

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

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

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**MUAR BAN LEE GROUP BERHAD**

(Company No. 753588-P)  
(Incorporated in Malaysia under the Companies Act, 1965)

**STATEMENT TO SHAREHOLDERS**

**IN RELATION TO THE**

**PROPOSED RENEWAL OF AUTHORITY FOR**

**THE SHARE BUY-BACK**

The above proposal will be tabled as Special Business at the Ninth Annual General Meeting (AGM) of the Muar Ban Lee Group Berhad (“MBL” or “our Company”). The Notice of the Ninth AGM of MBL is enclosed together with the Proxy Form are enclosed together with the Annual Report 2014 of MBL, which is despatched together with this Statement.

You are entitled to attend, vote and speak at the Ninth AGM of MBL or to appoint a proxy or proxies to attend, vote and speak on your behalf. The Proxy Form should be completed and returned in accordance with the instructions therein and should reach the Registered Office of our Company at No. 87, Muntri Street, 10200 Pulau Pinang, on or before the date and time indicated below:-

Last date and time for lodging the Proxy Form	: Sunday, 14 June 2015 at 12.00 noon
Date and time of the AGM	: Tuesday, 16 June 2015 at 12.00 noon
Venue of the AGM	: No. JR52, Lot 1818, Jalan Raja, Kawasan Perindustrian Bukit Pasir, 84300 Muar, Johor Darul Takzim

The lodging of the Proxy Form will not preclude you from attending and voting in person at the Ninth AGM should you subsequently wish to do so.

This Statement is dated 22 May 2015

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## DEFINITIONS

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

Act	:	The Companies Act, 1965 as amended from time to time and any re-enactment thereof
AGM	:	Annual General Meeting
Board	:	The Board of Directors of our Company
Bursa Securities	:	Bursa Malaysia Securities Berhad (635998-W)
Code	:	The Malaysian Code on Take-Overs and Mergers, 2010 as amended from time to time and any re-enactment thereof
Director(s)	:	Director(s) of MBL
EPS	:	Earnings per share
Listing Requirements	:	Main Market Listing Requirements of Bursa Securities
LPD	:	27 April 2015, being the latest practicable date prior to the printing of this Statement
MBL or our Company	:	Muar Ban Lee Group Berhad (753588-P)
MBL Group or our Group	:	MBL and its subsidiary companies, collectively
MBL Realty	:	MBL Realty Sdn Bhd (761104-U)
MBL Share(s) or Share(s)	:	Ordinary share(s) of RM0.50 each in our Company
NA	:	Net assets
Proposed Renewal	:	Proposed renewal of authority for our Company to purchase our own Shares of up to 10% of our issued and paid-up share capital at any point of time
Purchased Shares	:	MBL Shares purchased pursuant to the Proposed Share Buy-Back
RM and sen	:	Ringgit Malaysia and sen respectively
SC	:	Securities Commission Malaysia
Shares	:	Ordinary shares MBL of RM0.50 each
Substantial Shareholder	:	Shall have the meaning given in Section 69D of the Act
Treasury Shares	:	Purchased Shares which are or will be retained in treasury by the Company and shall have the meaning given under Section 67A of the Act

All references to “our Company” or “MBL” in this Statement are to Muar Ban Lee Group Berhad and references to “our Group” are to our Company and our subsidiaries. References to “we”, “us”, “our” and “ourselves” are to our Company, or where the context requires, our Group. All references to “you” in this Statement are references to the shareholders of our Company.

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**DEFINITIONS**

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Words incorporating the singular shall, where applicable, include the plural and vice versa and words incorporating the masculine gender shall, where applicable, include the feminine and neuter genders and vice versa. Reference to persons shall include a corporation, unless otherwise specified.

Any reference in this Statement 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 shall be a reference to Malaysian time, unless otherwise specified.

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## MUAR BAN LEE GROUP BERHAD

(Company No. 753588-P)  
(Incorporated in Malaysia under the Companies Act, 1965)

### Registered Office:

No. 87, Muntri Street  
10200 Pulau Pinang

22 May 2015

### Board of Directors:

Dato' Chua Ah Ba @ Chua Eng Ka (*Executive Chairman*)  
Chua En Hom (*Deputy Executive Chairman*)  
Chua Eng Hui (*Executive Director*)  
Chua Heok Wee (*Managing Director*)  
Tan Sri Dato' Seri Tan King Tai @ Tan Khoon Hai (*Executive Director / Finance Director*)  
Khairilanuar Bin Tun Abdul Rahman (*Independent Non-Executive Director*)  
Tuan Hj. Ismail Bin Tunggak @ Hj. Ahmad (*Independent Non-Executive Director*)  
Teh Eng Aun (*Independent Non-Executive Director*)

To: **The Shareholders of MBL**

Dear Sir/Madam,

### PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY ("PROPOSAL RENEWAL")

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#### 1. INTRODUCTION

Our Company had on 16 June 2014, at its 8th AGM, obtained the shareholders' approval for the renewal of authorisation for share buy-back of up to ten percent (10%) of its issued and paid-up share capital of the Company, through Bursa Securities. This authority will, in accordance with Chapter 12 of Listing Requirements, lapse at the conclusion of the forthcoming 9th AGM unless a renewal of authority of share buy-back is obtained from the Shareholders of our Company at the AGM.

On 8 May 2015, the Company had announced its intention to seek the approval of its shareholders at the forthcoming 9th AGM on the Proposed Renewal.

**THE PURPOSE OF THIS STATEMENT IS TO PROVIDE YOU WITH THE RELEVANT INFORMATION AND DETAILS ON THE PROPOSED RENEWAL AND TO SEEK YOUR APPROVAL FOR THE ORDINARY RESOLUTION PERTAINING TO THE PROPOSED RENEWAL TO BE TABLED AT OUR FORTHCOMING 9TH AGM. THE NOTICE OF AGM ("UNDER "SPECIAL BUSINESS") TOGETHER WITH THE PROXY FORM ARE ENCLOSED IN THE ANNUAL REPORT 2014 WHICH IS BEING SEND TO YOU TOGETHER WITH THIS STATEMENT.**

**YOU ARE ADVISED TO READ AND CONSIDER CAREFULLY THE CONTENTS OF THIS STATEMENT BEFORE VOTING ON THE RESOLUTION TO BE TABLED AT OUR FORTHCOMING AGM TO GIVE EFFECT TO THE PROPOSED RENEWAL.**

## **2. DETAILS OF THE PROPOSED RENEWAL**

At the 8th AGM of MBL held on 16 June 2014, our Company's shareholders had approved the resolution pertaining to the purchase of our Company's own shares up to 9,200,000 ordinary shares of RM0.50 each representing not more than 10% of our Company's existing total issued and paid-up share capital.

The mandate from the shareholders for the Proposed Renewal will be effective immediately after the passing of the ordinary resolution to be tabled at the 9th AGM of our Company to be convened and will continue to be in force until:-

- (a) the conclusion of the next AGM of our Company following this AGM at which the ordinary resolution for the Proposed Renewal is 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) the authority is revoked or varied by ordinary resolution passed by the shareholders of MBL in a general meeting;

whichever occurs first.

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

The Company may only resell the Treasury Shares on the Bursa Securities at:

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

## **3. SOURCES OF FUNDS**

Your approval for the Proposed Renewal does not impose an obligation to our Company to purchase our own Shares. However, the Proposed Renewal will allow our Board to exercise the power of our Company to purchase our own Shares at any time within the abovementioned time period using internal funds of our Company and/or borrowings as long as the purchase is backed by an equivalent amount of retained profits and/or share premium of our Company.

Depending on the number of Shares purchased and the purchase price(s) of the Shares, the Proposed Renewal, if funded through internally generated fund, is not expected to have a

material impact on the cash flow position of our Company.

In the event that bank borrowings are used to fund the purchase of Shares pursuant to the Proposed Renewal, our Company will ensure that it will have sufficient funds to repay the said borrowings as and when they fall due and this is not expected to have a material impact on the cash flow position of our Company.

The amount of funds to be utilised for the Proposed Renewal will only be determined later depending on the actual number of MBL Shares to be purchased, the purchase price(s) of the Purchased Shares, the availability of funds at the time of purchase(s) and other relevant cost factors.

The maximum amount of funds to be utilised by our Company for the Proposed Renewal shall not exceed the retained profit and/or share premium account of our Company. Based on the latest Audited Financial Statements as at 31 December 2014 of MBL, the retained profits is RM 44,482 and share premium account is RM 1,157,846.

#### **4. RATIONALE FOR THE PROPOSED RENEWAL**

The Proposed Renewal, if implemented, will enable our Group to utilise any of our surplus financial resources which is not immediately required for other uses, to purchase our own shares from the market. The Proposed Renewal is expected to stabilise the supply and demand, as well as the price of our Shares.

All things being equal, the Proposed Renewal, whether the Purchased Shares are retained as treasury shares or cancelled, will result in a lower number of MBL Shares being used for the purpose of computing the EPS. Therefore, the Proposed Renewal will improve the EPS of our Company which in turn, may have a positive impact on the market price of our Shares.

The Purchased Shares may be held as treasury shares and resold through Bursa Securities at a higher price with the intention of realising a potential gain without affecting the total issued and paid-up share capital of our Company. Should any treasury shares be distributed as share dividend, this would serve to reward our shareholders.

The Proposed Renewal is not expected to have any potential material disadvantage to our Company and our shareholders, and it will only be exercised after due consideration of the financial resources of our Group and the impact on the shareholders of our Company. Our Board, in exercising any decision to buy-back any MBL Shares, will be mindful of the interests of our Company and our shareholders.

#### **5. POTENTIAL ADVANTAGES AND DISADVANTAGES OF THE PROPOSED RENEWAL**

The potential advantages of the Proposed Renewal to our Company and our shareholders are as follows:

- (a) allows our Company to take preventive measures against speculation particularly when our Shares are undervalued which would in turn, stabilise the market price of our Shares and hence enhance investors' confidence;
- (b) allows flexibility for our Company to achieve the desired capital structure, in terms of debt and equity composition and size of equity;
- (c) the Proposed Renewal will also provide our Company with opportunities for potential gains if the Purchased Shares which are retained as treasury shares are resold at a higher price; and
- (d) if the treasury shares are distributed as share dividends by our Company, it may then serve to reward you.

The potential disadvantages of the Proposed Renewal to our Company and our shareholders, are as follows:

- (a) the Proposed Renewal will reduce the financial resources of our Group and may result in our Group foregoing better investment opportunities that may emerge in the future; and
- (b) as the Proposed Renewal can only be made out of the retained profits and/or share premium of our Company, it may result in the reduction of financial resources available for distribution to our shareholders in the future.

The Proposal Renewal, however, is not expected to have any potential disadvantages to the Company and its shareholders, as it will be exercised only after in-depth consideration of the financial resources of the Group need to be balanced against investment opportunities and other proposals that can enhance the value of shareholders. Our Directors in exercising any decision on the Proposed Renewal will be mindful of the interest of our Company and our shareholders.

## **6. EFFECTS OF THE PROPOSED RENEWAL**

The effects of the Proposed Renewal of Share Buy-Back Authority are presented based on the following assumptions:

- (a) the purchase of own Shares of up to 10% of the issued and paid-up share capital of our Company is carried out in full; and
- (b) MBL Shares so purchased are retained as treasury shares.

Assuming that the Proposed Renewal will be carried out in full at any time during the proposed authorised period, the effects on the share capital, NA, earnings, working capital, and substantial shareholders' and directors' shareholdings in our Company are as follow:

### **6.1 Share capital**

For illustrative purposes, the effects of the Proposed Renewal on the issued and paid-up share capital of our Company will depend on whether the Purchased Shares are cancelled or retained as treasury shares. The Proposed Renewal will result in a reduction of the issued and paid-up share capital of our Company, if the Purchased Shares are cancelled.

Pursuant to Section 67A of the Act, our Directors may deal with the Purchased Shares in either of the following manner:

- (i) cancel the Purchased Shares if our Directors deem that there is excess share capital and wish to reduce the number of shares in circulation; or
- (ii) retain the Purchased Shares as treasury shares held by our Company; or
- (iii) retain part of the Purchased Shares as treasury shares and cancel the remainder; or
- (iv) resell the treasury shares on Bursa Securities in accordance with the relevant rules of Bursa Securities; or
- (v) distribute the Purchased Shares as share dividends if our Directors wish to reward you, which will depend on the availability of, amongst others, retained profits, share premium and tax credits of our Company.

It is the present intention of our Directors to retain the Purchased Shares as treasury



shares and subsequently resell them on Bursa Securities if the opportunity arises for our Company to realise gains from the resale on Bursa Securities.

An immediate announcement will be made on Bursa Securities in respect of the intention of our Directors to either retain the Purchased Shares as treasury shares or cancel them or a combination of both following any transaction executed pursuant to the authority granted under the Proposed Renewal.

In the event that the Purchased Shares are held as treasury shares, the rights attaching to these shares in relation to voting, dividends and participation in any other distribution or otherwise would be suspended and the treasury shares shall not be taken into account in calculating the number or percentage of shares or a class of shares in our Company for any purposes without limiting to the generality of this provision, the provisions of any law or requirements of the Articles of Association of our Company or the Listing Requirements on major shareholdings, takeovers, notices, requisitioning of meetings, quorum for a meeting and the results of votes on resolutions at a meeting.

As at the LPD upon the implementation of the Proposed Renewal and assuming that 10% of our Company's issued and paid-up share capital are purchased and cancelled, are set out below:

	<b>No. of MBL Shares</b>	<b>%</b>
Issued and paid-up share capital as at the LPD	92,000,000	100.0
Less:		
Shares purchased amounting to 10% of the issued and paid-up share capital pursuant to the Proposed Renewal	(9,200,000)	10.0
<b>Reduced issued and paid-up share capital in the event that the Purchased Shares are cancelled</b>	<b>82,800,000</b>	<b>90.0</b>

On the other hand, if the MBL Shares purchased are retained as treasury shares, resold or distributed to our shareholders, the Proposed Renewal will have no effect on the issued and paid-up share capital of our Company.

## 6.2 NA

The effects of the Proposed Renewal on the NA of our Group will depend on the purchase price(s) of Shares, the number of Shares purchased, the effective funding cost to our Group to finance the share buy-back, if any, or loss in interest income to our Company, and whether the Purchased Shares are cancelled, retained as treasury shares resold on Bursa Securities or distributed as share dividends to our shareholders.

If all Purchased Shares are cancelled, the Proposed Renewal will reduce the NA per Share if the purchase price per Purchased Share exceeds the NA per Share at the relevant point in time, and vice versa.

The NA of our Group would decrease if the Purchased Shares are retained as treasury shares due to the requirement for treasury shares to be carried at cost and be offset against equity, resulting in a decrease in the NA of our Group by the cost of the treasury shares.

If the treasury shares are resold through Bursa Securities, the NA per Share upon the resale would increase if our Company realises a gain from the resale, and vice versa. If the treasury shares are distributed as share dividends, the NA per Share will decrease by the cost of the treasury shares.

### **6.3 EPS**

The effects of the Proposed Renewal on the EPS of our Group will depend on the purchase price(s) of the Shares, the number of Shares purchased and the effective funding cost, if any, or any loss in interest income to our Group or opportunity cost in relation to other investment opportunities.

Assuming that the Purchased Shares are retained as treasury shares and subsequently resold, the effects on the EPS of our Group will depend on the actual selling price, the number of the treasury shares resold, and the effective gain or interest savings arising from the share buy-back exercise.

If the Purchased Shares are cancelled, the Proposed Renewal will increase the EPS of our Group provided that the income foregone and interest expenses incurred, if any, on the Purchased Shares are less than the EPS before the share buy-back.

### **6.4 Working capital**

The Proposed Renewal, as and when implemented, will reduce the working capital and cash flow of our Group, the quantum of which depends on, amongst others, the number of Shares purchased and the purchase price(s) of the Shares.

The Purchased Shares which are kept as treasury shares, upon resale, will increase the working capital and the cash flow of our Group upon receipt of the proceeds of the resale. The quantum of the increase in the working capital and cash flow will depend on the actual selling price(s) of the treasury shares and the number of treasury shares resold.

### **6.5 Dividend**

Barring unforeseen circumstances, the Proposed Renewal is not expected to have any effect on our Group's dividend policy. The decision to declare and pay dividends in the future would depend on the performance, cash flow position and financing requirements of our Group. As stated in Section 6.1 above, our Board may have the option to distribute future dividends in the form of the treasury shares purchased pursuant to the Proposed Renewal.

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7. **SHAREHOLDING STRUCTURE OF DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' SHAREHOLDINGS AND PERSONS CONNECTED TO DIRECTORS AND SUBSTANTIAL SHAREHOLDERS**

The effects of the Proposed Renewal of Share Buy-Back Authority are presented based on the following:-

	No. of Shares held as at 27 April 2015			After Proposed Share Buy-Back		
	Direct	%	Indirect	Direct	%	Indirect
<b>Directors</b>						
Dato' Chua Ah Ba @ Chua Eng Ka	498,000	0.54	(a) (b) 41,755,980	498,000	0.60	(a) (b) 41,755,980
Chua En Hom	150,000	0.16	(a) (c) 41,611,980	150,000	0.18	(a) (c) 41,611,980
Chua Eng Hui	150,000	0.16	(a) 41,605,980	150,000	0.18	(a) 41,605,980
Chua Heok Wee	150,000	0.16	(a) 41,605,980	150,000	0.18	(a) 41,605,980
Tan Sri Dato' Seri Tan King Tai @ Tan Khoon Hai	6,425,100	6.98	(d) 2,591,600	6,425,100	7.76	(d) 2,591,600
Khairilnuar Bin Tun Abdul Rahman	150,000	0.16	-	150,000	0.18	-
Tuan Hj Ismail Bin Tunggak @ Hj Ahmad	30,000	0.03	-	30,000	0.04	-
Teh Eng Aun	-	-	-	-	-	-
<b>Substantial Shareholders</b>						
MBL Realty Sdn. Bhd.	41,605,980	45.22	-	41,605,980	50.25	-
Tan Sri Dato' Seri Tan King Tai @ Tan Khoon Hai	6,425,100	6.98	(d) 2,591,600	6,425,100	7.76	(d) 2,591,600

**Notes:**

^ Based on the assumption that our Company purchases the maximum 9,200,000 MBL Shares, representing 10% of its issued and paid-up share capital of 92,000,000 MBL Shares.

(a) Deemed interested by virtue of their substantial shareholdings in MBL Realty pursuant to Section 6A of the Act.

(b) Deemed interested by virtue of his son pursuant to Section 134(12)(c) of the Act

(c) Deemed interested by virtue of his son pursuant to Section 134(12)(c) of the Act.

(d) Deemed interested by virtue of his spouse and daughter pursuant to Section 134(12)(c) of the Act.

**8. IMPLICATION OF THE CODE**

It is not the intention of our Company to cause our substantial shareholders to trigger an obligation to undertake a mandatory offer under the Code and our Company will be mindful of the above implications of the Code in making any purchase of our own Shares under the Proposed Renewal.

Nonetheless, if the obligation to undertake a mandatory take-over offer under the Code is expected to be triggered, our substantial shareholder and its respective persons acting in concert will make an application to the SC for an exemption from a mandatory offer under Practice Note 9.24.1 of the Code.

**9. PURCHASE OF SHARES AND RESALE OF TREASURY SHARES IN THE PREVIOUS TWELVE (12) MONTHS**

Our Company had not purchased, cancelled and/or re-sold any treasury shares of MBL in the previous twelve (12) months preceding the date of this Statement. At present, our Company does not hold any treasury shares.

**10. PUBLIC SHAREHOLDING SPREAD**

Based on our Company's Record of Depositors as at the LPD, 42,840,818 Shares representing approximately 46.57% of the issued and paid-up share capital of our Company were held by 2,059 public shareholders holding not less than 100 MBL Shares each.

The Proposed Renewal will be carried out in accordance with prevailing laws at the time of the purchase including compliance with the public shareholding spread. The Company will only undertake the Proposed Renewal, provided that the public shareholding spread of at least 25% of the issued and paid-up capital of our Company (excluding treasury shares) are in the hands of public shareholders. The Board is mindful of the compliance with the public shareholding spread as required by the Listing Requirements and will take into consideration the requirement when making any purchase of MBL Shares pursuant to the Proposed Renewal.

**11. APPROVAL REQUIRED**

The Proposed Renewal requires your approval at the forthcoming AGM. The Proposal Renewal is not conditional upon any other proposal.

**12. DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' INTERESTS**

Save for the inadvertent increase in the percentage shareholdings and/or voting rights of the Directors and Substantial Shareholders of our Company as a consequence of the Proposed Renewal as set out in Section 7 above, none of our Directors, Substantial Shareholders and/or persons connected to them has any interest, direct or indirect, in the Proposed Renewal or resale of the treasury shares (if any in the future).

**13. DIRECTORS' RECOMMENDATION**

Our Board, having considered all aspects of the Proposed Renewal is of the opinion that the Proposed Renewal is in the best interest of our Company. Accordingly, our Board recommends that you vote in favour of the ordinary resolution pertaining to the Proposed Renewal to be tabled at the forthcoming AGM.

#### **14. AGM**

The Ordinary Resolution pertaining to the Proposed Renewal is set out in the Extract of the Notice of 9th AGM in Appendix I of this Statement and as a Special Business in the Notice of the 9th AGM contained in the Annual Report 2014, which is sent to you together with this Statement.

The 9th AGM will be held at No. JR52, Lot 1818, Jalan Raja, Kawasan Perindustrian Bukit Pasir, 84300 Muar, Johor Darul Takzim on Monday, 16 June 2015 at 12.00 noon, or any adjournment thereof for the purpose of considering and, if thought fit, passing the ordinary resolution pertaining to the Proposed Renewal.

If you are unable to attend and vote in person at the AGM, you are requested to complete, sign and return the Proxy Form in the Annual Report 2014, in accordance with the instructions printed thereon as soon as possible and, in any event, so as to arrive at our Company's registered office at No. 87, Muntri Street, 10200 Pulau Pinang, not less than forty-eight (48) hours before the date and time set for the AGM or any adjournment thereof. The lodging of the Proxy Form will not, however, preclude you from attending and voting in person at the AGM should you subsequently wish to do so.

Yours faithfully,  
For and on behalf of  
**MUAR BAN LEE GROUP BERHAD**

**TAN SRI DATO' SERI TAN KING TAI @ TAN KHOON HAI**  
Executive Director / Finance Director

**ORDINARY RESOLUTION II (RESOLUTION NO. 7)****Proposed Renewal of Authority for Share Buy-Back**

“THAT subject to the Companies Act, 1965 (“the Act”), rules, regulations and orders made pursuant to the Act, provisions of the Company’s Memorandum and Articles of Association and the requirements of Bursa Securities and any other relevant authorities, the Directors of the Company be hereby unconditionally and generally authorised to make purchases of ordinary shares of RM0.50 each in the Company’s issued and paid-up capital through Bursa Securities at anytime and upon such terms and conditions and for such purposes as the Directors may, in their discretion deem fit, subject to the following:-

- i. the maximum number of MBL shares which may be purchased by the Company shall not exceed ten per centum (10%) of the issued and paid-up share capital of the Company at any point of time;
- ii. the maximum fund to be allocated by the Company for the purpose of purchasing its own shares shall not exceed the retained profits or share premium account of the Company, as at 31 December 2014;
- iii. the authority conferred by this Resolution will be effective immediately upon the passing of this Resolution and will continue in force until:-
  - a. the conclusion of the next Annual General Meeting (“AGM”) of the Company, unless by ordinary resolution passed at the meeting, the authority is renewed, either unconditionally or subject to conditions;
  - b. the expiration of the period within which the next AGM is required by law to be held (unless earlier revoked or varied by ordinary resolution of the shareholders of the Company in general meeting) but not so as to prejudice the completion of purchase(s) by the Company made before the aforesaid expiry date and, in any event, in accordance with the Listing Requirements of Bursa Securities or any other relevant authorities;
- iv. upon completion of the purchase(s) of the MBL Shares by the Company (“Purchase Shares”), the Purchase Shares shall be dealt with either of the following manner:-
  - a. cancel the Purchase Shares if the Directors of the Company deem that there is excess share capital and wish to reduce the number of shares in circulation; or
  - b. retain the Purchase Shares as treasury shares held by the Company; or
  - c. retain part of the Purchase Shares as treasury shares and cancel the remainder; or
  - d. resell the treasury shares on Bursa Securities in accordance with the relevant rules of Bursa Securities; or
  - e. distribute the Purchase Shares as share dividends if the Directors of the Company wish to reward the shareholders of MBL, which will depend on the availability of, among others, retained profits, share premium and tax credits of the Company.

AND THAT the Directors of the Company be and are hereby authorised to take all such actions and steps as are necessary or expedient to implement or to effect the purchase of MBL Shares.”

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