

**THIS CIRCULAR/STATEMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

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

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

Bursa Securities takes no responsibility for the contents of this Circular/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 Circular/Statement.

Shareholders should rely on their own evaluation to assess the merits and risks of the proposals set out herein.



**CJ CENTURY LOGISTICS HOLDINGS BERHAD**

[Registration No. 199701008845 (424341-A)]

Incorporated in Malaysia

**CIRCULAR/STATEMENT TO SHAREHOLDERS IN RELATION TO THE**

**PART A**

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

**PART B**

**PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY FOR THE COMPANY TO PURCHASE ITS OWN SHARES**

The above proposals will be tabled as Special Businesses at CJ Century Logistics Holdings Berhad (“**the Company**”)’s Twenty-Seventh Annual General Meeting (“**27<sup>th</sup> AGM**”) to be held at Ballroom 2, Level 10, Courtyard by Marriott Setia Alam, No. 6, Jalan Setia Dagang AH U13/AH, Setia Alam, Seksyen U13, 40170 Shah Alam, Selangor Darul Ehsan, Malaysia on Friday, 26 April 2024 at 10.00 a.m. or any adjournment thereof. The Notice of the 27<sup>th</sup> AGM, together with the Proxy Form, are set out in the 2023 Annual Report of the Company, which is available at <https://www.cjcentury.com/investor-relations>.

Should you not be able to participate and vote at the 27<sup>th</sup> AGM, you are entitled to appoint one (1) or more proxies to participate and vote on your behalf. Please complete, sign and deposit the Proxy Form enclosed in the Company’s 2023 Annual Report at the office of the Share Registrar of the Company at Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur, Wilayah Persekutuan not less than 48 hours before the time stipulated for holding the 27<sup>th</sup> AGM as indicated below. The lodging of the Proxy Form will not preclude you from participating and voting at the 27<sup>th</sup> AGM should you subsequently wish to do so, provided a notice of termination of proxy authority in writing is given to the Company and deposited at the registered office of the Company at Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur, Wilayah Persekutuan not less than 24 hours before the time stipulated for holding the 27<sup>th</sup> AGM. All the resolutions set out in the Notice of the 27<sup>th</sup> AGM are to be voted by poll.

Last date and time for lodging the Proxy Form : 24 April 2024 at 10.00 a.m.

Date and time of 27<sup>th</sup> AGM : 26 April 2024 at 10.00 a.m.

**This Document is dated 27 March 2024**

## DEFINITIONS

In this Circular/Statement, the following abbreviations shall have the following meanings unless otherwise stated:

“Act”	: Companies Act 2016 as amended from time to time and any re-enactment thereof
“AGM”	: Annual General Meeting
“Board”	: The Board of Directors of the Company
“Bursa Securities” or “the Exchange”	: Bursa Malaysia Securities Berhad [Registration No. 200301033577 (635998-W)]
“CCM”	: Companies Commission of Malaysia
“CJ Asia”	: CJ Logistics Asia Pte. Ltd. (incorporated in Singapore)
“CJ Bio”	: CJ Bio Malaysia Sdn. Bhd. [Registration No. 201101035351 (963485-W)]
“CJ Century” or “Company”	: CJ Century Logistics Holdings Berhad [Registration No. 199701008845 (424341-A)]
“CJ Century Group” or “Group”	: CJ Century and its subsidiary companies
“CJ Corporation”	: CJ Corporation (incorporated in Korea)
“CJ Forwarding”	: CJ Korea Express Forwarding Malaysia Sdn. Bhd. [Registration No. 200201006805 (574468-H)]
“CJ Logistics”	: CJ Logistics Corporation (incorporated in Korea)
“CJCL”	: CJ Century Logistics Sdn. Bhd. [Registration No. 199701003738 (419234-V)], a wholly-owned subsidiary of CJ Century
“CJKX”	: CJ Korea Express Malaysia Sdn. Bhd. [Registration No. 199701000653 (416149-W)], a wholly-owned subsidiary of CJ Century
“Director(s)”	: Director(s) of CJ Century and shall have the meaning given in Section 2(1) of the Capital Markets and Services Act 2007 and for the purpose of the Proposed Renewal of Shareholders’ Mandate, includes any person who is or was within the preceding 6 months from the date on which the terms of the transactions were agreed upon, a director of CJ Century or any of its subsidiary or holding company or a chief executive of CJ Century, its subsidiary or holding company
“EC Services”	: EC Services Enterprise Sdn. Bhd. [Registration No. 200201018730 (586393-H)]
“Ibrakom”	: Ibrakom Cargo LLC (incorporated in United Arab Emirates)
“Korea Express”	: Korea Express Shanghai Co. Ltd. (incorporated in China)
“Listing Requirements”	: Bursa Securities Main Market Listing Requirements, including any amendments thereto that may be made from time to time
“LPD”	: 29 February 2024, being the latest practicable date prior to the printing of this Circular/Statement

“Major Shareholder(s)”	: A person who has an interest or interests in one or more voting shares in a corporation and the number or the aggregate number of those shares, is: <ul style="list-style-type: none"> <li>(a) 10% or more of the total number of voting shares in the corporation;</li> <li style="padding-left: 20px;">or</li> <li>(b) 5% or more of the total number of voting shares in the corporation where such person is the largest shareholder of the corporation.</li> </ul> <p>For the purpose of the Proposed Renewal of Shareholders’ Mandate, it includes any person who is or was within the preceding 6 months of the date on which the terms of the transaction were agreed upon a Major Shareholder of the Company, or any other corporation which is its subsidiary or holding company.</p> <p>“Interest in shares” shall have the meaning given in Section 8 of the Act.</p>
“Person(s) Connected”	: In relation to a Director or Major Shareholder (referred to as “ <b>said Person</b> ”), means such person who falls under any one of the following categories: <ul style="list-style-type: none"> <li>(a) a family member of the said Person;</li> <li>(b) a trustee of a trust (other than a trustee for a share scheme for employees or pension scheme) under which the said Person, or a family member of the said Person, is the sole beneficiary;</li> <li>(c) a partner of the said Person;</li> <li>(d) a person, or where the person is a body corporate, the body corporate or its directors, who is/are accustomed or under an obligation, whether formal or informal, to act in accordance with the directions, instructions or wishes of the said Person;</li> <li>(e) a person, or where the person is a body corporate, the body corporate or its directors, in accordance with whose directions, instructions or wishes the said Person is accustomed or is under an obligation, whether formal or informal, to act;</li> <li>(f) a body corporate in which the said Person, or persons connected with the said Person are entitled to exercise, or control the exercise of, not less than 20% of the votes attached to voting shares in the body corporate; or</li> <li>(g) a body corporate which is a related corporation of the said Person.</li> </ul>
“Proposed Renewal of Shareholders’ Mandate”	: Proposed renewal of existing shareholders’ mandate for RRPTs pursuant to Paragraph 10.09 of the Listing Requirements
“Proposed Renewal of Share Buy-Back Authority”	: Proposed renewal of share buy-back authority to purchase Shares of up to 10% of the issued and paid-up share capital of CJ Century
“Recurrent Related Party Transactions” or “RRPTs”	: Transactions entered into by the Company and/or its subsidiary companies involving the interest, direct or indirect, of Related Parties, which are recurrent transactions of a revenue or trading nature and are necessary for the day-to-day operations in the ordinary course of business of the Group
“Related Parties”	: A director, major shareholder or person connected with such director or major shareholder of CJ Century
“RM” and “sen”	: Ringgit Malaysia and Sen respectively
“Rules”	: Rules on Take-Overs, Mergers and Compulsory Acquisitions 2016 as amended from time-to-time and any re-enactment thereof
“Shares”	: Ordinary share(s) in CJ Century
“Substantial Shareholder(s)”	: A person who has an interest or interests in one or more voting shares in the Company and the number or the aggregate number of such shares is not less than 5% of the total number of all the voting shares included in the Company

## CONTENTS

### CIRCULAR/STATEMENT TO SHAREHOLDERS IN RELATION TO THE:-

#### PART A

##### PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE

1.	INTRODUCTION	2
2.	PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE	
2.1	THE LISTING REQUIREMENTS	3
2.2	NATURE OF RECURRENT RELATED PARTY TRANSACTIONS	5
2.3	RATIONALE FOR AND BENEFITS OF THE PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE	6
2.4	REVIEW PROCEDURES	7
2.5	STATEMENT BY THE AUDIT COMMITTEE	8
2.6	EXISTING RECURRENT RELATED PARTY TRANSACTIONS	9
3.	APPROVAL REQUIRED	9
4.	DIRECTORS' AND MAJOR SHAREHOLDERS' INTERESTS	9
5.	DIRECTORS' RECOMMENDATION	10
6.	AGM	10
7.	FURTHER INFORMATION	10

#### PART B

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

1.	INTRODUCTION	12
2.	RATIONALE FOR THE PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY	12
3.	RETAINED PROFITS	13
4.	DIRECT AND INDIRECT INTERESTS OF THE DIRECTORS AND MAJOR AND SUBSTANTIAL SHAREHOLDERS	14
5.	SOURCE OF FUNDS	15
6.	POTENTIAL ADVANTAGES AND DISADVANTAGES	15
7.	FINANCIAL EFFECTS	15
8.	IMPLICATION UNDER THE RULES	16
9.	PURCHASE, RESALE AND CANCELLATION OF SHARES MADE IN THE PREVIOUS TWELVE (12) MONTHS	17
10.	TREASURY SHARES, RESALE, TRANSFER AND CANCELLATION OF TREASURY SHARES	17
11.	SHARE PRICES	17
12.	PUBLIC SHAREHOLDING SPREAD	17
13.	DIRECTORS' STATEMENT	17
14.	DIRECTORS' RECOMMENDATION	18
15.	OTHER INFORMATION	18
	APPENDIX I : FURTHER INFORMATION	19

**PART A**

**PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE**



## CJ CENTURY LOGISTICS HOLDINGS BERHAD

[Registration No. 199701008845 (424341-A)]  
Incorporated in Malaysia

**Registered Office:**  
Level 7, Menara Milenium  
Jalan Damanlela  
Pusat Bandar Damansara  
Damansara Heights  
50490 Kuala Lumpur

27 March 2024

### BOARD

Datuk Lee Say Tshin (*Independent Non-Executive Chairman*)  
Teow Choo Hing (*Chief Executive Officer*)  
Kim Jinnok (*Deputy Chief Executive Officer*)  
Yeap Khoo Soon Edwin (*Executive Director*)  
Kim Gwon Woong (*Non-Independent Non-Executive Director*)  
Ko Young Ho (*Non-Independent Non-Executive Director*)  
Yoo Hyun Chul (*Non-Independent Non-Executive Director*)  
Saryani Binti Che Ab Rahman (*Independent Non-Executive Director*)  
Winston Tan Kheng Huang (*Independent Non-Executive Director*)

**To: The Shareholders of CJ Century**

Dear Sir/Madam,

### **PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE**

#### **1. INTRODUCTION**

At the Twenty-Sixth AGM of CJ Century held on 28 April 2023, the shareholders had inter-alia, granted a mandate for CJ Century to enter into RRPTs based on commercial terms that are not more favourable to the Related Parties than those generally available to the public.

The authority conferred by the said shareholders' mandate shall in accordance with the Listing Requirements, lapse at the conclusion of the forthcoming 27<sup>th</sup> AGM unless authority for its renewal is obtained from the shareholders of CJ Century at its forthcoming 27<sup>th</sup> AGM.

The Board had on 23 February 2024 announced that the Company is proposing to seek your approval for the Proposed Renewal of Shareholders' Mandate at the forthcoming 27<sup>th</sup> AGM of CJ Century.

The purpose of this Circular/Statement is to provide you with details of the Proposed Renewal of Shareholders' Mandate, and to seek your approval in respect of the resolutions pertaining to the Proposed Renewal of Shareholders' Mandate to be tabled under Special Business as set out in the Notice of the 27<sup>th</sup> AGM of CJ Century. The forthcoming 27<sup>th</sup> AGM of the Company is scheduled to be held at Ballroom 2, Level 10, Courtyard by Marriott Setia Alam, No. 6, Jalan Setia Dagang AH U13/AH, Setia Alam, Seksyen U13, 40170 Shah Alam, Selangor Darul Ehsan, Malaysia on Friday, 26 April 2024 at 10.00 a.m. The Notice of the 27<sup>th</sup> AGM, together with the Proxy Form are available at the Company's website at <https://www.cjcentury.com/investor-relations>.

## 2. PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE

### 2.1 The Listing Requirements

Pursuant to Paragraph 10.09(2) of the Listing Requirements, a listed issuer may seek its shareholders' mandate in respect of RRPTs, subject to the following:

- (i) the transactions are in the ordinary course of business and are on terms not more favourable to the Related Parties than those generally available to the public;
- (ii) the shareholders' mandate is subject to annual renewal and disclosure is made in the annual report of the aggregate value of transactions conducted pursuant to the shareholders' mandate during the financial year where the aggregate value is equal to or more than the below threshold in relation to a listed issuer with a share capital of RM60.0 million and above:
  - (a) the consideration, value of the assets, capital outlay or costs of the RRPTs is RM1 million or more; or
  - (b) the percentage ratio of such RRPTs is 1.0% or more, whichever is the higher;
- (iii) the issuance of a circular to shareholders by the listed issuer, which includes the information as may be prescribed by the Exchange, together with a checklist showing compliances with such information when submitting to the Exchange;
- (iv) in a meeting to obtain shareholders' mandate –
  - (a) the interested Director(s), interested Major Shareholder(s) or interested Person(s) Connected with the Director(s) or Major Shareholder(s) must not vote on the resolution to approve the mandate;
  - (b) the interested Director(s) and interested Major Shareholder(s) must ensure that Person(s) Connected with him abstain from voting on the resolution to approve the mandate; and
  - (c) where it involves the interest of an interested Person(s) Connected, the interested Director(s) or Major Shareholder(s) must not vote on the resolution to approve the mandate; and
- (v) the listed issuer must immediately announce to the Exchange when the actual value of the RRPTs entered into by the listed issuer, exceeds the estimated value of the RRPTs disclosed in the Circular by 10% or more, and include the information as may be prescribed by the Exchange in its announcement.

The mandate is subject to annual renewal and shall only continue to be in force until the earliest of the following:

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

CJ Century is principally engaged as an investment holding company and the provision of management services while the principal activities of its subsidiaries are as follows:

<b>Name of Subsidiaries</b>	<b>Principal Activities</b>	<b>Effective Equity Interest (%)</b>
CJCL	Total logistics services provider	100
CJ Century Technology Sdn. Bhd.	Procurement logistics services	100
Century Logistics Sdn. Bhd.	Investment holding	100

CJ Century Forwarding Sdn. Bhd.	Freight forwarding and shipping agency	70
CJKX	Investment holding, providing total logistics solutions and trading in resin products	100
EC Services	Commenced winding up procedures	100*
EC Distribution Sdn. Bhd. (“ECD”)	Warehousing services	100
Tad Raya Offshore Sdn. Bhd. (“TRO”)	Warehousing and storage services and other related activities	100
CJ Forwarding	Forwarding and its related services	100*
Storewell (M) Sdn. Bhd.	Commenced winding up procedures	100
CJ Century DMS Sdn. Bhd	Commenced winding up procedures	100
CJ Procurement Sdn. Bhd.	Under winding up procedures	100
Century-YES Logistics (Yichun) Co. Ltd., China	Dormant	75

\* CJKX holds call option on 51% shareholdings

The Proposed Renewal of Shareholders’ Mandate would apply to transactions with Related Parties comprising Director(s) and / or Major Shareholder(s) of the Company and / or Persons Connected with such Director(s) and / or Major Shareholder(s). Such Related Parties are as described below:

#### Classes of Related Parties

Name of Related Parties	Principal Activities / Roles / Position	Nature of Relationships with the Company
CJ Corporation	Investment holding	Holding company of CJ Logistics
CJ Logistics	Land and marine transportation, stevedoring and warehousing	Holding company of CJ Asia
CJ Asia	Investment holding and providing total logistics solutions	A Major Shareholder of the Company
CJ Bio	Feed manufacturing	An associate company of CJ Corporation
Ibrakom	Logistics and distribution	An associate company of CJ Logistics
Korea Express	Providing freight transportation	A wholly-owned subsidiary of CJ Logistics
Kim Gwon Woong	Head of the APAC Division	Director of CJ Century



Kim Jinmok	Deputy Chief Executive Officer of CJ Century	Director of CJ Century, CJCL, CJKX, CJ Forwarding, ECD, EC Services and TRO
Ko Young Ho	Head of M&A and PMI, Senior Vice President of CJ Logistics	Director of CJ Century
Yoo Hyun Chul	Head of IR, Executive of CJ Logistics	Director of CJ Century

## 2.2 Nature of Recurrent Related Party Transactions

The direct and indirect interests of the interested Major Shareholder and Director in CJ Century as at LPD are as follows:

Interested Shareholders of CJ Century	<----- Direct ----->		<----- Indirect ---->	
	No. of Shares	%	No. of Shares	%
CJ Asia	320,544,236	55.09	-	-

Kim Gwon Woong, Kim Jinmok, Ko Young Ho and Yoo Hyun Chul have no interest in the Company as at LPD.

Approvals for the following RRPTs are being sought at the forthcoming 27<sup>th</sup> AGM:

### PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE

Name of Related Party	Nature of RRPTs	Estimated aggregate value of the RRPTs from the forthcoming 27 <sup>th</sup> AGM to the next AGM RM'000
Ibrakom	Provision of logistics services by CJ Century Group to Ibrakom	5,000
CJ Logistics	Provision of logistics services by CJ Century Group to CJ Logistics	20,000
CJ Asia	Provision of logistics services by CJ Century Group to CJ Asia	5,000
CJ Bio	Provision of logistics services by CJ Century Group to CJ Bio	200,000
Korea Express	Provision of logistics services by CJ Century Group to Korea Express	1,000
	Total	231,000

Name of Related Party	Nature of RRPTs	Estimated aggregate value of the RRPTs from the forthcoming 27 <sup>th</sup> AGM to the next AGM RM'000
CJ Logistics and/or CJ Asia	Provision of information technology services from CJ Logistics and/or CJ Asia to CJ Century Group	4,000
CJ Logistics	Provision of logistics services by CJ Logistics to CJ Century Group	50,000
Korea Express	Provision of logistics services by Korea Express to CJ Century Group	1,000
	Total	----- 55,000 =====

### 2.3 Rationale for and benefits of the Proposed Renewal of Shareholders' Mandate

The Proposed Renewal of Shareholders' Mandate sought will enable the Group, in view of the time-sensitive, confidential and frequent nature of such RRPTs, to enter into transactions as detailed under Section 2.2 above in the ordinary course of business without having to make immediate announcements and to convene separate general meetings of the Company to seek shareholders' approval on transactions with the Related Parties pursuant to the financial limits imposed by Bursa Securities under Paragraph 10.08 of the Listing Requirements. This will substantially reduce the administrative time and costs of convening such meetings without compromising the corporate objectives of CJ Century.

The provision and procurement of services as detailed above will result in synergies to operate more efficiently and effectively, given the environment CJ Century is operating in. To this end, better customer service can be provided by pooling the shared resources and thus deriving strategic alliances in other geographical locations, resulting in a mutually wider serviceable network. The provision and procurement of services are priced competitively and are entered into at arm's length and carried out on ordinary commercial terms that are not more favourable to the Related Parties than those generally available to the public and are also not to the detriment of the minority shareholders of the Company.

#### Amount Due and Owing Under RRPTs

The breakdown of the principal sum for the total outstanding amount due to the Group under the RRPTs which exceeded the credit terms as at 31 December 2023 are as follows:

Related Party	Principal Sum (RM'000)	Interest (RM'000)	Outstanding Amount which exceeded credit terms (RM'000)			
			A period of 1 year or less	A period of more than 1 to 3 years	A period of more than 3 to 5 years	A period of more than 5 years
CJ Korea Express Freight Vietnam Co. Ltd.	20	-	20	-	-	-

There were no interest and late payment charges imposed due to the Group's industry practices. The same basis is applied towards our related and non-related parties.

The Company has reviewed the outstanding amounts and is of the opinion that the amounts were part of the normal business transactions and pending settlement of dispute on project issues. The Management has and will continue to meet and discuss with the related parties for early settlement of the outstanding amounts.

The Board is of the opinion that there will be no recoverability issues as the related parties have long business relationship with the Group.

The total amount overdue as at 29 February 2024, being the latest practicable date, is RM165,000.

## **2.4 Review Procedures**

The RRPTs are conducted at arm's length and on normal commercial terms consistent with the CJ Century Group's normal business practices and policies, which are not to the detriment of the minority shareholders. The Management of the CJ Century Group will only enter into transactions with the Related Parties after taking into consideration the pricing, level of service and other related factors such as the availability of resources and personnel. These considerations shall be determined by market forces, and under similar commercial terms for transactions with third parties. All RRPTs will be tabled at the Audit Committee meeting for review, in conjunction with the procedures set out in Section 2.5 below.

The Management will endeavour that at least two (2) other contemporaneous transactions with unrelated third parties for similar products/services and/or quantities will be used as comparison, wherever possible, to determine whether the price and terms offered to/by the Related Parties are fair and reasonable and comparable to those offered to/by other unrelated parties for the same or substantially similar type of products/services and/or quantities. In the event that a quotation or comparative pricing from unrelated third parties cannot be obtained, the transaction price will be determined by the CJ Century Group based on those offered by/to other unrelated parties for the same or substantially similar type of transaction to ensure that the RRPT is not detrimental to the CJ Century Group.

The thresholds for the approval of RRPTs within the CJ Century Group are as follows:

- (i) For RRPTs up to the prescribed threshold of the Listing Requirements of RM1 million or 1% of the applicable percentage ratio, whichever the higher, the RRPTs will be approved by either the Chief Executive Officer or Deputy Chief Executive Officer.
- (ii) For RRPTs exceeding the prescribed threshold of the Listing Requirements of RM1 million or 1% of the applicable percentage ratio, whichever the higher, the RRPTs will be reviewed by the Audit Committee and approved by the Board.

Any Director(s), Major Shareholder(s) and/or Person Connected that has any interest, whether direct or indirect, in the Proposed Renewal of Shareholders' Mandate will abstain from voting in respect of his/their direct and/or indirect shareholdings. Where a Person Connected has any interest, direct or indirect, in the Proposed Renewal of Shareholders' Mandate, the Director and/or Major Shareholder concerned will also abstain from voting in respect of his/their direct and/or indirect shareholdings. The Director and/or Major Shareholder has/have undertaken that he/they will ensure that Persons Connected with him/them abstain from voting on the resolutions to deliberate and approve the Proposed Renewal of Shareholders' Mandate.

Interested Directors have and will continue to abstain from deliberating and voting at Board Meetings in respect of the Proposed Renewal of Shareholders' Mandate. To achieve transparency, disclosures are made in the Annual Report 2023 of the Company of the actual aggregated value of the transactions during the financial year ended 31 December 2023.

## 2.5 Statement by the Audit Committee

The Audit Committee, having seen and reviewed the procedures for RRPTs, is of the view that the existing guidelines and review procedures for RRPTs are sufficient to ensure that such transactions are carried out at arm's length and on normal commercial terms that are not more favourable to the Related Parties than those generally available to the public and are not to the detriment of the minority shareholders of the Company. In addition, the Audit Committee is of the view that the CJ Century Group has in place adequate procedures and processes to monitor, track and identify RRPTs in a timely and orderly manner, and such procedures and processes are reviewed on a yearly basis or whenever the need arises.

The Audit Committee has the overall responsibility of determining whether the procedures for reviewing all such transactions are appropriate and may in its absolute discretion deem fit, delegate this responsibility to any individual within the Company. The Audit Committee shall have the discretion to request for additional limits or procedures to be imposed or complied with, if it considers such a request to be appropriate. In that respect, such limits or procedures may be implemented without the approval of shareholders, provided that they are more stringent than the existing limits or procedures. If it is determined that the current guidelines and procedures are inadequate to ensure that:

- (i) the RRPTs are conducted at arm's length and on normal commercial terms which are not more favourable to related parties than to those generally available to the public;  
or
- (ii) such transactions are not to the detriment of the minority shareholders of the Company or prejudicial to the interests of the shareholders,

a fresh shareholders' mandate based on new guidelines and procedures will have to be obtained.

<b>THE REST OF THIS PAGE IS INTENTIONALLY LEFT BLANK</b>
--

## 2.6 Existing RRPTs

The actual values transacted for each RRPT from the date of the last AGM on 28 April 2023 up to LPD, together with its estimated value as disclosed in the Circular/Statement to Shareholders dated 30 March 2023, are as follows:

<b>Name of Related Party</b>	<b>Nature of RRPTs</b>	<b>Estimated Value as disclosed in the Circular to Shareholders dated 30 March 2023 RM'000</b>	<b>Actual Value from 28 April 2023 to LPD RM'000</b>
CJ Logistics	Provision of logistics services by CJ Century Group	20,000	501
CJ Asia	Provision of logistics services by CJ Century Group	5,000	1,744
Ibrakom	Provision of logistics services by CJ Century Group	5,000	-
CJ Bio	Provision of logistics services by CJ Century Group	200,000	46,805
Korea Express	Provision of logistics services by CJ Century Group	1,000	26
	<b>Total</b>	<b>231,000</b>	<b>49,076</b>

<b>Name of Related Party</b>	<b>Nature of RRPTs</b>	<b>Estimated Value as disclosed in the Circular to Shareholders dated 30 March 2023 RM'000</b>	<b>Actual Value from 28 April 2023 to LPD RM'000</b>
CJ Logistics	Provision of logistics services to CJ Century Group	50,000	1,463
CJ Logistics and/or CJ Asia	Provision of information technology services to CJ Century Group	4,000	2,087
Korea Express	Provision of logistics services to CJ Century Group	1,000	47
	<b>Total</b>	<b>55,000</b>	<b>3,597</b>

## 3. APPROVAL REQUIRED

The Proposed Renewal of Shareholders' Mandate is conditional upon the approval from the shareholders of CJ Century being obtained at the forthcoming 27<sup>th</sup> AGM.

## 4. DIRECTORS' AND MAJOR SHAREHOLDERS' INTERESTS

Save as disclosed below, none of the other Directors or Major Shareholders or Persons Connected have any interest, direct or indirect, in the Proposed Renewal of Shareholders' Mandate.

CJ Asia, being the interested Major Shareholder, will abstain from voting in respect of its direct or indirect shareholdings on the resolutions for the Proposed Renewal of Shareholders' Mandate as listed in Section 2.2 of this Circular/Statement.

Kim Gwon Woong, Kim Jinmok, Ko Young Ho and Yoo Hyun Chul who are interested Directors of the Company, by virtue of Directors nominated by CJ Logistics, are deemed interested in the Proposed Renewal of Shareholders' Mandate.

Kim Gwon Woong, Kim Jinmok, Ko Young Ho and Yoo Hyun Chul have abstained and will continue to abstain from all deliberations and voting in the Proposed Renewal of Shareholders' Mandate at Board Meetings and will abstain from voting in respect of their direct and indirect shareholdings pertaining to the Proposed Renewal of Shareholders' Mandate at the forthcoming 27<sup>th</sup> AGM.

The interested Directors and interested Major Shareholder have undertaken to ensure that Persons Connected to them will abstain from all deliberations and voting on the resolutions pertaining to the Proposed Renewal of Shareholders' Mandate at the forthcoming 27<sup>th</sup> AGM.

## **5. DIRECTORS' RECOMMENDATION**

The Directors (save for the interested Directors, namely Kim Gwon Woong, Kim Jinmok, Ko Young Ho and Yoo Hyun Chul who have abstained from giving any opinion in respect of the Proposed Renewal of Shareholders' Mandate) having considered all aspects of the Proposed Renewal of Shareholders' Mandate, are of the opinion that the Proposed Renewal of Shareholders' Mandate are in the best interest of the Company as well as the shareholders of the Company.

Consequently, the Directors (save for the interested Directors, namely Kim Gwon Woong, Kim Jinmok, Ko Young Ho and Yoo Hyun Chul who have abstained from giving any opinion in respect of the Proposed Renewal of Shareholders' Mandate) recommend that the shareholders of the Company vote in favour of the resolution pertaining to the Proposed Renewal of Shareholders' Mandate to be tabled at the forthcoming 27<sup>th</sup> AGM.

## **6. AGM**

The 27<sup>th</sup> AGM will be held at Ballroom 2, Level 10, Courtyard by Marriott Setia Alam, No. 6, Jalan Setia Dagang AH U13/AH, Setia Alam, Seksyen U13, 40170 Shah Alam, Selangor Darul Ehsan, Malaysia on Friday, 26 April 2024 at 10.00 a.m., for the purpose of considering and, if thought fit, passing the ordinary resolution to give effect to the Proposed Renewal of Shareholders' Mandate.

Should you not be able to participate and vote at the 27<sup>th</sup> AGM, you are entitled to appoint one (1) or more proxies to participate and vote on your behalf. Please complete, sign and deposit the Proxy Form enclosed in the Company's 2023 Annual Report at the office of the Share Registrar of the Company at Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur, Wilayah Persekutuan not less than 48 hours before the time stipulated for holding the 27<sup>th</sup> AGM as indicated below. The lodging of the Proxy Form will not preclude you from participating and voting at the 27<sup>th</sup> AGM should you subsequently wish to do so, provided a notice of termination of proxy authority in writing is given to the Company and deposited at the registered office of the Company at Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur, Wilayah Persekutuan not less than 24 hours before the time stipulated for holding the 27<sup>th</sup> AGM.

## **7. FURTHER INFORMATION**

You are requested to refer to the enclosed Appendix I for further information.

Yours faithfully  
For and on behalf of the Board of  
**CJ CENTURY LOGISTICS HOLDINGS BERHAD**

**DATUK LEE SAY TSHIN**  
Independent Non-Executive Chairman

**PART B**

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



## **CJ CENTURY LOGISTICS HOLDINGS BERHAD**

[Registration No. 199701008845 (424341-A)]  
Incorporated in Malaysia

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

#### **1. INTRODUCTION**

The Company had at the Twenty-Sixth AGM of the Company held on 28 April 2023, obtained its shareholders' approval on the Proposed Renewal of Share Buy-Back Authority to purchase up to ten percent (10%) of the total number of issued shares in the ordinary share capital of the Company at any point of time through Bursa Securities. In accordance with the Listing Requirements governing the purchase of a listed issuer's own shares by the listed issuer itself, the aforesaid approval will continue to be in force until the conclusion of the forthcoming 27<sup>th</sup> AGM of the Company which will be held on 26 April 2024.

On 23 February 2024, the Company had announced its intention to seek the shareholders' approval for the Proposed Renewal of Share Buy-Back Authority.

The purpose of this Circular/Statement is to provide you with the relevant information on the Proposed Renewal of Share Buy-Back Authority and to seek your approval in respect of the ordinary resolution pertaining to the Proposed Renewal of Share Buy-Back Authority under one of the agenda items for Special Business as set out in the Notice of the 27<sup>th</sup> AGM of the Company.

The forthcoming 27<sup>th</sup> AGM of the Company is scheduled to be held at Ballroom 2, Level 10, Courtyard by Marriott Setia Alam, No. 6, Jalan Setia Dagang AH U13/AH, Setia Alam, Seksyen U13, 40170 Shah Alam, Selangor Darul Ehsan, Malaysia on Friday, 26 April 2024 at 10.00 a.m. The Notice of the 27<sup>th</sup> AGM, together with the Proxy Form, are available at the Company's website at <https://www.cjcentury.com/investor-relations>.

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

The authority to purchase the Company's own Shares is sought to enable CJ Century to have an additional option of utilising its financial resources more efficiently. All things being equal, any purchase of the Company's own Shares, regardless of whether the Shares so purchased were retained as treasury shares or cancelled, would result in a lower number of Shares being used for the purpose of computing Earnings Per Share ("EPS").

Based on the foregoing and depending on the price paid for the purchase of each Share and its impact on the earnings of the Group, the purchase of the Company's own Shares may improve the EPS of the Group. If the EPS of the Group is improved, it is expected to have a positive impact on the market price of the Shares.

The Company may also retain the Shares so purchased as treasury shares with the intention of realising potential gains from the resale of treasury shares and/or to reward the shareholders through the distribution of the treasury shares as share dividends.



### 3. RETAINED PROFITS

As at LPD, the total number of issued shares of CJ Century is 594,229,890 Shares. The Proposed Renewal of Share Buy-Back Authority will enable the Company to purchase up to a maximum of 59,422,900 Shares, representing 10% of the issued share capital of CJ Century.

In accordance with the Listing Requirements, the maximum amount of funds to be utilised for any purchase of the Company's own Shares must not exceed the aggregate of the retained profits of the Company based on the latest audited financial statements and/or the latest management accounts of the Company (where applicable) available at the time of the purchase(s). Based on the audited financial statements for the financial year ended 31 December 2023, the retained earnings stood at RM8.429 million.

**THE REST OF THIS PAGE IS INTENTIONALLY LEFT BLANK**

#### 4. DIRECT AND INDIRECT INTERESTS OF THE DIRECTORS AND MAJOR AND SUBSTANTIAL SHAREHOLDERS

Save for the resulting change in percentage shareholdings as a consequence of the Share Buy-Back, none of the Directors and Major and Substantial Shareholders and/or persons connected to them have any interest, direct or indirect, in the Proposed Renewal of Share Buy-Back Authority and, if any, the resale of treasury shares.

##### 4.1 Directors' Shareholdings

The proforma effect of the Proposed Renewal of Share Buy-Back Authority on the shareholdings of the Directors of CJ Century as at LPD on the assumption that Shares are purchased from shareholders other than the Directors, are set out below:

	As at LPD			After Proposed Renewal of Share Buy-Back Authority		
	<-----Direct----->	<-----Indirect----->	>	<-----Direct----->	<-----Indirect----->	>
	No of Shares 000	No of Shares 000	%	No of Shares 000	No of Shares 000	%
Teow Choo Hing	48,484	2,224*	0.38	48,484	2,224*	0.42
Yeap Khoo Soon Edwin	3,772	-	-	3,772	-	-
Datuk Lee Say Tshin	-	80^	0.01	-	80^	0.01

Note:

\* Deemed interested pursuant to Section 8 of the Companies Act 2016 through the shareholding of his spouse

^ Deemed interested pursuant to Section 8 of the Companies Act 2016 through the shareholdings of his spouse and son

##### 4.2 Major and Substantial Shareholders' Shareholdings

The proforma effect of the Proposed Renewal of Share Buy-Back Authority on the shareholdings of the Major and Substantial Shareholders in CJ Century as at LPD on the assumption that Shares are purchased from shareholders other than the Major and Substantial Shareholders, are set out below:

	As at LPD			After Proposed Renewal of Share Buy-Back Authority		
	<-----Direct----->	<-----Indirect----->	>	<-----Direct----->	<-----Indirect----->	>
	No of Shares 000	No of Shares 000	%	No of Shares 000	No of Shares 000	%
CJ Asia	320,544	-	-	320,544	-	-
Teow Choo Hing	48,484	2,224*	0.38	48,484	2,224*	0.42

Note:

\* Deemed interested pursuant to Section 8 of the Companies Act 2016 through the shareholding of his spouse

## 5. SOURCE OF FUNDS

The Proposed Renewal of Share Buy-Back Authority will be funded from internally generated funds and/or borrowings. In the event the Company purchases its own Shares using external borrowings, the repayment will not have a material effect on the Group's cash-flows.

## 6. POTENTIAL ADVANTAGES AND DISADVANTAGES

The potential advantages of any purchase of the Company's own Shares are as follows:

- (a) allows the Company to take preventive measures against speculation particularly when the Shares are undervalued, which would in turn stabilise the Company's market price and hence, enhance investors' confidence;
- (b) allows the Company flexibility in achieving the desired capital structure, in terms of debt and equity composition and the size of equity; and
- (c) if the treasury shares are distributed as dividends, it may then serve to reward the shareholders.

The potential disadvantages of any purchase of the Company's own Shares are as follows:

- (a) any purchase of the Company's own Shares will reduce available financial resources and may result in the Group foregoing better investment opportunities that may emerge in the future; and
- (b) as any purchase of the Company's own Shares can only be made out of retained profits, it may result in the reduction of financial resources available for distribution to the shareholders in the immediate future.

Nevertheless, the Board will be mindful of the interests of the Company and the shareholders in undertaking any purchase of the Company's own Shares and in the subsequent resale of treasury shares on Bursa Securities, if any.

## 7. FINANCIAL EFFECTS

### 7.1 Share Capital

The effects of any purchase of the Company's own Shares on the share capital will depend on whether the Shares so purchased are cancelled or retained as treasury shares.

The Proposed Renewal of Share Buy-Back Authority will not have any effect on the total number of issued shares if all the Shares purchased are to be retained as treasury shares, re-sold or distributed to our shareholders.

The Proposed Renewal of Share Buy-Back Authority will however, result in the reduction of the total number of issued shares if the Shares so purchased are cancelled. The proforma effects of the Proposed Renewal of Share Buy-Back Authority based on the total number of issued shares as at LPD and assuming the Shares so purchased are cancelled are set out below:

Existing as at LPD	594,229,890
Less : Treasury shares cancelled	59,422,900
Resultant share capital	<u>534,806,990</u>

## 7.2 Earnings

The effects of the Proposed Renewal of Share Buy-Back Authority on the EPS of the Group will depend on the purchase price for such Shares, the effective funding cost to finance the purchase of the Shares or any loss in interest income to the Group.

Assuming that any Shares so purchased are retained as treasury shares and resold, the effects on the earnings of the Group will depend on the actual selling price, the number of treasury shares resold and the effective gain or interest savings arising from the exercise.

If the Shares so purchased are cancelled, the Proposed Renewal of Share Buy-Back Authority will increase the EPS of the Group provided the income foregone and interest expense incurred on the Shares purchase is less than the EPS of the Group before the purchase of the Shares.

## 7.3 Net Assets (“NA”)

The effects of the Proposed Renewal of Share Buy-Back Authority on the NA of the Group, whether the Shares purchased are cancelled or retained as treasury shares, are as follows:

- **Shares purchased under the Proposed Renewal of Share Buy-Back Authority are subsequently retained as treasury shares**

The NA of the Group would decrease if the Shares purchased 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 the Group by the cost of the treasury shares.

If the Shares purchased are resold on Bursa Securities, the NA of the Group would increase if a gain is realised from the resale, and vice versa.

If the Shares purchased were distributed as share dividends, the NA of the Group will decrease by the cost of the treasury shares.

- **Shares purchased under the Proposed Renewal of Share Buy-Back Authority are subsequently cancelled**

If the Shares so purchased are cancelled, the Proposed Renewal of Share Buy-Back Authority will reduce the NA per Share if the purchase price per Share exceeds the NA per Share at the relevant point in time, and vice versa.

## 7.4 Dividends

Barring unforeseen circumstances, the Proposed Renewal of Share Buy-Back Authority is not expected to have any effect on the 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 the Group.

The Company may distribute future dividends in the form of the Shares acquired pursuant to the Proposed Renewal of Share Buy-Back Authority.

## 7.5 Working Capital

The Proposed Renewal of Share Buy-Back Authority will reduce the working capital of the Group, the quantum of which will depend on the purchase prices of the Shares and the number of Shares so purchased.

## 8. IMPLICATION UNDER THE RULES

As at LPD, CJ Asia, holds 55.09% of the voting shares of the Company. Therefore, CJ Asia will not be subjected to the Rules.

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

There was no share buy-back, resale or cancellation of treasury shares during the last 12 months preceding the LPD.

**10. TREASURY SHARES, RESALE, TRANSFER AND CANCELLATION OF TREASURY SHARES**

The shares purchased are being held as treasury shares in accordance with Section 127 of the Companies Act 2016. There was no subsequent resale, transfer and cancellation of treasury shares made in the preceding twelve (12) months.

**11. SHARE PRICES**

The monthly highest and lowest prices of shares as traded on Bursa Securities for the preceding twelve (12) months from March 2023 to February 2024 are as follows:

Month	Shares	
	High (RM)	Low (RM)
March 2023	0.540	0.465
April 2023	0.525	0.480
May 2023	0.500	0.425
June 2023	0.470	0.415
July 2023	0.460	0.425
August 2023	0.450	0.415
September 2023	0.430	0.390
October 2023	0.415	0.380
November 2023	0.440	0.370
December 2023	0.385	0.360
January 2024	0.430	0.375
February 2024	0.400	0.360

*(Source: Bloomberg)*

The last transacted price of CJ Century Shares on LPD is RM0.360.

**12. PUBLIC SHAREHOLDING SPREAD**

Based on the Record of Depositors of CJ Century as at LPD, the public shareholding spread of the Company was 35.53%. The Board undertakes that any purchase of the Company's own Shares would only be conducted in accordance with laws prevailing at the time of the purchase, including compliance with the 25% public shareholding spread as required by the Listing Requirements.

**13. DIRECTORS' STATEMENT**

This Statement has been seen and approved by the Board and they individually and collectively accept full responsibility for the accuracy of the information given in this Statement 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.

Having considered all aspects of the Proposed Renewal of Share Buy-Back Authority, the Board is of the opinion that the Proposed Renewal of Share Buy-Back Authority is fair, reasonable and in the best interest of the Company.

**14. DIRECTORS' RECOMMENDATION**

The Directors, having considered all aspects of the Proposed Renewal of Share Buy-Back Authority, is of the opinion that the Proposed Renewal of Share Buy-Back Authority is in the best interest of CJ Century and recommends you to vote in favour of the resolution to be tabled at the forthcoming 27<sup>th</sup> AGM to give effect to the Proposed Renewal of Share Buy-Back Authority.

**15. OTHER INFORMATION**

There is no other information concerning the Proposed Renewal of Share Buy-Back Authority as shareholders and their professional advisers would reasonably require and expect to find in this Statement for the purpose of making informed assessment as to the merits of approving the Proposed Renewal of Share Buy-Back Authority and the extent of the risks involved in doing so.

This Circular/Statement is dated 27 March 2024.

<b>THE REST OF THIS PAGE IS INTENTIONALLY LEFT BLANK</b>
--

## APPENDIX I

### **FURTHER INFORMATION**

#### **1. Directors' Responsibility**

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

#### **2. Material Contracts**

The CJ Century Group has not entered into any material contracts (not being contracts entered into in the ordinary course of business) within the past two (2) years immediately preceding the date of this Circular/Statement.

#### **3. Material Litigation**

The CJ Century Group is not presently engaged whether as plaintiff or defendant in any material litigation, claims and arbitration, which has a material effect on the business / financial position of the CJ Century Group and the Directors do not know of any proceedings pending or threatened or of any fact likely to give rise to any proceedings which might materially and adversely affect the position or business of the CJ Century Group.

#### **4. Documents For Inspection**

Copies of the following documents will be available for inspection at the registered office of CJ Century at Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur, Wilayah Persekutuan during normal business hours from the date of this Circular/Statement to the date of the AGM:

- (a) Constitution of CJ Century; and
- (b) Audited financial statements of the CJ Century Group for the past two (2) financial years ended 31 December 2022 and 31 December 2023.