

WINTONI GROUP BERHAD ("WINTONI" OR "THE COMPANY")

MASTER DISTRIBUTION AGREEMENT BETWEEN TEAMPIXEL SDN BHD, A WHOLLY-OWNED SUBSIDIARY OF WINTONI AND RUIZHI PLASTICS SDN BHD

1. Introduction

The Board of Directors of WINTONI wishes to announce that Teampixel Sdn Bhd, ("TEAMPIXEL"), a wholly-owned subsidiary company of WINTONI had on 8 November 2019 entered into a Master Distribution Agreement with Ruizhi Plastics Sdn Bhd ("RUIZHI") (Company No. 1254205-M), a Malaysian Company having its business address at No.25, Jalan Corporate 1B/KU9, Taman Perindustrian Meru, 42200 Kapar, Selangor Darul Ehsan, Malaysia, with its nature of business being wholesale of metal and non-metal waste and scarp and metals for recycling; materials recovery n.e.c.; and export and import of plastic in primary forms;, as its Distribution Partner. TEAMPIXEL, vide the Master Distribution Agreement have been granted the exclusive rights to sell and distribute RUIZHI'S CHEMO products (All products including but not limited to industrial chemical and material) in Malaysia, Indonesia, Thailand, Cambodia and China (hereinafter referred to as the "Territory") with effect from 8 November 2019)("Master Distribution Agreement").

2. Salient Terms of The Appointment

2.1 Duration of the Appointment

The Appointment of TEAMPIXEL as the exclusive Distribution Partner of RUIZHI CHEMO products ("the Appointment") within the Territory is for a period of three (3) years or thirty six (36) months from 8 November 2019 to 7 November 2022 and is auto renewed annually subject to the mutual consent of both parties.

2.2 Termination of the Appointment

In the event of a breach of any of the terms and provisions arising from the Master Distribution Agreement, either party may terminate the Master Distribution Agreement by giving the other party ninety (90) days written notice, provided the said notice shall set forth the breach being claimed as the basis for termination. If the offending party cures the breach being claimed within the said ninety (90)-day period, the notice of termination shall be void and the Master Distribution Agreement shall continue to remain in full and force and effect.

3. Rationale

The Appointment is a revenue stream which enables the Company to generate revenue to sustain the business of the Group.

4. Risks

The Company does not foresee any material risks arising from the said Master Distribution Agreement, save for the normal operational risks associated with the Appointment which the Company and its subsidiaries would take appropriate measures to mitigate.

5. Financial Effects

The Appointment is expected to contribute positively to the earnings and net assets per share of the Group for the financial years during the tenure of the Appointment.

6. Directors' and Substantial Shareholders' Interest

None of the Directors, Substantial Shareholders of the Company and/or persons connected to the Company possesses any interest, direct or indirect in the Appointment, arising from the Master Distribution Agreement entered into by both parties.

7. Directors' Statement

The Board of Directors of the Company, having taken into consideration all aspects of the Appointment is of the opinion that the Appointment is in the best interest of the Company and its subsidiaries.

8. Approval Required

The Appointment is entered into in the ordinary course of business of the Company is not subject to approval of any sort.

9. Document Available for Inspection

The letter in relation to the Master Distribution Agreement is available for inspection at the Company's registered office at Level 2, Tower 1, Avenue 5, Bangsar South City, 59200 Kuala Lumpur during normal office hours from Mondays to Fridays (except on public holidays) for a period of three (3) months from the date of this announcement.

This announcement is dated 11 November 2019.