

THIS CIRCULAR/STATEMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

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

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Shareholders should rely on their own evaluation to assess the merits and risks of the Proposals as set out herein.



DAYANG ENTERPRISE HOLDINGS BHD

Company No. 200501030106 (712243-U)
(Incorporated in Malaysia)

CIRCULAR TO SHAREHOLDERS

IN RELATION TO THE

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

The Proposals will be tabled as Special Business at the Company’s 15th Annual General Meeting (“15th AGM”) which will be conducted entirely through live streaming from the broadcast venue at Naim Holdings Berhad, 10th Floor, Wisma Naim, Jalan Rock, 93200 Kuching, Sarawak, Malaysia (“Broadcast Venue”) on Tuesday, 22 June 2021 at 10.00 a.m.

The Notice of the 15th AGM together with the Form of Proxy, Administrative Details, Annual Report 2020 and this Statement are published on the Company’s website at www.desb.net or Bursa Malaysia website at www.bursamalaysia.com. Please follow the procedures in the Administrative Details for the 15th AGM provided in the Annual Report 2020 in order to register, participate and vote remotely.

Members who appoint a proxy or proxies may deposit their duly executed Forms of Proxy in hardcopy or by electronic means in the following manner before 10:00 am on Monday, 21 June 2021: -

- (a) Hard copy please submit to the Share Registrar of the Company, Tricor Investor & Issuing House Services Sdn Bhd (“Tricor”) at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or Tricor’s Customer Service Center at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur; or
- (b) Electronic form please lodge via Tricor’s TIIH Online website at <https://tiah.online> (applicable to individual members only) by following the procedures provided in the Administrative Details for the 15th AGM.

The lodging of the Form of Proxy will not preclude you from participating and voting remotely at the 15th AGM should you subsequently wish to do so.

DATED THIS 24 MAY 2021

DEFINITIONS

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

Act	:	Companies Act, 2016, as amended from time to time and any enactment thereof
AGM	:	Annual General Meeting
Board	:	Board of Directors of Dayang Enterprise Holdings Bhd
Bursa Securities or the Exchange	:	Bursa Malaysia Securities Berhad (635998-W)
Code	:	Malaysian Code on Take-Overs and Mergers 2010 as amended from time to time and includes any re-enactment thereof
Dayang or the Company	:	Dayang Enterprise Holdings Bhd (712243-U)
Director	:	Director of Dayang and shall have the meaning given in Section 2(1) of the Capital Markets and Services Act 2007 and for the purposes of RRPT under Chapter 10 of the Listing Requirements 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 the chief executive officer of Dayang, its subsidiary or holding company
Listing Requirements	:	Bursa Malaysia Securities Berhad Main Market Listing Requirements as amended from time to time
LPD	:	30 April 2021, being the last practicable date prior to the printing of this Circular/Statement
Major Shareholder(s)	:	A person who has an interest or interests in one or more voting shares in the Company 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 Dayang; or (b) 5% or more of the aggregate of the nominal amounts of all the voting shares in Dayang where such person is the largest shareholder of Dayang For the purpose of this definition, “interest in shares” shall have 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 transactions were agreed upon, a major shareholder of Dayang or any other company which is its subsidiary or holding company
Market day	:	Means a day on which the stock market of the Exchange is open for trading in securities

NA	:	Net Assets
Person connected	:	<p>In relation to any person (referred to as “said Person”), means such person who falls under any one of the following categories: -</p> <ul style="list-style-type: none"> (i) a member of the said Person means spouse, parent, child, including adopted child and stepchild, brother, sister and the spouse of the director’s or major shareholder’s child, brother or sister; (ii) a trustee of a trust (other than a trustee for a share scheme for employees or pension scheme) under which the said Person, or a family member of the said Person, is the sole beneficiary; (iii) a partner of the said Person; (iv) a person, or where the person is a body corporate, the body corporate or its directors, who is/are accustomed or under an obligation, whether formal or informal, to act in accordance with the directions, instructions or wishes of the said Person; (v) a person, or where the person is a body corporate, the body corporate or its directors, in accordance with whose directions, instructions or wishes the said Person is accustomed or is under an obligation, whether formal or informal, to act; (vi) a body corporate in which the said Person, or persons connected with the said Person are entitled to exercise, or control the exercise of, not less than 20% of the votes attached to voting shares in the body corporate; or (vii) a body corporate which is a related corporation of the said Person.
Proposed Renewal of Shareholders’ Mandate	:	Proposed Renewal of Shareholders’ Mandate for Dayang and/or its Group of Companies to enter into RRPT of a Revenue or Trading Nature for the period from AGM to the next AGM.
Related Parties	:	A director, major shareholder or persons connected with such director or major shareholder. For the purpose of this definition, director and major shareholder shall have the same meanings given in Paragraph 10.02 of the Listing Requirements.
Recurrent Related Transaction(s) or RRPT	Party :	A related party transaction which is recurrent, of a revenue or trading nature and which is necessary for day-to-day operations of Dayang or its subsidiaries which involves the interest, direct or indirect, of a Related Party.
RM and sen	:	Ringgit Malaysia and sen respectively

SC : Securities Commission
the Group : Dayang Enterprise Holdings Bhd and its subsidiaries

Name of Subsidiaries

DESB : Dayang Enterprise Sdn. Bhd. (61505-V)
FTSB : Fortune Triumph Sdn. Bhd. (454430-H)
DMSSB : DESB Marine Services Sdn. Bhd. (634824-V)
PPB : Perdana Petroleum Berhad (372113-A)

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/Statement 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/Statement shall be a reference to Malaysian time, unless otherwise stated.

Any discrepancies in the tables included in this Circular/Statement between the amounts listed, actual figures and the totals thereof are due to rounding.

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DAYANG ENTERPRISE HOLDINGS BHD

Company No. 200501030106 (712243-U)
(Incorporated in Malaysia)

Registered Office:

Sublot 5-10, Lot 46, Block 10
Jalan Taman Raja, MCLD,
98000 Miri, Sarawak

Date: 24 May 2021

Board of Directors

Datuk Hasmi Bin Hasnan	(Executive Chairman)
Datuk Ling Suk Kiong	(Executive Deputy Chairman)
Tengku Dato' Yusof Bin Tengku Ahmad Shahrudin	(Managing Director)
Joe Ling Siew Loung @ Lin Shou Long	(Deputy Managing Director)
Jeanita Anak Gamang	(Executive Director)
Gordon Kab @ Gudan Bin Kab	(Independent Non-Executive Director)
Koh Ek Chong	(Independent Non-Executive Director)
Ali Bin Adai	(Independent Non-Executive Director)
Hasmawati Binti Sapawi	(Independent Non-Executive Director)
Chin Hsiun	(Independent Non-Executive Director)
Chen King Yu (appointed on 27 April 2021)	(Non-Independent Non-Executive Director)

To: The Shareholders of Dayang

Dear Sir/Madam,

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

INTRODUCTION

At the Company's 14th AGM held on 22nd June 2020, the Company had obtained shareholders' mandate for the Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature.

The above approval will lapse at the conclusion of the forthcoming 15th AGM which will be held electronically in its entirety via Remote Participation and Voting at the broadcast venue at Naim Holdings Berhad, 10th Floor Wisma Naim, 2 ½ Mile Jalan Rock, 93200 Kuching, Sarawak, Malaysia ("Broadcast Venue") on Tuesday 22 June 2021 at 10.00 a.m. or any adjournment thereof.

On 24st February 2021, the Company announced to Bursa Securities its intention to seek shareholders' approval on the following Proposals at the forthcoming Annual General Meeting:

- a) Proposed Renewal of Shareholders' Mandate and
- b) Proposed Renewal of Authority for the Company to Purchase its own Shares

However, as of even date, the Board of Directors of the Company decided not to proceed with its intention to seek shareholders' approval for the Proposed Renewal of Authority for the Company to Purchase its own Shares.

The purpose of this Circular is to provide shareholders with the relevant information and seek shareholders' approval for the ordinary resolutions pertaining to the Proposed Renewal of Shareholders' Mandate thereto to be tabled at the forthcoming AGM or any adjournment thereof. The Notice of the AGM together with the Form of Proxy is enclosed in the 2020 Annual Report of the Company for the financial year ended 31 December 2020.

SHAREHOLDERS OF DAYANG ARE ADVISED TO READ AND CONSIDER THE CONTENTS OF THIS CIRCULAR-CAREFULLY BEFORE VOTING ON THE RESOLUTIONS PERTAINING TO THE PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE AT THIS FORTHCOMING AGM.

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1.0 INFORMATION ON THE PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE

1.1 DETAILS OF THE PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE

Pursuant to Paragraph 10.09(2) of Listing Requirements, a listed issuer may seek a Shareholders' mandate in respect of RRPT i.e. transactions entered into by the Company and/or its subsidiary companies which involves the interest, direct or indirect, of Related Parties involving recurrent transactions of a revenue or trading nature which are necessary for its day-to-day operations subject to the following:

- (a) the transactions are in the ordinary course of business and are on terms not more favourable to the Related Parties than those generally available to the public and not to the detriment of minority shareholders;
- (b) the Shareholders' mandate is subject to annual renewal and disclosure is made in the annual report of the aggregate value of transactions conducted pursuant to the shareholders' mandate during the financial year where, in relation to a listed issuer with a share capital of RM60.0 million and above:
 - (i) the consideration, value of the assets, capital outlay or costs of the RRPT is RM1 million or more; or
 - (ii) the percentage ratio of such RRPT is 1% or more,whichever is the higher;
- (c) the listed issuer's circular to shareholders for the shareholder's mandate includes the information as may be prescribed by the Exchange, together with a checklist showing compliance with such information when submitting the circular to the Exchange;
- (d) in a meeting to obtain shareholders' mandate, the interested director, interested major shareholder or interested person connected with a director or major shareholder; and where it involves the interest of an interested person connected with a director or major shareholder, such director or major shareholder, must not vote on the resolution to approve the RRPT. An interested director or interested major shareholder must ensure that persons connected with him abstain from voting on the resolution to approve the RRPT; and
- (e) the listed issuer immediately announces to the Exchange when the actual value of a RRPT entered into by the listed issuer, exceeds the estimated value of the RRPT disclosed in the circular by 10% or more and must include the information as may be prescribed by the Exchange in its announcement.

Accordingly, the Board proposes to seek the shareholders' approval for the Proposed Renewal of Shareholders' Mandate. The Proposed Renewal of Shareholders' Mandate will allow Dayang Group, in the ordinary course of business, to enter into the existing RRPTs referred to in Section 1.5 of Part A of this Circular, provided that such transactions are made at arm's length, on Dayang Group's normal commercial terms and on terms not more favourable to the Related Parties than those generally available to the public and are not to the detriment of the minority shareholders of Dayang.

1.2 VALIDITY PERIOD OF THE PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE

The Board proposes to renew its existing mandate from its shareholders to enter into Recurrent Transactions pursuant to Paragraph 10.09 of the Listing Requirements.

Pursuant to paragraph 3.1.4 of Practice Note No. 12 of the Listing Requirements, the Proposal, if approved by the shareholders at the forthcoming AGM, shall continue to be in force until:

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

whichever is the earlier.

1.3 PRINCIPAL ACTIVITIES OF DAYANG AND ITS GROUP OF COMPANIES

The principal activity of Dayang is that of investment holding. The principal activities of its subsidiary companies are as follows:

Name of Subsidiaries	Equity Interest	Principal Activities
DESB	100%	Provision of offshore topside maintenance services, minor fabrication works and offshore hook-up and commissioning services
FTSB	100%	Equipment hire and providing maintenance and management services
DMSSB	100%	Charter of marine vessels and catering of food and beverage
PPB	63.77%	Investment holding.

1.4 CLASSES AND NATURE OF RELATED PARTIES

Related Parties	Nature of Relationship	Principal Activities
Datuk Ling Suk Kiong	Executive Deputy Chairman of Dayang	-
Joe Ling Siew Loung @ Lin Shou Long	Deputy Managing Director of Dayang and child of Datuk Ling Suk Kiong	-
Datin Wong Siew Hong	Spouse of Datuk Ling Suk Kiong	-
Tengku Dato' Yusof Bin Tengku Ahmad Shahrudin	Managing Director of Dayang	-
Kunci Prima Sdn Bhd (KPSB)	Datuk Ling Suk Kiong, Joe Ling Siew Loung @ Lin Shou Long and Datin Wong Siew Hong are major shareholders in KPSB	Investment Holding
Clear Water Services Sdn Bhd (CWSB)	Deemed related party by virtue of Tengku Ismail Bin Tengku Ahmad Shahrudin who is the brother of Tengku Dato' Yusof Bin Tengku Ahmad Shahrudin. Tengku Ismail Bin Tengku Ahmad Shahrudin owns 50% equity interest in CWSB	General trading specializing in oil and gas sector

1.5 INFORMATION ON RELATED PARTIES AND THE NATURE OF TRANSACTIONS

The Related Parties, details of the RRPT and their value to be incurred pursuant to the Proposed Renewal of Shareholders Mandate from the date of this AGM to the next AGM are set out as follows:

Renewal of Shareholders' Mandate for Recurrent Transactions

Related Parties which have recurrent transactions with Dayang Group	Nature of Transaction	Shareholders' Existing Mandate from 22 June 2020 to 30 April 2021 (Actual Value) (RM'000)	Shareholders' Mandate Estimated in the preceding year's Circular to Shareholders (Estimated Value) (RM'000)	Renewal of Shareholders' Mandate Estimated value of transactions from this AGM to the next AGM (RM'000)	Duration of Tenancy Agreement
Datuk Ling Suk Kiong and his child, Joe Ling Siew Loung @ Lin Shou Long	Rental of open yard warehouse and office situation at Lot No. CL205318752, Kg Ranca-Ranca, 87000 Labuan Federal Territory with an area size of approximately 2.7 acres to DESB/DMSSB/FTSB Rental: RM51,000.00 pm.	510	612	612	Open Yard & Warehouse 01/05/20 – 30/04/23
Datuk Ling Suk Kiong and his spouse Datin Wong Siew Hong	Rental of office located at 1 st and 2 nd Floor of Lot 868, Jalan Permaisuri, 98000 Miri containing an area of approximately 146.3 sq meters to DESB Rental: RM3,025.00 pm.	30	36	36	01/07/19 - 30/06/24
Kunci Prima Sdn Bhd (KP)	Rental of office located at Sublot 5 – 10 (Survey Lots 1130 – 1135) of Parent Lot 46 Block 10 MCLD Miri with an area of approximately 874.0 sq meters to Dayang Enterprise Holdings Bhd. Rental: RM62,040.00 pm.	620	744	744	01/05/19 – 30/04/24
Clear Water Services Sdn Bhd (CWSB)	Provision of Hydraulic Bolt Tensioning, Hydraulic Torque Wrench and Habitat Equipment and Manpower.	12,724	10,000	15,000 ***	-

The rentals are payable on a monthly basis.

*** As the services rendered are on ad-hoc basis, the actual value of transactions may vary from the estimated value disclosed above.

Note 1:

The directors and shareholders of Kunci Prima Sdn Bhd are as follows:

Datuk Ling Suk Kiong	40%
Datin Wong Siew Hong (spouse of Datuk Ling Suk Kiong)	30%
Joe Ling Siew Loung @ Lin Shou Long (child of Datuk Ling Suk Kiong)	30%

Note 2:

Deemed related party by virtue of Tengku Ismail Bin Tengku Ahmad Shahrudin who is the brother of Tengku Dato' Yusof Bin Tengku Ahmad Shahrudin, having own 50% equity interest in CWSB.

1.6 REASONS FOR DEVIATION BETWEEN ACTUAL VALUE AND ESTIMATED VALUE

The reason for the deviation, where the Actual Value exceeded the Estimated Value by 27% for the RRPT with CWSB was due to the jobs that the Dayang Group secured had more requirements for CWSB's services. In addition thereto, the client had approved the engagement of CWSB for the acceleration of work execution resulting in increased work orders being awarded to CWSB.

1.7 REVIEW OF PROCEDURES IN RELATION TO THE RECURRENT RELATED PARTY TRANSACTIONS

The Group has established the following procedures to ensure that the Recurrent Related Party Transactions are undertaken at arm's length basis and are on terms that are not more favourable to the Related Parties than those generally available to the public and not detrimental to the minority shareholders of Dayang.

All Recurrent Related Party Transactions within the Group are subject to the approval of the shareholders subject to the provisions in the Listing Requirements and/or the Act, where necessary.

The procedures for the review of RRPTs are as follows:

- (a) In the case of rental of properties, the rental is based on current market rental taking into consideration various factors as follows:
 - i) locality and accessibility of the premise;
 - ii) size and floor level;
 - iii) condition of the premise and
 - iv) prevailing market rental, etc.
- (b) A database of quotations on the prices, terms and conditions of transactions for services are maintained by the Company so as to provide true and fair suppliers' evaluation and ranking before entering into such transactions.
- (c) Where practicable and feasible, at least 2 other contemporaneous transactions with unrelated third parties for similar rental of office or warehouse space and services will be used as comparison, wherever possible, to determine whether the price and terms offered to/by the related parties are fair and reasonable and comparable to those offered to/by other unrelated third parties for the same or substantially similar type of transactions.

In the event that quotation or comparative pricing from unrelated third parties cannot be obtained, (for instance if there are no unrelated third party vendors/customers of similar products/services, or if the product/service is a proprietary item), the management will apply prevailing market norms and practices to ensure that the RRPTs are not detrimental to the Company or the Group.
- (d) There are no specific thresholds for approval of RRPTs within the Dayang Group. However, all RRPTs are subject to the approval of the appropriate levels of authority as determined by Senior Management and/or the Board from time to time, subject to the provisions in the Listing Requirements and/or the Act, where necessary.

- (e) The Audit Committee shall review the related party transactions and report to the Board on a quarterly basis.
- (f) Any member of the Audit Committee may, as he deems fit request for additional information pertaining to the transaction from independent sources or advisers, including obtaining valuation from professional valuers.
- (g) Should any member of the Audit Committee have an interest in the RRPT, he and persons connected to him shall abstain from all deliberations and decision making in respect of such transactions and shall also abstain from voting on the resolution approving the transactions.
- (h) When the actual value of the RRPT entered into by Dayang exceeds the estimated value of the RRPT disclosed in the Circular to shareholders by 10% or more, the Company will make an immediate announcement to Bursa Securities.
- (i) All the rentals listed on item 1.5 above are supported by Valuation Report.
- (j) There is no amount due and owing to the Dayang Group by its Related Parties which has exceeded the credit terms given arising from the RRPTs as per Section 1.5.

1.8 STATEMENT BY AUDIT COMMITTEE

The Audit Committee has reviewed the procedures mentioned in Section 1.7 above and is of the view that the said procedures are sufficient to ensure that the RRPT are made at arms' length basis, generally acceptable commercial terms not more favourable to the mandated Related Parties than those generally available to the public and are not detrimental to the interests of minority shareholders.

The Audit Committee is also of the view that the Group has in place adequate procedures and processes to monitor, track and identify RRPTs in a timely and orderly manner. These procedures and processes will be reviewed on a quarterly basis together with the review of quarterly results or at such frequency as the Audit Committee considers appropriate having regard to the value and frequency of the related party transactions.

1.9 DISCLOSURE OF RECURRENT RELATED PARTY TRANSACTIONS

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

- i) types of the Recurrent Related Party Transactions made, and
- ii) names of the Related Parties involved in each type of the Recurrent Related Party Transaction made and their relationship with the Company.

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

2.0 RATIONALE

The RRPTs entered into by the Dayang Group are all in the ordinary course of business. They are recurring transactions of a revenue or trading nature made at arms' length basis not more favourable to the Related Parties than those generally available to the public, which are necessary for the day-to-day operations of Dayang Group. It is envisaged that in the ordinary course of business of the Group, the RRPTs between the Group and the Related Parties are likely to occur with some degree of frequency and arise at any time and from time to time.

The RRPTs are expected to enhance Dayang Group's business operations via an established relationship between Dayang Group and the Related Parties. Such relationship has in the past given Dayang Group the advantage of renting properties located at strategic locations from Related Parties without capital commitment to acquire the properties and RRPTs relating to services may improve efficiency transaction costs.

The Proposed Renewal of Shareholders Mandate would also reduce the administrative time, inconvenience and expenses of having to frequently convene a separate general meeting for approval of each transaction while still maintaining the objective of keeping shareholders informed of the extent of RRPTs occurring within the Group.

3.0 FINANCIAL EFFECTS OF THE PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE

The Proposed Renewal of Shareholders' Mandate will have no effect on the issued and paid up share capital of Dayang or the shareholdings of the substantial shareholders of Dayang and is not expected to have any material effect on the NA, gearing and earnings per share of Dayang and/or the Group (whichever is applicable).

4.0 DIRECTORS' AND MAJOR SHAREHOLDERS INTERESTS IN THE PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE

The Directors and Major Shareholders and the person connected, as named below, are interested in the Proposed Renewal of Shareholders' Mandate as identified in paragraph 1.5 above.

Datuk Ling Suk Kiong, Tengku Dato' Yusof Bin Tengku Ahmad Shahrudin and Joe Ling Siew Loung @ Lin Shou Long have and shall continue to abstain from all Board deliberations and voting on the resolution pertaining to the Proposed Renewal of Shareholders' Mandate and they will also not vote in respect of their direct and indirect shareholdings on the resolution approving the RRPTs at the AGM.

Datuk Ling Suk Kiong, Tengku Dato' Yusof Bin Tengku Ahmad Shahrudin and Joe Ling Siew Loung @ Lin Shou Long have undertaken to ensure that the person connected with them shall accordingly abstain from voting in respect of their direct and indirect shareholdings, deliberation or approving the resolution at the AGM.

Save as disclosed in this Circular, none of the other Directors and/or Major Shareholders and/or persons connected to the Directors and/or Major Shareholders of Dayang has any interest, direct or indirect, in the Proposed Renewal of Shareholders' Mandate.

The following table illustrates the direct and indirect interests of the interested Directors, Major Shareholders and Person Connected to them as at 30th April 2021, being the LPD:

Name	Direct		Indirect	
	Shares	%	Shares	%
Major Shareholder/Director				
Datuk Ling Suk Kiong	81,579,763	7.05	65,072,944*	5.62
Director				
Joe Ling Siew Loung @ Lin Shou Long	45,810,207	3.96	100,842,500**	8.71
Tengku Dato' Yusof Bin Tengku Ahmad Shahrudin	37,630,160	3.25	0	0
Person connected				
Datin Wong Siew Hong (spouse of Datuk Ling Suk Kiong) *	44,550	0.00	146,608,157*	12.67

* Deemed interest pursuant to Section 8 and 197 of the Act, held through Vogue Empire Sdn Bhd, spouse and child.

** Deemed interest pursuant to Section 197 of the Act, held through parents.

5.0 APPROVALS REQUIRED

The Proposed Renewal of Shareholders' Mandate is subject to the approval of the shareholders of Dayang at the forthcoming AGM to be convened.

6.0 DIRECTORS' RECOMMENDATION

The Directors of Dayang, save for Datuk Ling Suk Kiong, Tengku Dato' Yusof Bin Tengku Ahmad Shahrudin and Joe Ling Siew Loung @ Lin Shou Long having considered all aspects of the Proposed Renewal of Shareholders' Mandate is of the opinion that the Proposed Renewal of Shareholders' Mandate is in the best interest of the Company and therefore recommend that the shareholders of the Company vote in favour of the resolution pertaining to the Proposed Renewal of Shareholders' Mandate to be tabled at the forthcoming AGM.

7.0 AGM

The 15th AGM of Dayang, the notice of which is set out in the Company's Annual Report 2020, will be conducted entirely through live streaming from the broadcast venue at Naim Holdings Berhad, 10th Floor, Wisma Naim, Jalan Rock, 93200 Kuching, Sarawak, Malaysia ("Broadcast Venue") on Tuesday, 22 June 2021 at 10.00 a.m. for the purpose of considering and, if thought fit, passing to the Proposed Renewal of Shareholders' Mandate as described therein.

The Broadcast Venue of the 15th AGM is strictly for the purpose of complying with Section 327(2) of the Companies Act 2016 which requires the Chairman of the Meeting to be at the main venue of the meeting. No shareholders/proxies from the public should be physically present at the Broadcast Venue on the day of the 15th AGM.

Since the 15th AGM will be conducted via a virtual meeting, you may appoint the Chairman of the Meeting as your proxy and indicate the voting instruction in the Proxy Form. You are required to complete, sign and return the Proxy Form which can be obtained from the Company's website at www.desb.net or Bursa Malaysia website at www.bursamalaysia.com. Please follow the procedures in the Administrative Details for the 15th AGM provided in the Annual Report 2020 in order to register, participate and vote remotely.

Members who appoint a proxy or proxies may deposit their duly executed Forms of Proxy in hardcopy or by electronic means in the following manner before 10:00 am on Monday, 21 June 2021: -

- (a) Hard copy please submit to the Share Registrar of the Company, Tricor Investor & Issuing House Services Sdn Bhd ("Tricor") at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or Tricor's Customer Service Center at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur; or
- (b) Electronic form please lodge via Tricor's TIIH Online website at <https://tiih.online> (applicable to individual members only) by following the procedures provided in the Administrative Details for the 15th AGM.

The lodging of the Form of Proxy will not preclude you from participating and voting remotely at the 15th AGM should you subsequently wish to do so.

8.0 FURTHER INFORMATION

Shareholders are advised to refer to the attached APPENDIX I for further information.

Yours faithfully

For and on behalf of Dayang Enterprise Holdings Bhd

Koh Ek Chong

Independent Non-Executive Director

APPENDIX I

FURTHER INFORMATION

1. DIRECTORS' RESPONSIBILITY STATEMENT

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

2. MATERIAL LITIGATION

There were no material litigations, claims or arbitration involving Dayang and/or any of its subsidiaries, including those pending or threatened against the Dayang Group of companies.

3. MATERIAL CONTRACTS

Dayang and/or its subsidiaries have not entered into any material contracts, other than that entered into in the ordinary course of business during the two (2) years preceding the date of this Circular/Statement.

4. DOCUMENTS FOR INSPECTION

The following documents are available for inspection at the Registered Office of Dayang at Sublot 5-10, Lot 46, Block 10, Jalan Taman Raja, 98000 Miri, Sarawak following the date of this Circular during normal office hours up to and including the date of the AGM: -

- a) The Constitution;
- b) Audited Financial Statements of Dayang for the two (2) financial years ended 31 December 2019 & 31 December 2020 and
- c) Valuation Report and Tenancy Agreement of the rented properties.