual transaction value from 20/06/2017 (date of 7 <sup>th</sup> AGM) to the LPD (RM)	Estimated transaction value# from date of EGM/ 8 <sup>th</sup> AGM to date of 9 <sup>th</sup> AGM (RM)
DWZ	Decor Industries Pte Ltd	Lim Han Kiau, Decor Industries Pte Ltd, DGC Holdings Pte Ltd	Lim Han Kiau is a Director of M/Clean, Decor Industries Pte Ltd, DGC Holdings Pte Ltd and DWZ. Lim Han Kiau is also the controlling shareholder of DGC Holdings Pte Ltd.	(i) Provision of surface treatment and finishing services by DWZ to Decor Industries Pte Ltd	Up to RM3.0 million	RM1.4 million	Up to RM8.0 million
			Decor Industries Pte Ltd is a major shareholder of M/Clean and DWZ.	(ii) Provision of support services by Decor Industries Pte Ltd to DWZ	Up to RM1.0 million	RM0.3 million	Up to RM8.0 million
MTPL	JCS Biotech Pte Ltd	Yeo Hock Huat, JCS Group Pte Ltd, Yeo Seow Lai	Yeo Hock Huat is a director of M/Clean, MTPL, JCS Biotech Pte Ltd and JCS Group Pte Ltd.  Yeo Hock Huat is also the controlling shareholder of M/Clean, JCS Biotech Pte Ltd and JCS Group Pte Ltd.  Yeo Seow Lai is Yeo Hock Huat's sister.	Provision of cleanroom packaging services by MTPL to JCS Biotech Pte Ltd	Up to RM1.5 million (in SGD equivalent)	RM1,745 (in SGD equivalent)	Up to RM11.0 million (in SGD equivalent)

Company in MClean Group	Transacting party	Interested related parties	Nature of relationships	Nature of transactions	Estimated transaction value for existing shareholders' mandate from 20/06/2017 AGM to date of 7 <sup>th</sup> AGM/ 8 <sup>th</sup> AGM	Actual transaction value from 20/06/2017 AGM to the 7 <sup>th</sup> AGM to the LPD	Estimated transaction value <sup>#</sup> from date of EGM/ 8 <sup>th</sup> AGM to date of 9 <sup>th</sup> AGM
MTWCL	JCS Biotech Pte Ltd	Yeo Hock Huat, JCS Group Pte Ltd, Yeo Seow Lai	Yeo Hock Huat is a director of MClean, MTWCL, JCS Biotech Pte Ltd and JCS Group Pte Ltd.  Yeo Hock Huat is also the controlling shareholder of MClean, JCS Biotech Pte Ltd and JCS Group Pte Ltd.  Yeo Seow Lai is Yeo Hock Huat's sister.	Provision of cleanroom packaging services by MTWCL to JCS Biotech Pte Ltd	Up to RM1.5 million (in USD equivalent)	-	Up to RM5.0 million (in USD equivalent)

Note:

# The above estimated values are based on the prevailing market prices and the levels of operations as envisaged by the directors of MClean, taking into account similar transactions entered into with the Related Parties in the past. The actual values may vary.

The Company is seeking renewal of its shareholders' existing mandate for the above RRPT to be undertaken from the date of the 8<sup>th</sup> AGM to the date of the 9<sup>th</sup> AGM.

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**Proposed New Mandate**

The details of the RRPT in respect of the Proposed New Mandate are as follows:

<b>Company in M/Clean Group</b>	<b>Transacting party</b>	<b>Interested related parties</b>	<b>Nature of relationships</b>	<b>Nature of transactions</b>	<b>Estimated transaction value# from date of EGM/ 8<sup>th</sup> AGM to date of 9<sup>th</sup> AGM (RM)</b>
MTPL	DW Clean Tech	Lim Han Kiau, Decor Industries Pte Ltd, DGC Holdings Pte Ltd	<p>Lim Han Kiau is a Director of M/Clean, and DW Clean Tech. Lim Han Kiau is also the controlling shareholder of DGC Holdings Pte Ltd.</p> <p>DGC Holdings Pte Ltd is the sole shareholder of Decor Industries Pte Ltd.</p> <p>Decor Industries Pte Ltd is a major shareholder of M/Clean.</p> <p>Lim Minhan is Lim Han Kiau's son and a director and a shareholder of DW Clean Tech.</p> <p>Decor Industries Pte Ltd is the sole shareholder of Decowell Industries Pte Ltd.</p> <p>Decowell Industries Pte Ltd, is a controlling shareholder of DW Clean Tech.</p>	Provision of turnkey parts supply by DW Clean Tech to MTPL for the moulding, “stamping to contract” assembly and packaging stages which allows MTPL to offer such one-stop service through its network of contractors and service providers.	Up to RM20.0 million (in SGD equivalent)
MTPL	HuiTech	Yeo Hock Huat, JCS Group Pte Ltd, Yeo Seow Lai	<p>Yeo Hock Huat is a director of M/Clean and MTPL.</p> <p>Yeo Hock Huat is also the controlling shareholder of M/Clean, JCS Group Pte Ltd and HuiTech.</p> <p>Yeo Seow Lai is Yeo Hock Huat's sister.</p>	Purchase of surface treatment and precision cleaning machineries by MTPL from HuiTech for expansion of MTPL's precision cleaning business in Thailand.	Up to RM3.0 million (in SGD equivalent)

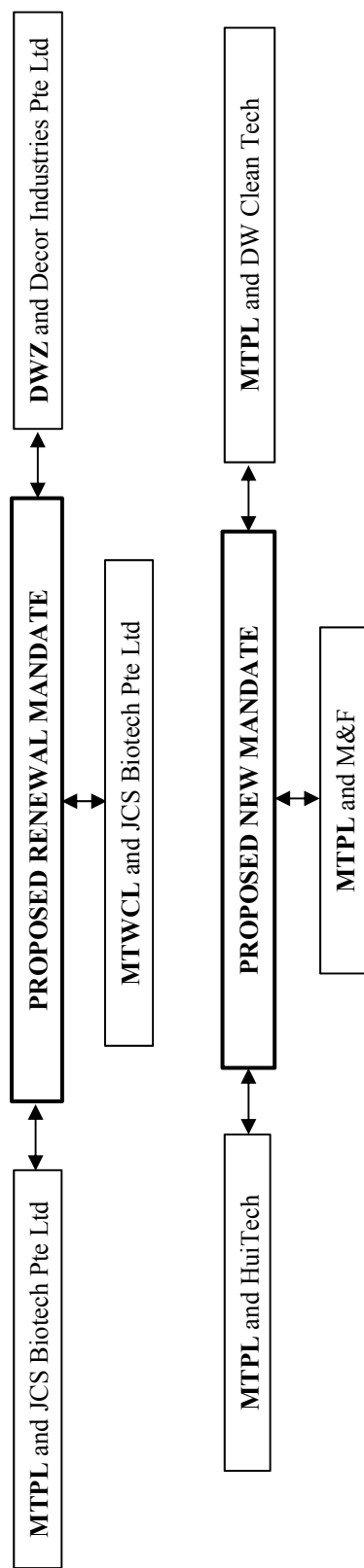
Company in MClean Group	Transacting party	Interested related parties	Nature of relationships	Nature of transactions	Estimated transaction value# from date of EGM/ 8 <sup>th</sup> AGM to date of 9 <sup>th</sup> AGM
MTPL	M&F	Yeo Hock Huat, JCS Group Pte Ltd, Yeo Seow Lai	Yeo Hock Huat is a director of MClean. Yeo Hock Huat is also the controlling shareholder of MClean, JCS Group Pte Ltd and M&F. Yeo Seow Lai is Yeo Hock Huat's sister.	Subcontract for packaging services by M&F to MTPL which allows MTPL to undertake cleanroom packaging of non-hard disk drive industries products such as medical sanitisation spray and health food processing.	Up to RM5.5 million (in SGD equivalent)

Note:

# The above estimated values are based on the prevailing market prices and the levels of operations as envisaged by the directors of MClean, taking into account similar transactions entered into with the Related Parties in the past. The actual values may vary.

The Company is seeking its shareholders' mandate for the new RRPT to be undertaken from the date of the 8<sup>th</sup> AGM to the date of the 9<sup>th</sup> AGM.

The summary of the Proposed Mandates are as follows:



### 3. INTERESTS OF DIRECTORS, MAJOR SHAREHOLDERS AND PERSONS CONNECTED WITH THEM

Save as disclosed below, none of the other Directors, Major Shareholders or persons connected with them have any interest, direct or indirect, in the Proposed Mandates:

As at the LPD	Direct		Indirect	
	No. of MClean Shares	%	No. of MClean Shares	%
<b>Interested Directors</b>				
Lim Han Kiau	80,000	0.04	56,785,000 <sup>(1)</sup>	31.76
Yeo Hock Huat	26,117,000	14.61	39,748,004 <sup>(2)</sup>	22.23
Yeo Seow Lai	600,062	0.34	26,517,000 <sup>(3)</sup>	14.83
<b>Interested Major Shareholders<sup>(5)</sup></b>				
Decor Industries Pte Ltd	56,378,000	31.54	-	-
DGC Holdings Pte Ltd	-	-	56,378,000 <sup>(4)</sup>	31.54
JCS Group Pte Ltd	38,747,942	21.67	-	-

Notes:

- (1) Deemed interested by virtue of his own shareholding in Decor Industries Pte Ltd, and shareholding of his sister (Lim Choon Geok) in MClean, pursuant to Section 8 of the Act.
- (2) Deemed interested by virtue of his own shareholding in JCS Group Pte Ltd, as well as shareholdings of his siblings (Yeo Seow Lai and Yeo Lian Cheng) in MClean, pursuant to Section 8 of the Act.
- (3) Deemed interested by virtue of the shareholdings of her siblings (Yeo Hock Huat and Yeo Lian Cheng) in MClean, pursuant to Section 8 of the Act.
- (4) Deemed interested by virtue of its 100% shareholding in Decor Industries Pte Ltd, pursuant to Section 8 of the Act.
- (5) Lim Minhan, Decowell Industries Pte Ltd, DW Clean Tech and M&F do not have any direct or indirect shareholding in MClean.

Yeo Hock Huat is a Director of MClean, MTPL and JCS Group Pte Ltd as well as the controlling shareholder of MClean, JCS Group Pte Ltd, HuiTech and M&F. He, being an interested director (“**Interested Director**”) in relation to the Proposed Mandates, has accordingly abstained and will continue to abstain from all deliberations and voting at Board meetings pertaining to the Proposed Mandates and he will also abstain from voting in respect of his direct and indirect shareholdings on the resolutions pertaining to the Proposed Mandates at the forthcoming EGM. He has also undertaken to ensure that any persons connected with him will abstain from voting on the resolutions pertaining to the Proposed Mandates at the forthcoming EGM.

Yeo Seow Lai is a Director of MClean. She, being an Interested Director in relation to the Proposed Mandates, has accordingly abstained and will continue to abstain from all deliberations and voting at Board meetings pertaining to the Proposed Mandates and she will also abstain from voting in respect of her direct and indirect shareholdings on the resolutions pertaining to the Proposed Mandates at the forthcoming EGM. She has also undertaken to ensure that any persons connected with her will abstain from voting in respect of her direct and indirect shareholdings on the resolutions pertaining to the Proposed Mandates at the forthcoming EGM.

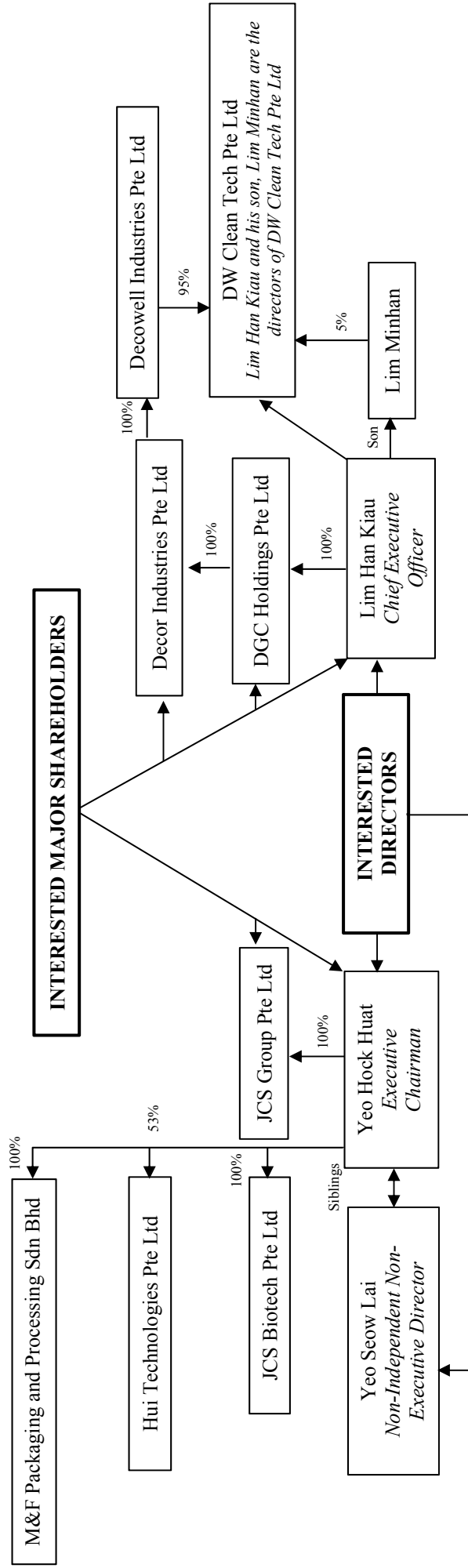
Lim Han Kiau is a Director of MClean, Decor Industries Pte Ltd, DGC Holdings Pte Ltd and DW Clean Tech as well as the controlling shareholder of DGC Holdings Pte Ltd. He, being an Interested Director in relation to the Proposed Mandates, has accordingly abstained and will continue to abstain from all deliberations and voting at Board meetings pertaining to the Proposed Mandates and he will also abstain from voting in respect of his direct and indirect shareholdings on the resolution pertaining to the Proposed Mandates at the forthcoming EGM. He has also undertaken to ensure that any persons connected with him will abstain from voting on the resolutions pertaining to the Proposed Mandates at the forthcoming EGM.

JCS Group Pte Ltd is an interested major shareholder (“Interested Major Shareholder”) in relation to the Proposed Mandates and will abstain from voting in respect of its direct shareholding on the resolutions pertaining to the Proposed Mandates at the forthcoming EGM.

Decor Industries Pte Ltd (being a major shareholder of M/Clean) and DGC Holdings Pte Ltd (being the sole shareholder of Decor Industries Pte Ltd) are Interested Major Shareholders in relation to the Proposed Mandates and will abstain from voting, in respect of their direct and indirect shareholdings, on the resolutions pertaining to the Proposed Mandates at the forthcoming EGM.

Accordingly, the Interested Directors and the Interested Major Shareholders will abstain and have undertaken to ensure that any persons connected with them (i.e., Lim Choon Geok who is Lim Han Kiau’s sister) will abstain, from voting in respect of her direct and indirect shareholdings on the resolutions pertaining to the Proposed Mandates at the forthcoming EGM.

The summary of the Related Parties pursuant to the Proposed Mandates are as follows:





## **4. GUIDELINES, METHODS AND PROCEDURES IN RELATION TO THE RRPT**

### **4.1. Guidelines on thresholds of authority**

The thresholds for the approval of RRPT within the MClean Group are as follows:

- (i) For RRPT up to the prescribed threshold of the Listing Requirements of RM1 million or 1% of the applicable percentage ratio, whichever is lower, the RRPT will be reviewed by the Chief Financial Officer and approved by any one Director.
- (ii) For RRPT exceeding the prescribed threshold of the Listing Requirement of RM1 million or 1% of the applicable percentage ratio, whichever is lower, the RRPT will be reviewed by the Audit Committee and approved by the Board.

### **4.2. Terms of the RRPT**

The terms of the RRPT are consistent with the Group's usual business practices and policies and are not more favourable to the Related Parties than to those generally available to the public (where applicable) and are not to the detriment of the minority shareholders of MClean.

### **4.3. Review procedures for the RRPT**

The MClean Group has established the following procedures and guidelines to ensure that the RRPT are undertaken on transaction prices and terms not more favourable to the Related Parties than those generally available to third parties and are not to the detriment of the minority shareholders and that they are conducted at arms' length and on normal commercial terms consistent with the Group's usual business practices and policies and will not be prejudicial to shareholders:

- The Group's management personnel who manages, approves and negotiates the terms and pricing of transactions with Related Parties shall not be a management personnel who has any interest, directly and/or indirectly, with the Related Parties. Should such management personnel have any interest, directly and/or indirectly, with the Related Parties in respect of transactions, such person must declare his/her interest to the Company and abstain from all dealings in connection with the transaction on behalf of the MClean Group.
- The pricing, level and quality of products or services shall be determined based on the usual commercial terms, business practices and policies or otherwise in accordance with those practised by the Group with third parties including other applicable industry norms/considerations.
- As part of this process in determining the pricing of products or services under RRPT, at least two other contemporaneous transactions with unrelated third parties for similar products/service, 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/substantial similar type of products/services and/or quantities.
- Where quotation or comparative pricing from unrelated third parties cannot be obtained, the transaction price will be determined by the Group based on the Group's usual business practices to ensure that the RRPT is not detrimental to the Group and the reasons for the inability to obtain such quotation or comparative pricing in the first place shall be minuted by the Group's management for future review.
- Records will be maintained by the Company to capture all RRPT entered into pursuant to the Proposed Mandates.

- Review by the Internal Auditors of all significant RRPT entered into pursuant to the Proposed Mandates to ensure that the relevant approvals have been obtained and transactions are undertaken on an arm's length basis and on normal commercial terms which are not more favourable to the Related Parties than those generally available to third parties and are not detrimental to the minority shareholders.
- Review by the Audit Committee of the management reports to ascertain that the guidelines and procedures established to monitor all significant RRPT have been complied with and the review shall be done at least every quarter.
- Review by the Board and the Audit Committee of the procedures for entering into RRPT as and when necessary. If a member of the Board or Audit Committee has an interest (direct or indirect) in the transaction, he / she shall abstain from deliberation and any decision-making by the Board or the Audit Committee in respect of that transaction.
- Disclosure will be made in the Company's Annual Report or in the Group's audited financial statements breakdown of the aggregate value, type of transactions and the names of the Related Parties involved in each type of the RRPT made and their relationship with the respective companies involved made pursuant to the Proposed Mandates during the financial year.
- In addition, pursuant to paragraph 2.4 of Guidance Note 8 of the Listing Requirements, if the actual value of the RRPT entered into by any company within the Group exceeds the estimated value of RRPT disclosed in this Circular by 10% or more, the Company would make an immediate announcement to Bursa Securities of such a matter.

## **5. RATIONALE AND BENEFITS OF TRANSACTING WITH THE RELATED PARTIES**

The purchase of turnkey parts, machineries and packaging products by MTPL from DW Clean Tech, HuiTech and M&F respectively, are of a revenue or trading nature, and are necessary for MClean Group day-to-day operations and are within the MClean Group's ordinary course of business.

The purchases will be used for MTPL's precision cleaning businesses, assembly services and clean bulk packing services, which are among MClean Group's core business activities, to increase its plant capacity in order to meet customers' demands.

The purchase of turnkey parts will be made from DW Clean Tech as DW Clean Tech is a key sub-contractor which specialises in the provision of turnkey parts supply which will enhance MClean Group horizontal business expansion along the electronics value chain.

The purchase of machineries will be made from HuiTech due to HuiTech's past track record in providing services to the MClean Group and it is well-versed with the required knowledge and experience to provide the most cost-effective precision cleaning equipment.

The purchase of packaging products will be made from M&F due to M&F's specialisation in the packaging of products which is pertinent to the MClean Group due to MClean Group's limited capacity of production as well as M&F being a cheaper alternative as M&F is operating in the state of Johore, Malaysia.

MClean has also considered the reputations of DW Clean Tech, HuiTech and M&F in offering competitive pricing and after-sales service.

The rationale for and benefits of the Proposed Mandates to MClean Group among others, are as follows:

- (i) The RRPT are intended to meet the business needs of the MClean Group at the best possible terms. The RRPT are entered into at arms' length basis and undertaken at the prevailing prices and market rates which are based on normal commercial terms consistent with MClean Group's usual business practices and policies and on terms which are not more favourable to the Related Parties than those generally available to the public.

- (ii) The Proposed Mandates will enhance the MClean Group's ability to pursue business opportunities, which may be of time-sensitive in nature and it may not be practical to seek shareholders' approval on a case-by-case basis before entering into such transactions.
- (iii) The transaction between the Related Parties allow the MClean Group to be more efficient at utilising its existing resources, prompt delivery and better bargaining power from customers.
- (iv) The Proposed Mandates will eliminate the need to make regular announcements and/or convene numerous general meetings (including incurring such associated expenses) to specifically approve such transactions as and when they are entered into, thereby substantially reducing administrative time, inconvenience and expenses associated with the convening of such meetings, without compromising the corporate objectives of MClean Group or adversely affecting the business opportunities available to MClean Group.
- (v) The nature of the RRPT as described in Section 2.3 above are general transactions entered into by MClean Group relating to the provision of or obtaining from the Related Parties (as identified in Section 2.3 of this Circular), products and services in the ordinary course of MClean Group's business. The nature of the RRPT allows MClean Group to be more competitive as the Related Parties have the necessary expertise to provide the products and services which are needed for the operations of MClean Group.

## 6. AMOUNTS DUE AND OWING TO MCLEAN GROUP BY RELATED PARTIES

As at 31 December 2017, there were no other outstanding amounts owed to MClean Group by the transacting parties involved in the Proposed Mandates, save for the following:

Company in MClean Group	Transacting party	Principal Sums	Late payment interest	Amounts due			
				≤ 1 year	> 1 year to 3 years	> 3 years to 5 years	> 5 years
		(RM)	(RM)	(RM)	(RM)	(RM)	(RM)
DWZ	Decor Industries Pte Ltd	231,541	-	231,541	-	-	-

There is no late payment charges imposed on the amount due, as decided by the Board. Decor Industries Pte Ltd is viewed as a long term business counter-party given that the RRPT between DWZ and Decor Industries Pte Ltd are already in place for efficient business operations. The management of MClean is constantly following up with Decor Industries Pte Ltd on the early settlement of the outstanding amounts. The Board has reviewed the outstanding amounts and is of the opinion that they are recoverable. As at the LPD, the outstanding amount due from Decor Industries Pte Ltd to DWZ (arising from surface treatment and finishing services provided by DWZ to Decor Industries Pte Ltd) is RM396,740 and the amount due from JCS Biotech Pte Ltd to MTPL (arising from cleanroom packaging services provided by MTPL to JCS Biotech Pte Ltd) is RM1,745.

## 7. DIRECTORS' STATEMENT AND RECOMMENDATION

The Board (save for the Interested Directors in respect of the relevant resolutions to approve RRPT involving their interests as set out in Section 3 of this Circular who hence expressed no opinion thereon) is of the opinion that the Proposed Mandates are in the best interest of the MClean Group, after having considered all aspects of the Proposed Mandates. Accordingly, the Board (save for the Interested Directors) recommends that you vote **in favour** of the ordinary resolutions pertaining to the Proposed Mandates at the forthcoming EGM.

## **8. STATEMENT OF AUDIT COMMITTEE**

The Audit Committee has the overall responsibility of determining whether the procedures for reviewing all RRPT are appropriate to ensure that the RRPT are within the limits approved pursuant to the Proposed Mandates.

The Audit Committee (save for Yeo Seow Lai being an Interested Director) has seen and reviewed the terms of the Proposed Mandates and is satisfied that the MClean Group has in place adequate procedures and processes to monitor, track and identify RRPT in a timely and orderly manner and these procedures and processes are reviewed on a quarterly basis.

The Audit Committee is of the view that the procedures as set out in Section 4.3 above are sufficient to ensure that the RRPT are carried out:

- (i) at arms' length and in accordance with the Group's normal commercial terms;
- (ii) on terms which are not more favourable to the Related Parties than those generally available to the public; and
- (iii) are not to the detriment of the minority shareholders.

Any member of the Audit Committee who is interested in any RRPT has not and shall not be involved in the review and deliberation of the relevant RRPT.

## **9. APPROVAL REQUIRED**

The Proposed Mandates will be sought from the shareholders of MClean at the EGM to be convened.

## **10. EGM**

The Company's EGM, the Notice of which is accompanying this Circular, will be held at Tawau Room, Auditorium & Convention Center @ The Podium, Ground Floor, Menara Hup Seng, No 1 & 3, Jalan P. Ramlee, 50250 Kuala Lumpur on Thursday, 24 May 2018 at 11.15 a.m. or such time immediately after the conclusion or adjournment (as the case may be) of the 8<sup>th</sup> AGM to be held at the same venue on the same day at 10.00 a.m., whichever is later, for the purpose of considering and if thought fit, passing the Ordinary Resolutions to give effect to the Proposed Mandates.

If you are unable to attend and vote in person at the EGM, you should complete, sign and return the enclosed Proxy Form in accordance with the instructions provided thereon, so as to arrive at the office of the Company's Share Registrar, Tricor Investor & Issuing House Service Sdn Bhd, Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8 Jalan Kerinchi 59200 Kuala Lumpur, Malaysia not later than 48 hours before the time set for the holding of the EGM. The completion and lodging of the Proxy Form does not preclude you from attending and voting in person at the EGM if you subsequently wish to do so.

## **11. FURTHER INFORMATION**

You are advised to refer to the Appendix I set out in this Circular for further information.

Yours faithfully,  
For and on behalf of the Board  
**MCLEAN TECHNOLOGIES BERHAD**

**Datuk Wira Mark William Ling Lee Meng**  
Senior Independent Non-Executive Director

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**FURTHER INFORMATION**


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**1. DIRECTORS' RESPONSIBILITY STATEMENT**

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

**2. MATERIAL CONTRACTS**

As at the LPD, the Group has not entered into any contracts which are or may be material (not being contracts entered into in the ordinary course of business of the Group) during the 2 years immediately preceding the date of this Circular other than the following:

- (a) on 19 December 2016, MTM entered into a tenancy agreement with William Cheng (Singapore Passport No. S0086971F) to rent a 1 ½ storey semi-detached factory bearing the address of No. 32, Jalan Maju 5, Taman Perindustrian Desa Cemerlang, 81800 Ulu Tiram, Johor for 3 years commencing from 1 January 2017 at a monthly rental of RM7,000.00;
- (b) on 19 December 2016, MTM entered into a tenancy agreement with William Cheng (Singapore Passport No. S0086971F) to rent a 1 ½ storey semi-detached factory bearing the address of No. 34, Jalan Maju 5, Taman Perindustrian Desa Cemerlang, 81800 Ulu Tiram, Johor for 3 years commencing from 1 January 2017 at a monthly rental of RM7,000.00;
- (c) on 30 March 2017, MTWCL entered into a tenancy agreement with Wuxi Xufeng Property Management Co Ltd (无锡叙丰物业管理有限公司) to rent a factory at Block 11-1, No. 1 XiKun Road Wuxi, New District, Wuxi JiangSu, China 214028, for 3 years commencing from 1 April 2017 at a monthly rental of RMB106,578.00; and
- (d) on 9 November 2017, MTTCL entered into a lease contract with Nava Nakorn Public Company Limited to lease a land with factory area of 2,000 square meters bearing the address of 999/3 Moo 1 Mittraphap Road, Tambol Naklang, Amphur Soongnuen, Changwat Nakornratchasima 30380 for 3 years commencing from 1 February 2018 at a monthly rental of THB250,000.00.

**3. MATERIAL LITIGATION, CLAIMS AND ARBITRATION**

Save as disclosed below, as at the LPD, the Group is not engaged in any other material litigation, claims or arbitration, either as plaintiff or defendant, which may materially affect the financial position of the Group. The Board is not aware of any proceedings, pending or threatened, against the Group other than the following:

- (a) On 27 October 2016, Petronas Gas Berhad (“PGB”) had brought an action against DWZJ (as first defendant) and DWZ (as second defendant) (the first and second defendant collectively referred to as the “Defendants”) in the Johor Bahru High Court Suit No. JA-22NCVC-204-10/2016 alleging amongst other that the Defendants were negligent in failing to use reasonable care and skill to operate their factory and treat their industrial effluent properly which resulted in the industrial effluent escaping from the Defendants’ factory and onto PGB’s land (which sits adjacent to the Defendants’ factory).

The Defendants’ factory has a pipeline to discharge its waste which runs directly from the factory across PGB’s land and into the river. It is alleged that the said industrial effluent has escape vide leaks in the Defendant’s pipeline and caused damage to PGB’s land and pipeline. PGB also contends that the pipeline running across its land constitute a trespass caused or permitted by the Defendants.

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**FURTHER INFORMATION (CONT'D)**

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Based on the allegations made, PGB is seeking amongst others, the following reliefs:

- (i) a declaration that the Defendants had unlawfully and/or wrongfully entered or caused to enter PGB's land, and constructed or installed an illegal by-pass or illegal fittings;
- (ii) a declaration that the Defendants unlawfully and/or wrongfully released and discharged the industrial effluent onto PGB's land;
- (iii) an injunction to restrain the Defendants from entering PGB's land, installing any piping structure and discharging any industrial effluent on PGB's land;
- (iv) losses and damages in an estimated amount of RM6,634,305.40 or any other sum deemed reasonable and proper by the court together with interest;
- (v) general damages to be assessed;
- (vi) aggravated, exemplary punitive damages to be assessed;
- (vii) interest at a rate of 5% or any other rate deemed fit and proper by the court on the judgement sum from the date of judgement until date of full settlement;
- (viii) cost; and
- (ix) such other relief as the court may deem just.

PGB had also on 8 December 2016 with regards the same matter filed an interim interlocutory injunction before the Johor Bahru High Court wherein they seek the following reliefs:

- (i) an order restraining the Defendants and their employees from entering PGB's land, installing any piping structure and discharging any industrial effluent on PGB's land; until the final determination of the suit;
- (ii) cost of the interim interlocutory injunction to be paid by the Defendants; and
- (iii) such other relief as the court may deem fit and proper.

On 28 June 2017, the hearing of PGB's application for an injunction which was scheduled on 28 June 2017 was adjourned to 31 July 2017 upon the request of PGB's application in order to respond to an affidavit filed by DWZ entities.

On 31 July 2017, PGB has filed an interlocutory injunction application and the hearing for the said injunction application was fixed on 8 August 2017. Subsequently, the court has re-fixed the hearing for the said injunction application on 20 May 2018, 24 May 2018, 6 June 2018, 7 June 2018 and from 18 June 2018 to 21 June 2018.

On 8 August 2017, the court has allowed PGB's application for an interim injunction to restrain DWZ, their employees, servants and/or agents from entering or causing to enter into PGB's land, constructing or installing or causing to be constructed or installed any form of piping or structure on PGB's land and/or further releasing or discharging or causing to release or discharge industrial effluent and/or any other effluent or substance onto PGB's land. Such order to subsist until 6 November 2017. The court has further awarded costs of RM5,000 to be paid to PGB in respect of this application. However, this injunction does not amount to final disposal of the matter.

At this stage of proceedings, the evidence is not conclusive that DWZ is liable in respect of all or any of the claims alleged by PGB and PGB itself will still have to prove the same in the court.



**FURTHER INFORMATION (CONT'D)**

- (b) On 10 March 2017, MTPL brought an action against ML Solution Partnership Limited (“**ML Solution**”) in the Thailand Civil Court under case #192/60. MTPL had been engaged by its customer to provide precision cleaning services on cassette/caddy (“**Products**”) and MClean had sub-contracted the precision cleaning services works to ML Solution. Due to disputes between MTPL and ML Solution, ML Solution had refused to release the Products back to MClean. The legal suit under case #192/60 was brought by MTPL against ML Solution for the return and release of the Products back to MTPL. On 20 March 2017, MClean has brought another action against ML Solution, Ms Kritsamaporn Srisamer Tan, Ms Pennapa Therjingrit, Ms Prathum Flynn, Mr Tan Boon Ping, L Max Service Partnership, Ms Kai Srisamer, Ms Nittaya Sangyos and Ms Korakot Meephan in the Thailand Civil Court under case #223/60 on the same matter demanding for the compensation of THB41,974,241. Case #192/60 was withdrawn on the same day due to double writ. The hearing for case #223/60 is fixed on 5 June 2017. As the court noted that defendant and plaintiff are similar to case #181/60, case #223/60 has been adjourned until the final judgement for case #181/60.

On 6 March 2017, ML Solution has filed an action against MTPL in the Thailand Civil Court under case #181/60 claiming for THB2,371,854.06 being the outstanding fees owing by MTPL under the sub-contract. MTPL subsequently made a counter claim of THB1,890,000.00 being cost incurred to substitute the Products being withheld by ML Solution. On 7 December 2017 the court ruled that MTPL is liable to pay ML Solution for the services rendered to MTPL from January 2017 to February 2017 for the amount of THB1,502,450.34 and dismisses all other claim from ML Solution. MTPL has since lodged an appeal as the court did not take into consideration the cost incurred to substitute the products being withheld by ML Solution. The court will review the appeal and set a hearing date which is expected to be in the later part of 2018.

The solicitors of MTPL is of the opinion that MTPL has a very high chance of winning case #223/60. As for the case #181/60, the solicitors of MTPL is of the opinion that the court may rule in favour of ML Solution.

**4. MATERIAL COMMITMENTS**

As at the LPD, save as disclosed below, the Board is not aware of any material commitments incurred or known to be incurred by the Company or the Group, which may materially affect the financial position of the Group:

<b>Material commitments</b>	<b>As at the LPD (RM' 000)</b>
Capital commitment for office equipment, electrical fittings and furniture fittings	3,170

**5. DOCUMENTS AVAILABLE FOR INSPECTION**

Copies of the following documents are available for inspection at the Registered Office at Suite 1301, 13<sup>th</sup> Floor, City Plaza, Jalan Tebrau, 80300 Johor Bahru, Johor during normal business hours from 9.00 a.m. to 6.00 p.m. from Sunday to Thursday (excluding public holidays) for the period commencing from the date of this Circular up to and including the date of the forthcoming EGM:

- (i) the Company’s Constitution;
- (ii) the audited consolidated financial statements of the MClean Group for FYE 31 December 2016 and FYE 31 December 2017;
- (iii) the material contracts referred to in Section 2 of this Appendix; and
- (iv) cause papers in respect of the material litigations referred to in Section 3 of this Appendix.



**MClean**

**MCLEAN TECHNOLOGIES BERHAD**

(Company No. 893631-T)  
(Incorporated in Malaysia)

**NOTICE OF EXTRAORDINARY GENERAL MEETING**

NOTICE IS HEREBY GIVEN THAT an Extraordinary General Meeting (“**EGM**”) of MClean Technologies Berhad (“**MClean**” or the “**Company**”) will be held at Tawau Room, Auditorium & Convention Center @ The Podium, Ground Floor, Menara Hup Seng, No 1 & 3, Jalan P. Ramlee, 50250 Kuala Lumpur on Thursday, 24 May 2018 at 11.15 a.m. or such time immediately after the conclusion or adjournment (as the case may be) of the 8<sup>th</sup> Annual General Meeting to be held at the same venue on the same day at 10.00 a.m., whichever is later, for the purpose of considering and if thought fit to pass the following resolutions, with or without any modifications:

**ORDINARY RESOLUTION 1**

**PROPOSED RENEWAL OF THE EXISTING SHAREHOLDERS’ MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE (“PROPOSED RENEWAL MANDATE”)**

“THAT, subject to the provisions of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad, the Company and/or its subsidiary companies (“**Group**”) be and are hereby authorised to enter into and give effect to the recurrent related party transactions of a revenue or trading nature with the related parties as set out in Section 2.3 of the Circular to Shareholders dated 8 May 2018 (“**Related Parties**”) provided that such transactions are:

- (a) necessary for the day-to-day operations;
- (b) undertaken in the ordinary course of business and at arm’s length basis and on normal commercial terms which are not more favourable to the Related Parties than those generally available to the public; and
- (c) are not prejudicial to the minority shareholders of the Company.

THAT such approval shall continue to be in force until:

- (a) the conclusion of the 9<sup>th</sup> Annual General Meeting (“**AGM**”) of the Company following this EGM at which the Proposed Renewal Mandate is passed, at which time it will lapse unless the authority is renewed by a resolution passed at the 9<sup>th</sup> AGM;
- (b) the expiration of the period within which the 9<sup>th</sup> AGM after that date is required to be held pursuant to Section 340(1) and (2) of the Companies Act 2016 (“**Act**”) (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or
- (c) revoked or varied by resolution passed by shareholders in a general meeting,

whichever is the earliest;

AND THAT the Directors of the Company be hereby authorised to complete and do all such acts and things (including executing all such documents as may be required) as they may consider expedient or necessary to give effect to the Proposed Renewal Mandate.”



## ORDINARY RESOLUTION 2

### PROPOSED NEW SHAREHOLDERS' MANDATE FOR ADDITIONAL RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE (“PROPOSED NEW MANDATE”)

“THAT, subject to the provisions of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad, the Group be and are hereby authorised to enter into and give effect to the recurrent related party transactions of a revenue or trading nature with the related party as set out in Section 2.3 of the Circular to Shareholders dated 8 May 2018 provided that such transactions are:

- (a) necessary for the day-to-day operations;
- (b) undertaken in the ordinary course of business and at arm's length basis and on normal commercial terms which are not more favourable to the Related Parties than those generally available to the public; and
- (c) are not prejudicial to the minority shareholders of the Company.

THAT such approval shall continue to be in force until:

- (a) the conclusion of the 9<sup>th</sup> AGM of the Company following this EGM at which the Proposed New Mandate is passed, at which time it will lapse unless the authority is renewed by a resolution passed at the 9<sup>th</sup> AGM;
- (b) the expiration of the period within which the 9<sup>th</sup> AGM after that date is required to be held pursuant to Section 340(1) and (2) of the Act (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or
- (c) revoked or varied by resolution passed by shareholders in a general meeting,

whichever is the earliest;

AND THAT the Directors of the Company be hereby authorised to complete and do all such acts and things (including executing all such documents as may be required) as they may consider expedient or necessary to give effect to the Proposed New Mandate.”

#### By Order of the Board

**Yong May Li (LS0000295)**  
**Wong Chee Yin (MAICSA 7023530)**  
**Santhi A/P Saminathan (MAICSA 7069709)**  
Company Secretaries  
8 May 2018  
Johor Bahru

#### Notes:

1. *A member may appoint up to two (2) proxies to attend and vote at the meeting. If a member appoints more than one (1) proxy, the appointments shall be invalid unless he / she specifies the proportions of his/ her shareholding to be represented by each proxy. A proxy may but need not be a member of the Company. There shall be no restriction as to the qualification of the proxy.*
2. *Every member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote for him / her but his / her attendance will automatically revoke the proxy's authority. However, where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories) Act, 1991, it may appoint not more than two (2) proxies in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.*
3. *Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account (“Omnibus account”), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each Omnibus account it holds.*

4. *Where the Proxy Form is executed by a corporation, it must be either under its Common Seal or under the hand of an officer or attorney duly authorised.*
5. *The instrument appointing a proxy must be deposited at the office of the Company's Share Registrar, Tricor Investor & Issuing House Service Sdn Bhd at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia at least 48 hours before the time for holding the meeting or any adjournment thereof.*
6. *For the purposes of determining who shall be entitled to attend this meeting, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd to make available to the Company a Record of Depositors as at 16 May 2018 and only a Depositor whose name appears on such Record of Depositors shall be entitled to attend this meeting.*



# MClean

MCLEAN TECHNOLOGIES BERHAD

(893631-T)

(Incorporated in Malaysia)

## PROXY FORM

Number of Shares Held	
CDS Account no.	

\*I/We .....  
of .....  
being a Member(s) of **MCLEAN TECHNOLOGIES BERHAD** (893631-T), hereby  
appoint .....  
NRIC No./ Passport No./Company No.: ..... of .....  
or failing him/her .....  
NRIC No./ Passport No./Company No.: ..... of .....  
or failing him/her, \*the Chairman of the meeting as \*my/our proxy to vote for \*me/us on \*my/our behalf at the Extraordinary  
General Meeting of the Company to be held at Tawau Room, Auditorium & Convention Center @ The Podium, Ground Floor,  
Menara Hup Seng, No 1 & 3, Jalan P. Ramlee, 50250 Kuala Lumpur on Thursday, 24 May 2018 at 11.15 a.m. or such time  
immediately after the conclusion or adjournment (as the case may be) of the 8<sup>th</sup> Annual General Meeting to be held at the same  
venue on the same day at 10.00 a.m., whichever is later and to vote as indicated below:

Ordinary Resolutions		For	Against
1	Proposed Renewal Mandate		
2	Proposed New Mandate		

Please indicate with an "x" in the space provided above on how you wish your vote to be cast on the resolutions specified in the notice of the meeting. If you do not do so, the proxy/proxies will vote, or abstain from voting as he/they may think fit.

The proportions of my/our shareholding to be represented by the proxies appointed by the authorized nominee (if appoint more than 1 proxy) are as follows:-

First Proxy	%
Second Proxy	%
	100%

In case of a vote taken by a show of hands, the First Proxy shall vote on our behalf.

*\*Delete if not applicable.*

Dated this..... day of ..... 2018

.....  
Signature of Member/Common Seal  
Contact No.

### Notes:

1. A member may appoint up to two (2) proxies to attend and vote at the meeting. If a member appoints more than one (1) proxy, the appointments shall be invalid unless he / she specifies the proportions of his/ her shareholding to be represented by each proxy. A proxy may but need not be a member of the Company and there shall be no restriction as to the qualification of the proxy.
2. Every member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote for him / her but his / her attendance will automatically revoke the proxy's authority. However, where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories) Act, 1991, it may appoint not more than two (2) proxies in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.
3. Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("Omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each Omnibus account it holds.
4. Where the Proxy Form is executed by a corporation, it must be either under its Common Seal or under the hand of an officer or attorney duly authorised.
5. The instrument appointing a proxy must be deposited at the office of the Company's Share Registrar Tricor Investor & Issuing House Service Sdn Bhd at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia at least forty-eight (48) hours before the time for holding the meeting or any adjournment thereof.
6. For the purpose of determining who shall be entitled to attend this meeting, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd to make available to the Company a Record of Depositors as at 16 May 2018 and only a Depositor whose name appears on such Record of Depositors shall be entitled to attend this meeting.



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AFFIX  
STAMP

The Share Registrar  
**MCLEAN TECHNOLOGIES BERHAD (893631-T)**  
Tricor Investor & Issuing House Service Sdn Bhd (11324-H)  
Unit 32-01, Level 32, Tower A  
Vertical Business Suite, Avenue 3  
Bangsar South, No. 8 Jalan Kerinchi  
59200 Kuala Lumpur, Malaysia

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