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If you are in any doubt about the course of action to be taken, you should consult your Stockbroker, Bank Manager, Solicitor, Accountant or other professional adviser immediately.

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

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FIAMMA HOLDINGS BERHAD

Registration No. 198201008992 (88716-W)
(Incorporated in Malaysia)

PART A

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

PART B

**STATEMENT TO SHAREHOLDERS IN RELATION TO THE PROPOSED RENEWAL OF AUTHORITY FOR
SHARE BUY-BACK
 (“PROPOSED SHARE BUY-BACK”)**

The above proposals will be tabled as Special Business at the Forty-Third (“43rd”) Annual General Meeting (“AGM”) of Fiamma Holdings Berhad (“FHB” or “the Company”) to be held at the Stellarium, Level 19, Menara Chin Hin, 8th & Stellar, No. 1, Jalan Naga Emas, 57000 Sri Petaling, Kuala Lumpur on Tuesday, 19 May 2026 at 12.00 p.m.. The Notice of the 43rd AGM and the Proxy Form are set out in the Annual Report of the Company for the financial year ended 31 December 2025.

The Proxy Form should be completed and deposited with the Company’s Share Registrar, Tricor Investor & Issuing House Services Sdn Bhd at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, W.P. Kuala Lumpur, Malaysia or the drop-in box located at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, W.P. Kuala Lumpur, Malaysia or alternatively, electronically lodged with the Company’s Share Registrar via Vistra Share Registry and IPO (MY) portal (“The Portal”) at <https://srmy.vistra.com>, not less than 48 hours before the time set for holding the AGM, or any adjournment thereof. The lodgement of the Proxy Form will not preclude you from attending and voting in person at the 43rd AGM should you subsequently wish to do so.

Last day, date and time to lodge the Proxy Form	:	Sunday, 17 May 2026 at 12.00 p.m.
Day, date and time of the AGM	:	Tuesday, 19 May 2026 at 12.00 p.m.

This Circular/Statement is dated 24 April 2026

DEFINITIONS

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

“Act”	:	Companies Act 2016, as amended from time to time including any re-enactment thereof
“AGM”	:	Annual General Meeting
“Ajiya”	:	Ajiya Berhad [Registration No. 199601005281 (377627-W)]
“Ajiya Group”	:	Ajiya and its subsidiaries, collectively
“ASB”	:	Aricia Sdn Bhd [Registration No. 200301010163 (612583-A)]
“BKGD”	:	BKG Development Sdn Bhd [Registration No. 201301040447 (1070270-M)]
“Board”	:	The Board of Directors of FHB
“Bursa Securities”	:	Bursa Malaysia Securities Berhad [Registration No.: 200301033577 (635998-W)]
“CHGB”	:	Chin Hin Group Berhad [Registration No. 201401021421 (1097507-W)]
“CHGB Group”	:	CHGB and its subsidiaries, collectively
“CHGP”	:	Chin Hin Group Property Berhad [Registration No. 200101017677 (553434-U)]
“CHGP Group”	:	CHGP and its subsidiaries, collectively
“Circular”	:	This Circular to the shareholders of FHB in relation to the Proposed Shareholders’ Mandate
“CMSA”	:	Capital Markets and Services Act 2007, as amended from time to time including any re-enactment thereof
“Code”	:	Malaysian Code on Take-Overs and Mergers 2016, as amended from time to time including any re-enactment thereof
“Director(s)”	:	Shall have the meaning given in Section 2(1) of the CMSA and for the purpose of Proposed Shareholders’ Mandate, includes any person who is or was within the preceding 6 months of the date on which the terms of the transaction were agreed upon, a Director or a Chief Executive of the company, its subsidiary or holding company
“Divine Inventions”	:	Divine Inventions Sdn Bhd [Registration No. 201401043770 (1119952-P)]
“DLSB”	:	Dawn Land Sdn Bhd [Registration No. 200401018979 (657482-X)]
“EPS”	:	Earnings per share

DEFINITIONS (CONT'D)

“ESOS”	:	Employees’ share option scheme of FHB, being the scheme for the granting of ESOS Options to eligible employees (including Executive Directors and Non-Executive Directors) of the FHB Group to subscribe for the new Shares pursuant to terms and conditions of the by-laws
“ESOS Options”	:	Options offered to eligible employees of FHB Group to subscribe for new Shares pursuant to the ESOS
“FHB” or “the Company”	:	Fiamma Holdings Berhad (Registration No.: 198201008992 (88716-W))
“FHB Group” or “the Group”	:	FHB and its subsidiaries, collectively
“Listing Requirements”	:	Main Market Listing Requirements of Bursa Securities and any amendments made thereto from time to time
“LPD”	:	31 March 2026, being the latest practicable date prior to the printing of this Circular/Statement
“Major Shareholder(s)”	:	Persons who have an interest or interests in one or more voting shares in the Company and the number or aggregate number of those shares, is: (i) 10% or more of the total number of voting shares in the Company; or (ii) 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” shall have the meaning of “interest in shares” given in Section 8 of the Act For the purpose of Proposed Shareholders’ Mandate, a Major Shareholder includes any person who is or was within the preceding 6 months of the date on which the terms of the transaction were agreed upon, a major shareholder of the Company, or any other corporation which is its subsidiary or holding company
“Market Day”	:	A day on which the stock market of the Bursa Securities is open for trading of securities, which may include a Surprise Holiday
“NA”	:	Net assets
“Person(s) Connected”	:	Shall have the meaning given in Paragraph 1.01, Chapter 1 of the Listing Requirements
“PP Chin Hin Realty”	:	PP Chin Hin Realty Sdn Bhd [Registration No. 201101034966 (963099-V)]
“Proposed Share Buy-Back”	:	Proposed renewal of authority for the purchase by FHB of up to ten percent (10%) of the total number of issued shares of the Company

DEFINITIONS (CONT'D)

“Proposed Shareholders’ Mandate”	:	Proposed shareholders’ mandate for RRPTs pursuant to Paragraph 10.09 of the Listing Requirements
“Purchased Shares”	:	Share(s) purchased pursuant to Proposed Share Buy-Back
“RM” and “sen”	:	Ringgit Malaysia and sen, respectively
“Related Party(ies)”	:	Director(s), Major Shareholder(s) or Person(s) Connected with such Director(s) or Major Shareholder(s)
“Related Party Transaction(s)”	:	Transaction(s) entered into by the Company or its subsidiaries which involves the interest, direct or indirect, of a Related Party
“RRPT(s)”	:	Related party transaction(s) which are recurrent, of a revenue or trading nature which are necessary for the day-to-day operations of FHB Group and are in the ordinary course of business
“RM” and “sen”	:	Ringgit Malaysia and sen, respectively
“Share(s)”	:	Ordinary share(s) of the Company
“Signature International”	:	Signature International Berhad [Registration No. 200601034359 (754118-K)]
“Signature International Group”	:	Signature International and its subsidiaries, collectively
“Statement”	:	This Statement to the shareholders of FHB in relation to the Proposed Renewal of Authority for Share Buy-Back
“Surprise Holiday”	:	A day that is declared as a public holiday in the Federal Territory of Kuala Lumpur that has not been gazetted as a public holiday at the beginning of the calendar year

Words denoting the singular shall, where applicable, include the plural and vice versa, and words denoting the masculine gender shall, where applicable, include the feminine and/or neuter genders, and vice versa. References to persons shall include corporations.

Any reference to any enactment in this Circular/Statement is a reference to that enactment as for the time being amended or re-enacted.

Any reference to a time or date in this Circular/Statement is a reference to Malaysian time or date, unless otherwise stated.

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

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PART A

**CIRCULAR TO THE SHAREHOLDERS IN RELATION TO THE PROPOSED
SHAREHOLDERS' MANDATE**



FIAMMA HOLDINGS BERHAD

Registration No. 198201008992 (88716-W)
(Incorporated in Malaysia)

Registered Office:

E-10-4, Megan Avenue 1
189, Jalan Tun Razak
50400 Kuala Lumpur
W.P. Kuala Lumpur
Malaysia

24 April 2026

Board of Directors:

Datuk Seri Chiau Beng Teik, JP (*Non-Independent Non-Executive Chairman*)
Datuk Wira Chiau Haw Choon (*Non-Independent Executive Director*)
Tan Chee Wee (*Non-Independent Executive Director*)
Kwan Sook Peng (*Independent Non-Executive Director*)
Dato' Yong Lei Choo (*Independent Non-Executive Director*)
Nordin Bin Ahmad (*Independent Non-Executive Director*)

To : The Shareholders of FHB

Dear Sir/Madam,

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

1. INTRODUCTION

On 13 April 2026, the Board announced that the Company proposes to seek shareholders' approval for the Proposed Shareholders' Mandate at the forthcoming AGM.

The purpose of this Circular is to provide you with the relevant information about the Proposed Shareholders' Mandate and to seek your approval on the ordinary resolution pertaining to the Proposed Shareholders' Mandate to be tabled at the forthcoming AGM of the Company. The Notice of the AGM together with the Proxy Form are enclosed in the Annual Report 2025.

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

2. DETAILS OF THE PROPOSED SHAREHOLDERS' MANDATE

Paragraph 10.09(2) of the Listing Requirements states that with regard to related party transactions which are recurrent, of a revenue or trading nature and which are necessary for day-to-day operations, the Company may seek a mandate from its shareholders, subject to the following:

- (a) 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;

- (b) the Shareholder Mandate is subject to annual renewal and disclosure is made in the annual report of the aggregate value of transactions conducted pursuant to the Shareholder Mandate during the financial year where the aggregate value is equal to or more than the threshold prescribed under Paragraph 10.09(1) of the Listing Requirements;
- (c) the Company's circular to shareholders for the shareholder mandate includes the information as may be prescribed by Bursa Securities. The draft circular must be submitted to Bursa Securities together with a checklist showing compliance with such information;
- (d) in a meeting to obtain shareholders' mandate, the relevant related party must comply with the requirements set out in Paragraph 10.08(7) of the Listing Requirements; and
- (e) the Company must immediately announce to Bursa Securities when the actual value of a RRPT entered into by the Company, exceeds the estimated value of the RRPT disclosed in the circular by ten percent (10%) or more and the Company must include the information as may be prescribed by Bursa Securities in its announcement.

2.1 VALIDITY PERIOD FOR THE PROPOSED SHAREHOLDERS' MANDATE

The Proposed Shareholders' Mandate, if approved by the shareholders at the forthcoming AGM, will take effect from the date of the passing of a resolution proposed at the forthcoming AGM and the authority conferred under the Proposed Shareholders' Mandate shall only continue to be in force until:

- (i) the conclusion of the next AGM of the Company following the forthcoming AGM at which such ordinary resolution is passed to effect the Proposed Shareholders' Mandate, at which time it will lapse, unless by a resolution passed at that meeting, the authority is renewed;
 - (ii) the expiration of the period within which the next AGM after that date is required to be held pursuant to Section 340(2) of the Act, (but must not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or
 - (iii) revoked or varied by resolution passed by the shareholders in general meeting,
- whichever is the earlier.

2.2 DISCLOSURE IN THE ANNUAL REPORT

Disclosure will be made in the Company's annual report on the breakdown of the aggregate value of transactions made pursuant to the shareholders' mandate during the financial year, providing amongst others, based on the following information:

- (i) the type of transaction(s) made; and
- (ii) the names of the Related Parties involved in each type of transaction(s) made and their relationship with the Company.

2.3 CLASS OF RELATED PARTIES

The Proposed Shareholders' Mandate will apply to the following classes of Related Parties:

- (i) Directors;
- (ii) Major Shareholders; and
- (iii) Persons connected to Directors and/or Major Shareholders.

2.4 PRINCIPAL ACTIVITIES OF THE GROUP

The Company is principally engaged in investment holding and property investment. The principal activities of its subsidiary companies are mainly distribution and servicing of electrical home

appliances, sanitaryware, bathroom accessories, kitchen and wardrobe system and built-in furniture, medical devices and healthcare products; property development; property investment and management; and provision of warehousing and logistic services.

The details of the subsidiaries of the Company as well as their principal activities as at the LPD are set out in the table below:

Name	Principal activities	Effective equity interest (%)
Subsidiary companies held directly by FHB		
Fiamma Sdn Bhd	Distribution of electrical home appliances	100
Fimaco Sdn Bhd	Distribution of electrical home appliances	100
Active Edge Sdn Bhd	Property development	100
Fiamma Trading Sdn Bhd	Distribution of electrical home appliances, sanitaryware and bathroom accessories	100
FHB Management Sdn Bhd	Property investment and management	100
Fiamma Development Sdn Bhd	Property Development	100
Uniphoenix Jaya Sdn Bhd	Property Development	100
Oaksvilla Sdn Bhd	Property Development	100
Affluent Crafts Sdn Bhd	Property Development	100
Ebac Home Sdn Bhd	Distribution of home furniture and electrical home appliances and fittings	100
Sinaran Urusjuta Sdn Bhd	Property Development	100
FHB Solutions Sdn Bhd	Provision of management services	100
Kinsmedic Sdn Bhd	Distribution of medical devices and healthcare products	100
Vino Air-Conditioning (M) Sdn Bhd	Distribution of air-conditioning and other electrical appliances	70

Subsidiary companies held indirectly through Fiamma Sdn Bhd		
Fiamma Logistics Sdn Bhd	Provision of warehousing and logistics services	100
Exact Quality Sdn Bhd	Provision of after sales services of electrical home appliances	100
Subsidiary company held indirectly through Fiamma Trading Sdn Bhd		
Hauatern Sdn Bhd	Dormant	100
Subsidiary company held indirectly through Fiamma Development Sdn Bhd		
Pinang Sutera Sdn Bhd	Property Development	60

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

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2.5 CLASS AND NATURE OF RRPT

The Proposed Shareholders' Mandate will apply to the transactions with the following Related Parties:

Related Party	Transacting Party	Nature of RRPT	Estimated value from the date of the forthcoming AGM up to the date of the next AGM ^[1] RM'000	Actual Value Transacted from the date of the last AGM up to LPD ("Actual Value") RM'000	Interested Directors, Major Shareholders and/or Persons Connected to them
Ajiya Group	FHB Group	Sales of electrical home appliances, sanitaryware and bathroom accessories products by FHB Group.	6,000	-	<ul style="list-style-type: none"> Datuk Seri Chiau Beng Teik, JP is the Non-Independent Non-Executive Chairman and a Major Shareholder of FHB. He is the Executive Chairman and a Major Shareholder of CHGB and Ajiya. He is the father of Datuk Wira Chiau Haw Choon. Datuk Wira Chiau Haw Choon is the Non-Independent Executive Director and a Major Shareholder of FHB. He is the Managing Director and a Major Shareholder of CHGB and Ajiya. He is the son of Datuk Seri Chiau Beng Teik, JP.
		Sales of air-conditioning, air-conditioning related products and dehumidifiers by FHB Group.	6,000	-	
		Provision of property development related services by FHB Group.	12,000	-	
		Supply of metal roll forming, zinc aluminium, glass and glass related products by Ajiya Group.	24,000	-	

Related Party	Transacting Party	Nature of RRPT	Estimated value from the date of the forthcoming AGM up to the date of the next AGM ^[1] RM'000	Actual Value Transacted from the date of the last AGM up to LPD ("Actual Value") RM'000	Interested Directors, Major Shareholders and/or Persons Connected to them
CHGB Group	FHB Group	Sales of electrical home appliances, sanitaryware and bathroom accessories products by FHB Group.	30,000	3,754	<ul style="list-style-type: none"> Datuk Seri Chiau Beng Teik, JP is the Non-Independent Non-Executive Chairman and a Major Shareholder of FHB, CHGP and Signature International. He is also the Executive Chairman and a Major Shareholder of CHGB. He is the father of Datuk Wira Chiau Haw Choon. Datuk Wira Chiau Haw Choon is the Non-Independent Executive Director and a Major Shareholder of FHB and CHGP. He is also the Managing Director and a Major Shareholder of CHGB and Signature International. He is the son of Datuk Seri Chiau Beng Teik, JP. Divine Inventions is a Major Shareholder of FHB, CHGB, CHGP and Signature International. Divine Inventions is a wholly-owned subsidiary of PP Chin Hin Realty. PP Chin Hin Realty is a Major Shareholder of FHB, CHGB, CHGP and Signature International. PP Chin Hin Realty is person connected to Datuk Seri Chiau Beng Teik, JP and Datuk Wira Chiau Haw Choon. Datuk Seri Chiau Beng Teik, JP and Datuk Wira Chiau Haw Choon also are directors of PP Chin Hin Realty. Signature International is a Major Shareholder of FHB.
		Sales of air-conditioning, air-conditioning related products and dehumidifiers by FHB Group.	30,000	-	
		Provision of property development related contract/ services by CHGB Group.	60,000	-	
		Award of construction contracts by FHB Group.	500,000	7,849	
		Provision of insurance, Information Technology, e-commerce, management and other administrative services by CHGB Group.	6,000	3,000	
		Purchase of building materials from CHGB Group.	100,000	-	
		Supply of commercial vehicles and renting of forklift to FHB Group.	1,200	-	

Related Party	Transacting Party	Nature of RRPT	Estimated value from the date of the forthcoming AGM up to the date of the next AGM ^[1] RM'000	Actual Value Transacted from the date of the last AGM up to LPD ("Actual Value") RM'000	Interested Directors, Major Shareholders and/or Persons Connected to them
CHGP Group	FHB Group	Sales of electrical home appliances, sanitaryware and bathroom accessories products by FHB Group.	120,000	65	<ul style="list-style-type: none"> • Datuk Seri Chiau Beng Teik, JP is the Non-Independent Non-Executive Chairman and a Major Shareholder of FHB, CHGP and Signature International. He is also the Executive Chairman and a Major Shareholder of CHGB. He is the father of Datuk Wira Chiau Haw Choon. • Datuk Wira Chiau Haw Choon is the Non-Independent Executive Director and a Major Shareholder of FHB and CHGP. He is also the Managing Director and a Major Shareholder of CHGB and Signature International. He is the son of Datuk Seri Chiau Beng Teik, JP. • CHGB is a Major Shareholder of FHB. • CHGB is also the Major Shareholder and holding company of CHGP and Signature International. • Divine Inventions is a Major Shareholder of FHB, CHGB, CHGP and Signature International. Divine Inventions is a wholly-owned subsidiary of PP Chin Hin Realty. • PP Chin Hin Realty is a Major Shareholder of FHB, CHGB, CHGP and Signature International. PP Chin Hin Realty is person connected to Datuk Seri Chiau Beng Teik, JP and Datuk Wira Chiau Haw
		Sales of air-conditioning, air-conditioning related products and dehumidifiers by FHB Group.	120,000	-	
		Provision of property development related contracts/ services by CHGP Group.	500,000	-	
		Provision of management services by CHGP Group.	24,000	557	

Related Party	Transacting Party	Nature of RRPT	Estimated value from the date of the forthcoming AGM up to the date of the next AGM ^[1] RM'000	Actual Value Transacted from the date of the last AGM up to LPD ("Actual Value") RM'000	Interested Directors, Major Shareholders and/or Persons Connected to them
					<p>Choon. Datuk Seri Chiau Beng Teik, JP and Datuk Wira Chiau Haw Choon are also directors of PP Chin Hin Realty.t</p> <ul style="list-style-type: none"> Signature International is a Major Shareholder of FHB.
Signature International Group	FHB Group	Sales of electrical home appliances, sanitaryware and bathroom accessories products by FHB Group.	50,000	3,322	<ul style="list-style-type: none"> Datuk Seri Chiau Beng Teik, JP is the Non-Independent Non-Executive Chairman and a Major Shareholder of FHB, CHGP and Signature International. He is also the Executive Chairman and a Major Shareholder of CHGB. He is the father of Datuk Wira Chiau Haw Choon. Datuk Wira Chiau Haw Choon is the Non-Independent Executive Director and a Major Shareholder of FHB. He is an Executive Director and a Major Shareholder of CHGP. He is also the Managing Director and a Major Shareholder of CHGB and Signature International. He is the son of Datuk Seri Chiau Beng Teik, JP. CHGB is a Major Shareholder of FHB. CHGB is also the Major Shareholder and holding company of CHGP and Signature International.
		Sales of air-conditioning, air-conditioning related products and dehumidifiers by FHB Group.	50,000	-	
		Supply of kitchen cabinets & appliances, wardrobes, flooring, window, sliding door, bathroom accessories, façade, aluminium related product, ancillary products, interior design & renovation works by Signature International Group.	20,000	863	

Related Party	Transacting Party	Nature of RRPT	Estimated value from the date of the forthcoming AGM up to the date of the next AGM ^[1] RM'000	Actual Value Transacted from the date of the last AGM up to LPD ("Actual Value") RM'000	Interested Directors, Major Shareholders and/or Persons Connected to them
		<p>Provision of project management solution and interior fit-out solutions by Signature International Group.</p> <p>The provision of project management solution and interior fit-out solutions includes, amongst others, assisting in implementing and coordinating project feasibility, business development and project procurement, funding, assisting on human resources, legal, etc.</p>	150,000	607	<ul style="list-style-type: none"> • Divine Inventions is a Major Shareholder of FHB, CHGB, CHGP and Signature International. Divine Inventions is a wholly-owned subsidiary of PP Chin Hin Realty. • PP Chin Hin Realty is a Major Shareholder of FHB, CHGB, CHGP and Signature International. PP Chin Hin Realty is person connected to Datuk Seri Chiau Beng Teik, JP and Datuk Wira Chiau Haw Choon. Datuk Seri Chiau Beng Teik, JP and Datuk Wira Chiau Haw Choon are also directors of PP Chin Hin Realty. • Signature International is a Major Shareholder of FHB.

Notes:

- 1 The estimated values are calculated based on historical data and best estimates by the management. Accordingly, the actual value of the transactions may vary from the estimated value disclosed above and is subject to change.

2.6 Amount Due and Owing Under Recurrent Related Party Transactions

The breakdown of the principal sum and interest of the total outstanding amount due and owing to the Group by its related parties pursuant to the RRPT which exceeded the credit term for the following periods as at the end of the financial year ended 31 December 2025 are as below:

Total Outstanding Amount (RM'000)	Ageing Analysis (RM)			
	A period of 1 year or less	A period of more than 1 to 3 years	A period of more than 3 to 5 years	A period of more than 5 years
2,943	2,943	-	-	-

There were no interest and late payment charges imposed by FHB Group on the above outstanding as the late payment charges/interest will only be determined upon settlement of the principal sum, the quantum of which will be decided/negotiated on case to case basis after considering inter-alia the following:

- (a) Length of the business relationship;
- (b) Volume of existing and potential trade; and
- (c) Other benefits to be derived from the continuous business relationships.

The Management monitors and reviews the outstanding amount on a regular basis and follow up on the status of the cases. The Management has and will continue to meet and discuss with the Related Party to actively pursue for early settlement of the outstanding amount due. The Board is of the opinion that the outstanding amount due is closely monitored and is recoverable

2.7 Rationale and benefits of the Proposed Shareholders' Mandate

The RRPT to be entered into by the Group are all in the ordinary course of business. They are recurring transactions of a revenue or trading nature which are likely to occur with some degree of frequency and arise at any time and from time to time. The Proposed Shareholders' Mandate will enable the Group to carry out RRPT(s) necessary for the Group's day-to-day operations, which are time sensitive in nature, in a more expeditious manner. As such, the Board of FHB is seeking shareholders' mandate pursuant to Paragraph 10.09(2) of the Listing Requirements for the RRPT described in Section 2.5 above to allow the Group to enter into such RRPT.

The Proposed Shareholders' Mandate would also reduce substantial 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 RRPT occurring within the Group.

2.8 Review Procedures for the RRPTs

To ensure that such RRPT are undertaken on transaction prices and on terms not more favourable to the Related Parties than those available to the public, conducted at arm's length and on normal commercial terms and will not be detrimental to the minority shareholders, the management will ensure that the transactions with the Related Parties will only be entered into after taking into consideration the pricing, level of service and quality of product.

The review and disclosure procedures established include the following:

- (i) The Related Parties will be advised that they are subject to the shareholders' mandate and will also be advised of the review and disclosure procedures;
- (ii) Records of RRPT will be maintained by the Group and will be made available to the external auditors, internal auditors and Audit Committee for their review;
- (iii) The Board and the Audit Committee will review the RRPT on a quarterly basis, to ascertain that the guidelines and procedures established to monitor RRPT have been complied with;

- (iv) The transaction prices, terms and conditions are determined by market force, under similar commercial terms for transactions with third parties which depend on the demand and supply of the products in the market. Terms of the RRPT relating to the price or sales/distribution margins shall not be subject to substantial change during the period that the Proposed Shareholders' Mandate is in force. Where such change is deemed necessary, the management shall review that the new terms are consistent with a transaction conducted at arm's length and on normal commercial terms and will not be detrimental to the non-interested shareholders;
- (v) Further, where any Director or persons connected to him have an interest (direct or indirect) in any RRPT, such Director (or his alternate) shall abstain from voting on the matter. Where any member of the Audit Committee is interested in any transaction, that member shall abstain from voting on any matter relating to any decisions to be taken by the Audit Committee with respect to such transactions;
- (vi) Disclosure will be made in the annual report of the Company of the breakdown of the aggregate value of RRPT conducted pursuant to the Proposed Shareholders' Mandate during the financial year, amongst others, based on the following information:
 - (a) the type of transaction(s) made; and
 - (b) the names of the Related Parties involved in each type of transaction(s) made and their relationship with the Company.
- (vii) Wherever practicable and/or feasible, at least 2 other contemporaneous transactions with unrelated third parties for similar products/services and/or quantities will be used as comparison, to determine whether the price and terms offered to/by the Related Parties are fair and reasonable and comparable to those offered to/by other unrelated third parties for the same or substantially similar type of products/services and/or quantities. In the event that quotations or comparative pricing from unrelated third party cannot be obtained for the proposed transactions, the Board and Audit Committee will rely on their usual business practice bearing in mind the urgency and efficiency and services to be provided or required to determine the transaction price and to ensure that the RRPT are not detrimental to the Company or Group;
- (viii) There is no specific threshold for approval of RRPT. All RRPTs are reviewed and authorised by at least 2 personnel of managerial level, provided always such personnel has no interest in the transaction and the said transaction has been approved pursuant to the shareholders' mandate obtained at an AGM for RRPT. All RRPT entered into by the Group shall adhere to the relevant provisions in the Listing Requirements, where applicable; and
- (ix) When the actual value of the RRPT entered into by the Group exceeds the estimated value of the RRPT disclosed in the circular to the shareholders by 10% or more, the Company will make an immediate announcement to Bursa Securities.

2.9 Statement by Audit Committee

The Audit Committee has seen and reviewed the procedures and guidelines stated in Section 2.8 of this Circular and is of the view that the procedures and guidelines put in place are sufficient to ensure that Related Party Transactions will be carried out at arm's length basis and in accordance with the Group's normal commercial terms and not more favourable to the Related Parties than those generally available to the public, and are not to the detriment of the minority shareholders or disadvantageous to the Group.

The Audit Committee is of the view that the Group has in place adequate procedures and processes to monitor, track and identify RRPT in a timely and orderly manner. These procedures and processes are reviewed on an annual basis.

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

The direct and indirect interest of interested Directors, Major Shareholders and/or persons connected with them in FHB as at the LPD are as follows:

	Direct No. of Shares	%	Indirect No. of Shares	%
Interested Major Shareholders				
PP Chin Hin Realty	-	-	150,000,000	28.29 [^]
Divine Inventions	30,000,000	5.66	120,000,000	22.63 [@]
CHGB	-	-	120,000,000	22.63 [@]
Signature International	120,000,000	22.63	-	-
Datuk Seri Chiau Beng Teik, JP	-	-	150,000,000	28.29 [^]
Datuk Wira Chiau Haw Choon	-	-	150,000,000	28.29 [^]
Interested Directors				
Datuk Seri Chiau Beng Teik, JP	-	-	150,000,000	28.29 [^]
Datuk Wira Chiau Haw Choon	-	-	150,000,000	28.29 [^]

Notes:

[^] Deemed interested by virtue of their interests in Signature International and Divine Inventions pursuant to Section 8 of the Act.

[@] Deemed interested by virtue of their interests in Signature International pursuant to Section 8 of the Act.

The abovementioned interested Directors, interested Major Shareholders and person connected with them will abstain from voting on the resolution, deliberating or approving the Proposed Shareholders' Mandate at the forthcoming AGM in respect of their direct and/or indirect shareholdings. Datuk Seri Chiau Beng Teik, JP and Datuk Wira Chiau Haw Choon, being Directors interested in the Proposed Shareholders' Mandate have abstained and will continue to abstain from all Board's deliberation and voting on the resolution approving the Proposed Shareholders' Mandate. The abovementioned interested Directors and interested Major Shareholders have undertaken to ensure that the persons connected with them will abstain from voting in respect of their direct and indirect interest on the resolution, deliberating or approving the Proposed Shareholders' Mandate at the forthcoming AGM.

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

4. EFFECTS OF THE PROPOSED SHAREHOLDERS' MANDATE

The Proposed Shareholders' Mandate will not have any effect on the share capital and Substantial Shareholders' shareholding, earnings, NA and working capital of the Company.

5. APPROVAL REQUIRED

The Proposed Shareholders' Mandate is subject to the approval of the shareholders of FHB at the forthcoming AGM.

6. DIRECTORS' RECOMMENDATION

Having considered the rationale for the abovementioned Proposed Shareholders' Mandate, the Board (save for Datuk Seri Chiau Beng Teik, JP and Datuk Wira Chiau Haw Choon, who are interested and deemed interested in the Proposed Shareholders' Mandate) is of the opinion that the Proposed Shareholders' Mandate is in the best interest of the Company. Accordingly, the Board (save for Datuk Seri Chiau Beng Teik, JP and Datuk Wira Chiau Haw Choon, who are interested and deemed interested in the Proposed Shareholders' Mandate) recommends that shareholders vote in favour of the resolution pertaining to the Proposed Shareholders' Mandate to be tabled at the forthcoming AGM.

7. ANNUAL GENERAL MEETING

The ordinary resolution to approve the Proposed Shareholders' Mandate is set out in the Notice of the 43rd AGM contained in the Annual Report of the Company for the financial year ended 31 December 2025. The AGM will be held at the Stellarium, Level 19, Menara Chin Hin, 8th & Stellar, No. 1, Jalan Naga Emas, 57000 Sri Petaling, Kuala Lumpur on Tuesday, 19 May 2026 at 12.00 p.m..

In the event that you wish to appoint a proxy to attend and vote on your behalf, you are requested to complete, sign and return the Proxy Form enclosed in the Annual Report of the Company in accordance with the instructions contained therein as soon as possible so as to reach the office of the Company's Share Registrar, Tricor Investor & Issuing House Services Sdn Bhd not less than 48 hours before the time set for holding the 43rd AGM or any adjournment thereof. The lodgement of the Proxy Form will not preclude you from attending and voting in person at the 43rd AGM should you subsequently wish to do so.

8. FURTHER INFORMATION

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

Yours faithfully
For and on behalf of the Board
FIAMMA HOLDINGS BERHAD

Tan Chee Wee
Non-Independent Executive Directors/ Group Chief Executive Officer

PART B

**STATEMENT TO SHAREHOLDERS IN RELATION TO THE PROPOSED SHARE
BUY-BACK**



FIAMMA HOLDINGS BERHAD

Registration No. 198201008992 (88716-W)
(Incorporated in Malaysia)

Registered Office:
E-10-4, Megan Avenue 1
189, Jalan Tun Razak
50400 Kuala Lumpur
W.P. Kuala Lumpur
Malaysia

24 April 2026

Board of Directors:

Datuk Seri Chiau Beng Teik, JP (*Non-Independent Non-Executive Chairman*)
Datuk Wira Chiau Haw Choon (*Non-Independent Executive Director*)
Tan Chee Wee (*Non-Independent Executive Director*)
Kwan Sook Peng (*Independent Non-Executive Director*)
Dato' Yong Lei Choo (*Independent Non-Executive Director*)
Nordin bin Ahmad (*Independent Non-Executive Director*)

To : The Shareholders of FHB

Dear Sir/Madam,

PROPOSED RENEWAL OF AUTHORITY FOR SHARE BUY-BACK

1. INTRODUCTION

The Company had at the 42nd AGM held on 21 May 2025, obtained approval from its shareholders to purchase up to ten percent (10%) of the total number of issued shares of the Company.

On 13 April 2026, the Board announced that the Company proposes to seek shareholders' approval for the Proposed Share Buy-Back at the forthcoming AGM.

The purpose of this Statement is to provide you with the relevant information about the Proposed Share Buy-Back and to seek your approval on the ordinary resolution pertaining to the Proposed Share Buy-Back to be tabled at the forthcoming AGM of the Company. The Notice of the AGM together with the Proxy Form are enclosed in the Annual Report 2025.

SHAREHOLDERS ARE ADVISED TO READ AND CAREFULLY CONSIDER THE CONTENTS OF THIS STATEMENT BEFORE VOTING ON THE ORDINARY RESOLUTION PERTAINING TO THE PROPOSED SHARE BUY-BACK AT THE FORTHCOMING AGM.

2. DETAILS OF THE PROPOSED SHARE BUY-BACK

The Board is proposing to seek the shareholders' approval for the renewal of the authority for the Company to purchase its own Shares for an aggregate amount of up to ten percent (10%) of the total number of issued shares at any point in time.

The Proposed Share Buy-Back shall be effective upon the passing of the ordinary resolution at the forthcoming AGM and will continue to be in force until:

- (a) the conclusion of the next AGM of the Company following the general meeting at which such resolution was passed, at which time it shall lapse unless by ordinary resolution passed at the meeting, the authority is renewed, either unconditionally or subject to conditions; or
 - (b) the expiration of the period within which the next AGM after that date is required by law to be held; or
 - (c) revoked or varied by ordinary resolution passed by the shareholders in a general meeting,
- whichever occurs first.

2.1 Maximum amount of funds to be allocated and source of funds

The Listing Requirements stipulate that the proposed purchase by a listed company of its own shares must be made wholly out of retained profits of the listed company. Therefore, the maximum amount of funds to be allocated for the Proposed Share Buy-Back shall not exceed the amount stated in the retained profits of the Company. Based on the latest audited financial statements of the Company as at 31 December 2025, the retained profits of FHB was RM187.5 million.

The Proposed Share Buy-Back will be financed by internally generated funds and/or external borrowings, the proportion of which will depend on the quantum of purchase consideration as well as the availability of internally generated funds and external borrowings at the time of purchase(s).

In the event the Company decides to utilise external borrowings to finance the Proposed Share Buy-Back, the Board will ensure that the Company has sufficient funds to repay the external borrowings and that the repayment will not have a material effect on the cash flow of the Group.

2.2 Pricing

Pursuant to the Listing Requirements, FHB may only purchase its own Shares on Bursa Securities at a price which is not more than 15% above the weighted average market price of the Shares for the five (5) market days immediately preceding the date of purchase.

Pursuant to Paragraph 12.18 of the Listing Requirements, the Company may only resell the Purchased Shares on Bursa Securities or transfer treasury shares pursuant to Section 127(7) of the Act, at:

- (a) a price which is not less than the weighted average market price for the Shares for the five (5) market days immediately prior to the resale or transfer; or
- (b) a discount price of not more than 5% to the weighted average market price for the Shares for the five (5) market days immediately prior to the resale or transfer provided that:
 - (i) the resale or transfer takes place no earlier than 30 days from the date of the purchase; and
 - (ii) the resale or transfer price is not less than the cost of purchase of the shares being resold or transferred.

2.3 Treatment of Shares purchased

In accordance with the Act, the Directors will deal with the Purchased Shares in the following manner:

- (i) distribute the treasury shares as dividends to the shareholders; or
- (ii) retain the Purchased Shares as treasury shares and held by the Company; or

- (iii) retain part of the Purchased Shares as treasury shares and cancel the remainder; or
- (iv) resell the Purchased Shares in accordance with the relevant rules of Bursa Securities; or
- (v) transfer all or part of the treasury shares for purposes of an employees' share scheme, and/or as purchase consideration; or
- (vi) cancel the Purchased Shares; or
- (vii) sell, transfer or otherwise use the Shares for such other purposes as the Minister may by order prescribe.

The decision whether to retain the Purchased Shares as treasury shares, cancel the Purchased Shares, distribute the treasury shares as share dividends or resell the treasury shares on Bursa Securities will be made by the Board at the appropriate time. An immediate announcement will be made to Bursa Securities on any purchase of Shares as well as any resale or cancellation of the Purchased Shares.

In the event that the Purchased Shares are held as treasury shares, the rights attached to them as to voting, dividends and participation in other distributions and otherwise are suspended and the Purchased Shares shall not be taken into account in calculating the number of percentage or of a class of shares in FHB for any purpose including determination of substantial shareholders, take-overs, notices, the requisitioning of meetings, the quorum for meetings and the result of votes on resolutions at a meeting.

2.4 Public shareholding spread

The Proposed Share Buy-Back is subject to the compliance with Section 127 of the Act and any prevailing laws, rules, regulations, orders, guidelines and requirements issued by the relevant authorities at the time of the purchase.

As at the LPD, the public shareholding spread of the Company was 66.31%.

Assuming the Proposed Share Buy-Back is carried out in full, and the number of Shares held by the substantial shareholders, Directors and persons connected to the substantial shareholders and/or Directors remains unchanged and all the Shares so purchased are cancelled, the public shareholding spread of the Company would reduce to approximately 62.57%.

The Board will endeavour to ensure that the Company complies with the public shareholding spread requirement as prescribed in the Listing Requirements in the event that the public shareholding spread requirements is not met as a result of the Proposed Share Buy-Back.

2.5 Potential advantages and disadvantages of the Proposed Share Buy-Back

The potential advantages of the Proposed Share Buy-Back are as follows:

- (a) The Proposed Share Buy-Back, if implemented, will enable the Company to stabilise the supply and demand of FHB Shares on Bursa Securities and thereby support the Company's fundamental value.
- (b) The Board would have the opportunity to utilise its financial resources not immediately required for other use to purchase FHB Shares. Shareholders of FHB may enjoy an increase in value of their investments due to an increase in EPS resulting from a reduction in the issued share capital of the Company if the FHB Shares so purchased are cancelled.

- (c) The Company may have the opportunity to realise capital gains if the Purchased Shares are sold at a higher price. Alternatively, the Purchased Shares can be distributed as share dividends to shareholders.

The potential disadvantages of the Proposed Share Buy-Back are as follows:

- (a) The Proposed Share Buy-Back will, however, reduce the amount of resources available for distribution to the shareholders of the Company and may result in the Group having to forgo feasible investment opportunities that may emerge in the future.
- (b) The Proposed Share Buy-Back would also reduce the amount of resources available for distribution in the form of dividends to the shareholders of the Company.

The Board will be mindful of the interests of the Company and its shareholders in undertaking the Proposed Share Buy-Back and in the subsequent resale of treasury shares on Bursa Securities, if any.

2.6 Implication relating to the Code

Pursuant to the Code, a person and any parties acting in concert with him will be required to make a mandatory offer for the remaining Shares not already owned by him/her/them if his/her/their stake in the Company is increased to beyond 33% or if his/her/their shareholdings are between 33% and 50% and increases by another 2% in any six (6) months period.

However, an exemption from mandatory offer obligation may be granted by the Securities Commission under the Code subject to the parties acting in concern complying with the conditions stipulated in the Code.

It is not intended for the Proposed Share Buy-Back to trigger the obligation to undertake a mandatory offer pursuant to the Code for any of its substantial shareholders and/or parties acting in concert with them. In this respect, the Board is mindful of the requirements when making any purchase pursuant to the Proposed Share Buy-Back.

2.7 Purchase, resale, transfer and cancellation of shares made in previous twelve (12) months

There were no purchase, resale, transfer and cancellation of shares made by FHB in the previous twelve (12) months preceding the date of this Statement.

As at the LPD, there is no treasury share held by the Company.

3. RATIONALE FOR THE PROPOSED SHARE BUY-BACK

The Proposed Share Buy-Back is expected to potentially benefit the Company and its shareholders as follows:

- (a) the Purchased Shares may enhance the EPS of FHB and may have a positive impact on the market price of the Shares in the future;
- (b) the Company may have the opportunity to realise capital gains if the Purchased Shares are sold at a higher price. Alternatively, the Purchased Shares can be distributed as share dividends to shareholders;
- (c) the Company may be able to stabilise the supply and demand of its Shares in the open market and thereby supporting its fundamental values; and
- (d) the financial resources of the Group may increase if the Purchased Shares held as treasury shares are resold at prices higher than their purchase prices.

4. EFFECTS OF THE PROPOSED SHARE BUY-BACK

The effects of the Proposed Share Buy-Back on the share capital, NA, earnings, working capital and shareholdings of Directors and substantial shareholders of the Company are set out below based on the following assumptions:

Minimum Scenario : Assuming that none of the 310,000 outstanding ESOS Options are exercised.

Maximum Scenario : Assuming that 310,000 outstanding ESOS Options are exercised.

4.1 Share Capital

The effect of the Proposed Share Buy-Back on the issued shares of the Company will depend on the treatment of the Shares purchased, whether such Shares purchased are cancelled, retained as treasury shares, resold on the open market or distributed as share dividends.

The effect of the Proposed Share Buy-Back, assuming that all the Purchased Shares will be cancelled, are as follows:

	Minimum Scenario No. of Shares	Maximum Scenario No. of Shares
Total number of issued Shares		
Total number of issued Shares as at LPD	530,306,884	530,306,884
Assuming full exercise of outstanding ESOS Options	-	310,000
Enlarged total number of issued Shares	530,306,884	530,616,884
Assuming cancellation of Shares purchased under the Proposed Share Buy-Back	(53,030,688)	(53,061,688)
Upon completion of the Proposed Share Buy-Back	477,276,196	477,555,196

However, the Proposed Share Buy-Back will have no effect on the issued shares of the Company if all the Shares purchased are retained as treasury shares, re-sold on the open market or distributed to the shareholders.

4.2 Dividends

The Proposed Share Buy-Back will have the effect of increasing the effective dividend rate per share as a result of the reduction in the issued share capital of the Company.

4.3 NA per share

The NA per share of the Company and the Group may increase or decrease, depending on the purchase prices of the Shares to be bought back by the Company. If all the FHB Shares purchased are cancelled, the Proposed Share Buy-Back will reduce the NA per Share if the purchase price exceeds the NA per Share at the time of the purchase. Conversely, the NA per Share will increase if the purchase price is below the NA per Share at the time of the purchase.

The NA will decrease if the Purchased Shares are retained as treasury shares due to the accounting requirement for treasury shares to be carried at cost resulting in a decrease by the cost of the treasury shares.

If the treasury shares are subsequently resold on Bursa Securities, the NA upon the resale will increase if the Company realises a gain from the resale, and vice versa. If the treasury shares are distributed as dividends, the NA of the FHB Group will be reduced by the cost of the treasury shares.

4.4 Earnings

The effects of the Proposed Share Buy-Back on the earnings of FHB Group are dependent on the number of FHB Shares purchased, the effective funding cost to finance such purchases and/or loss in interest income to FHB Group if internally generated funds are utilised. Further, the purchase of the FHB Shares will result in a lower number of shares being taken into account for purposes of EPS computation.

4.5 Working Capital

Although the Proposed Share Buy-Back will reduce the working capital of the Group, with the quantum depending on the purchase price(s) and the actual number of FHB Shares bought back. It is not expected to have a material effect on the working capital of the Group.

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4.6 SHAREHOLDING OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

The effect of the Proposed Share Buy-Back on the shareholdings of the Directors and the substantial shareholders of FHB based on the Register of Directors' Shareholdings and the Register of Substantial Shareholders as at the LPD assuming the Proposed Share Buy-Back is undertaken in full by the Company, are as follows:

Minimum Scenario:

	As at the LPD				After the Proposed Share Buy-Back			
	Direct		Indirect		Direct		Indirect	
	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
Directors								
Datuk Seri Chiau Beng Teik, JP	-	-	150,000,000	28.29 [^]	-	-	150,000,000	31.43 [^]
Datuk Wira Chiau Haw Choon	-	-	150,000,000	28.29 [^]	-	-	150,000,000	31.43 [^]
Tan Chee Wee	-	-	-	-	-	-	-	-
Kwan Sook Peng	-	-	-	-	-	-	-	-
Dato' Yong Lei Choo	-	-	-	-	-	-	-	-
Nordin bin Ahmad	-	-	-	-	-	-	-	-
Substantial Shareholders								
Signature International	120,000,000	22.63	-	-	120,000,000	25.14	-	-
Divine Inventions	30,000,000	5.66	120,000,000	22.63 [@]	30,000,000	6.29	120,000,000	25.14 [@]
Perdana Padu Sdn Bhd	28,615,440	5.40	-	-	28,615,440	6.00	-	-
PP Chin Hin Realty	-	-	150,000,000	28.29 [^]	-	-	150,000,000	31.43 [^]
CHGB	-	-	120,000,000	22.63 [@]	-	-	120,000,000	25.14 [@]
Datuk Seri Chiau Beng Teik, JP	-	-	150,000,000	28.29 [^]	-	-	150,000,000	31.43 [^]
Datuk Wira Chiau Haw Choon	-	-	150,000,000	28.29 [^]	-	-	150,000,000	31.43 [^]

Maximum Scenario:

	As at the LPD				After full exercise of outstanding ESOS options				After 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												
Datuk Seri Chiau Beng Teik, JP	-	-	150,000,000	28.29 [^]	-	-	150,000,000	28.27 [^]	-	-	150,000,000	31.41 [^]
Datuk Wira Chiau Haw Choon	-	-	150,000,000	28.29 [^]	-	-	150,000,000	28.27 [^]	-	-	150,000,000	31.41 [^]
Tan Chee Wee	-	-	-	-	-	-	-	-	-	-	-	-
Kwan Sook Peng	-	-	-	-	-	-	-	-	-	-	-	-
Dato' Yong Lei Choo	-	-	-	-	-	-	-	-	-	-	-	-
Nordin bin Ahmad	-	-	-	-	-	-	-	-	-	-	-	-
Substantial Shareholders												
Signature International	120,000,000	22.63	-	-	120,000,000	22.62	-	-	120,000,000	25.13	-	-
Divine Inventions	30,000,000	5.66	120,000,000	22.63 [@]	30,000,000	5.65	120,000,000	22.62 [@]	30,000,000	6.28	120,000,000	25.13 [@]
Perdana Padu Sdn Bhd	28,615,440	5.40	-	-	28,615,440	5.39	-	-	28,615,440	5.99	-	-
PP Chin Hin Realty	-	-	150,000,000	28.29 [^]	-	-	150,000,000	28.27 [^]	-	-	150,000,000	31.41 [^]
CHGB	-	-	120,000,000	22.63 [@]	-	-	120,000,000	22.62 [@]	-	-	120,000,000	25.13 [@]
Datuk Seri Chiau Beng Teik, JP	-	-	150,000,000	28.29 [^]	-	-	150,000,000	28.27 [^]	-	-	150,000,000	31.41 [^]
Datuk Wira Chiau Haw Choon	-	-	150,000,000	28.29 [^]	-	-	150,000,000	28.27 [^]	-	-	150,000,000	31.41 [^]

Notes:

[^] Deemed interested by virtue of their interests in Signature International and Divine Inventions pursuant to Section 8 of the Act.

[@] Deemed interested by virtue of their interests in Signature International pursuant to Section 8 of the Act.

5. APPROVAL REQUIRED

The Proposed Share Buy-Back is subject to the approval of the shareholders of FHB at the forthcoming AGM.

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

Save for the proportionate increase in the percentage of the shareholding and/or voting rights of the shareholders of the Company as a consequence of the Proposed Share Buy-Back, none of the Directors, Major Shareholders and/or persons connected with them have any interest, direct or indirect, in the Proposed Share Buy-Back.

7. HISTORICAL SHARE PRICES

The monthly highest and lowest prices of FHB Shares traded on Bursa Securities for the past twelve (12) months from April 2025 to March 2026 are as follows:

Month	High (RM)	Low (RM)
2025		
April	1.100	0.985
May	1.100	1.060
June	1.090	1.030
July	1.110	1.040
August	1.210	1.080
September	1.270	1.170
October	1.190	1.130
November	1.190	1.090
December	1.114	1.090
2026		
January	1.120	1.070
February	1.100	0.995
March	1.150	1.000

(Source: www.bursamalaysia.com)

The last transacted price of FHB Shares on 31 March 2026, being the LPD, was RM1.11.

8. DIRECTORS' RECOMMENDATION

Having considered the rationale for the abovementioned Proposed Share Buy-Back, the Board is of the opinion that the Proposed Share Buy-Back is in the best interest of the Company. Accordingly, the Board recommends that shareholders vote in favour of the resolution pertaining to the Proposed Share Buy-Back to be tabled at the forthcoming AGM.

9. ANNUAL GENERAL MEETING

The ordinary resolution to approve the Proposed Share Buy-Back is set out in the Notice of the 43rd AGM contained in the Annual Report of the Company for the financial year ended 31 December 2025. The AGM will be held at the Stellarium, Level 19, Menara Chin Hin, 8th & Stellar, No. 1, Jalan Naga Emas, 57000 Sri Petaling, Kuala Lumpur on Tuesday, 19 May 2026 at 12.00 p.m..

In the event that you wish to appoint a proxy to attend and vote on your behalf, you are requested to complete, sign and return the Proxy Form enclosed in the Annual Report of the Company in accordance with the instructions contained therein as soon as possible so as to reach the office

of the Company's Share Registrar, Tricor Investor & Issuing House Services Sdn Bhd not less than 48 hours before the time set for holding the 43rd AGM or any adjournment thereof. The lodgement of the Proxy Form will not preclude you from attending and voting in person at the 43rd AGM should you subsequently wish to do so.

10. FURTHER INFORMATION

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

Yours faithfully
For and on behalf of the Board
FIAMMA HOLDINGS BERHAD

Tan Chee Wee
Non-Independent Executive Directors/ Group Chief Executive Officer

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FURTHER INFORMATION

1. RESPONSIBILITY STATEMENT

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

2. MATERIAL CONTRACTS

Save as disclosed below, there are no material contracts (not being contracts entered into in the ordinary course of business) which have been entered into by FHB Group within two (2) years immediately preceding the date of this Circular/Statement:

- (i) On 29 February 2024, the Company and its wholly-owned subsidiaries DLSB and ASB, entered into Shareholders Agreements ("**SHA**") with BKGD, a wholly-owned subsidiary of CHGP, respectively.

Pursuant to the SHA, BKGD subscribed for 1,166,667 new ordinary shares in DLSB and 5,833,334 new ordinary shares in ASB, representing 70% of the enlarged issued ordinary shares of DLSB and ASB, respectively, for cash considerations of RM1,166,667 and RM5,833,334, respectively.

The share subscription was completed on 1 March 2025. Consequently, the Group's equity interest in DLSB and ASB were diluted from 100% to 30%, resulting in a change in classification from subsidiaries to associates.

As compensation for the dilution of the Company's equity interests in DLSB and ASB, the Company had on even date entered into Subscription Agreements with BKGD to subscribe for 12,000,000 Redeemable Preference Shares ("**RPS**") in BKGD for a nominal subscription price of RM1,200. The RPS has been fully redeemed by BKGD on 30 December 2025 at a redemption price of RM12,000,000.

- (ii) On 17 April 2025, the Company and its wholly-owned subsidiary, Sinaran Urusjuta Sdn. Bhd. ("**SUSB**"), entered into a Shareholders Agreement ("**SHA 1**") with BKGD. Pursuant to the SHA 1, BKGD shall subscribe for 1,166,667 new ordinary shares in SUSB, representing 70% of the enlarged issued ordinary shares of SUSB, for a cash consideration of RM1,166,667 ("**Share Subscription**").

Following the SUSB Shares Subscription, the Company's equity interest in SUSB will reduce from 100% to 30%. As compensation for the dilution of the Company's equity interest in SUSB, BKGD shall pay a cash consideration of RM442,000 to the Company

Pursuant to Paragraph 10.08 of the Listing Requirements, the above transactions are deemed as related party transactions by virtue of the interests of the following interested parties:

- (i) Datuk Seri Chiau Beng Teik, JP is the Non-Independent Non-Executive Chairman and a major shareholder of the Company and CHGP. He is the father of Datuk Wira Chiau Haw Choon; and
- (ii) Datuk Wira Chiau Haw Choon is the Executive Director and a major shareholder of the Company and CHGP. He is the son of Datuk Seri Chiau Beng Teik, JP.

3. MATERIAL LITIGATION, CLAIMS OR ARBITRATION

As at the LPD, none of the companies in the FHB Group is engaged in any litigation, claims or arbitration either as plaintiff or defendant, which may have a material effect on the financial position of the FHB Group and the Board does not have any knowledge of any proceedings, pending or threatened, against the FHB Group or of any facts which is likely to give rise to any proceedings which may materially and adversely affect the financial position or business of the FHB Group.

4. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at the registered office of the Company following the date of this Circular/Statement from Mondays to Fridays (except Public Holidays) during business hours up to and including the date of the forthcoming AGM:

- (i) Constitution of FHB;
- (ii) The material contracts referred to in Section 2 of this Appendix I; and
- (iii) Audited Financial Statements of FHB for the past 2 financial years ended 31 December 2024 and 31 December 2025.