

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.

Bursa Malaysia Securities Berhad (“Bursa Securities”) has not perused this Statement to Shareholders in relation to the proposed renewal of authority for the Share Buy-Back (“Statement”) prior to its issuance as it is an exempt Statement. Bursa Securities takes no responsibility for the contents of this Statement, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Statement.



MUAR BAN LEE GROUP BERHAD

(Company No. 200601033829 (753588-P))
(Incorporated in Malaysia)

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 Muar Ban Lee Group Berhad (“MBL” or “the Company”)’s Eighteenth Annual General Meeting (“18th AGM”) to be held on a fully virtual basis through the online meeting platform in Malaysia at <https://pasb-online.digerati.com.my> (Domain registration number: D1A11953). This Statement together with the Notice of the 18th AGM, Administrative Guide for the 18th AGM and Proxy Form are available on the Company’s website at www.mbl.com.

You are entitled to attend, vote and speak at the 18th 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. 85, Muntri Street, 10200 Georgetown, Pulau Pinang, on or before the date and time indicated below:-

Last date and time for lodging the Proxy Form : Wednesday, 22 May 2024 at 11.00 a.m.

Date and time of the AGM : Thursday, 23 May 2024 at 11.00 a.m.

This Statement is dated 24 April 2024

DEFINITIONS

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

| | | |
|--------------------------|---|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Act | : | The Companies Act 2016 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 (200301033577(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 | : | 29 March 2024, being the latest practicable date prior to the printing of this Statement |
| | | |
| Market Day(s) | : | Any day(s) between Monday to Friday (inclusive), excluding public holidays, and a day on which Bursa Securities is open for trading of securities |
| | | |
| MBL or our Company | : | Muar Ban Lee Group Berhad |
| | | |
| MBL Group or our Group | : | MBL and its subsidiary companies, collectively |
| | | |
| MBL Realty | : | MBL Realty Sdn Bhd |
| | | |
| MBL Share(s) or Share(s) | : | Ordinary share(s) in MBL |
| | | |
| NA | : | Net assets |
| | | |
| Proposed Renewal | : | Proposed renewal of shareholders' mandate to 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 |
| | | |
| Record of Depositors | : | A record of securities holders established by Bursa Malaysia Depository Sdn Bhd under the Rules of Bursa Depository |

| | | |
|----------------------------|---|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| RM and sen | : | Ringgit Malaysia and sen respectively |
| | | |
| SC | : | Securities Commission Malaysia |
| | | |
| Shares | | Ordinary Shares of MBL |
| | | |
| Substantial Shareholder(s) | : | Meaning given in Section 136 of the Act. |
| | | |
| Treasury Shares | : | Purchased Shares which are or will be retained in treasury by the Company and shall have the meaning given in Section 127 of the Act. |
| | | |
| VWAP | : | Volume Weighted Average Market Price. |
| | | |
| Warrants | : | On 20 January 2023, the Company proposed to undertake a bonus issue of 113,767,950 warrants ("Warrant(s)-B") on the basis of 1 Warrant-B for every 2 existing ordinary shares in the MBL held by the shareholders. Shareholders had approved the proposed bonus issue in Extraordinary General Meeting held on 25 May 2023. Thereafter, a total of 113,767,950 bonus Warrants-B undertook assuming all Warrants-B are exercised at the exercise price of RM0.50 each. |

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.

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.

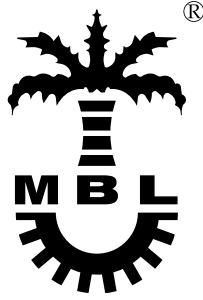
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MUAR BAN LEE GROUP BERHAD

(Company No. 200601033829 (753588-P))
(Incorporated in Malaysia)

Registered Office:

No. 85, Muntri Street
10200 Georgetown
Pulau Pinang

24 April 2024

Board of Directors:

Tan Sri Dato' Seri Tan King Tai @ Tan Khoon Hai (*Re-designated as Executive Chairman on 5 October 2023*)
Chua En Hom (*Deputy Executive Chairman*)
Dato' Chua Heok Wee (*Managing Director*)
Chua Kang Sing (*Executive Director*)
Khoo Chee Wee (*Executive Director*) (*Appointed on 5 October 2023*)
Datuk Rajendran A/L P Narayanasamy (*Independent Non-Executive Director*)
Tan Soo Mooi (*Independent Non-Executive Director*)
Ng Mei Wan (*Independent Non-Executive Director*)
Lim Choo Hooi (*Independent Non-Executive Director*) (*Appointed on 31 March 2023*)

To: **The Shareholders of MBL**

Dear Sir/Madam,

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

1. INTRODUCTION

Our Company had on 25 May 2023, at its 17th AGM, obtained the shareholders' approval for the renewal of authorisation for share buy-back of up to ten percent (10%) of its issued 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 18th AGM unless a renewal of authority of share buy-back is obtained from the Shareholders of our Company at the AGM.

On 9 April 2024, the Company had announced its intention to seek the approval of its shareholders at the forthcoming 18th 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 18TH AGM. THE NOTICE OF AGM ("UNDER "SPECIAL BUSINESS") TOGETHER WITH THE PROXY FORM ARE 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

The Board propose to seek shareholders' approval for the renewal of authority for our Company to purchase up to ten percent (10%) of our Company's issued share capital at any point in time, subject to Section 127 of the Act, Chapter 12 of the Listing Requirements and any prevailing laws, rules, regulations, orders, guidelines, and requirements issued by the relevant authorities ("Prevailing Laws") at the time of purchase.

2.1 Quantum

As at LPD, the issued share capital of our Company stood at RM75,535,317.30 comprising 248,621,800 ordinary shares. Hence, up to 24,862,180 MBL Shares may be purchased by our Company pursuant to the Proposed Renewal. Nonetheless, assuming full exercise of Warrants Option, a total up to 36,238,975 MBL Shares or ten per centum (10%) of the enlarged issued share capital may be purchased by our Company.

The maximum aggregate number of MBL Shares, which may be purchased by our Company, shall not exceed ten percent (10%) of the total issued share capital of our Company at any point in time. For illustrative purposes, the maximum aggregate number of MBL Shares that may be purchased under the Proposed Renewal based on the existing issued share capital and the number of treasury shares held as at the LPD, are set out below:-

| | Scenario 1 | Scenario 2 |
|------------------------------------------------------------------------|-----------------------------------------------------------------------|-------------------------------------------------------------------|
| | Assuming none of the Outstanding Warrants Option are exercised | Assuming all the Outstanding Warrants Option are exercised |
| | No. of MBL shares | No. of MBL shares |
| Issued share capital as at the LPD | 248,621,800 | 248,621,800 |
| To be issued assuming full exercise of the Outstanding Warrants Option | - | 113,767,950 |
| Enlarged issued share capital | 248,621,800 | 362,389,750 |
| Ten percent (10%) of the issued share capital | 24,862,180 | 36,238,975 |
| Less: Treasury shares held by the Company as at the LPD | 21,085,900 | 21,085,900 |
| Remaining number of MBL Shares that may be purchased by MBL | 3,776,280 | 15,153,075 |

The actual number of MBL Shares to be purchased will depend on, amongst others, market conditions, and the availability of retained profits and financial resources of the Company at the time of the purchase(s).

2.2 Duration

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 18th AGM of our Company to be convened and will continue to be in force until:-

- (a) the conclusion of the next Annual General Meeting (“AGM”) of our 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 our Company in general meeting) but not so as to prejudice the completion of purchase(s) by our 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;

The approval from the shareholders for the Proposed Renewal does not impose an obligation on our Company to purchase its own shares but rather it will allow the Board to exercise the power of our Company to purchase its own shares at any time within the abovementioned time period.

The purchase of such MBL shares will be carried out through Bursa Securities via stockbrokers appointed by our Company.

2.3 The Purchase Price

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

2.4 The Resale Price

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

- (a) a price which is not less than the VWAP 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 VWAP 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.

2.5 Treatment of Purchased Shares

The Shares purchased by our Company will be dealt with by our Directors in accordance with Section 127 of the Act, in the following manner:-

- (a) cancel the Purchase Shares if the Directors of our 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 our 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 our Directors of our 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 our Company.

In any other manner as prescribed by the Act, rules, regulations and guidelines pursuant to the Act and the requirements of Bursa Securities and any other relevant authority for the time being in force.

In the event our Company wishes to purchase our own Shares, our Company are required to lodge a declaration of solvency to Bursa Securities and release an immediate announcement on the day the purchase is made.

An appropriate announcement will also be made to Bursa Securities in respect of the intention of the Board whether to retain the Shares so purchased as Treasury Shares or cancel them or both.

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

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 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 of our Company. Based on the latest Audited Financial Statements as at 31 December 2023 of MBL, the retained profits is RM24,824,851.

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 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.

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 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 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 share capital of our Company, if the Purchased Shares are cancelled.

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

| | Scenario 1 | Scenario 2 |
|-----------------------------------------------------------------------------------------|-----------------------------------------------------------------------|-------------------------------------------------------------------|
| | Assuming none of the Outstanding Warrants Option are exercised | Assuming all the Outstanding Warrants Option are exercised |
| | No. of MBL Shares | No. of MBL Shares |
| Issued share capital as at the LPD | 248,621,800 | 248,621,800 |
| To be issued assuming full exercise of the Outstanding Warrants Option | - | 113,767,950 |
| Enlarged issued share capital | 248,621,800 | 362,389,750 |
| Less: Assuming all treasury shares held by MBL as at the LPD are cancelled | 21,085,900 | 21,085,900 |
| Less: Assuming MBL Shares purchased under the Proposed Renewal are cancelled [Note (1)] | 3,776,280 | 15,153,075 |
| Resultant issued share capital | 223,759,620 | 326,150,775 |

Note (1):- Assuming the MBL Shares purchased pursuant to the Proposed Renewal is based on the maximum number of MBL Shares that may be purchased under the respective scenarios.

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 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.

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

For illustration purposes only, based on the Records of Depositors as at the LPD and assuming that the maximum number of MBL Shares (of up to ten percent (10%) of the issued share capital) authorised under the Proposed Renewal are purchased from shareholders other than the existing Substantial Shareholders and Directors of MBL, and all such shares purchased are cancelled, the effect of the Proposed Renewal on the shareholdings of the existing Substantial Shareholders and Directors of MBL by virtue of Section 127(9) of the Act are set out below:-

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

Scenario 1 – Assuming none of the Outstanding Warrants Option are exercised

| Directors | No. of Shares held as at LPD | | After all treasury shares so purchased are cancelled | |
|-------------------------------------------------|------------------------------|---------------------------|------------------------------------------------------|---------------------------|
| | Direct | Indirect | Direct | Indirect |
| Tan Sri Dato' Seri Tan King Tai @ Tan Khoon Hai | 12,894,200 | ^(b) 6,702,400 | 12,894,200 | ^(b) 6,702,400 |
| | | 2.95 | 5.76 | 3.00 |
| Chua En Hom | 300,000 | ^(a) 85,512,960 | 300,000 | ^(a) 85,512,960 |
| | | 0.13 | 0.13 | 38.22 |
| Dato' Chua Heok Wee | 997,400 | ^(a) 85,512,960 | 997,400 | ^(a) 85,512,960 |
| | | 0.44 | 0.45 | 38.22 |
| Chua Kang Sing | - | ^(a) 85,512,960 | - | ^(a) 85,512,960 |
| | | - | - | 38.22 |
| Khoo Chee Wee (Appointed on 5 October 2023) | 200,000 | ^(c) 519,600 | 200,000 | ^(c) 519,600 |
| | | 0.09 | 0.09 | 0.23 |

| | | | | | | | | |
|--------------------------------------------------|---|---|---|---|---|---|---|---|
| Datuk Rajendran A/L P Narayanasamy | - | - | - | - | - | - | - | - |
| Tan Soo Mooi | - | - | - | - | - | - | - | - |
| Ng Mei Wan | - | - | - | - | - | - | - | - |
| Lim Choo Hooi (Appointed on 31 March 2023) | - | - | - | - | - | - | - | - |

**Substantial
Shareholders**

| | | | | | | | | |
|-------------------------------------------------------|------------|-------|---------------|------|------------|-------|---------------|------|
| MBL Realty Sdn. Bhd. | 85,512,960 | 37.58 | - | - | 85,512,960 | 38.22 | - | - |
| Tan Sri Dato' Seri Tan King Tai @ Tan Khoon Hai | 12,894,200 | 5.67 | (b) 6,702,400 | 2.95 | 12,894,200 | 5.76 | (b) 6,702,400 | 3.00 |

Notes:

- ^ Based on the assumption that our Company purchases the maximum 24,862,180 MBL Shares, representing 10% of its issued share capital of 248,621,800 MBL Shares.
- (a) Deemed interested by virtue of their substantial shareholdings in MBL Realty pursuant to Section 8 of the Act.
- (b) Deemed interested by virtue of his spouse and children pursuant to Section 59(11) of the Act.
- (c) Deemed interested by virtue of his spouse pursuant to Section 59(11) of the Act.

Scenario 2 – Assuming all the Outstanding Warrants Option are exercised

| | No. of Shares held as at LPD | | Assuming full exercise of the outstanding Warrants Option | | After all treasury so purchased are cancelled | | | |
|-------------------------------------------------|------------------------------|------|-----------------------------------------------------------|-------|-----------------------------------------------|------|-----------------|-------|
| | Direct | % | Direct | % | Direct | % | | |
| Directors | | | | | | | | |
| Tan Sri Dato' Seri Tan King Tai @ Tan Khoon Hai | 12,894,200 | 5.67 | (e) 6,702,400 | 2.95 | 19,341,300 | 5.93 | (e) 8,817,500 | 2.70 |
| Chua En Hom | 300,000 | 0.13 | (d) 85,512,960 | 37.58 | 450,000 | 0.14 | (d) 128,269,440 | 39.33 |
| Dato' Chua Heok Wee | 997,400 | 0.44 | (d) 85,512,960 | 37.58 | 1,493,800 | 0.46 | (d) 128,269,440 | 39.33 |
| Chua Kang Sing | - | - | (d) 85,512,960 | 37.58 | - | - | (d) 128,269,440 | 39.33 |
| Khoo Chee Wee (Appointed on 5 October 2023) | 200,000 | 0.09 | (f) 519,600 | 0.23 | 300,000 | 0.09 | (f) 779,400 | 0.24 |
| Datuk Rajendran A/L P Narayanasamy | - | - | - | - | - | - | - | - |
| Tan Soo Mooi | - | - | - | - | - | - | - | - |

| | | | | | | | | | | | | | | |
|----------------------------------------------------------|------------|-------|---------------|------|-------------|-------|---------------|------|-------------|-------|---------------|------|---|---|
| Ng Mei Wan | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Lim Choo Hooi (Appointed on 31 March 2023) | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Substantial Shareholders | | | | | | | | | | | | | | |
| MBL Realty Sdn. Bhd. | 85,512,960 | 37.58 | - | - | 128,269,440 | 35.40 | - | - | 128,269,440 | 39.33 | - | - | - | - |
| Tan Sri Dato' Seri Tan King Tai @ Tan Khoon Hai | 12,894,200 | 5.67 | (e) 6,702,400 | 2.95 | 19,341,300 | 5.34 | (e) 8,817,500 | 2.43 | 19,341,300 | 5.93 | (e) 8,817,500 | 2.70 | - | - |

Notes:

- ^ Based on the assumption that our Company purchases the maximum 36,238,975 MBL Shares, representing 10% of its issued share capital of 362,389,750 MBL Share after all the outstanding Warrants Option are exercised.
- (d) Deemed interested by virtue of their substantial shareholdings in MBL Realty pursuant to Section 8 of the Act.
- (e) Deemed interested by virtue of his spouse and children pursuant to Section 59(11) of the Act.
- (f) Deemed interested by virtue of his spouse pursuant to Section 59(11) 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. HISTORICAL SHARE PRICES

The monthly highest and lowest prices of MBL Shares as traded on Bursa Securities for the last twelve (12) months from April 2023 to March 2024 are as follows:-

| Month | High (RM) | Low (RM) |
|----------------|-----------|----------|
| April 2023 | 0.535 | 0.505 |
| May 2023 | 0.535 | 0.485 |
| June 2023 | 0.515 | 0.430 |
| July 2023 | 0.510 | 0.450 |
| August 2023 | 0.485 | 0.450 |
| September 2023 | 0.510 | 0.465 |
| October 2023 | 0.500 | 0.455 |
| November 2023 | 0.475 | 0.450 |
| December 2023 | 0.465 | 0.445 |
| January 2024 | 0.460 | 0.400 |
| February 2024 | 0.460 | 0.410 |
| March 2024 | 0.460 | 0.430 |

The last transacted price of MBL Shares on 29 March 2024, being the latest practicable date prior to the printing of this Statement, was RM0.445.

(Source: Investing.com)

10. PURCHASE, RESALE, TRANSFER AND CANCELLATION OF TREASURY SHARES IN THE PREVIOUS TWELVE (12) MONTHS

Previous purchases, resale and cancellation of treasury shares

Based on the Record of Depositors as at the LPD, 21,085,900 MBL Shares are held as treasury shares by our Company.

Our Company has not resold and/or cancelled any treasury shares held by our Company in the past twelve (12) months preceding the LPD.

11. PUBLIC SHAREHOLDING SPREAD

Based on our Company's Record of Depositors as at the LPD, 127,631,259 Shares representing approximately 56.09% of the issued share capital of our Company were held by 2,128 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. Our Company will only undertake the Proposed Renewal, provided that the public shareholding spread of at least 25%

of the issued capital of our Company (excluding treasury shares) are in the hands of public shareholders. Our Board are 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.

12. APPROVAL REQUIRED

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

13. DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' INTEREST

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).

14. 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.

15. AGM

The Ordinary Resolution pertaining to the Proposed Renewal is set out in the Extract of the Notice of 18th AGM in Appendix II of this Statement and as a Special Business in the Notice of the 18th AGM, which is sent to you together with this Statement.

The 18th AGM will be held at Fully virtual basis via the online meeting platform in Malaysia at <https://pasb-online.digerati.com.my> on Thursday, 23 May 2024 at 11.00 a.m. 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 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. 85, Muntri Street, 10200 Georgetown, Pulau Pinang, not less than twenty-four (24) 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. Pursuant to Paragraph 8.29A(1) of the Bursa Securities MMLR, all the Resolutions set out in this Notice will be put to vote by poll.

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

TAN SRI DATO' SERI TAN KING TAI @ TAN KHOON HAI
Executive Chairman

ADDITIONAL INFORMATION

1. DIRECTORS' RESPONSIBILITY STATEMENT

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

2. MATERIAL LITIGATION, CLAIMS OR ARBITRATION

Save as disclosed below, neither the Company nor any of its subsidiary companies is engaged in any other material litigation, claims or arbitration either as plaintiff or defendant and the Directors do not have any knowledge of any proceedings, pending or threatened, against the Company or any of its subsidiary companies or of any facts likely to give rise to any proceedings which might materially affect the position or business of the Company or its subsidiary companies:

Disposal of Sokor Gemilang Ladang Sdn Bhd ("SGLSB")

On 18 February 2022, the Group wholly-owned subsidiary, MBL Plantation Sdn Bhd ("MBLPSB" or collectively referred to as "Defendant") had received a Writ of Summon and Statement of Claim both dated 15 February 2022 filed by Doa Huat Holdings Sdn Bhd (collectively referred to as "Plaintiff") under Kuala Lumpur High Court Suit No. WA-22NCC-67-02/2022 in relation to the claims filed by the Plaintiff through a legal firm acting on their behalf.

The plaintiff claimed that the Share Sales Agreement dated 1 April 2021 between the Plaintiff and the Defendant for the purchase of shares of Sokor Gemilang Ladang Sdn Bhd ("SGLSB") with a total consideration of RM25,000,000.00 is void or terminated and demanded for the repayment of RM23,900,000.00.

The Plaintiff has made a total payment of RM23,900,000.00 to the Defendant to date, with the balance of the consideration RM1,100,000.00 remains outstanding.

MBLPSB has appointed a legal firm to act on its behalf and filed a counter claim against plaintiff on the above case. Further to the announcement made on 18 February 2022 and 2 March 2022, the case WA-22NCC-67-02/2022 has been transferred to Penang high court pursuant to a court order dated 15 April 2022.

Pursuant to the case Management on 20 May 2022, the company has filed the interlocutory applications to Penang High Court to move the Court to dispose of Doa Huat's claim and to seek the court to enter summary judgement against Doa Huat for MBLPSB's counterclaim. The Court has fixed the hearing date on 29 July 2022.

On 29 July 2022, Plaintiff's claim has been dismissed by the Court with costs of RM5,000.00, subject to allocator, to be paid by the Plaintiff to MBLPSB.

In respect of MBLPSB's counterclaim against Plaintiff, the Court allowed MBLPSB's application for summary judgment of its counterclaim with the following terms:-

- (a) a Declaration that the Plaintiff's act/attempt to terminate the share sale agreement dated 1/4/2021 ("the Agreement") via the Plaintiff's letter of termination dated 7/2/2022 is not valid;
- (b) an order for specific performance of the Agreement whereby the Plaintiff shall continue and fulfill all its obligations under the Agreement including paying the balance consideration price of RM1,100,000.00 to the Defendant within fourteen (14) days from the date of this judgment;
- (c) The Plaintiff shall provide full cooperation and do all that is necessary to complete the Agreement within fourteen (14) days from the date the Defendant receives payment of the balance consideration price of RM1,100,000.00;

- (d) If the Plaintiff fails to comply with paragraph (c) above, then the Registrar of the Court is given the power to execute all requisite documents to complete the transfer of 100% of the shares in Sokor Gemilang Ladang Sdn. Bhd. (Company No: 742516-X) from the Defendant to the Plaintiff; and
- (e) Costs of RM5,000.00, subject to allocator, to be paid by the Plaintiff to MBLPSB.

In gist, the whole civil suit PA-22NCC-13-04/2022 has been disposed of in MBLPSB's favour.

On 2 September 2022, MBLPSB's solicitors had updated the Company that the Plaintiff has filed an appeal to the Court of Appeal against the High Court Orders/Decisions given on 29 July 2022. The Plaintiff has also filed an application for stay of the High Court orders pending their appeal to the Court of Appeal. The Company is resisting and opposing both the Appeal and the Stay application.

The first case management of the Appeal (Court of Appeal, Civil Appeal No.: P-02(IM)(NCC)-1545-08/2022) is fixed on 10 November 2022. There is no appeal hearing date fixed yet at this juncture.

As for the Application for Stay at the High Court, the court has given directions for filing of affidavits and has fixed a further case management date. There is still no hearing date fixed yet for the Stay application at this juncture.

The High Court matter and the Court of Appeal matters have also now been taken over by our new solicitors (Messrs Presgrave & Matthews).

Pursuant to the Case Management on 4 October 2022, the Court has fixed the hearing date for the stay application on 15 December 2022 at 8.30 a.m. by Zoom before YA Tuan Quay Chew Soon.

On 22 November 2022, pursuant to the Case Management in respect of the Appeal (Court of Appeal, Civil Appeal No.: P-02(IM)(NCC)-1545-08/2022) conducted on 10 November 2022 and which concluded only on 21 November 2022, the Court of Appeal (Putrajaya) has fixed the hearing of the Plaintiff/Appellant's Appeal to be heard on 20 June 2023.

On 9 December 2022, MBLPSB's solicitor had updated the Company that the Court has rescheduled the hearing date for the stay application from 15 December 2022 to 6 January 2023.

On 6 January 2023, MBLPSB's solicitor had updated the Company on the outcome of hearing for the stay application on 6 January 2023. Plaintiff's application for Stay (Enclosure 50) has been dismissed by the Court with costs of RM5,000.00 to be paid by the Plaintiff to MBLPSB.

On 13 February 2023, MBLPSB's solicitor had updated the Company that the Court of Appeal has fixed the hearing date for both Motions (Enclosure 13 for Fresh Evidence and Enclosure 16 for Stay) on 9 May 2023.

On 10 May 2023, MBLPSB's solicitor had updated the Company that the hearing date of both Motions (Enclosure 13 for Fresh Evidence and Enclosure 16 for Stay) at the Court of Appeal, originally scheduled to proceed on 9 May 2023, has been postponed. A new hearing date will be fixed by the Court of Appeal.

On 23 May 2023, MBLPSB's solicitor had updated the Company that the hearing date of both Motions (Enclosure 13 for Fresh Evidence and Enclosure 16 for Stay) have now been fixed on 20 June 2023. The Hearing of the Appeal (Enclosure 1) which was originally fixed on 20 June 2023, has now been rescheduled to 14 August 2023.

On 20 June 2023, MBLPSB's solicitor had updated the Company that in respect of Enclosure 13 (Motion for Fresh Evidence), the Court allowed the Appellant to adduce and rely on the Letter dated 27 November 2022 from Perbadanan Pembangunan Ladang Rakyat Negeri Kelantan to be used and argued in the Main Appeal, and the Court also allowed the Respondent to adduce and rely on its solicitor letters dated 14 December 2022 and 18 January 2023. The Appellant shall file a Supplemental Record of Appeal in 14 days to include the 3 letters. Costs in the cause.

In respect of Enclosure 16 (Motion for Stay), the Court of Appeal ordered that the Appellant pay the sum of RM1.1 million being the balance purchase price to the Respondents' solicitors as stakeholders within 21 days from today (20 June 2023) and to be held as stakeholders pending the disposal of the Appellant's main appeal.

On 14 August 2023, MBLPSB's solicitor had updated the Company on the outcome of Hearing of the Appeal (Enclosure 1) held on 14 August 2023. The Court of Appeal was of the opinion that the Letter from Perbadanan Pembangunan Ladang Rakyat Negeri Kelantan dated 27 November 2022 raised a triable issue, both parties have to go back to the High Court for full trial in respect of the case. The Appeal was allowed with costs in the cause.

On 15 September 2023, MBLPSB's solicitor had updated the Company that pursuant to the Case management held on 14 September 2023 and the Court has fixed the hearing on 21 November 2023 before YA Tuan Quay Chew Soon.

On 21 November 2023, MBLPSB's solicitor had updated the Company on the outcome of Hearing held on 21 November 2023. The Court decided to allow the amendment limited to the inclusion of 2 Paragraphs (Para 21 & 22), and all other proposed amendments were dismissed. Costs in the cause.

Further directions given are as follows: -

- (a) Plaintiff to file their Amendment Statement of Claim within 5 days. Defendants be given leave to amend their Defence and Counterclaim within 14 days thereafter.
- (b) The next e-review date is fixed on 11 December 2023.
- (c) The Full Trial of this case is fixed on 12 June 2024 to 14 June 2024.
- (d) Any interlocutory applications are to be filed within 3 weeks' time.

On 12 December 2023, MBLPSB's solicitor had updated the Company that pursuant to the Case Management by e-review held on 11 December 2023 before the Judge, the following directions were given: -

- (a) In respect of Enclosure 111 (Defendant's application for interrogatories) filed on 8 December 2023, the Plaintiff is to file their Affidavit Jawapan on 22 December 2023 (2 weeks), the Defendant is to file their Affidavit Balasan on 29 December 2023 (1 week), Written Submissions by both parties to be filed on 12 January 2024, Reply Submissions to be filed on 19 January 2024. The hearing of Enclosure 111 is fixed on 29 January 2024 at 8.30am by Zoom.
- (b) Pre-Trial Documents (for the full trial already fixed in June) to be filed by Plaintiff by 5 February 2024, draft of Pre Trial Case Management to be exchanged within 4 weeks by 8 January 2024. Next Case Management is fixed on 7 February 2024 by e-review.

On 29 January 2024, MBLPSB's solicitor had updated the Company on the outcome of Hearing of Defendant's application for Interrogatories (Enclosure 111) held on 29 January 2024. The Penang High Court had allowed the Defendant's Notice of Application for Interrogatories (Enclosure 111) against the Plaintiff with costs in the cause. MBLPSB's solicitor has served the Interrogatories onto the Plaintiff's solicitors on 29 January 2024 and the Plaintiff has 14 days to reply to the questions therein by way of sworn affidavit.

On 11 March 2024, MBLPSB's solicitor had updated the Company on the outcome of Hearing of the Stay held on 11 March 2024. The Court dismissed the Plaintiff's Application for Stay of Interrogatories with costs of RM5,000.00 to be paid to Defendant. The Court directed that the Plaintiff must file the Interrogatories in 14 days from today. Witness statements for the trial to be filed on 22 April 2024, and next e-review is fixed on 23 April 2024.

On 25 March 2024, MBLPSB's solicitor had updated the Company that the Hearing of Stay Motion has been postponed until further notice. The next Case Management is fixed on 16 April 2024 by e-review.

On 8 April 2024, both Plaintiff and Defendant have entered into a Settlement Agreement on 8 April 2024 to reach a full and final settlement of the Civil Suit between parties and the Share Sale Agreement dated 1 April 2021 between parties subject to the recording of a Consent Order/ Judgment before the High Court, whereby RM13,900,000.00 is to be refunded to the Plaintiff and the balance of RM10,000,000.00 is to be retained by the Defendant as liquidated assessed damages, wherein the full terms and conditions are contained in the Settlement Agreement.

Out of RM23,900,000.00 deposit and part payment received by the Defendant from Plaintiff, Defendant agrees to refund RM13,900,000.00 to Plaintiff without any admission of any liabilities whatsoever on the part of Defendant in the following manner:-

- (a) A sum of RM3,900,000.00 immediately upon the execution of Settlement Agreement.
- (b) A sum of RM350,000.00 for twenty eight (28) months the first installment of which will be one (1) month from the Agreement Date. The said (28) installments shall be paid on the seventh (7th) day of each and every month.
- (c) A sum of RM200,000.00 on the 29th month. The said sum of RM200,000.00 shall be paid on the seventh (7th) day of the 29th month.

The payment/refund of RM13,900,000.00 will not have any material effect on MBL's consolidated earnings, earnings per share, share capital and substantial shareholders' shareholding, given that it is merely a refund of deposit and part payment received from Plaintiff while entered into the Sale and Purchase agreement.

The remaining RM10,000,000.00 will be retained by the Defendant as liquidated assessed damages. The balances after deducting the earlier cost and damages suffered will be treated as other income to the Defendant.

On 16 April 2024, MBLPSB's solicitor had updated the Company that the Consent Judgement has been successfully filed and recorded by the High Court today and the material litigation between the Plaintiff and the Defendant is hereby concluded.

3. MATERIAL CONTRACTS

A. Proposed Bonus Issue of Warrants-B (the "Proposal")

On 20 January 2023, the Company proposes to undertake a bonus issue of 113,767,950 warrants ("Warrant(s)-B") on the basis of 1 Warrant B for every 2 existing ordinary shares in the MBL ("MBL Share(s)" or the "Share(s)") held by the shareholders whose names appear in the Record of Depositors of the Company on an entitlement date to be determined later ("Entitlement Date") ("Entitled Shareholder(s)") ("Proposed Bonus Issue of Warrants-B" or the "Proposal").

B. Proposed Establishment of an Employees' Share Option Scheme ("ESOS")

The Company has a share grant plan ("SGP") which was approved by its shareholders on 14 June 2013. As of 21 February 2023, being the latest practicable date prior to the date of this announcement ("LPD"), there were no outstanding and unexercised MBL Shares granted under SGP. The board had decided not to extend the existing SGP and that it will be terminated upon obtaining the shareholders' approval for the Proposed ESOS at an extraordinary general meeting ("EGM") to be convened.

On 16 March 2023, the Company submitted an additional listing application to Bursa Securities for combination of new issue of securities in relation to both Proposed Bonus Issue of Warrants-B and Proposed ESOS.

On 27 April 2023, Bursa Securities has resolved to approve the following:

- (a) Admission to the Official List and listing and quotation for 113,767,950 Warrants to be issued pursuant to the Proposed Bonus Issue of Warrants;
- (b) Listing of and quotation for 113,767,950 new ordinary shares in MBL to be issued arising from the exercised of the Warrants; and
- (c) Listing of and quotation for such number of additional new ordinary shares in MBL representing up to 15% of the total number of issued shares of MBL to be issued pursuant to the Proposed ESOS.

On 8 May 2023 and 9 May 2023, Notice of Extraordinary General Meeting (“EGM”) and Circular to shareholders in relation to the abovementioned has been submitted and announced on the Bursa Malaysia (“BURSA”)’s website, respectively. Both the Notice of EGM and Circular to shareholders are made available on both the MBL and BURSA’s website.

On 25 May 2023, both the above corporate proposals were duly approved by the shareholders of the Company at the EGM held on 25 May 2023.

4. DOCUMENTS FOR INSPECTION

Copies of the following documents are available for inspection at the Registered Office of our Company at No. 85, Muntri Street, 10200 Georgetown, Pulau Pinang during the normal office hours on any business day falling from the date of this Statement up to and including the date of Eighteenth Annual General Meeting:-

- Constitution of the Company; and
- Audited consolidated financial statements of the Company for the past two (2) financial years ended 31 December 2022 and 31 December 2023.

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

“THAT subject to the Companies Act, 2016 (“the Act”), rules, regulations and orders made pursuant to the Act, provisions of the Company’s Constitution, the Listing Requirements of Bursa Malaysia Securities Berhad and any other relevant authorities, the Directors of the Company be hereby unconditionally and generally authorised to make purchases of ordinary shares of the Company’s issued 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 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 of the Company, as at 31 December 2023;
- 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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