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

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

Bursa Malaysia Securities Berhad ("Bursa Securities") has not perused this Statement/Circular prior to its issuance as it is prescribed as an exempt circular pursuant to Practice Note 18 of the Main Market Listing Requirements of Bursa Securities.

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

HOHUP

HO HUP CONSTRUCTION COMPANY BERHAD
[197301000497 (14034-W)]
(Incorporated in Malaysia)

PART A

SHARE BUY-BACK STATEMENT IN RELATION TO

PROPOSED SHARE BUY-BACK OF UP TO TEN PERCENT (10%) OF THE TOTAL NUMBER OF ISSUED SHARES OF THE COMPANY

AND

PART B

CIRCULAR TO SHAREHOLDERS IN RELATION TO

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

The resolutions in respect of the above Proposals will be tabled as Special Business at the Forty-Sixth Annual General Meeting ("46th AGM") of the Company to be held at Bukit Jalil Golf and Country Resort, 1st Floor, Perdana Ballroom, Jalan Jalil Perkasa 3, Bukit Jalil, 57000 Kuala Lumpur on Wednesday, 22 July 2020 at 10.00 a.m. This Statement/Circular is despatched together with the Notice of 46th AGM and Form of Proxy as set out in the Company's Annual Report 2019.

The Form of Proxy must be completed and deposited at the office of the Registrar of the Company at ShareWorks Sdn. Bhd., 2-1, Jalan Sri Hartamas 8, Sri Hartamas, 50480 Kuala Lumpur, Wilayah Persekutuan not later than forty-eight (48) hours before the time appointed for the 46th AGM or any adjournment thereof or, in the case of a poll, not less than twenty-four (24) hours before the time appointed for the taking of the poll. The lodging of the Form of Proxy will not preclude you from attending and voting in person at the 46th AGM should you subsequently wish to do so.

Date and time of the 46th AGM	:	Wednesday, 22 July 2020 at 10.00 a.m.
Venue of 46th AGM	:	Bukit Jalil Golf and Country Resort 1st Floor, Perdana Ballroom, Jalan Jalil Perkasa 3 Bukit Jalil, 57000 Kuala Lumpur
Last date and time for lodging the Form of Proxy	:	Monday, 20 July 2020 at 10.00 a.m.

This Statement/Circular is dated 26 June 2020

DEFINITIONS

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

"Act"	:	Companies Act, 2016 and as may be amended from time to time and any re-enactment thereof
"AGM"	:	Annual General Meeting
"Annual Report 2019"	:	Annual Report of Ho Hup issued for the financial year ended 31 December 2019
"Board"	:	Board of Directors of Ho Hup
"Bursa Securities"	:	Bursa Malaysia Securities Berhad [200301033577 (635998-W)]
"CMSA"	:	Capital Markets and Services Act 2007, as amended from time to time and any re-enactment thereof
"Code"	:	Malaysian Code on Take-Overs and Mergers 2016 read together with Rules on Take-Overs, Mergers and Compulsory Acquisitions as may be amended from time to time and any re-enactment thereof
"Director(s)"	:	Shall have the same meaning given in Section 2(1) of the CMSA and for purpose of the Proposed Renewal of Existing Shareholders' Mandate, 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 director of Ho Hup or any other company which is its subsidiary or holding company or a chief executive officer of Ho Hup, its subsidiary or holding company
"DJ"	:	Dato' Jaganath Derek Steven Sabapathy
"DMSK"	:	Dato' Mah Siew Kwok
"DSTKK"	:	Dato' Sri Thong Kok Khee
"DWKL"	:	Dato' Wong Kit-Leong
"DWGK"	:	Dato' Wong Gian Kui
"EPS"	:	Earnings Per Share
"FYE"	:	Financial Year Ended / Ending
"GAM"	:	Gryphon Asset Management Sdn. Bhd. [199301012140 (266878-T)]
"Ho Hup" or "Company"	:	Ho Hup Construction Company Berhad [197301000497 (14034-W)]
"Ho Hup Group" or "Group"	:	Ho Hup and its subsidiary companies as defined in Section 4 of the Act
"Ho Hup Share(s)" or "Share(s)"	:	Ordinary share(s) in Ho Hup
"Insas"	:	Insas Berhad [196101000026 (4081-M)]
"Listing Requirements"	:	Main Market Listing Requirements of Bursa Securities including any amendment(s) that may be made from time to time

"LPD"	:	28 May 2020, being the latest practicable date prior to the printing of this Statement/Circular
"Major Shareholder"	:	A person who has an interest or interests in one or more voting shares in the Company and the number or the aggregate number of those shares, is: (a) 10% or more of the total number of voting shares in the Company; or (b) 5% or more of the total number of voting shares in the Company where such person is the largest shareholder of the Company. For the purposes of this definition, "interest in shares" shall have the same meaning given in Section 8 of the Act, and 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 Ho Hup or any other company which is its subsidiary or holding company.
"MAL"	:	Montego Assets Limited (101353)
"MSB"	:	Microlink Solutions Berhad [200301018362 (620782-P)]
"NA"	:	Net assets
"NSSB"	:	Niaga Sari Sdn. Bhd. [198501013705 (146161-X)]
"OB"	:	Omesti Berhad [200001028094 (530701-T)]
"OHB"	:	Omesti Holdings Berhad [199301026262 (281000-K)]
"Person Connected"	:	Shall have the same meaning given in Paragraph 1.01 of the Listing Requirements
"Proposed Renewal of Exist Shareholders' Mandate"	:	Proposed renewal of existing shareholders' mandate for RRPTs to be entered into by Ho Hup Group from the date of the forthcoming AGM until the next AGM
"Proposed Share Buy-Back"	:	Proposed share buy-back of up to ten percent (10%) of the total number of issued shares of the Company
"Recurrent Related Party Transactions or "RRPT(s)	:	Recurrent related party transactions of a revenue or trading nature, which are necessary for the day-to-day operations and are to be entered into by Ho Hup Group in the ordinary course of business of Ho Hup Group involving the direct and/or indirect interests of Related Party(ies)
"Related Party(ies)"	:	Director(s), Major Shareholder(s) and/or person(s) connected with such Director(s) or Major Shareholder(s) as defined therein
"Related Corporation"	:	A corporation which is: (a) a holding company of another corporation; (b) a subsidiary of another corporation; and (c) a subsidiary of the holding company of another corporation
"RM" and "sen"	:	Ringgit Malaysia and sen, respectively

"SISB"	:	Symphony Interactive Sdn. Bhd. [201301031473 (1061302-W)]
"Statement/Circular"	:	Statement/Circular to Shareholders dated 26 June 2020
"TSDSPSM"	:	Tan Sri Datuk Seri Panglima Sulong Matjeraie
"TREAM"	:	Tribeca Real Estate Asset Management Sdn. Bhd. [201301028907 (1058737-X)]
"WDPL"	:	Winfields Development Pte Ltd (200913688N)

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 corporations, unless otherwise specified.

Any reference in this Statement/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 Statement/Circular shall be a reference to Malaysian time, unless otherwise stated.

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TABLE OF CONTENTS

LETTER TO THE SHAREHOLDERS OF HO HUP CONTAINING:		PAGE
PART A		
SHARE BUY-BACK STATEMENT IN RELATION TO PROPOSED SHARE BUY-BACK		
1.0	INTRODUCTION	2
2.0	DETAILS OF THE PROPOSED SHARE BUY-BACK	2
2.1	Maximum number or percentage of Ho Hup Shares to be acquired	2
2.2	Maximum amount of funds to be allocated and the source of funds	3
2.3	Duration of the Proposed Share Buy-Back	3
2.4	Treatment of Shares bought back	3
2.5	Pricing	4
2.6	Previous purchases, resale and cancellation of treasury shares	4
2.7	Public shareholding spread	4
3.0	IMPLICATIONS OF THE CODE	5
4.0	RATIONALE FOR THE PROPOSED SHARE BUY-BACK	5
5.0	POTENTIAL ADVANTAGES AND DISADVANTAGES OF THE PROPOSED SHARE BUY-BACK	
5.1	Advantages of the Proposed Share Buy-Back	5
5.2	Disadvantages of the Proposed Share Buy-Back	6
6.0	EFFECT OF THE PROPOSED SHARE BUY-BACK	6
6.1	Share Capital	6
6.2	NA per Share and EPS	7
6.3	Working Capital	7
6.4	Shareholdings of Directors and Major/Substantial Shareholders	8
7.0	HISTORICAL SHARE PRICES	11
8.0	APPROVAL REQUIRED	11
9.0	INTERESTS OF THE DIRECTORS, MAJOR SHAREHOLDERS AND/OR PERSONS CONNECTED WITH THEM	11
10.0	DIRECTORS' RECOMMENDATION	11
11.0	46TH AGM	11
12.0	FURTHER INFORMATION	12

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PAGE

PART B

PROPOSED RENEWAL OF EXISTING SHAREHOLDERS' MANDATE

1.0 INTRODUCTION 14

2.0 DETAILS OF THE PROPOSED RENEWAL OF EXISTING SHAREHOLDERS' MANDATE 15

2.1 The Listing Requirements 15
2.2 Validity period of the Proposed Renewal of Existing Shareholders' Mandate 15
2.3 Principal activities of Ho Hup Group 16
2.4 Details of RRPTs contemplated under the Proposed Renewal of Existing Shareholders' Mandate 17
2.5 Amount due and owing to Ho Hup Group by Related Parties 20
2.6 Review Procedures for the RRPTs 20
2.7 Statement by the Audit Committee 21
2.8 Rationale and Benefits of the Proposed Renewal of Existing Shareholders' Mandate 21

3.0 INTERESTS OF THE DIRECTORS, MAJOR SHAREHOLDERS AND/OR PERSONS CONNECTED WITH THEM 21

3.1 RRPTs for the sale of development properties 21
3.2 RRPTs for the provision of development and project management services 23
3.3 RRPTs for the rental of office premises 23
3.4 RRPTs for the provision of subcontracting work for main building 24
3.5 RRPTs for rental of retail spaces 24

4.0 APPROVALS REQUIRED 25

5.0 DIRECTORS' RECOMMENDATION 25

6.0 46TH AGM 25

7.0 FURTHER INFORMATION 26

APPENDICES

I FURTHER INFORMATION 27

II FULL TEXT OF ORDINARY RESOLUTIONS 9 AND 10 AS REFERRED TO IN NOTICE OF 46TH AGM DATED 26 JUNE 2020 31

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PART A

SHARE BUY-BACK STATEMENT
IN RELATION TO
PROPOSED SHARE BUY-BACK

HOHUP

HO HUP CONSTRUCTION COMPANY BERHAD
[197301000497 (14034-W)]
(Incorporated in Malaysia)

SHARE BUY-BACK STATEMENT IN RELATION TO THE PROPOSED SHARE BUY-BACK OF UP TO TEN PERCENT (10%) OF THE TOTAL NUMBER OF ISSUED SHARES OF THE COMPANY

1.0 INTRODUCTION

On 28 May 2020, the Board announced to Bursa Securities that Ho Hup is proposing to seek our shareholders' approval for the authority to purchase its own shares of up to ten percent (10%) of the total number of issued shares of our Company at the forthcoming Forty-Sixth AGM ("46th AGM") of our Company.

The purpose of this Statement is to provide you with the details of the Proposed Share Buy-Back and to seek your approval for the Ordinary Resolution pertaining to the Proposed Share Buy-Back to be tabled at the forthcoming 46th AGM of our Company. The Notice of the 46th AGM together with the Form of Proxy are enclosed in the Annual Report 2019, which is being sent to you together with this Statement.

SHAREHOLDERS OF HO HUP ARE ADVISED TO READ THE CONTENTS OF THIS STATEMENT CAREFULLY BEFORE VOTING ON THE RESOLUTION PERTAINING TO THE PROPOSED SHARE BUY-BACK AT THE FORTHCOMING 46th AGM.

2.0 DETAILS OF THE PROPOSED SHARE BUY-BACK

The Board proposes to seek your approval for our Company to purchase up to ten percent (10%) of our Company's total number of issued Shares at any point of time within the time period stated in Section 2.3 of this Statement. Such purchase is subject to compliance with the provisions of the Act and any prevailing laws, rules, regulations, guidelines and requirements issued by the relevant authorities at the time of purchase.

2.1 Maximum number or percentage of Ho Hup Shares to be acquired

As at the LPD, Ho Hup has a total of 412,383,996 Shares. Pursuant to the Proposed Share Buy-Back, Ho Hup may purchase up to 41,238,399 Ho Hup Shares, representing up to 10% of its total number of issued Shares as at the LPD.

The computation of the total number of issued Shares that may be purchased is as follows:

	Minimum Scenario (1) No. of Shares	Maximum Scenario (2) No. of Shares
Total number of issued Shares as at the LPD	412,383,996	412,383,996
Assuming full exercise of Employees' Share Option Scheme ("ESOS") options of our Company, which are exercisable as at the LPD into new Shares	-	3,648,800
Total number of issued Shares	412,383,996	416,032,796
Maximum number of Shares that may be purchased (10% of total number of issued Shares)	41,238,399	41,603,279

Notes:
(1) Assuming none of the ESOS is exercised.
(2) Assuming full exercise of ESOS.

2.2 Maximum amount of funds to be allocated and the source of funds

Paragraph 12.10(1) of the Listing Requirements stipulates that the Proposed Share Buy-Back must be made wholly out of retained profits of our Company. Accordingly, the maximum funds to be allocated by our Company for the Proposed Share Buy-Back shall not exceed the total retained profits of our Company at the time of purchase.

Based on the latest audited financial statements of Ho Hup for the FYE 31 December 2019 and the latest unaudited financial statements of Ho Hup for the 3-month financial period ended 31 March 2020, the retained profits of our Company stood at approximately RM 90,729,000 and RM 88,666,000 respectively.

Notwithstanding the above, the Proposed Share Buy-Back may be funded using the internally generated funds of Ho Hup and/or external borrowings, the exact proportion/quantum of which has yet to be determined at this juncture. The source of funding for the Proposed Share Buy-Back will only be determined at a later stage depending on, amongst others, the availability of internally generated funds, the retained profits and financial resources of our Company at the time of the purchase(s), the actual number of Ho Hup Shares to be purchased and other relevant cost factors.

The actual number of Ho Hup Shares to be purchased and the timing of such purchases will depend on, amongst others, the market conditions and sentiments of the stock market as well as the retained profits and the financial resources available to Ho Hup.

2.3 Duration of the Proposed Share Buy-Back

The Proposed Share Buy-Back, if approved by the shareholders of Ho Hup at the forthcoming 46th AGM, will be effective immediately from the passing of the ordinary resolution for the Proposed Share Buy-Back and shall continue to be in force until:

(i) the conclusion of the next AGM at which time the said authority shall lapse unless by an ordinary resolution passed at that meeting, the authority is renewed, either unconditionally or subject to conditions; or

(ii) the expiration of the period within which the next AGM is required by law to be held; or

(iii) the authority is revoked or varied by an ordinary resolution passed by the shareholders in general meeting,

whichever occurs first.

2.4 Treatment of Shares Bought Back

In accordance with Section 127 of the Act, the Directors may, at its absolute discretion, deal with the Ho Hup Shares so purchased in the following manners:

(a) the shares so purchased may be cancelled; and/or

(b) the shares so purchased may be retained in treasury for distribution as dividend to the shareholders and/or resold on the market of Bursa Securities and/or subsequently cancelled; and/or

(c) part of the shares so purchased may be retained as treasury shares with the remainder being cancelled; and/or

(d) transfer the shares, or any of the shares for the purposes of or under an employees' shares scheme; and/or

(e) transfer the shares, or any of the shares as purchase consideration; and/or

(f) deal with the shares in any other manner as may be permitted by the applicable laws and/or regulations in force from time to time.

2.4 Treatment of Shares Bought Back (cont'd)

Upon each purchases of Shares, an immediate announcement will be made to Bursa Securities in respect of the intention of the Directors whether to cancel the Shares so purchased, retain them as treasury shares or a combination of both. An immediate announcement will also be made to Bursa Securities on any resale, transfer and/or cancellation of treasury shares.

In considering how the Shares so purchased will be dealt with, the Directors will take into consideration, amongst others, factors such as prevailing market price of the Shares, the intrinsic value of the Shares and effects on the earnings and net assets of our Group.

While the purchased Shares are held as treasury shares, the rights attached to them in relation to voting, dividends and participation in other distributions whether cash or otherwise are suspended and the treasury shares shall not be taken into account in calculating the number or percentage of Shares or of a class of Shares in our Company for any purposes including substantial shareholdings, take-overs, notices, the requisitioning of meetings, the quorum for a meeting and the result of a vote on a resolution at a meeting of members.

2.5 Pricing

Pursuant to the Listing Requirements,

(i) The Company may only purchase its own Shares on Bursa Securities at a price which is not more than fifteen percent (15%) above the volume weighted average market price ("VWAP") of the Shares for the five (5) market days immediately preceding the date of the purchase(s);

(ii) The Company may only resell the treasury shares on Bursa Securities or transfer the treasury shares at:

(a) a price which is not less than the VWAP of the Shares for the 5 market days immediately preceding the date of the resale or transfer; or

(b) a price which is not more than 5% discount to the VWAP of the Shares for the 5 market days immediately preceding the date of the resale or transfer provided that –

(aa) the resale or transfer takes place not earlier than 30 days from the date of purchase; and

(bb) the resale or transfer price is not less than the cost of purchase of the Shares being resold or transferred.

2.6 Previous purchases, resale and cancellation of treasury shares

Presently, our Company does not have an existing authority to purchase its Shares. Hence, our Company does not currently hold any treasury shares and has not purchased, resold and/or cancelled any Shares during the last 12 months preceding the LPD.

2.7 Public shareholding spread

The Proposed Share Buy-Back will be carried out in accordance with the prevailing laws at the time of the purchase including compliance with the 25% shareholding spread as required under Paragraph 8.02(1) of the Listing Requirements.

As at the LPD, the public shareholding spread of our Company was 49.77%.

The Board is mindful of the requirement that any purchase of Ho Hup Shares by our Company must not result in the public shareholding spread of Ho Hup falling below 25% of the total number of issued Shares.

3.0 IMPLICATIONS OF THE CODE

Pursuant to the Code, a person or a group of persons acting in concert will be required to make a mandatory general offer if his/their stake(s) in the Company is/are increased to beyond thirty-three percent (33%) of the voting shares of Ho Hup or if his/their existing shareholding(s) is/are more than thirty-three percent (33%) but less than fifty percent (50%) and it exceeds by another two percent (2%) in any six (6) months period. In the event that the share buy-back exercise results in the shareholdings of any of the above parties being affected, the said person or group of persons acting in concert will be obliged to make a mandatory general offer for the remaining Ho Hup Shares not held by him/them. However, an exemption from a mandatory offer obligation may be granted by the Securities Commission Malaysia under the Code, subject to the affected person and the parties acting in concert complying with certain conditions, if the obligation is triggered as a result of action outside their direct participation.

As it is not intended for the Proposed Share Buy-Back to trigger the obligation to undertake a mandatory offer under the Code by any of our Company's Substantial Shareholders and/or parties acting in concert with them, the Board will ensure that only such number of Ho Hup Shares are purchased, retained as Treasury Shares, cancelled or distributed such that the Proposed Share Buy-Back would not result in triggering any mandatory offer obligation on the part of its Substantial Shareholders and/or parties acting in concert with them. In this connection, the Board will be mindful of the requirements when making any purchase of the Shares pursuant to the Proposed Share Buy-Back.

4.0 RATIONALE FOR THE PROPOSED SHARE BUY-BACK

The procurement of the shareholders' approval for the Proposed Share Buy-Back would enable our Company to purchase its own Shares as and when appropriate and at market prices which the Board views favourable.

The Proposed Share Buy-Back may enable our Company to utilise any of our Company's surplus financial resources, which is not immediately required for other uses, to purchase its own Shares from the open market. The Proposed Share Buy-Back is expected to stabilise the supply and demand of the Ho Hup Shares, hence supporting its fundamental value.

If the purchased Shares are subsequently cancelled, the Proposed Share Buy-Back may strengthen the EPS. Consequently, long-term investors are expected to enjoy a corresponding increase in the value of your investments in our Company.

The purchased Shares can also be held as treasury shares and resold on Bursa Securities at a higher price therefore realising a potential gain without affecting the total number of issued Share of our Company. Should any treasury shares be distributed as share dividends, this would serve to reward the shareholders of our Company.

The Proposed Share Buy-Back is not expected to have any potential material disadvantages to our Company and its shareholders, and it will be implemented only after taking into consideration, amongst others, the financial resources of our Company, and the resultant impact on the shareholders of the our Company.

5.0 POTENTIAL ADVANTAGES AND DISADVANTAGES OF THE PROPOSED SHARE BUY-BACK

5.1 Advantages of the Proposed Share Buy-Back

The Proposed Share Buy-Back, if implemented, may potentially benefit our Company as follows:

(a) our Company may be able to stabilise the supply and demand of its Shares in the open market and thereby support its fundamental value and hence, enhance investors' confidence.

5.1 Advantages of the Proposed Share Buy-Back (cont'd)

(b) our Company may have an opportunity to realise potential capital gains if the Shares purchased are subsequently being resold at prices higher than the purchase prices on Bursa Securities when share price appreciates in the future.

(c) When the Shares bought back are kept as treasury shares, the Directors can distribute it as share dividends to reward the shareholders. The Directors may also transfer the shares for the purpose of an Employees' Share Scheme or as purchase consideration.

5.2 Disadvantages of the Proposed Share Buy-Back

The Proposed Share Buy-Back, if implemented, will reduce the financial resources available for distribution to shareholders of our Company. This may result in our Group having to forego future investment opportunities and/or any income that may be derived from alternative uses of such funds. However, such decrease in financial resources may be temporary since the Shares purchased can be subsequently resold.

The Board does not expect the Proposed Share Buy-Back to result in any material disadvantage to our Company and its shareholders as it will be implemented only after taking into consideration of the financial resources of our Group and of the resultant impact on our Company and our shareholders. The Board, in exercising any decision to purchase any Shares, will be mindful of the interests of our Company, Ho Hup Group and our shareholders.

6.0 EFFECT OF THE PROPOSED SHARE BUY-BACK

The proforma effects of the Proposed Share Buy-Back are shown in two (2) scenarios illustrated based on the following assumptions:-

Scenario 1 : Assuming none of the ESOS options of our Company, which are exercisable as at the LPD are exercised into new Ho Hup Shares.

Scenario 2 : Assuming all 3,648,800 of the ESOS options of our Company, which are exercisable as at the LPD are exercised into new Ho Hup Shares.

6.1 Share Capital

On the assumption that the Proposed Share Buy-Back is carried out in full and the Ho Hup Shares so purchased are fully cancelled, the effects of the Proposed Share Buy-Back are as follows:

	Scenario 1	**Scenario 2**
	No. of Shares	**No. of Shares**
Total number of issued Shares as at the LPD	412,383,996	412,383,996
Assuming full exercise of ESOS options of our Company, which are exercisable as at the LPD into new Shares	-	3,648,800
Total number of issued Shares	412,383,996	416,032,796
Less : Maximum number of Shares that may be purchased and cancelled pursuant to the Proposed Share Buy-Back	(41,238,399)	(41,603,279)
Total number of Shares after the Proposed Share Buy-Back	371,145,597	374,429,517

6.1 Share Capital (cont'd)

In the event that the Shares purchased pursuant to the Proposed Share Buy-Back are retained as treasury shares, the total number of Shares will not be reduced but the rights attaching to the treasury shares as to voting, dividends and participation in other distribution or otherwise will be suspended.

If the Shares purchased pursuant to the Proposed Share Buy-Back are re-sold in the open market, the Proposed Share Buy-Back will have no effect on the Share Capital.

6.2 NA per Share and EPS

The effect of the Proposed Share Buy-Back on the consolidated NA per Share will depend on the number of Shares purchased, the purchase prices of the Shares, the effective funding costs to finance the purchase of the Shares and the treatment of the Shares so purchased by our Company.

The Proposed Share Buy-Back is likely to increase the consolidated NA per Share if the purchase price is less than the consolidated NA per Share at the time of purchase and conversely is likely to decrease the consolidated NA per Share if the purchase price exceeds the consolidated NA per Share at the time of purchase.

Should the Shares purchased under the Proposed Share Buy-Back be held as treasury shares and later resold on Bursa Securities, the consolidated NA per Share will increase if our Company realises a gain from the resale, and vice versa. The quantum of the increase will depend on the actual selling prices of the treasury shares and the number of treasury shares resold.

The effects of the Proposed Share Buy-Back on the earnings and EPS of our Group are dependent on the purchase prices of the Shares, the number of Shares purchased, effective funding cost and loss in interest income to our Group.

6.3 Working Capital

The Proposed Share Buy-Back will reduce the working capital of our Group, the quantum of which will depend on the purchase prices of the Shares and the number of the Shares purchased.

However, the working capital of our Group will increase if the purchased Shares are resold on Bursa Securities. The quantum of the increase will depend on the actual selling prices of the treasury shares and the number of treasury shares resold on Bursa Securities.

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6.4 Shareholdings of Directors and Major/Substantial Shareholders

The proforma effects of the Proposed Share Buy-Back on the shareholdings of our Company's Directors and Major/Substantial shareholders and persons connected with the Directors and Major Shareholders of our Company as at the LPD, assuming the Proposed Share Buy-Back is carried out in full, are as follows:-

Scenario 1

	Shareholdings as at the LPD				After Proposed Share Buy-Back			
	Direct		Indirect		Direct		Indirect	
	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
Directors								
TSDSPSM	-	-	-	-	-	-	-	-
DMSK	5,687,500	1.379	8,161,000	1.979	5,687,500	1.532	8,161,000	2.199
DSTKK	-	-	54,147,750 (i)	13.130	-	-	54,147,750 (i)	14.589
DWKL	287,000	0.070	-	-	287,000	0.077	-	-
DWGK	-	-	-	-	-	-	-	-
Datin Chan Bee Leng ("DCBL")	47,700	0.012	77,958,722 (ii)	18.904	47,700	0.013	77,958,722 (ii)	21.005
Boey Tak Kong	2,260,000	0.548	-	-	2,260,000	0.609	-	-
Chow Seck Kai	117,400	0.028	-	-	117,400	0.032	-	-
Low Kheng Lun ("LKL")	51,383	0.012	65,113,032 (iii)	15,789	51,383	0.014	65,113,032 (iii)	17.544
Major/Substantial Shareholders								
DSTKK	-	-	54,147,750 (i)	13.130	-	-	54,147,750 (i)	14.589
LKL	51,383	0.012	65,113,032 (iii)	15,789	51,383	0.014	65,113,032 (iii)	17.544
OHB	52,516,400	12.735	-	-	52,516,400	14.150	-	-
OB	-	-	52,516,400 (v)	12.735	-	-	52,516,400 (v)	14.150
Insas	-	-	54,095,250 (vi)	13.118	-	-	54,095,250 (vi)	14.575
Low Chee Group Sdn. Bhd. ("LCG")	65,113,032	15,789	-	-	65,113,032	17.544	-	-
GAM	40,645,250	9,856	-	-	40,645,250	10.951	-	-
Low Lai Yoong	1,362,500	0.330	65,113,032 (i)	15,789	1,362,500	0.367	65,113,032 (i)	17.544
Dato' Low Tuck Choy ("DLTC")	6,817,500	1.653	71,240,305 (iv)	17.275	6,817,500	1.837	71,240,305 (iv)	19.195
DCBL	47,700	0.012	77,958,722 (ii)	18.904	47,700	0.013	77,958,722 (ii)	21.005

6.4 Shareholdings of Directors and Major/Substantial Shareholders (cont'd)

Scenario 1 (cont'd)

	Shareholdings as at the LPD				After Proposed Share Buy-Back			
	Direct		Indirect		Direct		Indirect	
	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
Persons Connected with Directors and Major Shareholders								
Datin Yap Siew Bee	8,003,000	1.941	-	-	8,003,000	2.156	-	-
Mah Xian-Zhen	158,000	0.038	-	-	158,000	0.043	-	-
Estate of Low Chee	5,679,000	1.377	-	-	5,679,000	1.530	-	-
Concrete Pavers Industries Sdn Bhd ("CPISB")	349,190	0.085	-	-	349,190	0.094	-	-
Thong Mei Chuen ("TMC")	50,000	0.012	-	-	50,000	0.013	-	-
Thong Weng Sheng ("TWS")	2,500	0.001	-	-	2,500	0.001	-	-
WDPL	5,000,000	1.212	-	-	5,000,000	1.347	-	-
MAL	8,450,000	2.049	-	-	8,450,000	2.277	-	-

Scenario 2

	Shareholdings as at the LPD				(I) Assuming full exercise of ESOS options of our Company				(II) After (I) and the Proposed Share Buy-Back			
	Direct		Indirect		Direct		Indirect		Direct		Indirect	
	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
Directors												
TSDSPSM	-	-	-	-	211,900	0.051	-	-	211,900	0.057	-	-
DMSK	5,687,500	1.379	8,161,000	1.979	5,856,900	1.408	8,161,000	1.962	5,856,900	1.564	8,161,000	2.180
DSTKK	-	-	54,147,750 (i)	13.130	158,900	0.038	54,147,750 (i)	13.015	158,900	0.042	54,147,750 (i)	14.461
DWKL	287,000	0.070	-	-	922,600	0.222	-		922,600	0.246	-	-
DWGK	-	-	-	-	-	-	-	-	-	-	-	-
DCBL	47,700	0.012	77,958,722 (ii)	18.904	158,900	0.038	77,958,722 (ii)	18.739	158,900	0.042	77,958,722 (ii)	20.821
Boey Tak Kong	2,260,000	0.548	-	-	2,371,200	0.570	-	-	2,371,200	0.633	-	-
Chow Seck Kai	117,400	0.028	-	-	239,700	0.058	-	-	239,700	0.064	-	-
LKL	51,383	0.012	65,113,032 (iii)	15,789	162,583	0.039	65,113,032 (iii)	15.651	162,583	0.043	65,113,032 (iii)	17,390

6.4 Shareholdings of Directors and Major/Substantial Shareholders (cont'd)

Scenario 2 (cont'd)

	Shareholdings as at the LPD				(I) Assuming full exercise of ESOS options of our Company				(II) After (I) and the Proposed Share Buy-Back			
	Direct		Indirect		Direct		Indirect		Direct		Indirect	
	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
Major/Substantial Shareholders												
DSTKK	-	-	54,147,750 (i)	13.130	158,900	0.038	54,147,750 (i)	13.015	158,900	0.042	54,147,750 (i)	14.461
LKL	51,383	0.012	65,113,032 (iii)	15,789	162,583	0.039	65,113,032 (iii)	15.651	162,583	0.043	65,113,032 (iii)	17.390
OHB	52,516,400	12.735	-	-	52,516,400	12.623	-	-	52,516,400	14.026	-	-
OB	-	-	52,516,400 (v)	12.735	-	-	52,516,400 (v)	12.623	-	-	52,516,400 (v)	14.026
Insas	-	-	54,095,250 (vi)	13.118	-	-	54,095,250 (vi)	13.003	-	-	54,095,250 (vi)	14.447
LCG	65,113,032	15,789	-	-	65,113,032	15.651	-	-	65,113,032	17,390	-	-
GAM	40,645,250	9,856	-	-	40,645,250	9.770	-	-	40,645,250	10,855	-	-
Low Lai Yoong	1,362,500	0.330	65,113,032 (i)	15,789	1,362,500	0.327	65,113,032 (i)	15.651	1,362,500	0.364	65,113,032 (i)	17.390
DLTC	6,817,500	1.653	71,240,305 (iv)	17.275	6,817,500	1.639	71,240,305 (iv)	17.124	6,817,500	1.821	71,240,305 (iv)	19.026
DCBL	47,700	0.012	77,958,722 (ii)	18.904	158,900	0.038	77,958,722 (ii)	18.739	158,900	0.042	77,958,722 (ii)	20.821
Persons Connected with Directors and Major Shareholders												
Datin Yap Siew Bee	8,003,000	1.941	-	-	8,003,000	1.924	-	-	8,003,000	2.137	-	-
Mah Xian-Zhen	158,000	0.038	-	-	158,000	0.038	-	-	158,000	0.042	-	-
Estate of Low Chee	5,679,000	1.377	-	-	5,679,000	1.365	-	-	5,679,000	1.517	-	-
CPISB	349,190	0.085	-	-	349,190	0.084	-	-	349,190	0.093	-	-
TMC	50,000	0.012	-	-	50,000	0.012	-	-	50,000	0.013	-	-
TWS	2,500	0.001	-	-	2,500	0.001	-	-	2,500	0.001	-	-
WDPL	5,000,000	1.212	-	-	5,000,000	1.202	-	-	5,000,000	1.335	-	-
MAL	8,450,000	2.049	-	-	8,450,000	2.031	-	-	8,450,000	2.257	-	-

Notes:-

(i) *Deemed interest by virtue of his substantial shareholdings in Insas pursuant to Section 8(4) of the Act and his children, TMC's and TWS's direct shareholdings in the Company.*

(ii) *Deemed interest by virtue of her husband, DLTC's substantial shareholdings in LCG, Estate of Low Chee and CPISB pursuant to Section 8(4) of the Act and her husband's direct shareholdings in the Company.*

(iii) *Deemed interest by virtue of his substantial shareholdings in LCG pursuant to Section 8(4) of the Act.*

(iv) *Deemed interest by virtue of his substantial shareholdings in LCG, Estate of Low Chee and CPISB pursuant to Section 8(4) of the Act and his spouse, DCBL's and son, LKL's direct shareholdings in the Company.*

(v) *Deemed interest by virtue of its substantial shareholdings in its wholly-owned subsidiary, OHB pursuant to Section 8(4) of the Act.*

(vi) *Deemed interest by virtue of its shareholdings in its wholly-owned subsidiaries, GAM and MAL and substantial shareholdings in its associated company, WDPL pursuant to Section 8(4) of the Act.*

7. HISTORICAL SHARE PRICES

The monthly highest and lowest prices of the Shares traded on the Main Market of Bursa Securities for the preceding twelve (12) months from June 2019 to May 2020 are as follows:

	High (RM)	Low (RM)
2019		
June	0.620	0.515
July	0.595	0.520
August	0.535	0.450
September	0.555	0.480
October	0.580	0.480
November	0.575	0.510
December	0.560	0.510
2020		
January	0.525	0.490
February	0.555	0.465
March	0.540	0.240
April	0.475	0.325
May	0.640	0.425

(Source: Bloomberg)

The last transacted price of Ho Hup Shares as at the LPD prior to the printing of this Statement was RM0.580.

8.0 APPROVAL REQUIRED

The Proposed Share Buy-Back is subject to the approval of the shareholders of Ho Hup at the forthcoming 46th AGM to be convened.

9.0 INTERESTS OF DIRECTORS, MAJOR SHAREHOLDERS AND/OR PERSONS CONNECTED WITH THEM

Save for the proportionate increase in the percentage of shareholding and/or voting rights of shareholders of our Company as a result of the Proposed Share Buy-Back, none of the Directors and/or Major Shareholders and/or persons connected with them, has any interest, direct or indirect, in the Proposed Share Buy-Back and the subsequent resale of treasury shares, if any, in the future.

10.0 DIRECTORS' RECOMMENDATION

The Board, having considered all aspects of the Proposed Share Buy-Back, is of the opinion that the Proposed Share Buy-Back is in the best interests of our Company. Accordingly, the Board recommends that you vote in favour of the ordinary resolution pertaining to the Proposed Share Buy-Back to be tabled at the forthcoming 46th AGM of our Company.

11.0 46TH AGM

The Notice of 46th AGM to consider and if thought fit, passing the ordinary resolution pertaining to the Proposed Share Buy-Back as set out herein is also enclosed in the Annual Report 2019. The 46th AGM will be held at Bukit Jalil Golf and Country Resort, 1st Floor, Perdana Ballroom, Jalan Jalil Perkasa 3, Bukit Jalil, 57000 Kuala Lumpur on Wednesday, 22 July 2020 at 10.00 a.m.

If you are unable to attend and vote in person at the forthcoming 46th AGM, you are requested to complete and return the enclosed Form of Proxy in accordance with the instructions contained therein as soon as possible and in any event, so as to arrive at the office of the Registrar of our Company at ShareWorks Sdn. Bhd., 2-1, Jalan Sri Hartamas 8, Sri Hartamas, 50480 Kuala Lumpur not less than forty-eight (48) hours before the time for holding the Meeting or any adjournment thereof or, in the case of a poll, not less than twenty-four (24) hours before the time appointed for the taking of the poll. The lodging of the Form of Proxy will not preclude you from attending and voting in person at the forthcoming 46th AGM should you subsequently wish to do so.

12.0 FURTHER INFORMATION

Shareholders are requested to refer to the attached Appendix 1 of this Statement/Circular for further information.

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PART B

PROPOSED RENEWAL OF EXISTING SHAREHOLDERS' MANDATE

HOHUP

HO HUP CONSTRUCTION COMPANY BERHAD
[197301000497 (14034-W)]
(Incorporated in Malaysia)

Registered Office:

Ho Hup Tower - Aurora Place,
2-07-01 - Level 7, Plaza Bukit
Jalil, No. 1, Persiaran Jalil 1,
Bandar Bukit Jalil,
57000 Kuala Lumpur

26 June 2020

Board of Directors:

Tan Sri Datuk Seri Panglima Sulong Matjeraie *(Chairman/Senior Independent Non-Executive Director)*
Dato' Mah Siew Kwok *(Deputy Chairman Non-Independent Non-Executive Director)*
Dato' Sri Thong Kok Khee *(Non-Independent Non-Executive Director)*
Datin Chan Bee Leng *(Non-Independent Non-Executive Director)*
Dato' Wong Kit-Leong *(Chief Executive Officer/Executive Director)*
Dato' Wong Gian Kui *(Executive Director)*
Boey Tak Kong *(Independent Non-Executive Director)*
Chow Seck Kai *(Independent Non-Executive Director)*
Low Kheng Lun *(Non-Independent Non-Executive Director)*

To: The Shareholders of Ho Hup

Dear Sir/Madam,

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

1.0 INTRODUCTION

At the Forty-Fifth AGM of Ho Hup held on 30 May 2019, our Company obtained shareholders' mandate for our Company and/or its subsidiaries to enter into RRPTs in the ordinary course of business based on commercial terms which are not more favourable to the Related Parties than those generally available to the public.

In accordance with the Listing Requirements, the mandate referred to the above shall lapse at the conclusion of the forthcoming 46th AGM of our Company, unless authority for its renewal is obtained from the shareholders at the said AGM of our Company.

On 28 May 2020, Ho Hup announced to Bursa Securities of its intention to seek the shareholders' approval for the Proposed Renewal of Existing Shareholders' Mandate at the forthcoming 46th AGM of our Company.

The purpose of this Circular is to provide you with details of the Proposed Renewal of Existing Shareholders' Mandate and to seek your approval for the ordinary resolution to be tabled at the forthcoming 46th AGM. The Notice of the 46th AGM together with the Form of Proxy are enclosed in the Annual Report 2019.

SHAREHOLDERS OF HO HUP ARE ADVISED TO READ THE CONTENTS OF THIS CIRCULAR CAREFULLY BEFORE VOTING ON THE RESOLUTION PERTAINING TO THE PROPOSED RENEWAL OF EXISTING SHAREHOLDERS' MANDATE AT THE FORTHCOMING 46TH AGM.

2.0 DETAILS OF THE PROPOSED RENEWAL OF EXISTING SHAREHOLDERS' MANDATE

2.1 The Listing Requirements

Paragraph 10.09(2) of the Listing Requirements provides that a listed issuer may seek a mandate from its shareholders for RRPTs subject to 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 below in relation to a listed issuer with a share capital of RM60 million and above:

  (a) the consideration, value of the assets, capital outlay or costs of the RRPTs is RM1 million or more; or

  (b) the percentage ratio of such RRPTs is 1% or more,

  whichever is the higher;

(iii) the listed issuer's circular to shareholders for the shareholders' mandate includes the information as may be prescribed by Bursa Securities. The draft circular must be submitted to Bursa Securities together with a checklist showing compliance with such information;

(iv) in a meeting to obtain the shareholders' mandate, the relevant Related Party must comply with the following requirements:

  (a) a Related Party with any interest, direct or indirect ("Interested Related Party"), must not vote on the resolution in respect of the RRPT;

  (b) an Interested Related Party who is a Director or Major Shareholder must ensure that Persons Connected with it abstain from voting on the resolution in respect of the RRPT; and

  (c) where the Interested Related Party is a Person Connected with a Director or Major Shareholder, such persons must not vote on the resolution in respect of the RRPT.

(v) the listed issuer immediately announces to Bursa Securities when the actual value of a RRPT entered into by the listed issuer, exceeds the estimated value of the RRPT disclosed in the circular by 10% or more and must include the information as may be prescribed by Bursa Securities in its announcement.

Accordingly, the Board proposes to seek the shareholders' approval for the Proposed Renewal of Existing Shareholders' Mandate. The Proposed Renewal of Existing Shareholders' Mandate will allow Ho Hup Group, in the normal course of business, to enter into the RRPTs referred to in Section 2.4 with the Related Parties, provided that such transactions are made at arm's length, on Ho Hup 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 Ho Hup.

2.2 Validity Period of the Proposed Renewal of Existing Shareholders' Mandate

The authority to be conferred pursuant to the Proposed Renewal of Existing Shareholders' Mandate, if approved by the shareholders, shall take effect from the passing of the ordinary resolution proposed at the forthcoming 46th AGM and shall continue to be in force until:

2.2 Validity Period of the Proposed Renewal of Existing Shareholders' Mandate (cont'd)

(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 a general meeting, the authority is renewed;

(b) the expiration of the period within which the next AGM after that date is required to be held pursuant to Section 340(2) of the Act (but must not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or

(c) revoked or varied by resolution passed by the shareholders of the Company in general meeting,

whichever is the earlier.

2.3 Principal Activities of Ho Hup Group

Ho Hup is principally engaged in investment holding, foundation engineering, civil engineering, building contracting works and provision of management services for subsidiary companies. Our subsidiaries are principally involved in property investment, property development, construction, and retail.

The companies in Ho Hup Group to which the Proposed Renewal of Existing Shareholders' Mandate applies are as follows:

Name of Company	Equity interest (%)	Principal activities
Subsidiaries of Ho Hup		
Bukit Jalil Development Sdn. Bhd. ("BJDSB")	100	Property development
Ho Hup Jaya Sdn. Bhd. ("HHJ")	100	Property management
Ho Hup Ventures (KK) Sdn. Bhd. ("HHVKK")	75	Investment holding
Ho Hup Ventures (Johor) Sdn. Bhd. ("HHVJ")	75	Investment holding
Subsidiary of HHVKK		
Golden Wave Sdn. Bhd. ("GWSB")	70	Property development and letting of shop lots, food court and promotional area
Subsidiary of HHVJ		
Intact Corporate Approach Sdn. Bhd. ("ICA")	70	Project management that includes consultancy and infrastructure development

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

2.4 Details of RRPTs contemplated under the Proposed Renewal of Existing Shareholders' Mandate

The classes and nature of the RRPTs under the Proposed Renewal of Existing Shareholders' Mandate are as follows:

No.	Company	Transacting Party(ies)	Nature of Transactions	Interested Directors/Major Shareholders and Persons Connected with them	Estimated Value as Disclosed in the Circular to Shareholders dated 30 April 2019 ("Estimated Value") (RM'000)	Actual Value Transacted from 30 May 2019 (date of Forty-Fifth AGM) to the LPD ("Actual Value") (RM'000)	Estimated Value from 22 July 2020 (date of 46th AGM) to the date of next AGM (RM'000)
(i)	Ho Hup Group	Directors and/or Major Shareholders of Ho Hup Group and Persons Connected with them	Sale of development properties in the ordinary course of business provided that any one of the percentage ratios of the transaction does not exceed 10% as defined in the Listing Requirements	Directors and/or Major Shareholders of Ho Hup Group and Persons Connected with them@	#	-	#
(ii)	GWSB	TREAM	Service rendered by TREAM for provision of development and project management services	DJ (1)	1,980	-	1,980
(iii)	ICA	TREAM	Service rendered by TREAM for provision of development and project management services	DJ (1)	1,700	-	1,700
(iv)	HHJ	OB	Rental of office premises	DMSK (2) DSTKK(3) DWKL(4) Datin Yap Siew Bee (5) Mah Xian-Zhen ("MXZ") (5) Insas (6) GAM (7) Thong Mei Chuen ("TMC") (8) Thong Weng Sheng ("TWS") (8) WDPL (7) MAL (7) H2O Holdings Sdn Bhd (12)	3,365	386	3,365

2.4 Details of Recurrent Related Party Transactions contemplated under the Proposed Renewal of Existing Shareholders' Mandate (cont'd)

No.	Company	Transacting Party(ies)	Nature of Transactions	Interested Directors/Major Shareholders and Persons Connected with them	Estimated Value as Disclosed in the Circular to Shareholders dated 30 April 2019 ("Estimated Value") (RM'000)	Actual Value Transacted from 30 May 2019 (date of Forty-Fifth AGM) to the LPD ("Actual Value") (RM'000)	Estimated Value from 22 July 2020 (date of 46th AGM) to the date of next AGM (RM'000)
(v)	HHJ	MSB	Rental of office premises	OHB [9] OB [10]	1,941	386	1,941
(vi)	Ho Hup	NSSB	Subcontractor for main building work	DWGK[11]	10,759	10,500	33,000
(vii)	HHJ	SISB	Renting of retail spaces"	DSTKK[3] DWKL[4] DWGK[11] Insas [6] GAM [7] TMC [8] TWS [8] WDPL [7] MAL [7] H2O Holdings Sdn Bhd [12]	1,600	910	3,200

Notes:-

\# *Estimates of the value of this category of transactions cannot be ascertained given the various types of properties sold by Ho Hup Group which varies from project to project. However, in accordance with Paragraph 3.3 of Practice Note 12 of the Listing Requirements and any one of the percentage ratios of the transactions is not more than 10%.*

@ *The Directors, Major Shareholders and/or Persons Connected with them who would be purchasing the properties sold by Ho Hup Group could not be ascertained at this juncture. Disclosure will be made in our Annual Report 2019 in accordance with Practice Note 12 of the Listing Requirements.*

(1) DJ is a Director of GWSB, a 70%-owned subsidiary of HHVKK. He is also a Director of HHVKK, a 75%-owned subsidiary of Ho Hup. DJ is also a Director and Major Shareholder of TREAM.

2.4 Details of Recurrent Related Party Transactions contemplated under the Proposed Renewal of Existing Shareholders' Mandate (cont'd)

Notes: (cont'd)

(2) DMSK is a common Director of OB and Ho Hup, the holding company of HHJ. He is also a Major Shareholder of OB and a shareholder of Ho Hup.

(3) DSTKK is a common Director of OB, SISB and Ho Hup, the holding company of HHJ. He is also a substantial shareholder of OB and SISB through Filmont Holdings Sdn. Bhd., a wholly-owned subsidiary of Insas and a Major Shareholder of Ho Hup.

(4) DWKL is a common Director of SISB and Ho Hup, the holding company of HHJ. He is also an indirect Major Shareholder of OB and he holds an indirect shareholding in SISB through H2O Holdings Sdn. Bhd.

(5) Datin Yap Siew Bee and MXZ are the spouse and daughter of DMSK.

(6) Insas is a deemed Major Shareholder of Ho Hup and a substantial shareholder of OB by virtue of its shareholdings in its wholly-owned subsidiaries and associated company.

(7) GAM and MAL are wholly-owned subsidiaries and WDPL is an associated company of Insas.

(8) TMC and TWS are the children of DSTKK.

(9) OHB is a common Major Shareholder of Ho Hup and MSB.

(10) OB is a deemed common Major Shareholder of Ho Hup and MSB by virtue of its shareholdings in its wholly-owned subsidiary, OHB.

(11) DWGK is a Director of NSSB and a Major Shareholder, having 10% direct interest in NSSB. He is also a Director of SISB and an Executive Director of Ho Hup, the holding company of HHJ.

(12) H2O is a person connected with DWKL and he holds 30% equity interest in H2O.

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2.5 Amount Due and Owing to Ho Hup Group by Related Parties

As at the LPD, there is no amount due or owing to Ho Hup Group by its Related Parties which exceeded the credit term. As such, the disclosures as required under Paragraphs 16A and 16B in Annexure PN12-A of the Listing Requirements are not applicable.

2.6 Review Procedures for the RRPTs

The Board has in place the following internal control procedures to ensure that transactions with Related Parties undertaken on transaction prices and not more favourable to the Related Parties than those generally available to the public, are conducted at arm's length basis and are based on normal commercial terms consistent with Ho Hup Group's usual business practices and are not prejudicial to the interests of the minority shareholders:

(i) The pricing of transactions with a Related Party will take into account the pricing, prevailing market rates, areas of space rented, quality, level of service, amenities offered and other related facts. The final pricing of transactions with a Related Party shall not be at terms more favourable than the prevailing market practices;

(ii) All transactions entered/to be entered into pursuant to the Proposed Renewal of Existing Shareholders' Mandate have been/will be tabled to the Audit Committee on a quarterly basis for its review of compliance with the above. In its review of such transactions, the Audit Committee may, as it deems fit, request for additional information pertaining to the transactions from independent sources;

(iii) Records will be maintained by our Company to capture all RRPTs entered into pursuant to the Proposed Renewal of Existing Shareholders' Mandate to ensure that relevant approvals have been obtained and review procedures in respect of such transactions are adhered to;

(iv) The Audit Committee shall continuously review the adequacy and appropriateness of the procedures, as and when required, with the authority to sub-delegate to individuals or committee(s) within our Company as they deem appropriate;

(v) Where any of the Directors of our Company has an interest (whether direct or indirect) in any particular RRPT, such Director(s) shall abstain from all deliberations and voting on that matter in the Board's deliberations of such transaction. Where any member of the Audit Committee is interested in any particular RRPT, that member shall abstain from voting on any matter relating to any decisions to be taken by the Audit Committee with respect to such transaction;

(vi) Immediate announcement will be made when the actual amount of a RRPT exceeds the estimated value of the RRPT disclosed in the Circular by 10% or more;

(vii) Disclosure will be made in the Annual Report of our Company of the aggregate value of transactions conducted pursuant to the Proposed Renewal of Existing Shareholders' Mandate; and

(viii) At least two (2) other contemporaneous transactions with unrelated third parties for similar products/services and/or quantities will be used as comparison, wherever possible, to determine whether the price and terms offered to/by related third parties are fair and reasonable and comparable to those offered to/by other unrelated third parties for the same or substantially similar type of products/services and/or quantities.

In the event that quotation or comparative pricing from unrelated third parties could not be obtained, the transaction prices will be determined by Ho Hup Group based on usual business practice and on terms which are generally in line with industries norms to ensure that the RRPTs are not detrimental to our Company. There are no thresholds for approval of RRPTs within Ho Hup Group.

2.7 Statement by the Audit Committee

The Audit Committee of our Company has reviewed the procedures set out in Section 2.6 above and is of the view that the review procedures for RRPTs are sufficient to ensure that the RRPTs will be entered into at arm's length and in accordance with Ho Hup Group's normal commercial terms, and on terms which are not more favourable to the Related Parties than those generally available to the public, and hence, will not be detrimental to the minority shareholders. Any member of the Audit Committee who is interested in any particular RRPT shall not be involved in the review of the RRPT.

The Audit Committee is satisfied that Ho Hup Group has in place adequate procedures and processes to monitor, track and identify RRPTs in a timely and orderly manner, and the review of these procedures and processes will be conducted on an annual basis. If necessary, the Audit Committee may request internal audit to review these systems and procedures.

2.8 Rationale and Benefits of the Proposed Renewal of Existing Shareholders' Mandate

The RRPTs that are set out in this Circular are all in the ordinary course of business and intended to meet the business needs of Ho Hup Group on the best possible terms and represent sound business decisions which are taken for legitimate and bona fide business purposes which will enhance Ho Hup Group's ability to explore beneficial business opportunities.

The Proposed Renewal of Existing Shareholders' Mandate, if approved by the shareholders, will eliminate the need to make announcements to Bursa Securities or to convene separate general meetings from time to time to seek shareholders' approval as and when RRPTs with the specified classes of Related Parties arise. This will reduce substantially the expenses associated with the convening of general meetings on an ad hoc basis, improve administrative efficiency considerably and allow manpower resources and time to be focused on attaining Ho Hup Group's corporate objectives and business opportunities.

The Proposed Renewal of Existing Shareholders' Mandate, is intended to facilitate transactions entered into in the ordinary course of business of Ho Hup Group which are transacted from time to time with the Related Parties at arm's length, on Ho Hup Group's normal commercial terms which are not more favourable to the Related Parties than those generally available to the public and are not detrimental to the minority shareholders of our Company.

3.0 INTERESTS OF THE DIRECTORS, MAJOR SHAREHOLDERS AND/OR PERSONS CONNECTED WITH THEM

3.1 RRPTs for the sale of development properties

The following table illustrates the direct and indirect shareholdings of the Directors and/or Major Shareholders of Ho Hup and/or person connected with them, who have interest, direct or indirect in the Proposed Renewal of Existing Shareholders' Mandate for the sale of development properties as at the LPD:

	Shareholdings as at the LPD			
	Direct		**Indirect**	
	No. of Shares	**%**	**No. of Shares**	**%**
Directors				
TSDSPSM	-	-	-	-
DMSK	5,687,500	1.379	8,161,000	1.979
DSTKK	-	-	54,147,750 (i)	13.130
DWKL	287,000	0.070	-	-
DWGK	-	-	-	-
Datin Chan Bee Leng ("DCBL")	47,700	0.012	77,958,722 (ii)	18.904
Boey Tak Kong	2,260,000	0.548	-	-
Chow Seck Kai	117,400	0.028	-	-
Low Kheng Lun ("LKL")	51,383	0.012	65,113,032 (iii)	15,789

3.1 RRPTs for the sale of development properties (cont'd)

	Shareholdings as at the LPD			
	Direct		Indirect	
	No. of Shares	%	No. of Shares	%
Major/Substantial Shareholders				
DSTKK	-	-	54,147,750 (i)	13.130
LKL	51,383	0.012	65,113,032 (iii)	15,789
OHB	52,516,400	12.735	-	-
OB	-	-	52,516,400 (v)	12.735
Insas	-	-	54,095,250 (vi)	13.118
Low Chee Group Sdn. Bhd. ("LCG")	65,113,032	15,789	-	-
GAM	40,645,250	9,856	-	-
Low Lai Yoong	1,362,500	0.330	65,113,032 (i)	15,789
Dato' Low Tuck Choy ("DLTC")	6,817,500	1.653	71,240,305 (iv)	17.275
DCBL	47,700	0.012	77,958,722 (ii)	18.904
Persons Connected with Directors and Major Shareholders				
Datin Yap Siew Bee	8,003,000	1.941	-	-
MXZ	158,000	0.038	-	-
Estate of Low Chee	5,679,000	1.377	-	-
Concrete Pavers Industries Sdn Bhd	349,190	0.085	-	-
TMC	50,000	0.012	-	-
TWS	2,500	0.001	-	-
WDPL	5,000,000	1.212	-	-
MAL	8,450,000	2.049	-	-
H2O	-	-	-	-

Notes:-

(i) Deemed interest by virtue of his substantial shareholdings in Insas pursuant to Section 8(4) of the Act and his children, TMC's and TWS's direct shareholdings in the Company.

(ii) Deemed interest by virtue of her husband, DLTC's substantial shareholdings in LCG, Estate of Low Chee and Concrete Pavers Industries Sdn. Bhd. ("CPISB") pursuant to Section 8(4) of the Act and her husband's direct shareholdings in the Company.

(iii) Deemed interest by virtue of his substantial shareholdings in LCG pursuant to Section 8(4) of the Act.

(iv) Deemed interest by virtue of his substantial shareholdings in LCG, Estate of Low Chee and CPISB pursuant to Section 8(4) of the Act and his spouse, DCBL's and son, LKL's direct shareholdings in the Company.

(v) Deemed interest by virtue of its substantial shareholdings in its wholly-owned subsidiary, OHB pursuant to Section 8(4) of the Act.

(vi) Deemed interest by virtue of its shareholdings in its wholly-owned subsidiaries, GAM and MAL and substantial shareholdings in its associated company, WDPL pursuant to Section 8(4) of the Act.

The interested Directors of Ho Hup have accordingly abstained and/or will continue to abstain from all Board deliberations and voting in relation to the RRPTs set out in Section 2.4(i) of this Circular.

The Directors, Major Shareholders and/or Persons Connected with them will abstain from voting on the resolution involving their direct and indirect shareholdings (if any) in respect of the Proposed Renewal of Existing Shareholders' Mandate for the sale of development properties at the forthcoming 46th AGM.

In addition, the Directors and/or Major Shareholders, have undertaken that they will ensure that Persons Connected with them abstain from voting on the resolution pertaining to the Proposed Renewal of Existing Shareholders' Mandate for the sale of development properties at the forthcoming 46th AGM.

3.2 RRPTs for the provision of development and project management services

The following table illustrates the direct and indirect shareholdings of the Director of the subsidiaries of Ho Hup, who has interest, direct or indirect, in the Proposed Renewal of Existing Shareholders' Mandate for the services rendered by TREAM for provision of development and project management services as at the LPD:

	Shareholdings as at the LPD			
	Direct		Indirect	
	No. of Shares	%	No. of Shares	%
Director of Subsidiaries				
DJ	666,900	0.162	-	-

DJ, being the interested Director of the subsidiaries in the RRPTs has abstained and will continue to abstain from deliberating and voting on the resolution pertaining to the Proposed Renewal of Existing Shareholders' Mandate for the service rendered by TREAM for the provision of development and project management services at the forthcoming 46th AGM.

DJ has undertaken to ensure that the Persons Connected with him will abstain from voting in respect of their direct and/or indirect shareholdings on the resolution pertaining to the Proposed Renewal of Existing Shareholders' Mandate for the service rendered by TREAM for the provision of development and project management services at the forthcoming 46th AGM.

3.3 RRPTs for the rental of office premises

The following table illustrates the direct and indirect shareholdings of the Directors and/or Major Shareholders of Ho Hup and/or person connected with them, who have interest, direct or indirect, in the Proposed Renewal of Existing Shareholders' Mandate for the rental of office premises as at the LPD:

	Shareholdings as at the LPD			
	Direct		Indirect	
	No. of Shares	%	No. of Shares	%
Directors				
DMSK	5,687,500	1.379	8,161,000	1.979
DSTKK	-	-	54,147,750 (i)	13.130
DWKL	287,000	0.070	-	-
Major/Substantial Shareholders				
DSTKK	-	-	54,147,750 (i)	13.130
OHB	52,516,400	12.735	-	-
OB	-	-	52,516,400 (ii)	12.735
Insas	-	-	54,095,250 (iii)	13.118
GAM	40,645,250	9,856	-	-
Persons Connected with Directors and Major Shareholders				
Datin Yap Siew Bee	8,003,000	1.941	-	-
MXZ	158,000	0.038	-	-
TMC	50,000	0.012	-	-
TWS	2,500	0.001	-	-
WDPL	5,000,000	1.212	-	-
MAL	8,450,000	2.049	-	-
H2O	-	-	-	-

Notes:-

(i) Deemed interest by virtue of his substantial shareholdings in Insas pursuant to Section 8(4) of the Act and his children, TMC's and TWS's direct shareholdings in the Company.

(ii) Deemed interest by virtue of its substantial shareholdings in its wholly-owned subsidiary, OHB pursuant to Section 8(4) of the Act.

(iii) Deemed interest by virtue of its shareholdings in its wholly-owned subsidiaries, GAM and MAL and substantial shareholdings in its associated company, WDPL pursuant to Section 8(4) of the Act.

3.3 RRPTs for the rental of office premises (cont'd)

The interested Directors of Ho Hup have accordingly abstained and/or will continue to abstain from all Board deliberations and voting in relation to the RRPTs set out in Section 2.4 (iv) and (v) of this Circular.

The Directors, Major Shareholders and/or Persons Connected with them will abstain from voting on the resolution involving their direct and indirect shareholdings (if any) in respect of the Proposed Renewal of Existing Shareholders' Mandate for the rental of office premises at the forthcoming 46th AGM.

In addition, the Directors and/or Major Shareholders, have undertaken that they will ensure that Persons Connected with them abstain from voting on the resolution pertaining to the Proposed Renewal of Existing Shareholders' Mandate for the rental of office premises at the forthcoming 46th AGM.

3.4 RRPTs for the provision of subcontracting work for main building work

The following table illustrates the direct and indirect shareholdings of DWGK, an Executive Director of Ho Hup who has interest, direct or indirect, in the Proposed Renewal of Existing Shareholders' Mandate for the service rendered by NSSB as subcontractor for main building work as at the LPD:

	Shareholdings as at the LPD			
	Direct		**Indirect**	
	No. of Shares	**%**	**No. of Shares**	**%**
Director of Subsidiaries				
DWGK	-	-	-	-

DWGK, being the interested Director in the RRPTs has abstained and will continue to abstain from Board deliberations and voting on the resolution pertaining to the Proposed Renewal of Existing Shareholders' Mandate for the service rendered by NSSB as subcontractor for main building work at the forthcoming 46th AGM.

DWGK has undertaken to ensure that the Persons Connected with him will abstain from voting in respect of their direct and/or indirect shareholdings on the resolution pertaining to the Proposed Renewal of Existing Shareholders' Mandate for the service rendered by NSSB as subcontractor for main building work at the forthcoming 46th AGM.

3.5 RRPTs for rental of retail spaces

The following table illustrates the direct and indirect shareholdings of the Directors and/or Major Shareholders of Ho Hup and/or person connected with them, who have interest, direct or indirect, in the Proposed Renewal of Existing Shareholders' Mandate for the renting of retail spaces as at the LPD:

	Shareholdings as at the LPD			
	Direct		**Indirect**	
	No. of Shares	**%**	**No. of Shares**	**%**
Directors				
DSTKK	-	-	54,147,750 (i)	13.130
DWKL	287,000	0.070	-	-
DWGK	-	-	-	-
Major/Substantial Shareholders				
DSTKK	-	-	54,147,750 (i)	13.130
Insas	-	-	54,095,250 (ii)	13.118
GAM	40,645,250	9,856	-	-

3.5 RRPTs for rental of retail spaces (cont'd)

	Shareholdings as at the LPD			
	Direct		Indirect	
	No. of Shares	%	No. of Shares	%
Persons Connected with Directors and Major Shareholders				
TMC	50,000	0.012	-	-
TWS	2,500	0.001	-	-
WDPL	5,000,000	1.212	-	-
MAL	8,450,000	2.049	-	-
H2O	-	-	-	-

Notes:-

(i) Deemed interest by virtue of his substantial shareholdings in Insas pursuant to Section 8(4) of the Act and his children, TMC's and TWS's direct shareholdings in the Company.

(ii) Deemed interest by virtue of its shareholdings in its wholly-owned subsidiaries, GAM and MAL and substantial shareholdings in its associated company, WDPL pursuant to Section 8(4) of the Act.

DSTKK, DWKL and DWGK, being the interested Directors in the RRPTs have abstained and will continue to abstain from Board deliberations and voting on the resolution pertaining to the Proposed Renewal of Existing Shareholders' Mandate for the renting of retail spaces by SISB at the forthcoming 46th AGM.

DSTKK, DWKL and DWGK have undertaken to ensure that the Persons Connected with them will abstain from voting in respect of their direct and/or indirect shareholdings on the resolution pertaining to the Proposed Renewal of Existing Shareholders' Mandate for the renting of retail spaces by SISB at the forthcoming 46th AGM.

Save as disclosed in this Circular, none of the Directors and/or Major Shareholders of our Company and/or Persons Connected with them, have any interests, direct or indirect, in the Proposed Renewal of Existing Shareholders' Mandate.

4.0 APPROVALS REQUIRED

The Proposed Renewal of Existing Shareholders' Mandate is subject to the approval of the shareholders of Ho Hup at the forthcoming 46th AGM to be convened or at any adjournment thereof.

5.0 DIRECTORS' RECOMMENDATION

The Directors have refrained from forming an opinion on the RRPTs as set out in Section 2.4(i) of this Circular and making any recommendation in respect thereof as the transacting Related Parties cannot be ascertained as at the date of this Circular.

The Board (save for the Interested Directors) having considered all respects of the Proposed Renewal of Existing Shareholders' Mandate, is of the opinion that it is in the best interest of our Company and accordingly recommends that the shareholders of Ho Hup vote in favour of the ordinary resolution in respect of the Proposed Renewal of Existing Shareholders' Mandate to be tabled at the forthcoming 46th AGM.

6.0 46TH AGM

The Notice of 46th AGM to consider and if thought fit, passing the ordinary resolution pertaining to the Proposed Renewal of Existing Shareholders' Mandate as set out herein is also enclosed in the Annual Report 2019. The 46th AGM will be held on Wednesday, 22 July 2020 at 10.00 a.m. at Bukit Jalil Golf and Country Resort, 1st Floor, Perdana Ballroom, Jalan Jalil Perkasa 3, Bukit Jalil, 57000 Kuala Lumpur.

6.0 46TH AGM (cont'd)

If you are unable to attend and vote in person at the forthcoming 46th AGM, you are requested to complete and return the enclosed Form of Proxy in accordance with the instructions contained therein as soon as possible and in any event, so as to arrive at the office of the Registrar of our Company at ShareWorks Sdn. Bhd., 2-1, Jalan Sri Hartamas 8, Sri Hartamas, 50480 Kuala Lumpur not less than forty-eight (48) hours before the time for holding the Meeting or any adjournment thereof or, in the case of a poll, not less than twenty-four (24) hours before the time appointed for the taking of the poll. The lodging of the Form of Proxy will not preclude you from attending and voting in person at the forthcoming 46th AGM should you subsequently wish to do so.

7.0 FURTHER INFORMATION

Shareholders are requested to refer to the attached Appendix 1 of this Statement/Circular for further information.

Yours faithfully,
For and on behalf of the Board of Directors
HO HUP CONSTRUCTION COMPANY BERHAD

TAN SRI DATUK SERI PANGLIMA SULONG MATJERAIE
Chairman / Senior Independent Non-Executive Director

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FURTHER INFORMATION

1.0 DIRECTORS' RESPONSIBILITY STATEMENT

This Statement/Circular has been reviewed and approved by the Directors of Ho Hup and they individually and collectively accept full responsibility for the accuracy of the information contained herein and confirm that, after having made all reasonable enquiries and to the best of their knowledge and belief, there are no other facts the omission of which would make any statement in this Statement/Circular misleading.

2.0 MATERIAL LITIGATION

Save as disclosed below, as at the LPD, our Group is not engaged in any material litigation, claims or arbitration, either as plaintiff or defendant, and to the best of the Board's knowledge and belief, the Board is not aware of any proceedings, pending or threatened against our Group or of any facts likely to give rise to any proceeding which may materially and adversely affect the financial position or business of our Group:

(a) High Court of Malaya at Kuala Lumpur Suit No. D-26NCC-42-2011 Federal Court of Malaysia Civil Appeal No. 02(f)-140-12/2017

Zen Courts Sdn Bhd ("Zen Courts") had initiated a petition vide the High Court of Malaya at Kuala Lumpur ("KLHC") Petition No. 26NCC-42-2011 against the respondents, namely Bukit Jalil Development Sdn Bhd ("BJDSB"), Ho Hup and Ho Hup Equipment Rental Sdn Bhd ("HHERSB") alleging Ho Hup and HHERSB had oppressed its rights as a minority shareholder of BJDSB. The KLHC in finding that there was oppression, had ordered the Company to buy out the Zen Courts' shares in BJDSB. Such shares were to be valued by Ferrier Hodgson MH Sdn Bhd ("FHMH") who was, by consensus, appointed as the independent valuer on 19 June 2012.

The valuation report was issued by FHMH on 31 December 2012. After having considered all relevant factors, FHMH valued the 30% shareholding stake in BJDSB held by Zen Courts to be RM35,970,000 ("Valuation Report"). Dissatisfied with the Valuation Report, Zen Courts filed an application to make representations on the Valuation Report for determination of the value of the shares ("Zen Court Application"). Ho Hup, on the other hand, filed an application to fix the value of the shares as recommended in the Valuation Report ("Ho Hup Application"). The KLHC dismissed Zen Court Application and allowed Ho Hup Application by fixing the value of the shares as per the Valuation Report on 31 December 2012 and for the buy out to be completed within 4 months ("Valuation Order").

Zen Courts appealed to the Court of Appeal against the dismissal of Zen Court Application and the Valuation Order. These appeals were dismissed by the Court of Appeal on 19 February 2014 ("Court of Appeal's Orders").

Zen Courts subsequently applied for leave to appeal to the Federal Court of Malaysia ("Federal Court") in relation to the Court of Appeal's Orders. On 5 May 2015, the Federal Court granted leave to Zen Courts to appeal to the Federal Court based on 2 leave questions ("FC Appeals").

At the hearing of the FC Appeals on 26 April 2016, the Federal Court allowed the FC Appeals without answering the leave questions ("FC Order"). The effect of the FC Order is that Zen Court Application is allowed and the Valuation order is set aside. Both Zen Court Application and Ho Hup Application have been remitted to the KLHC for determination of the value of the buy-out. The evidence-taking expert witnesses in respect of the valuation of the 30% shares took 6 days between 20 March 2018 to 20 March 2018, after which parties filed their respective written submissions. Oral submission by respective parties was heard on 1 June 2018, 9 and 10 October 2018.

The matter which was fixed for decision on 25 January 2019 has been adjourned to 12 March 2019 for a case management for the share valuers to attend before the judge to take further instructions from him to build a model to value the 30% shares. On 12 March 2019, the judge has directed the matter to be adjourned to 29 April 2019 for further mention.

Meanwhile, Zen Courts had on 22 August 2016 filed an application to the KLHC to restore the previously existing state of affairs of them in BJDSB from Ho Hup pending the disposal of Zen Court Application ("Restoration Application"). The Restoration Application was dismissed with costs by the KLHC on 27 March 2017. Zen Courts subsequently appealed to the Court of Appeal on 18 April 2017 against such dismissal and the appeal had then been dismissed by the Court of Appeal with costs on 2 August 2017 ("COA Decision").

In view of the COA Decision, Zen Courts further filed an application in the Federal Court for leave to appeal against the COA Decision. Leave to appeal was granted by the Federal Court on 4 December 2017 and fixed for hearing on 11 February 2019. On 11 February 2019, the Federal Court has ordered, by consent of the parties, that the Restoration Application be remitted to the KLHC for hearing and disposal. During the case management on 18 February 2019, the KLHC has indicated that the Restoration Application should be determined after the completion of the re-evaluation exercise and fixed the matter for mention on 12 March 2019. On 12 March 2019, the judge has directed the matter to be adjourned to 29 April 2019 for further mention.

On 26 June 2019, the High Court had determined that the valued of Zen Court's 30% shareholding in Bukit Jalil Development at RM99,090,000.00, an increased from an earlier determination of RM35,970,000.00, which the Company had paid to Zen Courts for the purchase of Zen Court's 30% shareholding in Bukit Jalil Development Sdn Bhd. As such, by the High Court's decision on 26 June 2019 aforesaid, the Company is to pay a further RM63,120,000.00

On 11 July 2019, the High Court ordered that the payment to Zen Courts for RM63,120,000.00 be as follows ;

a) RM20,000,000.00 on or before 10 October 2019; and
b) the balance RM43.12 million on or before 10 January 2020.

On 14 August 2019, the High Court further ordered that :

a) the Company is to pay Zen Courts interest upon the RM63,120,000.00 at the rate of 5% pe annum calculated from 26 June 2019 until the date of full settlement ;
b) the Company is to pay Zen Courts, party to party cost of RM250,000,000.00;
c) Bukit Jalil Development is to pay the fees and disbursement of KPMG Corporate Advisory Sdn Bhd amounting to RM1,040,072.00 inclusive of tax; and
d) Bukit Jalil Development is to pay the fees and disbursement of Hartanah Consultants (Valuation) Sdn Bhd amounting to RM2,650.00 inclusive of tax.

On the Company's application made on 14 August 2019 after the decision as described above were given, the High Court ordered a stay of all further proceedings and enforcement of all those decisions pending the disposal of the appeal by the Company to the Court of Appeal on condition that the payments referred to above are paid within the time permitted into an interest – bearing bank deposit account held jointly by the solicitors for the Company and Zen Court.

Consequently thereto, the Company appealed against the decisions of High Court to the Court of Appeal.

On 30 August 2019, Zen Courts appealed to the Court of Appeal too against the decision of the High Court.

On 22 January 2020, the Company has entered into a Settlement Agreement with Zen Courts. Accordingly, an upfront sum was paid along with a property transfer with the balance cash settlement over a payment term of 3 instalments.

With this settlement, the disputes with Zen Courts relating to their previous 30% shareholding in Bukit Jalil Development including all litigation matters pertaining thereto will be completely resolved.

To date, the parties' respective appeals are scheduled on 9 July 2020 for case management before the Court of Appeal. All matters and claims before the court, for the Company and against the Company by Zen Court, are to be withdrawn.

(b) Hon'ble II Chief Judge City Civil Court, Hyderabad O.P.No. 2039 of 2008

On 9 March 2005, Ho Hup Construction Company (India) Pte Ltd ("HHCCI"), a wholly-owned subsidiary of Ho Hup, entered into a joint development agreement with the Andhra Pradesh Housing Board ("APHB") to develop an integrated township at Raviryal Village, Maheshwaran Mandal, Rangareddy District, Andhra Pradesh ("JDA").

The JDA was subsequently terminated by APHB. HHCCI disputed the termination on the grounds that APHB had yet to comply with its obligations in respect of the conditions precedent under the JDA.

On 2 May 2005, HHCCI commenced an arbitration proceeding to claim for expenses incurred and damages due to the unlawful termination of the JDA. On 19 May 2008, an arbitration award was published in HHCCI's favour ("Award"). The Award provides for:

(a) The upfront fee in the amount of Rs16,796,250 together interest at the rate of 12% per annum to be refunded to HHCCI, interest of which is to be calculated from 1 February 2006 to the date of the refund being made; and

(b) Compensation for expenses incurred in the amount of Rs600,000 together with interest at the rate of 9% per annum, interest of which is to be calculated from 6 January 2006.

On 18 November 2013, APHB filed an appeal against the Award and applied to set aside the Award. The appeal was dismissed and ruled in favour of HHCCI by the appellate court on 19 January 2018. There being no further appeal filed by APHB against the ruling of the appellate court, the Award is now deemed final and absolute. APHB had yet to comply with the terms of the Award and HHCCI had instructed their solicitors to commence recovery proceeding to enforce the Award against APHB.

Following thereto, the Company has lodged an Execution Petition before the City Civil Courts at Hyderabad, India to proceed with execution and recovery of Appellate Court's award against APHB. The matter is pending before City Civil Courts at Hyderabad.

3.0 MATERIAL CONTRACTS

Save as disclosed below, as at the LPD, our Group has not entered into any material contracts (not being contracts entered into in the ordinary course of business) within the 2 years immediately prior to the LPD:

(a) Nine (9) sale and purchase agreement all dated 24 October 2018 between Gemilang Eramaju Sdn Bhd, Bukit Jalil Development Sdn Bhd and Ho Hup for an aggregate consideration of RM4,870,327 wherein Ho Hup accepted the acquisition of 9 units of office suites in Tower C, Aurora Place, Bandar Bukit Jalil from Gemilang Eramaju Sdn Bhd as settlement against Ho Hup's entitlement of GDV pursuant to a development agreement dated 2 December 2014 entered into between the same parties for the development of a project known as Aurora Place located at Kuala Lumpur.

4.0 DOCUMENTS FOR INSPECTION

Copies of the following documents are available for inspection at the Registered Office of our Company at Ho Hup Tower - Aurora Place, 2-07-01 - Level 7, Plaza Bukit Jalil, No. 1, Persiaran Jalil 1, Bandar Bukit Jalil, 57000 Kuala Lumpur, during normal business hours on any working days from the date of this Statement/Circular to the date of the 46th AGM:

(a) Constitution of Ho Hup;

(b) Audited financial statements of Ho Hup for the past two (2) FYE 31 December 2018 and 31 December 2019 and the unaudited 1st quarterly report on consolidated results for the financial period ended 31 March 2020;

(c) The relevant cause papers in respect of the material litigation referred to in Section 2.0 above; and

(d) Material contracts referred to in Section 3.0 above.

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FULL TEXT OF ORDINARY RESOLUTIONS 9 AND 10 AS REFERRED TO IN NOTICE OF 46TH AGM DATED 26 JUNE 2020

AS SPECIAL BUSINESS:

To consider and, if thought fit, with or without any modifications, to pass the following Ordinary Resolutions:

8. **Ordinary Resolution**
Proposed Authority for The Company to Purchase its own Ordinary Shares **(Resolution 9)**

"**THAT** subject to the Companies Act 2016, provisions of the Constitution of the Company, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Main LR") and all other applicable laws, rules and regulations and guidelines for the time being in force and the approvals of all relevant regulatory authority, approval be and is hereby given to the Company, to purchase such number of ordinary shares in the Company ("Company Shares") as may be determined by the Directors of the Company from time to time through Bursa Malaysia Securities as the Directors may deem fit, necessary and expedient in the interest of the Company ("Proposed Share Buy-Back"), provided that:-

i. the maximum aggregate number of Company Shares which may be purchased and/or held by the Company as treasury shares pursuant to the Proposed Share Buy-Back shall not exceed 10% of the total number of issued shares of the Company at any point in time of the said purchase(s); and

ii. the maximum funds to be allocated by the Company for the purpose of purchasing Company Shares pursuant to the Proposed Share Buy-Back shall not exceed the total retained profits of the Company based on the latest audited financial statements available at the time of the purchase(s);

THAT the authority conferred by this resolution will commence immediately upon passing of this ordinary resolution and shall continue to be in force until:-

i. the conclusion of the next Annual General Meeting ("AGM") at which time the said authority shall lapse unless by an ordinary resolution passed at that meeting, the authority is renewed, either unconditionally or subject to conditions; or

ii. the expiration of the period within which the next AGM is required by law to be held; or

iii. the authority is revoked or varied by an ordinary resolution passed by the shareholders in general meeting,

whichever occurs first;

THAT the Company Shares purchased by the Company pursuant to the Proposed Share Buy-Back may be dealt with by the Directors of the Company in their absolute discretion in all or any of the following manner:-

a. the shares so purchased may be cancelled; and/or the shares so purchased may be retained in treasury for distribution as dividend to the shareholders and/or resold on the market of Bursa Securities and/or subsequently cancelled; and/or

b. part of the shares so purchased may be retained as treasury shares with the remainder being cancelled; and/or

c. transfer the shares, or any of the shares for the purposes of or under an employees' shares scheme; and/or

d. transfer the shares, or any of the shares as purchase consideration; and/or

e. deal with the shares in any other manner as may be permitted by the applicable laws and/or regulations in force from time to time;

AND THAT the Directors of the Company be and are hereby authorised to take all such steps as are necessary and enter into any instrument, agreements or arrangements with any party or parties to implement, finalise and give full effect to the Proposed Share Buy-Back with full powers to assent to any conditions, modifications, revaluations, variations and/or amendments (if any) as may be imposed by the relevant authorities from time to time or as the Directors may in their discretion deem necessary and to do all such acts and things as the Directors may deem fit and expedient in the best interest of the Company."

9. **Ordinary Resolution**

Proposed Renewal of Existing Shareholders' Mandate for Recurrent Related Party Transactions ("RRPTs") of a Revenue or Trading Nature as set out in Section 2.4 of the Circular to Shareholders dated 26 June 2020 ("RRPT Circular") **(Resolution 10)**

"**THAT**, subject to the provision of the Listing Requirements of Bursa Securities, approval be and is hereby given to Ho Hup Construction Company Berhad and its subsidiaries ("**Ho Hup Group**") to enter into and to give effect to specified RRPTs of a revenue or trading nature with the Related Parties as set out in Section 2.4 of the RRPT Circular, which are necessary for its day-to-day operations, to be entered into by Ho Hup Group on the basis that these transactions are entered into on terms which are not more favourable to the Related Party involved than generally available to the public and are not detrimental to the minority shareholders of the Company;

THAT the Proposed Renewal of Existing Shareholders' Mandate is subject to annual renewal. In this respect, any authority conferred by the Proposed Renewal of Existing Shareholders' Mandate, shall only continue to be in force until:

(i) the conclusion of the next AGM of the Company following the general meeting at which the Proposed Renewal of Existing Shareholders' Mandate was passed, at which time it will lapse, unless by resolution passed at the general meeting, the authority is renewed; or

(ii) the expiration of the period within which the AGM after that date is required to be held pursuant to Section 340(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 of the Company in general meeting,

whichever is the earlier;

AND THAT the Directors and/or any of them be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) to give effect to the Proposed Renewal of Existing Shareholders' Mandate."