

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 prior to its issuance as it is an exempt document pursuant to Practice Note 18 of the Main Market Listing Requirements of Bursa Securities. 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.



RUBBEREX CORPORATION (M) BERHAD

(199601000297) (372642-U)
(Incorporated in Malaysia)

SHARE BUY-BACK STATEMENT TO SHAREHOLDERS

IN RELATION TO THE

**PROPOSED SHARE BUY-BACK AUTHORITY OF UP TO 10% OF THE
TOTAL NUMBER OF ISSUED SHARES OF THE COMPANY
("PROPOSED SHARE BUY-BACK AUTHORITY")**

The Proposed Share Buy-Back Authority will be tabled as Special Business at the Twenty-Fourth ("24th") Annual General Meeting ("AGM") of Rubberex Corporation (M) Berhad ("**Rubberex**" or "**The Company**"). In view of the COVID-19 outbreak and as part of our safety measures, the 24th AGM will be conducted entirely through live streaming from the broadcast venue at Tricor Leadership Room, Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia ("**Broadcast Venue**") on 7 July 2020, Tuesday at 10.00 a.m. using the Remote Participation and Voting Facilities ("**RPV**") provided by Tricor Investor & Issuing House Services Sdn. Bhd. via its TIH Online website at <https://tiah.online>. The Broadcast Venue is strictly for the purpose of complying with Section 327(2) of the Companies Act 2016 and shareholders **will not be allowed** to attend the 24th AGM in person at the Broadcast Venue on the day of the meeting. For further information, please refer to the Notice of the 24th AGM and Administrative Details for the 24th AGM.

The Notice of the 24th AGM and the Proxy Form are set out in our Annual Report 2019 and can be downloaded at <http://www.rubberex-corp.com.my>.

The Proxy Form should be completed and returned in accordance with the instruction therein as soon as possible and should reach our Share Registrar at Tricor Investor & Issuing House Services Sdn. Bhd., 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 on or before the date and time indicated below or any adjournment thereof. You also have the option to lodge the proxy appointment electronically via TIH Online at <https://tiah.online> before the Proxy Form lodgement cut-off time stated below.

Last date and time for lodging the Proxy Form : Sunday, 5 July 2020, at 10.00 a.m.

Date and time of the 24th AGM : Tuesday, 7 July 2020, at 10.00 a.m.

This Share Buy-Back Statement is dated 5 June 2020

DEFINITIONS

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

“Act”	:	The Malaysian Companies Act 2016, as amended from time to time and include any re-enactment thereof
“AGM”	:	Annual General Meeting
“Board”	:	The Board of Directors of Rubberex
“Bursa Securities”	:	Bursa Malaysia Securities Berhad [200301033577 (635998-W)]
“Code”	:	The Malaysian Code on Take-Overs and Mergers 2016, as amended from time to time and include any re-enactment thereof
“EPS”	:	Earnings per Share
“FPE”	:	Financial period(s) ended/ending, as the case may be
“FYE”	:	Financial year(s) ended/ending, as the case may be
“Listing Requirements”	:	Main Market Listing Requirements of Bursa Securities
“LPD”	:	18 May 2020, being the latest practicable date prior to the printing of this Statement
“Market Day(s)”	:	A day on which the stock market of Bursa Securities is open for the trading of securities
“NA”	:	Net assets
Proposed Share Buy-Back	:	Proposed purchase of up to ten per centum (10%) of Rubberex’s total number of issued shares
“Proposed Share Buy-Back Authority”	:	Proposed shareholders’ mandate for the authority to the Company to purchase its own shares of up to 10% of our total number of issued shares
“Purchased Shares”	:	Shares to be purchased by the Company pursuant to the Proposed Share Buy-Back
“RM” and sen”	:	Ringgit Malaysia and sen, respectively
“Rubberex Share(s)” or “Share(s)”	:	Ordinary share(s) in Rubberex
“Rubberex” or “the Company”	:	Rubberex Corporation (M) Berhad
“Treasury Shares”	:	Purchased Shares which are or will be retained in treasury by the Company and shall have the meaning given under Section 127(4)(b) of the Act

DEFINITIONS

All references to “**you**” or “**your**” in this Statement are to Rubberex’s shareholders.

Unless specifically referred to, words denoting the singular shall include the plural and vice versa. And words denoting the masculine gender shall, where applicable, include the feminine and neuter genders and vice versa. References to persons shall include corporations, 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 a day in this Statement shall be a reference to Malaysian time, unless otherwise stated.

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RUBBEREX CORPORATION (M) BERHAD

*(199601000297) (372642-U)
(Incorporated in Malaysia)*

Registered Office:

41, Jalan Medan Ipoh 6
Bandar Baru Medan Ipoh
31400 Ipoh, Perak

5 June 2020

Board of Directors:

Dato' Abd Rahim bin Abd Halim *(Non-Independent Non-Executive Chairman)*

Dato' Mohamed bin Hamzah *(Independent Non-Executive Deputy Chairman)*

Mr. Khoo Chin Leng *(Managing Director)*

En. Sharifuddin bin Shoib *(Non-Independent Non-Executive Director)*

En. Mustapha bin Mohamed *(Independent Non-Executive Director)*

Dato' Ong Choo Meng *(Non-Independent Non-Executive Director)*

Dato' Chan Choun Sien *(Independent Non-Executive Director)*

To: The Shareholders of Rubberex Corporation (M) Berhad

Dear Sir/Madam

PROPOSED SHARE BUY-BACK AUTHORITY

1. INTRODUCTION

On 28 May 2020, the Board announced to Bursa Securities that the Company intends to seek shareholders' approval for the Proposed Share Buy-Back Authority at the forthcoming Twenty-Fourth AGM.

The purpose of this Statement is to provide you with information in relation to the Proposed Share Buy-Back Authority and to seek your approval on the ordinary resolution pertaining to the Proposed Share Buy-Back Authority to be tabled at the forthcoming AGM of the Company.

SHAREHOLDERS ARE ADVISED TO READ THE CONTENTS OF THIS STATEMENT CAREFULLY BEFORE VOTING ON THE RESOLUTION PERTAINING TO THE PROPOSED SHARE BUY-BACK AUTHORITY AT THE FORTHCOMING AGM.

2. DETAILS OF THE PROPOSED SHARE BUY-BACK AUTHORITY

The Board proposes to seek shareholders' approval to purchase up to ten percent (10%) of the Company's total number of issued shares at any point in time, subject to Section 127 of the Act, Subdivision 3 of Division 1 of Part III of the Act, Chapter 12 of the Listing Requirements, the Code and the prevailing laws at the time of purchase.

The purchases of the Shares under the Proposed Share Buy-Back Authority will be carried out through Bursa Securities via stockbroker(s) appointed by the Company.

2.1 Quantum

The maximum aggregate number of Shares, which may be purchased by the Company, shall not exceed 10% of the total number of issued shares of the Company at any point in time.

As at the LPD, the maximum number of Rubberex Shares that can be purchased and/or held by the Company will be as follows:

	<u>No. of Shares</u>
Total number of issued shares of Rubberex (including 10,000 Treasury Shares)	277,425,117
10% of the total number of issued shares	27,742,511
Maximum number of shares which may be purchased in respect of the Proposed Share Buy-Back	<u>27,732,511</u>

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

2.2 Funding

The Proposed Share Buy-Back may be funded through internally-generated funds and/or external borrowings as long as the purchase is backed by an equivalent amount of retained profits of the Company from time to time, subject to compliance with the prevailing laws.

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

The Proposed Share Buy-Back, if funded through internally-generated funds, is not expected to have a material impact on the cash flow position of the Company. In the event the Proposed Share Buy-Back is to be financed by bank borrowings, the Company will ensure the capabilities of repaying such borrowings and that such repayment will not have a material effect on the cash flow. In addition, the Board will ensure that the Company satisfies the solvency test as stated in Section 112(2) of the Act before implementing the Proposed Share Buy-Back.

The maximum amount of funds to be allocated for the Proposed Share Buy-Back shall not exceed the retained profits of the Company from time to time. Based on the Company's latest audited consolidated financial statements for the FYE 31 December 2019, the audited retained profits of the Company is approximately RM4.2 million.

2.3 Duration

The authority from the Shareholders to undertake the Proposed Share Buy-Back, if granted, will be effective immediately after obtaining your approval at the forthcoming AGM and will continue to be in force until:-

- (a) the conclusion of the next AGM of Rubberex at which time it will lapse unless by ordinary resolution passed at that meeting, the authority is renewed, either unconditionally or subject to conditions; or
- (b) the expiration of the period within which the next AGM is required by law to be held; or
- (c) revoked or varied by ordinary resolution passed by the shareholders of our Company in a general meeting,

whichever occurs first.

Your approval for the Proposed Share Buy-Back Authority does not impose an obligation on the Company to purchase the Shares. However, it will allow the Board to exercise the power of the Company to purchase the Shares at any time within the abovementioned time period.

2.4 Purchase price

Pursuant to Paragraph 12.17 of the Listing Requirements, the Company may only purchase the Shares on Bursa Securities at a price which is not more than 15% above the 5-day weighted average market price of the Shares immediately before the date of the purchase(s).

2.5 Treatment of Purchased Shares

In accordance with Section 127(4) of the Act, where the Company has purchased the Shares, the Directors may deal with the Purchased Shares, at their discretion, 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.

Accordingly, based on Section 127(7) of the Act, where such Purchased Shares are held as treasury shares, the Directors may, at their discretion:-

- (a) distribute the Purchased Shares as dividends to the shareholders, such dividends to be known as "shares dividends"; or
- (b) resell the Purchased Shares or any of the Purchased Shares in accordance with the relevant rules of Bursa Securities; or
- (c) transfer the Purchased Shares or any of the Purchased Shares for the purposes of or under an employees' share scheme; or
- (d) transfer the Purchased Shares or any of the Purchased Shares as purchase consideration; or

- (e) cancel the Purchased Shares or any of the Purchased Shares; or
- (f) sell, transfer or otherwise use the Purchased Shares for such other purposes as the Minister charged for the responsibility for companies may by order prescribe.

If the Purchased Shares are held as treasury shares, the holder of Treasury Shares shall not confer the right to attend or vote at meetings and any purported exercise of such rights is void; and the right to receive dividends or other distribution, whether cash or otherwise, of the Company's assets including any distribution of assets upon winding up of the Company.

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 of the company or the listing requirements of a stock exchange on substantial shareholdings, takeovers, notices, the requisitioning of meetings, the quorum for a meeting and the result of a vote on resolution(s) at a meeting.

According to Paragraph 12.18 of the Listing Requirements, the Company may only resell or transfer any treasury shares on Bursa Securities at:-

- (a) a price which is not less than the weighted average market price for the shares for the 5 market days immediately before the resale or transfer; or
- (b) a discounted price of not more than 5% to the 5-day weighted average market price for the shares for the 5 market days immediately before the date of the resale or transfer provided that:-
 - (i) the resale or transfer takes place not earlier than 30 days from the date of purchase; and
 - (ii) the resale or transfer price is not less than the cost of purchase of the Shares being resold or transferred.

As at the date of this statement, the Board has yet to make any decision with regards to the treatment of the Shares so purchased in the future. An immediate announcement will be made to Bursa Securities in respect of the intention of the Directors to either resell the Purchased Shares or cancel them.

2.6 Public shareholding spread

The Proposed Share Buy-Back will be carried out in accordance with the prevailing laws at the time of the purchase including compliance with the 25% shareholding spread requirements as set out under Paragraph 8.02(1) of the Listing Requirements.

Based on the Record of Depositors of the Company as at the LPD, the public shareholding spread of Rubberex stood at 134,849,891 shares representing approximately 48.61%.

The Board will be mindful of the public shareholding spread requirement before making any purchase of its own Shares.

2.7 Implication of the Code

Pursuant to the Code, if the Proposed Share Buy-Back results in any one of the Directors and/or Substantial Shareholders and their respective parties acting in concert ("Affected Persons") obtain control in the Company or if his/their existing shareholdings is between thirty-three percent (33%) and fifty percent (50%) of the voting shares or voting rights of the Company and as a result of the Proposed Share Buy-Back, increase(s) his/their holding of the voting shares or voting rights by more than two percent (2%) in any six (6) months period, the Affected Persons would be obliged to undertake a mandatory offer to acquire the remaining Rubberex Shares not already owned by him/them pursuant to the Code.

However, a waiver to undertake a mandatory offer may be granted by the Securities Commission Malaysia ("SC") under the Code, subject to the Affected Persons complying with certain conditions in the Code.

Based on the Register of Substantial Shareholders of the Company as at the LPD, the Board is aware of the implications of the Code and will be mindful of such implications when making any purchase of Rubberex Shares pursuant to the Proposed Share Buy-Back.

However, in the event an obligation to undertake a mandatory offer is expected to arise with respect to any party or parties resulting from the Proposed Share Buy-Back, which is an action outside its direct participation, the relevant parties will make necessary application to the SC for an exemption from undertaking a mandatory offer pursuant to the Code prior to any buy-back of the Shares.

2.8 Historical share prices

The monthly highest and lowest traded prices of Rubberex Shares on Bursa Securities for the past 12 months up to May 2020 are as follows:-

	High (RM)	Low (RM)
2019		
June	0.460	0.420
July	0.475	0.450
August	0.500	0.435
September	0.540	0.475
October	0.600	0.510
November	0.580	0.510
December	0.555	0.480
2020		
January	0.790	0.520
February	0.750	0.555
March	0.895	0.550
April	1.510	0.755
May	2.520	1.440

Last transacted market price on LPD

RM1.900

(Source: Bloomberg)

2.9 Previous purchases, resale and cancellation of treasury shares

As of LPD, the total treasury shares held by the Company is 10,000 shares.

There were no purchases of own shares, resale, transfer or cancellation of Treasury Shares by the Company in the preceding twelve (12) months.

3. RATIONALE OF THE PROPOSED SHARE BUY-BACK

The Proposed Share Buy-Back if exercised is expected to potentially benefit the Company and its shareholders as follows:-

- i. The Proposed Share Buy-Back, if implemented, will allow the Company to utilise its financial resources which are not immediately used for purchase of the Shares. If the Shares purchased are held as Treasury Shares or cancelled immediately, this may strengthen the consolidated EPS of the Group;
- ii. If the Shares bought back are kept as Treasury Shares, the Proposed Share Buy-Back will give the Directors an option to sell the Shares so purchased at a higher price than the purchase prices and therefore make a potential capital gain for the Company and such proceeds may be subsequently used for investment opportunities arising in the future, working capital and/or distribution as dividends to shareholders; and
- iii. The Company may be able to stabilise the supply and demand of its Shares in the open market of Bursa Securities and reduce the short term volatility of Rubberex Share prices. The stability of Rubberex Share prices is important to maintain investors' confidence in order to facilitate future fund raising exercises of the Company via the equity market.

4. POTENTIAL ADVANTAGES AND DISADVANTAGES OF THE PROPOSED SHARE BUY-BACK

The potential advantages of the Proposed Share Buy-Back to the Company and its shareholders are as follows:-

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

The potential disadvantages of the Proposed Share Buy-Back to the Company and its shareholders are as follows:-

- (a) the Proposed Share Buy-Back will reduce the financial resources of the Group and may result in the Group foregoing other investment opportunities that may emerge in the future; and
- (b) as the Proposed Share Buy-Back can only be made out of retained earnings of the Company, the amount of retained profits available for distribution of dividends to shareholders of the Company may decrease accordingly.

If the Company decides to utilise bank borrowings to finance the Proposed Share Buy-Back, the cash flow of the Company may be affected to the extent of the interest costs associated with such borrowings;

5. FINANCIAL EFFECTS OF THE PROPOSED SHARE BUY-BACK

The financial effects of the Proposed Share Buy-Back are set out below.

5.1 Issued Shares

The effect of the Proposed Share Buy-Back on the total number of issued shares will depend on whether the Purchased Shares are cancelled or retained as Treasury Shares.

In the event that all Purchased Shares are retained as Treasury Shares, resold, or distributed to the shareholders, the Proposed Share Buy-Back will have no effect on our total number of issued shares.

Based on the total number of issued shares of the Company as at the LPD, and assuming that the maximum number of Rubberex Shares (of up to 10% of the total number of issued shares) authorised under the Proposed Share Buy-Back Authority are purchased and cancelled, the effects of the Proposed Share Buy-Back are set out below:-

	Number of Shares
Total number of issued shares as at the LPD	277,425,117
<i>Less: Treasury shares as at the LPD</i>	(10,000)
<i>Less: Maximum number of Shares that may be purchased and cancelled pursuant to the Proposed Share Buy-Back Authority</i>	(27,732,511)
Total number of issued shares after the Proposal Share Buy-Back and cancellation	249,682,606

5.2 NA and working capital

The effect of the Proposed Share Buy-Back on the NA of the Group will depend on the actual number of Rubberex Shares purchased, the purchase prices of Rubberex Shares, the effective cost of funding and the treatment of the Shares purchased.

The Proposed Share Buy-Back will reduce the NA per Share if the purchase price is more than the NA per Share at the time of purchase. On the contrary, the NA per Share will increase if the purchase price is less than the NA per Share at the time of purchase.

The Proposed Share Buy-Back, as and when implemented, will result in an outflow of cash and thereby reduce funds available for working capital of the Company and the Group. The quantum of reduction in working capital is dependent on, amongst others, the number of Rubberex Shares purchased, the purchase price(s) of Rubberex Shares and any costs incurred in making the purchase.

However, for Rubberex Shares so purchased and kept as Treasury Shares, upon its resale at a higher selling price than the initial purchase price, the working capital and the cash flow of Rubberex Group will increase. 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.

5.3 Earnings and EPS

The effects of the Proposed Share Buy-Back on the EPS of Rubberex Shares is dependent on the number and the purchase prices of the Purchased Shares, the effective cost of funding and/or the interest income forgone in connection with the funding of such Purchased Shares.

If the Rubberex Shares so purchased are retained as Treasury Shares or cancelled subsequently, the number of Shares applied in the computation of the EPS will be reduced and this may improve the consolidated EPS of the Group.

5.4 Dividends

The Proposed Share Buy-Back is not expected to have any impact on the policy of the Board in recommending dividends, if any, to the shareholders. However, as stated in **Section 2.5** of this Statement, the Board may distribute future dividends in the form of the Treasury Shares purchased pursuant to the Proposed Share Buy-Back Authority.

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5.5 Substantial shareholders' and Directors' shareholdings

For illustration purposes only, based on the Register of Substantial Shareholders and Register of Directors' Shareholdings of our Company as at the LPD and assuming the purchase by the Company of its Shares pursuant to the Proposed Share Buy-Back Authority is carried out in full on the basis that all the Shares are purchased from shareholders other than the existing substantial shareholders and Directors of the Company, the effect of such purchase on the shareholdings of the existing substantial shareholders and Directors of the Company are as follows:-

	Shareholdings as at the LPD				Proforma 1 After the Proposed Share Buy-Back			
	Direct		Indirect		Direct		Indirect	
	Number of Shares	%	Number of Shares	%	Number of Shares	%	Number of Shares	%
<u>Substantial Shareholders</u>								
Erpstar Inc. Sdn. Bhd.	81,967,000	29.55	-	-	81,967,000	32.83	-	-
Dato' Ong Choo Meng	-	-	81,967,000	29.55 ⁽¹⁾	-	-	81,967,000	32.83 ⁽¹⁾
Seng Sheng Enterprise Sdn. Bhd.	24,600,000	8.87	-	-	24,600,000	9.85	-	-
Datuk Seri Chiau Beng Teik	30,620,272	11.04	7,200,000	2.60 ⁽²⁾	30,620,272	12.26	7,200,000	2.88 ⁽²⁾

Notes:

1. Deemed interested by virtue of his shareholding in Erpstar Inc. Sdn. Bhd.
2. Deemed interested by virtue of his shareholding in Divine Inventions Sdn. Bhd.

	Shareholdings as at the LPD				Proforma 1 After the Proposed Share Buy-Back			
	Direct		Indirect		Direct		Indirect	
	Number of Shares	%	Number of Shares	%	Number of Shares	%	Number of Shares	%
Directors								
Dato' Abd Rahim Bin Abd Halim	65,000	0.02	-	-	65,000	0.03	-	-
Dato' Mohamed Bin Hamzah	538,640	0.19	-	-	538,640	0.22	-	-
Khoo Chin Leng	10,690	0.00	7,604	0.00 ⁽¹⁾	10,690	0.00	7,604	0.00 ⁽¹⁾
Sharifuddin Bin Shoib	54,114	0.02	2,164,542	0.78 ⁽²⁾	54,114	0.02	2,164,542	0.87 ⁽²⁾
Mustapha Bin Mohamed	-	-	-	-	-	-	-	-
Dato' Ong Choo Meng	-	-	81,967,000	29.55 ⁽³⁾	-	-	81,967,000	32.83 ⁽³⁾

Notes:

1. Deemed interested by virtue of his shareholding held through TA Nominees (Tempatan) Sdn. Bhd. and the shareholding of his spouse, Madam Yeoh Pei Hoon
2. Deemed interested by virtue of his shareholding held through RHB Capital Nominees (Tempatan) Sdn. Bhd.
3. Deemed interested by virtue of his shareholding in Erpstar Inc. Sdn. Bhd.

6. APPROVAL REQUIRED

The Proposed Share Buy-Back Authority is subject to the approval of the shareholders of Rubberex at the forthcoming AGM.

7. INTEREST OF DIRECTORS, SUBSTANTIAL SHAREHOLDERS AND/OR PERSONS CONNECTED WITH THEM

None of the Directors, substantial shareholders of Rubberex, and/or persons connected to them, have any interest, whether directly or indirectly, in the Proposed Share Buy-Back.

8. DIRECTORS' STATEMENT AND RECOMMENDATION

The Board, after having considered all aspects of the Proposed Share Buy-Back Authority, is of the opinion that the Proposed Share Buy-Back Authority is in the best interest of the Company. Accordingly, the Board recommends that the Shareholders of Rubberex vote in favour of the ordinary resolution in relation thereto to be tabled at the 24th AGM.

9. AGM

In view of the COVID-19 outbreak and as part of our safety measures, the 24th AGM will be conducted entirely through live streaming from the broadcast venue at Tricor Leadership Room, Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia ("**Broadcast Venue**") on 7 July 2020, Tuesday at 10.00 a.m., to consider and if thought fit, pass the resolution to give effect to the Proposed Share Buy-Back Authority, amongst others.

The Broadcast Venue is **strictly for the purpose of complying with Section 327(2) of the Act**. Shareholders **will not be allowed** to attend the 24th AGM in person at the Broadcast Venue on the day of the meeting. Shareholders are to attend, speak (including posing questions to the Board via real time submission of typed texts) vote (collectively, "**participate**") remotely at the 24th AGM using the Remote Participation and Voting facilities ("**RPV**") provided by Tricor Investor & Issuing House Services Sdn. Bhd. via its TIIH Online website at <https://tiih.online>. For further information, please refer to the Notice of the 24th AGM and Administrative Details for the 24th AGM.

The Notice of the 24th AGM and the Form of Proxy are set out in our Annual Report 2019 and can be downloaded at <http://www.rubberex-corp.com.my>.

If you are unable to participate at our forthcoming AGM, you may complete, sign and return the Proxy Form enclosed in the Annual Report 2019 in accordance with the instructions therein as soon as possible so as to arrive at our Share Registrar, Tricor Investor & Issuing House Services Sdn. Bhd., 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 not less than forty-eight (48) hours before the time set for our 24th AGM or any adjournment thereof. You also have the option to lodge the proxy appointment electronically via TIIH Online at <https://tiih.online> before the Proxy Form lodgement cut-off time stated on the cover of this Statement.

10. FURTHER INFORMATION

Shareholders are requested to refer to **Appendix I** for further information.

Yours faithfully,
For and on behalf of our Board
RUBBEREX CORPORATION (M) BERHAD

KHOO CHIN LENG
Managing Director

APPENDIX I

FURTHER INFORMATION

1. DIRECTORS' RESPONSIBILITY STATEMENT

This Statement has been seen 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 and to the best of their knowledge and belief, there are no other facts, the omission of which would make any statement herein misleading.

2. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents available for inspection at the registered office at 41, Jalan Medan Ipoh 6, Bandar Baru Medan Ipoh, 31400 Ipoh, Perak, during normal business hours from Monday to Friday (except public holidays) from the date of this Statement up to and including the date of the AGM:-

- a. the Constitution of Rubberex; and
- b. Audited consolidated financial statements of Rubberex for the past 2 FYE 31 December 2018 and 2019.

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