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If you are in 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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**BENALEC HOLDINGS BERHAD**

Registration No. 200501020529 (702653-V)  
(Incorporated in Malaysia)

**SHARE BUY-BACK STATEMENT**

**IN RELATION TO THE**

**PROPOSED RENEWAL OF THE SHARE BUY-BACK AUTHORITY**

The above proposal will be tabled as Special Business at the **Sixteenth Annual General Meeting (“16<sup>th</sup> AGM”)** of Benalec Holdings Berhad (“**Benalec**” or the “**Company**”). The Notice of the 16<sup>th</sup> AGM of the Company which will be held fully virtual at Benalec Holdings Berhad Headquarters (Pacific Board Room) No. 23, Jalan Perintis U1/52, Glenmarie Temasya, Seksyen U1, 40150 Shah Alam, Selangor Darul Ehsan on Wednesday, 25 May 2022 at 10.00 a.m. or at any adjournment thereof. The Notice of the 16<sup>th</sup> AGM of the Company together with the Proxy Form, are set out in the 2021 Annual Report of the Company, which is dispatched together with this Statement.

The appointment of a proxy may be made in a hard copy form or by electronic form in the following manner and must be received by the Company not less than forty-eight (48) hours before the time appointed for holding the 16<sup>th</sup> AGM or adjourned general meeting at which the person named in the appointment proposes to vote:

- *In hard copy form*

*In the case of an appointment made in hard copy, the proxy form must be deposited at the Share Registrar of the Company situated at Tricor Investor & Issuing House Services Sdn. Bhd. of Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia **OR** alternatively, the Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia.*

- *By electronic means via Tricor System, TIIH Online*

*The proxy form can be electronically lodged with the Share Registrar of the Company via TIIH Online at <https://tiih.online> (applicable to individual shareholders only). Kindly refer to the Administrative Details of the 16<sup>th</sup> AGM on the procedures for electronic lodgement of proxy form via TIIH Online.*

Last date and time for lodging the Proxy Form : Monday, 23 May 2022 at 10.00 a.m.

Date and time of the 16<sup>th</sup> AGM : Wednesday, 25 May 2022 at 10.00 a.m.

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## DEFINITIONS

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The following definitions shall apply throughout this Statement unless the context otherwise requires otherwise:-

<b>Act</b>	:	The Companies Act 2016, as amended from time to time and any re-enactment
<b>AGM</b>	:	Annual General Meeting
<b>Benalec or Company</b>	:	Benalec Holdings Berhad (Registration No. 200501020529 (702653-V))
<b>Benalec Group or Group</b>	:	Benalec and its subsidiaries, collectively
<b>Benalec Share(s) or Share(s)</b>	:	Ordinary share(s) in Benalec
<b>Board of Directors or Board</b>	:	Board of Directors of Benalec
<b>Bursa Securities</b>	:	Bursa Malaysia Securities Berhad (Registration No. 200301033577 (635998-W))
<b>Constitution</b>	:	The Constitution of Benalec
<b>EPS</b>	:	Earnings per Share
<b>FYE</b>	:	Financial year ended/ending, as the case may be
<b>Listing Requirements</b>	:	Main Market Listing Requirements of Bursa Securities including any amendment thereto which may be made from time to time
<b>LPD</b>	:	30 March 2022, being the latest practicable date prior to the printing of this Statement
<b>MFRS 2</b>	:	Malaysian Financial Reporting Standard 2 on Share Based Payment as issued by the Malaysian Accounting Standards Board
<b>NA</b>	:	Net assets
<b>Oceancove</b>	:	Oceancove Sdn Bhd (Registration No. 200901020090 (863187-T))
<b>Oceanview Cove</b>	:	Oceanview Cove Sdn Bhd (Registration No. 201001014633 (898867-V))
<b>Proposed Renewal of the Share Buy-Back Authority</b>	:	Proposed renewal of authority for the Proposed Share Buy-Back
<b>Proposed Share Buy-Back or Proposal</b>	:	Proposed purchase(s) by the Company of its own Shares of up to ten percent (10%) of its total number of issued shares of the Company pursuant to Section 127 of the Act
<b>Purchased Shares</b>	:	Benalec Shares to be purchased by the Company pursuant to the Proposed Renewal of the Share Buy-Back Authority
<b>RM and Sen</b>	:	Ringgit Malaysia and sen respectively, being the lawful currency of Malaysia
<b>Rules</b>	:	Rules on Take-Overs, Mergers and Compulsory Acquisitions 2016 as amended from time to time and any re-enactment thereof
<b>SC</b>	:	Securities Commission Malaysia
<b>Statement</b>	:	This Share Buy-Back Statement in relation to the Proposed Renewal of the Share Buy-Back authority dated 25 May 2022
<b>Substantial Shareholders</b>	:	Has the meaning given in Section 136 of the Act
<b>Treasury Shares</b>	:	The Purchased Shares which are or will be retained in treasury by the Company and shall have the meaning given under Section 127 of the Act
<b>WAMP</b>	:	Weighted average market price

Words incorporating the singular shall, where applicable, include the plural and vice versa and words importing the masculine gender shall, where applicable, include the feminine and neuter genders and vice versa. Reference to persons shall include corporation(s), 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 stated.

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## **BENALEC HOLDINGS BERHAD**

Registration No. 200501020529 (702653-V)  
(Incorporated in Malaysia)

### **Registered Office:**

Unit 30-01, Level 30, Tower A  
Vertical Business Suite  
Avenue 3, Bangsar South  
No. 8 Jalan Kerinchi  
59200 Kuala Lumpur

26 April 2022

### **Board of Directors**

Wong Yoke Nyen (Chairman, Independent Non-Executive Director)  
Dato' Leaw Seng Hai (Group Managing Director/Chief Executive Director)  
Koo Hoong Kwan (Senior Independent Non-Executive Director)  
Fazrin Azwar bin Md. Nor (Independent Non-Executive Director)  
Leaw Ai Lin (Non-Independent Non-Executive Director)

### **To: The Shareholders of Benalec Holdings Berhad**

Dear Sir / Madam,

## **PROPOSED RENEWAL OF THE SHARE BUY-BACK AUTHORITY**

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### **1. INTRODUCTION**

At the 15<sup>th</sup> AGM of the Company held on 18 May 2021, the Board obtained shareholders' approval for the authority to purchase its own shares of up to a maximum of 10% of the total number of issued shares of the Company. This authority which took effect upon passing of the ordinary resolution, will expire at the conclusion of the forthcoming 16<sup>th</sup> AGM of the Company unless it is renewed.

The Board proposes to seek renewal of the authority to purchase up to 10% of the issued shares of the Company as quoted on Bursa Securities at the point of purchase, subject to compliance with the provisions of the Act, Listing Requirements and/or any other relevant authorities.

The renewal of the share buy-back authority, if approved by the shareholders at the forthcoming 16<sup>th</sup> AGM, will be effective immediately upon the passing of the ordinary resolution proposed at the forthcoming 16<sup>th</sup> AGM and the authority conferred shall only continue to be in force until:-

- i. the conclusion of the next AGM of the Company at which time the authority shall lapse unless by ordinary resolution passed at that general meeting, the authority is renewed either unconditionally or subject to conditions; or
- ii. the expiration of the period within the next AGM after that date is required by law to be held pursuant to Sections 340(1) and (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 ordinary resolution passed by shareholders in a general meeting,

whichever occurs first.

Thereafter, approval from the shareholders will be sought for the subsequent renewals of the Proposal at each subsequent AGM.

## 2. DETAILS OF THE PROPOSED RENEWAL OF THE SHARE BUY-BACK AUTHORITY

As at the LPD, the details of the issued Shares of Benalec are as follows:

	<b>No. of Shares</b>
Issued Shares of the Company	1,031,602,500*
10% of the issued Shares	103,160,250
Less: number of Treasury Shares held as at the LPD	(12,715,400)
Balance available to be purchased under the Proposal	90,444,850

*Note:-*

\* Inclusive of the 12,715,400 Benalec Shares that have been purchased and retained as Treasury Shares as at the LPD.

The Purchased Shares held as Treasury Shares may be distributed as share dividends to shareholders of the Company and/or subsequently cancelled and/or resold on the market of Bursa Securities as may be determined from time to time by the Board.

The Purchased Shares shall be at prices not exceeding 15% above the WAMP of the Purchased Shares from five (5) market days immediately prior to the purchase and will be purchased from the open market through Bursa Securities.

The Treasury Shares arising from the share buy-back, including those Purchased Shares shall be resold on the market, if so determined by the Board, at:-

- a. a price which is not less than the WAMP of the Purchased Shares for five (5) market days immediately before the resale; or
- b. a discounted price of not more than 5% to the WAMP of the Purchased Shares for 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.

The Board will, at its discretion, deal with the Purchased Shares in the following manner:-

- a. cancel the Purchased Shares; or
- b. retain the Purchased Shares as Treasury Shares; or
- c. retain part of the Purchased Shares as Treasury Shares and cancel the remainder of the shares; or
- d. such other manner as allowed by the Act and Bursa Securities from time to time.

## 3. FUNDING

In accordance with the Listing Requirements, the maximum funds to be utilised for the Proposed Renewal of the Share Buy-Back Authority shall not exceed the aggregate of the retained profits of the Company based on the latest audited financial statements and/or latest management accounts of the Company available (where applicable). Based on the latest audited financial statements of the Company for the financial year ended 31 December 2021, the retained profits of the Company was RM18,662,157.

The funding of the Proposal will be financed by internally generated funds and/or external borrowings and the proportion of which to be utilised will depend on the actual number of Shares to be purchased, the price of the Shares and the availability of funds at the time of purchase(s). The actual number of Shares that may be purchased will depend on, amongst others, the prevailing market condition and the sentiment of the overall stock market.

In the event that the Company purchases its own Shares using external borrowings, the Board will ensure that there are sufficient funds to repay the external borrowings and repayment would not be expected to have any material effect on the cash flow of the Group.

#### **4. RATIONALE FOR THE PROPOSED RENEWAL OF THE SHARE BUY-BACK AUTHORITY**

The Proposed Share Buy-Back is expected to benefit the Company and its shareholders in the following manner:

- a. Benalec is able to utilise its surplus financial resources which are not immediately required for other usage to purchase its own shares from the open market;
- b. where the Purchased Shares are retained as Treasury Shares, the Board would have an option to distribute the Purchased Shares as share dividends to reward shareholders of the Company;
- c. the Purchased Shares may be held as Treasury Shares and resold in the open market to reap potential capital appreciation of the Shares without affecting the total issued Shares of the Company;
- d. the Company may be able to reduce any unwarranted volatility of its Shares and assist to stabilise the supply, demand and price of its Shares in the open market, thereby supporting the fundamental value of its Shares; and
- e. where the Board resolves to cancel the Purchased Shares, the Group's EPS is expected to be enhanced as a result of the reduction in the issued Shares of the Company, thereby enabling long term and genuine investors to enjoy any potential corresponding increase in the value of their investments in the Company.

#### **5. POTENTIAL ADVANTAGES AND DISADVANTAGES OF THE PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY**

##### **5.1 Potential Advantages**

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

- a. It allows the Company to take preventive measures against excessive speculation, particularly when the Shares are undervalued which would in turn stabilise the market price of the Shares to enhance investors' confidence and may also assist in facilitating future fund raising via the equity market;
- b. It allows the flexibility for the Group in attaining its desired capital structure, in terms of the debt and equity composition and the size of equity;
- c. The resultant reduction in the total numbers of issued Shares (in respect of Shares so purchased are then cancelled) is expected to improve the EPS and the NA per Share of the Group as well as the probability of declaring a higher quantum of dividends in future;
- d. To stabilise any downward trend in the market price of the Shares;
- e. Opportunities for potential gains from the resale of Treasury Shares at prices higher than the purchase prices when the market price of the Shares improves and consequently increase the working capital and NA of the Group; and
- f. In the event the Treasury Shares are distributed as share dividends by the Company, it may then serve to reward shareholders of the Company.

##### **5.2 Potential Disadvantages**

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

- a. The purchase(s) may result in a reduction of the amount of reserves available for distribution as dividends and/or bonus issue(s) to shareholders if the Shares so purchased are cancelled;
- b. The purchase(s) of existing Shares will reduce the financial resources of the Group and may result in the Group foregoing other investment opportunities that may emerge in the future;
- c. The purchase(s) may result in the Group having to forego any income that may be derived from the deposit of such funds in interest bearing instruments; and
- d. In the event the purchase(s) of existing Shares are funded by bank borrowings, the net cash flow of the Group may decline to the extent of the interest costs associated with the said borrowings.

Nevertheless, the Board will be mindful of the interests of the Company and its shareholders in exercising any decision to purchase its own Shares.

## 6. EFFECTS OF THE PROPOSED RENEWAL OF THE SHARE BUY-BACK AUTHORITY

The effects of the Proposed Share Buy-Back on the share capital, EPS, NA, working capital, dividends and shareholdings of Benalec are as set out below:-

### 6.1 Share Capital

The effect of the Proposed Share Buy-Back on the share capital of the Company will depend on whether the Shares purchased are cancelled or retained as Treasury Shares. The Proposal will result in a reduction of the issued Shares of the Company if the Shares purchased are cancelled.

On the assumption that the Proposed Renewal of the Share Buy-Back Authority is carried out in full and the Shares so purchased are fully cancelled, the effect of the Proposal are as follows:

	<b>No. of Shares</b>	<b>RM</b>
Issued Shares as at the LPD	1,031,602,500*	391,935,927
Maximum number of Benalec Shares that may be purchased and cancelled pursuant to the Proposed Share Buy-Back	(103,160,250)	(13,101,352)#
Resultant issued Shares after cancellation of Benalec Shares purchased under the Proposed Share Buy-Back	928,442,250	378,834,575

Notes:-

\* Inclusive of 12,715,400 Benalec Shares which have been purchased and retained as Treasury Shares as at the LPD.

# The Purchased Shares shall be at price not exceeding 15% above the WAMP of the Purchased Shares from five (5) market days immediately prior to the purchase and will be purchased from the open market through Bursa Securities. For illustrative purpose, it is assumed that the Purchased Shares is at the price of purchased RM0.127, representing a premium of approximately 15% over the 5-day WAMP of Benalec Shares of RM0.11 up to and including the LPD.

The Proposed Share Buy-Back will not have any effect on the issued Shares of the Company if the Purchased Shares are retained as Treasury Shares.

Pursuant to the Act, if the Purchased Shares are treated as Treasury Shares, the rights attached to them as to voting, dividends and participation in other distribution and 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 the Company for any purpose including, without limiting the generality of this provision, the provisions of any law or requirements of the Constitution or the Listing Requirements on substantial shareholdings, takeovers, notices, the requisitioning of meetings, the quorum for a meeting and the result of a vote on a resolution at a meeting.

### 6.2 EPS

The effects of the Proposed Share Buy-Back on the earnings and EPS of the Group will depend on the purchase price(s) of the Shares, the quantum of Shares to be purchased and the effective funding cost to the Group to finance the Purchased Shares or any loss in interest income to the Group. Where the Shares so purchased are to be cancelled, the EPS of the Group will generally, all else being equal, increase as a result of the reduction in the issued Shares of the Company.

### 6.3 NA

The Proposed Share Buy-Back, if carried out, may increase or decrease the NA per Share of the Group depending on the purchase price(s) of the Shares to be purchased. The NA per Share will increase if the purchase price is less than the audited NA per Share but will decrease if the purchase price exceeds the audited NA per Share at the time the Shares are purchased.

If the Treasury Shares are resold on Bursa Securities, the NA per Share of the Group would increase if the Company realises a gain from the resale and vice versa.

### 6.4 Working Capital

The Proposed Share Buy-Back, if carried out, will reduce the working capital of the Group. The quantum of the reduction of the working capital of the Group would depend on the purchase price(s), number of Purchased Shares and the effective funding cost thereof.

However, upon resale of the Treasury Shares, the working capital of the Group will increase. Again, the quantum of increase in the working capital will depend on the number of Treasury Shares resold and the selling price.

## 6. EFFECTS OF THE PROPOSED RENEWAL OF THE SHARE BUY-BACK AUTHORITY (CONT'D)

### 6.5 Dividends

The Proposed Share Buy-Back, if carried out, may have an impact on the Company's dividend policy as it may reduce the cash available, which may otherwise be used as dividend payment. However, the Treasury Shares so purchased may also be distributed as dividends to shareholders of the Company if the Board so decides.

### 6.6 SHAREHOLDINGS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

For illustration purposes only, assuming the Proposed Share Buy-Back is carried out in full by the Company and the Purchased Shares are cancelled, the effects of the Proposal on the shareholdings of the directors and substantial shareholders based on the Register of Directors' Shareholdings and Register of Substantial Shareholders' as at the LPD are as follows:-

Directors	As at the LPD (after taking into account the Shares purchased and held as Treasury Shares)				After the Proposed Share Buy-Back			
	Direct		Indirect		Direct		Indirect	
	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
Dato' Leaw Seng Hai	444,100	0.040	86,858,300 <sup>(1)</sup>	8.524	444,100	0.049	86,858,300 <sup>(1)</sup>	9.355
Koo Hoong Kwan	-	-	-	-	-	-	-	-
Wong Yoke Nyen	-	-	-	-	-	-	-	-
Fazrin Azwar bin Md. Nor	-	-	-	-	-	-	-	-
Leaw Ai Lin	-	-	-	-	-	-	-	-

Substantial Shareholders	As at the LPD (after taking into account the Shares purchased and held as Treasury Shares)				After the Proposed Renewal of the Share Buy-Back Authority			
	Direct		Indirect		Direct		Indirect	
	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
CGS-CIMB Nominees (Asing) Sdn Bhd (Exempt and for CGS-CIMB Securities (Hong Kong) Limited (Foreign Client))	89,000,000	8.735	-	-	89,000,000	9.586	-	-
Oceancove Sdn Bhd	86,858,300	8.524	-	-	86,858,300	9.355	-	-
Citigroup Nominees (Asing) Sdn Bhd (Exempt an for OCBC Securities Private Limited)	57,967,000	5.689	-	-	57,967,000	6.243	-	-
Dato' Leaw Seng Hai	444,100	0.040	86,858,300 <sup>(1)</sup>	8.524	444,100	0.048	86,858,300 <sup>(1)</sup>	9.355
Oceanview Cove	-	-	86,858,300 <sup>(2)</sup>	8.524	-	-	86,858,300 <sup>(2)</sup>	9.355

Notes:-

<sup>(1)</sup> Deemed interest by virtue of his direct interest in Oceancove and indirect interest in Oceancove via Oceanview Cove pursuant to Section 8(4) of the Act.

<sup>(2)</sup> Deemed interest by virtue of its direct interest in Oceancove pursuant to Section 8(4) of the Act.

## 7. HISTORICAL SHARE PRICES

The monthly highest and lowest prices of Benalec Shares as traded on the Main Market Bursa Securities for the preceding twelve (12) months from April 2021 to March 2022 are as follows:-

Year	2021									2022		
	April	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar
Highest (RM)	0.180	0.155	0.155	0.140	0.140	0.170	0.160	0.165	0.155	0.145	0.125	0.115
Lowest (RM)	0.145	0.125	0.125	0.125	0.125	0.130	0.145	0.130	0.120	0.110	0.110	0.095

(Source: Investing.com)

The last transacted price of Benalec Shares on the LPD was RM0.110.



**8. PURCHASE, RESALE OR CANCELLATION OF SHARES MADE DURING THE FINANCIAL YEAR ENDED 31 DECEMBER 2021**

There was no purchase of Shares and no resale, transfer or cancellation of treasury shares during the financial year ended 31 December 2021.

As at 30 March 2022, Benalec held a total of 12,715,400 treasury shares.

**9. PUBLIC SHAREHOLDING SPREAD**

As at the LPD, the public shareholding spread of the Company is 91.43%.

In implementing the Proposed Share Buy-Back, the Board will be mindful of maintaining a public shareholding spread of at least 25% pursuant to Paragraph 8.02(1) of the Listing Requirements.

**10. IMPLICATION OF THE RULES**

The Proposed Share Buy-Back is not expected to trigger any obligation to undertake a mandatory general offer pursuant to the Rules as a result of the Proposal.

It is the intention of Benalec to implement the Proposal in a manner that will not result in any of the shareholders of Benalec having to undertake a mandatory take-over offer pursuant to the Rules.

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

None of the Directors or Substantial Shareholders and/or persons connected to them has any interest, direct or indirect, in the Proposed Renewal of the Share Buy-Back Authority.

**12. APPROVAL REQUIRED**

The Proposed Renewal of the Share Buy-Back Authority is subject to the approval being obtained from shareholders of the Company at the forthcoming 16<sup>th</sup> AGM of Benalec.

**13. DIRECTORS' STATEMENT AND RECOMMENDATION**

The Directors, having taken into consideration of the Proposed Renewal of the Share Buy-Back Authority, is of the opinion that the Proposed Renewal of the Share Buy-Back Authority is in the best interest of the Company and its shareholders. The Directors recommend shareholders to vote in favour of the resolution in respect of the Proposed Renewal of the Share Buy-Back Authority at the forthcoming 16<sup>th</sup> AGM of Benalec.

**14. FURTHER INFORMATION**

Shareholders are advised to refer to the Appendices set out in this Statement for further information.

Yours faithfully

For and on behalf of the Board of  
**BENALEC HOLDINGS BERHAD**

**KOO HOONG KWAN**

Senior Independent Non-Executive Director

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**FURTHER INFORMATION**

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**1. DIRECTORS' RESPONSIBILITY STATEMENT**

This Statement has been seen and approved by the Board of Benalec who collectively and individually accept full responsibility for the accuracy and correctness of the information contained herein 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 Statement false or misleading.

**2. MATERIAL LITIGATION**

Save as disclosed in the Annual Report 2021 of the Company, as at the LPD, the Board is not aware of any proceedings pending or threatened, or of any facts likely to give rise to any proceedings, which might materially and adversely affect the business or financial position of our Group.

**3. MATERIAL CONTRACTS**

Save as disclosed in the Annual Report 2021 of the Company, the Board is not aware of any contracts which are or may be material, not being contracts entered into in the ordinary course of business, during the past two (2) years preceding the date of this Statement.

**4. MATERIAL COMMITMENTS**

Save as disclosed in the Annual Report 2021 of the Company, as at the LPD, the Board is not aware of any material commitments incurred or known to be incurred by the Group which may have a material impact on the financial results/position of the Group.

**5. CONTINGENT LIABILITIES**

Save as disclosed below, as at the LPD, the Board is not aware of any contingent liabilities incurred or known to be incurred by the Group which upon becoming enforceable, may have a material impact on the financial results/position of the Group:-

Corporate guarantee of RM40,347,708 is given to banks for credit facilities granted to its subsidiary companies.

**6. DOCUMENTS AVAILABLE FOR INSPECTION**

Copies of the following documents are available for inspection at the Registered Office of the Company at Unit 30-01 Level 30, Tower A Vertical Business Suite, Avenue 3 Bangsar South, No. 8 Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia during office hours from Mondays to Fridays (except public holidays) from the date of this Statement until the date of the 16<sup>th</sup> AGM:

- (i) The Constitution; and
- (ii) The audited consolidated financial statements of Benalec for the financial year ended 31 December 2021.

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**FULL TEXT OF THE ORDINARY RESOLUTION 9  
EXTRACTED FROM THE NOTICE OF THE 16<sup>TH</sup> AGM DATED 26 APRIL 2022**

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**ORDINARY RESOLUTION 9****PROPOSED RENEWAL OF AUTHORITY FOR SHARE BUY-BACK**

“THAT subject always to the Companies Act 2016 (“the Act”), the Constitution of the Company, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”) (“Listing Requirements”) and all other applicable laws, guidelines, rules and regulations, the Company be and is hereby authorised, to the fullest extent permitted by law, to purchase such number of issued shares in the Company as may be determined by the Directors of the Company from time to time through Bursa Securities upon such terms and conditions as the Directors may deem fit and expedient in the interest of the Company provided that:

- i) the aggregate number of issued shares in the Company (“Shares”) purchased (“Purchased Shares”) and/or held as treasury shares pursuant to this ordinary resolution does not exceed ten per centum (10%) of the total number of issued shares of the Company as quoted on Bursa Securities as at point of purchase; and
- ii) the maximum fund to be allocated by the Company for the purpose of purchasing the shares shall not exceed the aggregate of the retained profits of the Company based on the latest audited financial statements and/or the latest management accounts (where applicable) available at the time of the purchase,

(“Proposed Share Buy-Back”).

AND THAT the authority to facilitate the Proposed Share Buy-Back will commence immediately upon passing of this Ordinary Resolution and will continue to be in force until:

- (a) the conclusion of the next Annual General Meeting of the Company following at which time the authority shall lapse 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 annual general meeting of the Company is required by law to be held; or
- (c) revoked or varied by ordinary resolution passed by the shareholders of the Company at a general meeting,

whichever occurs first, but shall not prejudice the completion of purchase(s) by the Company of its own Shares before the aforesaid expiry date and, in any event, in accordance with the Listing Requirements and any applicable laws, rules, regulations, orders, guidelines and requirements issued by any relevant authorities.

AND THAT the Directors of the Company be and are hereby authorised, at their discretion, to deal with the Purchased Shares until all the Purchased Shares have been dealt with by the Directors in the following manner as may be permitted by the Act, Listing Requirements, applicable laws, rules, regulations, guidelines, requirements and/or orders of any relevant authorities for the time being in force:

- i. To cancel all or part of the Purchased Shares;
- ii. To retain all or part of the Purchased Shares as treasury shares as defined in Section 127 of the Act;
- iii. To distribute all or part of the treasury shares as dividends to the shareholders of the Company;
- iv. To resell all or part of the treasury shares;
- v. To transfer all or part of the treasury shares for the purposes of or under the employees’ share scheme established by the Company and/or its subsidiaries;
- vi. To transfer all or part of the treasury shares as purchase consideration;
- vii. To sell, transfer or otherwise use the shares for such other purposes as the Minister may by order prescribe; and/or
- viii. To deal with the treasury shares in any other manners as allowed by the Act, Listing Requirements, applicable laws, rules, regulations, guidelines, requirements and/or orders of any relevant authorities for the time being in force.

AND THAT the Directors of the Company be and are authorised to take all such steps as are necessary or expedient [including without limitation, the opening and maintaining of central depository account(s) under Securities Industry (Central Depositories) Act, 1991, and the entering into all other agreements, arrangements and guarantee with any party or parties] to implement, finalise and give full effect to the Proposed Share Buy-Back with full powers to assent to any conditions, modifications, variations and/or amendments (if any) as may be imposed by the relevant authorities.”

