

**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 the contents of this Statement prior to its issuance as it is prescribed as an Exempt Circular 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.



**MKH BERHAD**

Registration No. 197901006663 (50948-T)  
(Incorporated in Malaysia)

**STATEMENT TO SHAREHOLDERS**

**IN RELATION TO THE**

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

The ordinary resolution in respect of the above Proposed Renewal of Share Buy-Back will be tabled as Special Business at the Fortieth Annual General Meeting (“40th AGM”) of the Company. The Notice of the 40th AGM together with the Form of Proxy are set out in the Annual Report 2019 of the Company dispatched together with this Statement.

Date and time of AGM : Thursday, 5 March 2020 at 10.00 a.m.  
Place of AGM : Emerald Ballroom, 1st Floor, RHR Hotel @ Kajang  
Jalan Semenyih, 43000 Kajang  
Selangor Darul Ehsan

The Form of Proxy must be lodged at the Registered Office of the Company at Suite 1, 5th Floor, Wisma MKH, Jalan Semenyih, 43000 Kajang, Selangor Darul Ehsan, not less than 48 hours before the time stipulated for holding the meeting. The lodging of Form of Proxy will not preclude you from attending and voting in person at the meeting should you subsequently wish to do so.

This Statement is dated 21 January 2020

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## DEFINITIONS

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

“Act”	The Malaysian Companies Act, 2016 as amended from time to time and includes any re-enactment thereof
“AGM”	Annual General Meeting
“Board” or “Directors”	The Board of Directors of MKH
“Bursa Securities”	Bursa Malaysia Securities Berhad
“Code”	The Malaysian Code on Take-Overs and Mergers 2016, as amended from time to time and includes any re-enactment thereof
“Constitution”	The Constitution of MKH, as amended from time to time
“EPS”	Earnings Per Share
“Listing Requirements”	The Main Market Listing Requirements of Bursa Securities, and all amendments thereto
“Major Shareholders”	<p>A person who has an interest or interests in one or more voting shares in the Company and the nominal amount of that share, or aggregate of the nominal amounts of those shares, is</p> <p>(a) 10% or more of the aggregate of the nominal amounts of all the voting shares in the Company; or</p> <p>(b) 5% or more of the aggregate of the nominal amounts of all the voting shares in the Company where such person is the largest shareholder of the Company</p> <p>For the purpose of this definition, “interest” shall have the meaning of “interest in shares” given in Section 8 of the Act.</p>
“Market Day(s)”	A day on which the stock market of Bursa Securities is open for trading of securities
“MKH” or “the Company”	MKH Berhad (Registration No. 197901006663 (50948-T))
“MKH Group” or “Group”	MKH and its subsidiary companies
“MKH Share(s)” or “Share(s)”	Ordinary shares in MKH
“NA”	Net Asset
“Proposed Renewal of Share Buy-Back”	Proposed renewal of authority for MKH to undertake the Proposed Share Buy-Back

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**DEFINITIONS (CONT'D)**

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

“Proposed Share Buy-Back”	Proposed general mandate from the shareholders of MKH for the Company to purchase its own shares up to a maximum of ten per centum (10%) of the Company’s existing number of shares
“Purchased Shares”	MKH Shares purchased pursuant to the Proposed Share Buy-Back
“RM” or “Sen”	Ringgit Malaysia and sen respectively
“Statement”	This Statement dated 21 January 2020
“Treasury Shares”	Purchased Shares which are or will be retained as treasury shares by the Company and shall have the meaning give under Section 127 of the Act

All references to “our Company” and “MKH” in this Statement is made to MKH Berhad and references to “our Group” are made to our Company and our subsidiaries. All references to “we”, “us”, “our” and “ourselves” are made to the Company, or where the context requires, our Group or our subsidiaries. All reference to “you” in this Statement is made to our Shareholders.

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

Any reference in this Statement to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any reference to a time of day in this Statement shall be a reference to Malaysian time, unless otherwise specified.

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## **MKH BERHAD**

Registration No. 197901006663 (50948-T)  
(Incorporated in Malaysia)

**Registered Office:-**

Suite 1, 5<sup>th</sup> Floor  
Wisma MKH  
Jalan Semenyih  
43000 Kajang  
Selangor Darul Ehsan  
[www.mkhberhad.com](http://www.mkhberhad.com)

Date: 21 January 2020

**Directors:**

Yg. Bhg. Tan Sri Dato' Chen Kooi Chiew @ Cheng Ngi Chong (*Group Executive Chairman*)  
Yg. Bhg. Tan Sri Datuk Chen Lok Loi (*Group Managing Director*)  
Yg. Bhg. Datuk Chen Fook Wah (*Deputy Managing Director*)  
Yg. Bhg. Datuk Mohammad bin Maidon (*Independent Non-Executive Director*)  
Haji Mohammed Chudi bin Haji Ghazali (*Senior Independent Non-Executive Director*)  
Haji Hasan Aziz bin Mohd Johan (*Independent Non-Executive Director*)  
Encik Jeffrey bin Bosra (*Independent Non-Executive Director*)

**To: The Shareholders of MKH Berhad**

Dear Sir/Madam,

**PROPOSED RENEWAL OF SHARE BUY-BACK**

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**1.0 INTRODUCTION**

At the Thirty-Ninth (39th) AGM of the Company held on 20 March 2019, the Board had obtained your approval to undertake the Proposed Share Buy-Back. This authority shall lapse at the conclusion of the forthcoming 40th AGM unless a new mandate is obtained from the shareholders of MKH.

On 26 December 2019, the Company announced to Bursa Securities of its intention to seek the shareholders' approval for the Proposed Renewal of Share Buy-Back at the forthcoming 40th AGM of the Company.

The purpose of this Statement is to provide the shareholders of the Company with details of the Proposed Renewal of Share Buy-Back and to seek the approval of the shareholders for the ordinary resolution on the Proposed Renewal of Share Buy-Back to be tabled as Special Business at the forthcoming 40th AGM of the Company.

**SHAREHOLDERS ARE ADVISED TO READ THE CONTENTS OF THIS STATEMENT CAREFULLY BEFORE VOTING ON THE RESOLUTION PERTAINING TO THE PROPOSED RENEWAL OF SHARE BUY-BACK.**

## **2.0 DETAILS OF THE PROPOSED RENEWAL OF SHARE BUY-BACK**

The Board is proposing to seek the renewal of the authority for the Company to purchase up to a maximum of ten per centum (10%) of the existing number of Shares of the Company as quoted on Bursa Securities. The Proposed Renewal of Share Buy-Back is subject to compliance with Section 127 of the Act and any prevailing laws and regulations issued by the relevant authorities.

As at 31 December 2019, the total number of issued Shares of the Company was 586,548,168 (including 7,513,600 Treasury Shares). Hence, up to 58,654,816 MKH Shares may be purchase by the Company pursuant to the Proposed Renewal of Share Buy-Back.

The authorisation for the Proposed Renewal of Share Buy-Back will be effective immediately upon the passing of the ordinary resolution in relation to the Proposed Renewal of Share Buy-Back and shall continue to be in force until:

- (a) the conclusion of the next AGM unless the authority is renewed subject to conditions;
- (b) the expiration of the period within which the next AGM after that date is required by law to be held; or
- (c) it is revoked or varied by an ordinary resolution passed by the shareholders of the Company in a general meeting;

whichever occurs first.

The approval from the shareholders for the Proposed Renewal of Share Buy-Back does not impose an obligation on the Company to purchase its own Shares but rather it will allow the Board to exercise the power of the Company to purchase its own Shares at any time within the above time period.

The purchase of such MKH Shares will be carried out through Bursa Securities via stockbrokers appointed by the Company.

### **2.1 Maximum Amount Of Funds To Be Allocated And The Source Of Funds**

Pursuant to the Listing Requirements, the maximum amount of funds to be used for the Company to purchase its own Shares shall not exceed the total amount of its retained profits. As at 30 September 2019, the audited retained profits of the Company was RM402,096,741.

The funding of the Proposed Renewal of Share Buy-Back will be sourced from internally generated funds and/or bank borrowings, the proportion of which will depend on the quantum of purchase consideration as well as the availability of internally generated funds and borrowings and repayment capabilities of the Company at the time of purchase. In the event that the Proposed Renewal of Share Buy-Back is to be partly financed by bank borrowings, the Board will ensure that the Company will have sufficient funds to repay such borrowings and that the repayment would not have any material effect on the cash flow of the Group.

The actual number of MKH Shares to be purchased, the total amount of funds to be utilised, impact on cash flows and the timing of the purchase(s) will depend on the prevailing equity market conditions, sentiments of the stock market and the available financial resources of the Company at the time of the purchase(s).

### **2.2 Treatment Of Shares Purchased**

In accordance with Section 127 of the Act, the Company would be able to deal with any MKH Shares so purchased by the Company in the following manner:

- (a) to cancel the Purchased Shares so purchased; or
- (b) to retain the Purchased Shares so purchased as Treasury Shares for distribution as dividend to the shareholders and/or resell on the market of Bursa Securities; or
- (c) to retain part of the Purchased Shares so purchased as Treasury Shares and cancel the remainder; or
- (d) to deal in such other manner as the Bursa Securities and such other relevant authorities may allow from time to time.

The decision whether to retain the Purchased Shares as Treasury Shares, or to cancel the Purchased Shares or a combination of both, will be made by the Board at the appropriate time.

If such Purchased Shares were held as Treasury Shares, the rights attaching to them in relation to voting, dividends and participation in any other distribution or otherwise would be suspended and the Treasury Shares would not be taken into account in calculating the number or percentage of Shares or a class of Shares in the Company for any purposes including the determination of substantial shareholdings, take-overs, notices, the requisitioning of meetings, the quorum for meetings and the result of a vote on resolution(s) at shareholders meetings.

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.

### **2.3 Purchase/Resale Price**

Pursuant to the Listing Requirements, the Company may only purchase its own Shares on the Bursa Securities at price which are not more than fifteen per centum (15%) above the weighted average market price of MKH Shares for the five (5) Market Days immediately before the purchase(s). In the case of a resale of Treasury Shares, the Treasury Shares may only be resold on Bursa Securities at a price, which is:

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

### **2.4 Public Shareholding Spread Of MKH**

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

As at 31 December 2019, the public shareholding spread of the Company based on 579,034,568 (excluding 7,513,600 Treasury Shares) MKH Shares was 43.38%. The public shareholding spread of the Company is expected to reduce to 37.89% assuming the Company implements the Proposed Share Buy-Back in full i.e. up to 10% of the existing number of Shares of the Company with the Shares purchased from public. The Board will ensure that the Company complies with the minimum public shareholding spread of 25% in implementing the Proposed Renewal of Share Buy-Back.

### **2.5 Implication Of The Proposed Renewal Of Share Buy-Back In Relation To The Code**

Pursuant to Rule 4.01 of the Code which states that if a person, together with persons acting in concert ("PAC") with him (if any), holding more than thirty-three percent (33%) but less than fifty percent (50%) of the voting Shares of a Company, who as a result of a purchase by the Company of its own voting Shares, increases his holding in any period of six (6) months by additional two percent (2%) or more of the voting Shares or voting rights of the Company, there is an obligation to extend a mandatory take-over offer to acquire the remaining Shares not already held by the said person and the PAC with him.

Based on MKH's Register of Substantial Shareholders as at 31 December 2019, Chen Choy & Sons Realty Sdn Bhd ("CCSR"), who is a Major Shareholder of MKH and its deemed PAC, namely, Tan Sri Dato' Chen Kooi Chiew @ Cheng Ngi Chong, Tan Sri Datuk Chen Lok Loi and Datuk Chen Fook Wah, collectively hold 47.28% of the total number of Shares of the Company.

Assuming the Proposed Renewal of Share Buy-Back is implemented in full and all the Purchased Shares are cancelled within a period of six (6) months, the collective shareholdings of CCSR and the PAC in MKH will increase to 51.86% i.e. more than 2%. As a result, there will be an obligation for CCSR and the PAC to undertake the mandatory take-over offer for the remaining MKH Shares not already owned by them.

In this regard, CCSR and the PAC will apply for a waiver under Rule 4.15 of the Code if the obligation is expected to be triggered as a result of the implementation of the Proposed Renewal of Share Buy-Back.

## **2.6 Purchase Of Shares And Resale, Transfer Or Cancellation Of Treasury Shares**

The Company has purchased its own Shares in the preceding twelve (12) months and details of the purchases are as follows:-

Date of Purchase	No. of Shares Purchased	Purchase Price (RM)		Total Consideration (RM)
		Lowest	Highest	
24.07.2019	3,900	1.200	1.200	4,680.00
02.08.2019	5,000	1.190	1.190	5,950.00
15.08.2019	10,000	1.120	1.120	11,200.00

As at 31 December 2019, a total of 7,513,600 MKH Shares were being held as Treasury Shares. The Company has not resold, transferred, cancelled and/or distributed any Treasury Shares as dividends in the preceding twelve (12) months.

## **3.0 RATIONALE AND POTENTIAL ADVANTAGES OF THE PROPOSED RENEWAL OF SHARE BUY-BACK**

The Proposed Renewal of Share Buy-Back will enable the Company to utilise its surplus financial resources not immediately required for use, to purchase its own Shares. The Proposed Renewal of Share Buy-Back may enhance the EPS and reduce the liquidity level of the Shares of the Company in Bursa Securities, which generally shall have a positive impact on the market price of the Shares of the Company. Other potential advantages of the Proposed Renewal of 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 its Shares are undervalued which would in turn stabilise the market price of the Shares and hence, enhance investors' confidence;
- (b) when the Shares bought back by the Company are cancelled, shareholders of the Company are likely to enjoy an increase in the value of their investment in the Company as the net EPS of the Company and the Group will increase proportionately; and
- (c) the Purchased Shares may be held as Treasury Shares and distributed to shareholders as dividends and/or resold in the open market with the intention of realising a potential capital gain if the Purchased Shares are resold at price(s) higher than their purchase price(s).

## **4.0 DISADVANTAGES OF THE PROPOSED RENEWAL OF SHARE BUY-BACK**

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

- (a) the Proposed Renewal of Share Buy-Back will reduce the financial resources of the Group and may result in the Group foregoing better investment opportunities that may emerge from time to time; and
- (b) the Proposed Renewal of Share Buy-Back will reduce the amount of financial resources available for distribution to shareholders of the Company in the form of cash dividends.



The Proposed Renewal of Share Buy-Back, if implemented, will reduce the financial resources of the Group, but since the amount is not substantial, the Board is of the view that the Proposed Renewal of Share Buy-Back will not affect the furtherance of the Group's business or payment of dividends by the Company. Nevertheless, the Board will be mindful of the interest of MKH and its shareholders in undertaking the Proposed Renewal of Share Buy-Back and in the subsequent cancellation of the Shares purchased.

## **5.0 EFFECTS OF THE PROPOSED RENEWAL OF SHARE BUY-BACK**

### **5.1 Issued And Paid-Up Share Capital**

The effects of the Proposed Renewal of Share Buy-Back on the number of Shares of the Company will depend on the intention of the Board with regards to the treatment of the Purchased Shares. If the Purchased Shares are cancelled, it will result in a reduction on the total number of Shares of the Company.

Conversely, if the Purchased Shares are retained as Treasury Shares, the Proposed Renewal of Share Buy-Back will not have any effect on the issued and paid-up share capital of the Company. Nevertheless, the rights as to voting, dividends and participation in other distributions and otherwise are suspended and the Treasury Shares shall not be taken into account in calculating the number or percentage of Shares for any purposes including substantial shareholding, takeovers, notices, the requisitioning of meetings, the quorum for a meeting and the result of a vote on a resolution at a meeting.

For illustration purposes only, the scenario below shows the movement of the number of Shares of our Company as at 31 December 2019 upon the implementation of the Proposed Renewal of Share Buy-Back, assuming that ten per centum (10%) of our Company's existing number of Shares are purchased and cancelled.

	<b>As at 31 December 2019</b>	
	<b><u>No. of Shares</u></b>	<b><u>%</u></b>
Existing number of Shares*	586,548,168	100.0
Less: Shares purchased amounting to ten per centum (10%) of the existing number of Shares pursuant to the Proposed Renewal of Share Buy-Back	(58,654,816)	10.0
Revised number of Shares in the event that the Purchased Shares are cancelled	527,893,352	90.0

Note:-

\* The existing number of Shares is inclusive of the Treasury Shares held by the Company. As at 31 December 2019, the number of MKH Shares held as Treasury Shares are 7,513,600, none of which are cancelled.

### **5.2 Earnings**

The effects of the Proposed Renewal of Share Buy-Back on the consolidated earnings of our Group would depend on the purchase prices of the MKH Shares, the effective cost of funding, the number of MKH Shares purchased or any loss in interest income. The revised number of Shares subsequent to the Proposed Renewal of Share Buy-Back will generally have a positive impact, all other things being equal, on the consolidated EPS of the Group.

Assuming that any MKH Shares so purchased are retained as Treasury Shares and resold, the effects on the consolidated earnings of the Company will depend on the actual selling prices, the number of Treasury Shares resold and the effective gain or interest savings arising.

If the MKH Shares so purchased are cancelled, the consolidated EPS of the Group will increase provided the income foregone and interest expense incurred on these Purchased Shares is less than the consolidated EPS prior to such purchase.

### **5.3 Net Assets**

The consolidated net assets per MKH Share may increase or decrease depending on the number of the MKH Shares purchased, the purchase prices of the MKH Shares to be bought back, the effective cost of funding and the treatment of the MKH Shares purchased.

The Proposed Renewal of Share Buy-Back will reduce the net assets per share when the purchase price exceeds the net assets per share at the time of purchase. On the contrary, the net assets per share will increase when the purchase price is less than the net assets per share at the time of purchase.

### **5.4 Working Capital**

The Proposed Renewal of Share Buy-Back, as and when implemented will reduce the working capital and cash flow of the Group, the quantum being dependent on the number of Purchased Shares, the purchase price of MKH Shares and the amount of financial resources to be utilised for the purchase of MKH Shares. However, it is not expected to have a material effect on the working capital and cash flow of the Group.

For Purchased Shares which are retained as Treasury Shares, upon its resale, the working capital and cash flow of the Company will increase. Again, the quantum of the increase in the working capital and cash flow will depend on the actual selling price of the Treasury Shares and the number of Treasury Shares resold.

### **5.5 Dividend Policy**

The Proposed Renewal of Share Buy-Back is not expected to have any material effect on the dividend policy of the Company. The dividend to be declared by the Company in the future, if any, will depend on, amongst others, the profitability and cash flow position of the Group and the Company. Nonetheless, the Treasury Shares purchased may be distributed as dividends to shareholders if the Company so decides.

### **5.6 Directors' And Major Shareholders' Interests**

Save for the proportionate increase in the percentage shareholdings and/or voting rights of the shareholders of the Company as a result of the Purchased Shares, none of our Directors and/or Major Shareholders and/or persons connected with them have any interest, direct or indirect, in the Proposed Renewal of Share Buy-Back.

### **5.7 Shareholdings Of Directors And/Or Substantial Shareholders**

The table below illustrates the direct and indirect interests of our Directors and substantial shareholders as at 31 December 2019, based on the assumption that our Company purchases 58,654,816 of its own Shares, representing approximately ten per centum (10%) of our Company's existing number of Shares as at that date, from parties other than our Directors and substantial shareholders.

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The effects of the Proposed Renewal of Share Buy-Back on Directors' and substantial shareholders' shareholdings:-

Name	No. of ordinary shares held				After the Proposed Share Buy-Back			
	As at 31 December 2019							
	Direct	%	Indirect	%	Direct	%	Indirect	%
<b><u>Directors</u></b>								
Tan Sri Dato' Chen Kooi Chiew								
@ Cheng Ngi Chong <sup>+</sup>	1,487,080	0.257	251,458,158	43.427	1,487,080	0.282	251,458,158	47.634
Tan Sri Datuk Chen Lok Loi <sup>#</sup>	10,602,844	1.831	244,568,087	42.237	10,602,844	2.009	244,568,087	46.329
Datuk Chen Fook Wah <sup>^</sup>	1,983,911	0.343	236,337,454	40.816	1,983,911	0.376	236,337,454	44.770
Mohammed Chudi bin Haji Ghazali	67,361	0.012	-	-	67,361	0.013	-	-
<b><u>Substantial Shareholders</u></b>								
Chen Choy & Sons Realty Sdn Bhd <sup>*</sup>	43,359,954	7.488	192,965,500	33.325	43,359,954	8.214	192,965,500	36.554
Public Bank Group Officers' Retirement Benefits Fund	53,352,059	9.214	-	-	53,352,059	10.107	-	-
Tan Sri Dato' Chen Kooi Chiew								
@ Cheng Ngi Chong <sup>+</sup>	1,487,080	0.257	251,458,158	43.427	1,487,080	0.282	251,458,158	47.634
Tan Sri Datuk Chen Lok Loi <sup>#</sup>	10,602,844	1.831	244,568,087	42.237	10,602,844	2.009	244,568,087	46.329
Datuk Chen Fook Wah <sup>^</sup>	1,983,911	0.343	236,337,454	40.816	1,983,911	0.376	236,337,454	44.770

Notes:

\* Deemed interest through shares held in nominee companies.

+ Deemed interest through shares held in Chen Choy & Sons Realty Sdn Bhd ("CCSR"), Lotus Way Sdn Bhd and in a nominee company.

# Deemed interest through shares held in CCSR and in a nominee company.

^ Deemed interest through shares held in CCSR and Activest Sdn Bhd.

## 6.0 HISTORICAL SHARE PRICES

The following table sets out the monthly highest and lowest prices of the Company's Shares traded on Bursa Securities for the past twelve (12) months from January 2019 to December 2019:-

	High RM	Low RM
2019		
January	1.29	1.12
February	1.28	1.20
March	1.38	1.23
April	1.41	1.28
May	1.39	1.22
June	1.27	1.22
July	1.26	1.18
August	1.21	1.11
September	1.26	1.16
October	1.27	1.17
November	1.61	1.24
December	1.80	1.44

(Source: Bloomberg)

The last transacted market price of MKH Share on Bursa Securities on 10 January 2020, being the last practicable date prior to the printing of this Statement, was RM1.78.

## 7.0 CONDITIONS AND APPROVALS REQUIRED

The Proposed Renewal of Share Buy-Back is subject to the approval being obtained from the shareholders of MKH at the forthcoming 40th AGM and any other relevant authorities, if required. The Proposed Renewal of Share Buy-Back is not conditional upon any other proposal.

## 8.0 DIRECTORS' RECOMMENDATION

Your Board of Directors having considered all aspects of the Proposed Renewal of Share Buy-Back is of the opinion that the said Proposed Renewal of Share Buy-Back is in the best interest of the Company and therefore recommends that you vote in favour of the Ordinary Resolution on the Proposed Renewal of Share Buy-Back to be tabled at the forthcoming 40th AGM.

## 9.0 ANNUAL GENERAL MEETING

The notice convening the 40th AGM to vote on the resolution pertaining to the Proposed Renewal of Share Buy-Back is set out in the Company's Annual Report 2019 accompanying this Statement. The 40th AGM of the Company will be held at Emerald Ballroom, 1st Floor, RHR Hotel @ Kajang, Jalan Semenyih, 43000 Kajang, Selangor Darul Ehsan on Thursday, 5 March 2020 at 10.00 a.m..

If you are unable to attend and vote in person at the AGM, you are requested to complete, sign and return the enclosed Form of Proxy in the Annual Report 2019 in accordance with the instruction thereon, to reach the Company's Registered Office at Suite 1, 5th Floor, Wisma MKH, Jalan Semenyih, 43000 Kajang, Selangor Darul Ehsan, not less than 48 hours before the time set for the forthcoming 40th AGM. The lodging of Form of Proxy will not preclude you from attending and voting in person at the meeting should you subsequently wish to do so.

## **10.0 FURTHER INFORMATION**

Shareholders are advised to refer to the following for further information:-

### **10.1 DIRECTORS' RESPONSIBILITY STATEMENT**

This Statement has been seen and approved by the Board of Directors of MKH and they collectively and individually accept full responsibility for the accuracy and correctness of the information contained in the same 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 false and misleading.

### **10.2 MATERIAL LITIGATION, CLAIMS OR ARBITRATION**

As at 10 January 2020, being the last practicable date prior to the printing of this Statement, our Group is not engaged in any material litigation, claims or arbitration, either as plaintiff or defendant, and our Board is not aware and have no knowledge of proceedings pending or threatened against our Group, or of any fact likely to give rise to any proceedings, which might materially or adversely affect the business or financial position of our Group.

### **10.3 MATERIAL CONTRACTS**

MKH and its subsidiaries have not entered into any contract which is or may be material (not being contracts entered into in the ordinary course of business of MKH Group) within the two (2) years preceding the date of this Statement.

### **10.4 DOCUMENTS FOR INSPECTION**

Copies of the following documents are available for inspection at the Registered Office of the Company at Suite 1, 5th Floor, Wisma MKH, Jalan Semenyih, 43000 Kajang, Selangor Darul Ehsan during normal office hours on any business day falling from the date of this Statement up to and including the date of the 40th AGM:

- (a) Constitution of MKH; and
- (b) Audited financial statements of MKH for the past two (2) years ended 30 September 2018 and 30 September 2019.

Yours faithfully  
for and on behalf of the Board  
**MKH BERHAD**

**TAN SRI DATO' CHEN KOOI CHIEW**  
**@ CHENG NGI CHONG**  
Group Executive Chairman

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