

**THIS CIRCULAR 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 advisers immediately.

Bursa Malaysia Securities Berhad ("**Bursa Securities**") has only conducted a limited review on the content of this Circular pursuant to Practice Note 18 of the Main Market Listing Requirement of Bursa Securities. Bursa Securities takes no responsibility for the contents of this Circular, 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.



**CONCRETE ENGINEERING PRODUCTS BERHAD**

(Company No. 88143-P)  
(Incorporated in Malaysia)

**CIRCULAR TO SHAREHOLDERS IN RELATION TO THE:**

**PROPOSED BONUS ISSUE OF 29,850,000 NEW ORDINARY SHARES IN CONCRETE ENGINEERING PRODUCTS BERHAD ("CEPCO" OR "COMPANY") ("BONUS SHARES") ON THE BASIS OF 2 BONUS SHARES FOR EVERY 3 EXISTING ORDINARY SHARES IN CEPCO ("CEPCO SHARES") HELD ON AN ENTITLEMENT DATE TO BE DETERMINED LATER ("PROPOSED BONUS ISSUE")**

**AND**

**NOTICE OF EXTRAORDINARY GENERAL MEETING**

*Principal Adviser*



Hong Leong Investment Bank Berhad (10209-W)

(A Participating Organisation of Bursa Malaysia Securities Berhad)  
(A Trading Participant of Bursa Malaysia Derivatives Berhad)

The Notice of the Extraordinary General Meeting ("**EGM**") of CEPCO to be held at Dewan Murni, Ground Floor Menara Integriti, Institut Integriti Malaysia, Persiaran Tuanku Syed Sirajuddin, Off Jalan Tuanku Abdul Halim, 50480 Kuala Lumpur, on Monday, 7 January 2019 at 11:00 a.m. or immediately following the conclusion or adjournment of the 34<sup>th</sup> Annual General Meeting of the Company scheduled to be held at the same venue and on the same date at 10:00 a.m., whichever later, together with the Form of Proxy, are enclosed in this Circular.

As a shareholder, you can appoint a proxy or proxies to attend and vote on your behalf. You must complete and deposit the Form of Proxy at the Registered Office of CEPCO at 22<sup>nd</sup> Floor Menara Promet (KH), Jalan Sultan Ismail, 50250 Kuala Lumpur, not less than 48 hours before the time set for the EGM or any adjournment thereof. The lodging of the Form of Proxy will not preclude you from attending and voting in person at the EGM should you subsequently wish to do so.

Last date and time for lodging the : Saturday, 5 January 2019 at 11:00 a.m.  
Form of Proxy

Date and time of the EGM : Monday, 7 January 2019 at 11:00 a.m. or immediately following the conclusion or adjournment (as the case may be) of the 34<sup>th</sup> Annual General Meeting of CEPCO scheduled to be held at the same venue and on the same day at 10:00 a.m., whichever is later

This Circular is dated 10 December 2018

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## DEFINITIONS

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

Act	: Companies Act, 2016
Board	: Board of Directors of CEPCO
Bonus Share(s)	: 29,850,000 new Bonus Shares to be issued pursuant to the Proposed Bonus Issue
Bursa Securities	: Bursa Malaysia Securities Berhad
CEPCO or the Company	: Concrete Engineering Products Berhad
CEPCO Share(s) or Share(s)	: Ordinary shares in CEPCO
Circular	: This circular dated 10 December 2018 in relation to the Proposed Bonus Issue
EGM	: Extraordinary general meeting
Entitled Shareholders	: Shareholders whose names appear on CEPCO's Record of Depositors as at 5.00 p.m. on the Entitlement Date
Entitlement Date	: A date to be determined by our Board and announced later in which the names of our shareholders must appear on our Record of Depositors as at 5.00 p.m. in order to be entitled to the Bonus Shares
EPS	: Earnings per Share
FYE	: Financial year ended
Group	: CEPCO and its subsidiaries, collectively
HLIB or Principal Adviser	: Hong Leong Investment Bank Berhad
Listing Requirements	: Main Market Listing Requirements of Bursa Securities
LPD	: 12 November 2018, being the latest practicable date prior to the printing of this Circular
NA	: Net assets
Proposed Bonus Issue	: Proposed bonus issue of 29,850,000 Bonus Shares on the basis of 2 Bonus Shares for every 3 existing CEPCO Shares held on the Entitlement Date
Record of Depositors	: The record of depositors maintained by Bursa Malaysia Depository Sdn Bhd under the Rules of Bursa Depository issued pursuant to the Securities Industry (Central Depositories) Act, 1991
RM and sen	: Ringgit Malaysia and sen, respectively
VWAMP	: Volume weighted average market price

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**DEFINITIONS (CONT'D)**

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All references to “**our Company**” in this Circular are to CEPCO, references to “**our Group**” are to our Company and our subsidiaries, collectively, and references to “**we**”, “**us**”, “**our**” and “**ourselves**” are to our Company, and where the context requires, shall include our subsidiaries.

All references to “**you**” in this Circular are to our shareholders.

Words denoting the singular only 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 to an enactment in this Circular is a reference to that enactment as for the time being amended or re-enacted.

Any reference to the time of day in this Circular is a reference to Malaysian time.

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**CONCRETE ENGINEERING PRODUCTS BERHAD**

(Company No. 88143-P)  
(Incorporated in Malaysia)

**Registered Office:**

22<sup>nd</sup> Floor  
Menara Promet (KH)  
Jalan Sultan Ismail  
50250 Kuala Lumpur

10 December 2018

**Board of Directors:**

Abdul Khudus bin Mohd Naaim (*Independent Non-Executive Chairman*)  
Leong Kway Wah (*Managing Director*)  
Dennis Xavier (*Independent Non-Executive Director*)  
To' Puan Seri Hajjah Nur Rahmah binti Mohd Zain (*Independent Non-Executive Director*)  
Dato' Ir Dr Abdul Aziz Bin Arshad (*Independent Non-Executive Director*)

**To: Our shareholders**

Dear Sir/Madam,

**PROPOSED BONUS ISSUE**

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**1. INTRODUCTION**

On 1 November 2018, HLIB had, on behalf of our Board, announced that our Company proposed to undertake the Proposed Bonus Issue.

On 27 November 2018, HLIB had, on behalf of our Board, announced that Bursa Securities had vide its letter dated 26 November 2018, approved the listing of and quotation for the Bonus Shares on the Main Market of Bursa Securities, subject to the conditions as set out in Section 6 of this Circular.

**THE PURPOSE OF THIS CIRCULAR IS TO PROVIDE YOU WITH THE DETAILS OF THE PROPOSED BONUS ISSUE AND TO SEEK YOUR APPROVAL FOR THE RESOLUTION IN RELATION TO THE PROPOSED BONUS ISSUE TO BE TABLED AT OUR FORTHCOMING EGM. THE NOTICE OF EGM AND THE FORM OF PROXY ARE ENCLOSED IN THIS CIRCULAR.**

**WE ADVISE YOU TO READ AND CONSIDER CAREFULLY THE CONTENTS OF THIS CIRCULAR TOGETHER WITH THE APPENDIX BEFORE VOTING ON THE RESOLUTION IN RELATION TO THE PROPOSED BONUS ISSUE TO BE TABLED AT OUR FORTHCOMING EGM.**

## 2. DETAILS OF THE PROPOSED BONUS ISSUE

### 2.1 Basis and number of Bonus Shares to be issued

The Proposed Bonus Issue will entail the issuance of 29,850,000 new CEPCO Shares on the basis of 2 Bonus Shares for every 3 existing CEPCO Shares held by the Entitled Shareholders on the Entitlement Date. The actual number of Bonus CEPCO Shares to be issued will depend on the number of issued CEPCO Shares prior to the implementation of the Proposed Bonus Issue.

As at the LPD, the issued share capital of CEPCO is RM75,344,833 comprising 44,775,000 CEPCO Shares.

The Entitlement Date will be determined and announced by our Board at a later date after the receipt of all relevant approvals for the Proposed Bonus Issue.

Fractional entitlements that may arise from the Proposed Bonus Issue, if any, shall be disregarded and dealt with in such manner as our Board shall in its absolute discretion deem fit or expedient and in the best interest of our Company. The Proposed Bonus Issue will not be implemented on a staggered basis.

There will be an adjustment to the market price of our Shares listed and quoted on the Main Market of Bursa Securities pursuant to the Proposed Bonus Issue. Correspondingly, there will be Bonus Shares issued which will not have any impact on the total value of your Shares held after the Proposed Bonus Issue. Further, based on the 3-month VWAMP of our Shares up to and including the LPD of RM1.38, the theoretical ex-bonus price of our Shares will be approximately RM0.83. The adjustment complies with Paragraph 6.30(1A) of the Listing Requirements.

### 2.2 Capitalisation of reserves

The Proposed Bonus Issue shall be wholly capitalised from our Company's share premium account at RM1.00 for each Bonus Share, being reference to the par value of CEPCO Shares immediately before the date the Act came into effect on 31 January 2017.

For illustration purposes, the proforma effects of the Proposed Bonus Issue on the share premium account of CEPCO based on our Company's latest audited financial statements for the FYE 31 August 2018 is as follows:

	<b>Audited FYE 31 August 2018</b>
	<b>Share Premium<sup>(1)</sup></b>
<b>Company level</b>	<b>(RM'000)</b>
Amount	30,570
Less: Amount to be capitalised for the Proposed Bonus Issue <sup>(2)</sup>	(29,850)
After the Proposed Bonus Issue	<u>720</u>

**Notes:**

(1) Pursuant to the Act which came into effect on 31 January 2017, the concept of share premium will no longer be applicable and any amount standing to the credit of our Company's share premium account shall be consolidated as part of its share capital. However, Section 618(3) of the Act provides that our Company may use its share premium account to fully pay up the Bonus Shares within a period of 24 months from 31 January 2017.

- (2) *The capitalisation amount is calculated based on the number of Bonus Shares to be issued multiplied by the last known par value of our Company, i.e. RM1.00.*

Our Board confirms that the Proposed Bonus Issue and the implementation of the Proposed Bonus Issue is and will be in full compliance with the Act and Practice Note 1/2017 issued by the Companies Commission of Malaysia on 8 February 2017 for the purpose of Section 618(3) of the Act.

Pursuant to Paragraph 6.30(2)(b) of the Main Market Listing Requirements of Bursa Securities, our Board confirms that our Company has adequate reserves available for capitalisation of the Bonus Shares and such reserves required for capitalisation of the Bonus Shares are unimpaired by losses on a consolidated basis based on the latest audited consolidated financial statements of CEPCO for the FYE 31 August 2018.

### **2.3 Ranking of the Bonus Shares**

The Bonus Shares shall, upon allotment and issuance, rank equally in all respects with the existing CEPCO Shares of the same class upon listing.

### **2.4 Listing of and quotation for the Bonus Shares**

Approval has been obtained from Bursa Securities vide its letter dated 26 November 2018 for the listing of and quotation for the Bonus Shares to be issued pursuant to the Proposed Bonus Issue on the Main Market of Bursa Securities.

The Bonus Shares will be listed and quoted on the Main Market of Bursa Securities on the next market day after the Entitlement Date.

## **3. RATIONALE FOR THE PROPOSED BONUS ISSUE**

After due consideration, our Board is of the view that the Proposed Bonus Issue is the most appropriate avenue of rewarding the existing shareholders of our Company while at the same time enhance our Company's capital base as the Proposed Bonus Issue will:

- (i) reward the existing shareholders of our Company for their continuous support;
- (ii) enlarge the number of ordinary shares in our Company held by our Company's existing shareholders, without increasing the percentage equity interest;
- (iii) provide marketability and trading liquidity of CEPCO Shares on the Main Market of Bursa Securities; and
- (iv) enable our Company to utilise the credit amount which has been transferred from the share premium account to the share capital account within the timeframe allowed under the Act, i.e. within 24 months from 31 January 2017, being the commencement date of the Act.

#### 4. EFFECTS OF THE PROPOSED BONUS ISSUE

##### 4.1 Issued share capital

The pro forma effects of the Proposed Bonus Issue on our Company's issued share capital as at the LPD is set out below:

	<b>No. of CEPCO Shares ( '000)</b>	<b>Share capital (RM '000)</b>
Issued share capital as at the LPD	44,775	75,345
Bonus Shares to be issued pursuant to the Proposed Bonus Issue	29,850	-
<b>Enlarged issued share capital</b>	<b>74,625</b>	<b>75,345</b>

##### 4.2 Substantial shareholders' shareholdings

The Proposed Bonus Issue will not have any effect on the percentage of shareholdings of the substantial shareholders of CEPCO as the Bonus Shares will be allotted on a pro-rata basis to all shareholders of our Company. However, the number of CEPCO Shares held by each substantial shareholder will increase proportionately as a result of the Proposed Bonus Issue.

##### 4.3 Net assets ("NA") and gearing

	<b>Audited as at 31 August 2018 (RM '000)</b>	<b>After the Proposed Bonus Issue (RM '000)</b>
Share capital	75,345	75,345
Retained profits	32,690	<sup>(1)</sup> 32,490
<b>NA</b>	<b>108,035</b>	<b>107,835</b>
Number of CEPCO Shares in issue ( '000)	44,775	74,625
NA per CEPCO Share (RM)	2.41	1.45
Total borrowings	63,373	63,373
Gearing ratio (times)	0.59	0.59

**Note:**

(1) After deducting estimated expenses in relation to the Proposed Bonus Issue of approximately RM200,000.

##### 4.4 Earnings and earnings per Share ("EPS")

The Proposed Bonus Issue is not expected to have any material effect on the earnings of our Group. However, there will be a corresponding dilution in the EPS of our Group as a result of the increase in the number of CEPCO Shares in issue upon completion of the Proposed Bonus Issue.

##### 4.5 Convertible securities

As at the LPD, our Company does not have any outstanding convertible securities.



## 5. HISTORICAL SHARE PRICES

The monthly highest and lowest transacted market prices of our Shares for the past 12 months preceding the date of this Circular are as follows:

	High (RM)	Low (RM)
<b><u>2017</u></b>		
December	1.55	1.41
<b><u>2018</u></b>		
January	1.60	1.46
February	1.46	1.40
March	1.40	1.40
April	1.42	1.35
May	1.40	1.40
June	1.40	1.40
July	1.37	1.37
August	1.38	1.38
September	1.40	1.40
October	1.40	1.26
November	1.26	1.26

The last transacted price on 31 October 2018 (being the last trading day prior to the announcement of the Proposed Bonus Issue) RM1.26

The last transacted market price of our Shares as at the LPD RM1.26

(Source: Bloomberg)

## 6. APPROVALS REQUIRED

The Proposed Bonus Issue is subject to the following approvals being obtained:

- (i) Bursa Securities for the listing of and quotation for the Bonus Shares on the Main Market of Bursa Securities, which was obtained vide its letter dated 26 November 2018.

The approval from Bursa Securities is subject to the following conditions:

No.	Conditions	Status of compliance
(1)	CEPCO and HLIB must fully comply with the relevant provisions under the Listing Requirements pertaining to the implementation of the Proposed Bonus Issue;	To be complied
(2)	HLIB to inform Bursa Securities upon the completion of the Proposed Bonus Issue;	To be complied
(3)	HLIB to furnish Bursa Securities with a written confirmation of its compliance with the terms and conditions of Bursa Securities' approval once the Proposed Bonus Issue is completed;	To be complied

<b>No.</b>	<b>Conditions</b>	<b>Status of compliance</b>
(4)	CEPCO and HLIB are required to make the relevant announcements pursuant to Paragraphs 6.35(2)(a), 6.35(2)(b) and 6.35(4) of the Listing Requirements in relation to the Proposed Bonus Issue;	To be complied
(5)	HLIB to furnish Bursa Securities with a certified true copy of the resolution passed by shareholders at an EGM for the Proposed Bonus Issue;	To be complied
(6)	Payment of outstanding processing fee based on the market value of the Bonus Shares to be listed (based on the adjusted price), if applicable. In this respect, the Company is required to furnish Bursa Securities a cheque drawn to the order of Bursa Securities for the outstanding processing fee together with a copy of the details of the computation of the amount of fees payable; and	Complied
(7)	To incorporate the comments made in the circular to shareholders.	Complied

- (ii) the shareholders of our Company at an EGM to be convened; and
- (iii) any other relevant authorities/parties, if required.

The Proposed Bonus Issue is not conditional upon any other corporate exercise undertaken or to be undertaken by our Company.

## **7. INTERESTS OF DIRECTORS, MAJOR SHAREHOLDERS AND/OR PERSONS CONNECTED WITH THEM**

Save for their respective entitlements as shareholders of our Company under the Proposed Bonus Issue, the entitlements of which are similarly available to the other shareholders of our Company, none of our Directors and major shareholders of our Company and persons connected with them have any interest in the Proposed Bonus Issue.

## **8. DIRECTORS' RECOMMENDATION**

Our Board, having considered all aspects of the Proposed Bonus Issue, is of the opinion that the Proposed Bonus Issue is in the best interests of our Company and its shareholders.

Accordingly, our Board recommends that you vote in favour of the resolution pertaining to the Proposed Bonus Issue to be tabled at the forthcoming EGM of our Company.

## **9. CORPORATE EXERCISES ANNOUNCED BUT PENDING COMPLETION**

Save for the Proposed Bonus Issue, our Board confirms that there is no other outstanding corporate exercise which has been announced but pending completion as at the LPD.

## 10. ESTIMATED TIME FRAME FOR COMPLETION

Barring any unforeseen circumstances, the Proposed Bonus Issue is expected to be completed by the 1<sup>st</sup> quarter of 2019.

The tentative timetable for the implementation of the Proposed Bonus Issue is set out below:

Events	Date
EGM	7 January 2019
Announcement of the Entitlement Date	Early January 2019
Listing of and quotation for the Bonus Shares on the Main Market of Bursa Securities	End January 2019
Completion of the Proposed Bonus Issue	End January 2019

## 11. EGM

Our forthcoming EGM, the notice of which is enclosed in this Circular, will be held at Dewan Murni, Ground Floor Menara Integriti, Institut Integriti Malaysia, Persiaran Tuanku Syed Sirajuddin, Off Jalan Tuanku Abdul Halim, 50480 Kuala Lumpur, on Monday, 7 January 2019 at 11:00 a.m. or immediately upon the conclusion or adjournment of the 34<sup>th</sup> Annual General Meeting of CEPCO to be held at the same venue on the same day at 10:00 a.m., whichever is later, or at any adjournment of the EGM, to consider and, if thought fit, pass the resolution to give effect to the Proposed Bonus Issue.

If you are unable to attend and vote in person at our forthcoming EGM, please complete the Form of Proxy, which is attached in this Circular, in accordance with the instructions contained therein and forward it to 22<sup>nd</sup> Floor Menara Promet (KH), Jalan Sultan Ismail, 50250 Kuala Lumpur, not less than 48 hours before the time stipulated for holding our forthcoming EGM or any adjournment thereof. The lodging of the Form of Proxy does not preclude you from attending and voting in person at our forthcoming EGM should you subsequently wish to do so.

## 12. FURTHER INFORMATION

You are requested to refer to the enclosed appendix for further information.

Yours faithfully,  
For and on behalf of the Board of  
**CONCRETE ENGINEERING PRODUCTS BERHAD**

**ABDUL KHUDUS BIN MOHD NAAIM**  
Independent Non-Executive Chairman

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**FURTHER INFORMATION**


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**1. DIRECTORS' RESPONSIBILITY STATEMENT**

Our Board has seen and approved this Circular and our Board collectively and individually accepts full responsibility for the accuracy of the information given in this Circular and confirms that, after having made all reasonable enquiries and to the best of their knowledge and belief, there are no other facts, the omission of which would make any statement in this Circular misleading.

**2. WRITTEN CONSENTS AND CONFLICT OF INTEREST**

HLIB, being our Principal Adviser for the Proposed Bonus Issue, has given and has not subsequently withdrawn its written consent to the inclusion of its name and all references thereto in the form and context in which they appear in this Circular.

HLIB has confirmed that no conflict of interest exists or is likely to exist in its capacity as our Principal Adviser for the Proposed Bonus Issue.

**3. MATERIAL COMMITMENTS**

As at the LPD, our Board is not aware of any material commitments incurred or known to be incurred by our Group which, upon becoming enforceable, may have a material impact on the profits or NA of our Group.

**4. CONTINGENT LIABILITIES**

As at the LPD, our Board is not aware of any contingent liabilities which, upon becoming enforceable, may have a material impact on the profits or NA of our Group.

**5. MATERIAL LITIGATION**

Save as disclosed below, as at the LPD, our Group is not engaged in any material litigation, claims or arbitration, either as plaintiff or defendant, which has a material effect on the financial position or the business of our Group and our Board is not aware of any proceedings pending or threatened against our Group or of any facts likely to give rise to any proceeding which may materially and adversely affect the business and financial position of our Group.

**(a) Kuala Lumpur High Court Suit No: WA-22C-34-03/2017**  
**Our Company v Greengroup Eng Sdn Bhd and Montane Construction Sdn Bhd**

Our Company commenced legal action at the Kuala Lumpur High Court on 2 March 2017 against Greengroup Eng Sdn Bhd ("**Greengroup**") and Montane Construction Sdn Bhd ("**Montane**") claiming an overdue payment of RM4,886,220.83 which arose from our Company supplying concrete piles for a project known as "*Cadangan Pembangunan Perniagaan Bercampuran 32 Tingkat di atas Lot 10372 & Lot 10373 (Lot 106 & 107), Pulau Melaka, KB XLIII, Daerah Melaka Tengah, untuk Tetuan Gold Mart Sdn Bhd*". Montane was the main contractor and Greengroup was its subcontractor.

On 9 August 2017, our Company successfully recorded a summary judgement against Greengroup for the full sum claimed, and against Montane only a partial amount, with the remaining sum to be determined at a full trial. Our Company appealed against the decision of the High Court for not allowing a summary judgement for the full sum against Montane but was unsuccessful. However, at the full trial our Company succeeded and Montane was ordered to pay our Company an amount of RM4,886,220.83 together with an interest of 5% per annum commencing

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**FURTHER INFORMATION (CONT'D)**


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from 2 March 2017 until the date of full settlement of the sum of RM4,886,220.83 (**"Judgement"**).

Our Company attempted to execute the judgement against Greengroup, but before it could do so, Greengroup was wound up by the order of the Johor Bahru High Court in another suit on 6 September 2017. Montane on the other hand filed an appeal to the Court of Appeal on 28 August 2018 against the Judgement, and also applied for a stay of execution.

On 25 October 2018, a consent order for a stay of execution of the Judgement on condition was recorded in Court, whereby the condition was that Montane shall deposit the judgement sum to our Company's solicitors as stakeholders pending Montane's appeal of the Judgement.

Our Company's solicitors are of the considered view that our Company has a good chance in resisting Montane's appeal.

**(b) Notice of Demand dated 11 April 2018, 3 July 2018 and 23 August 2018 issued to Jack-In Pile (M) Sdn Bhd and YTB Impression Sdn Bhd**

Our Company entered into a contract to supply and deliver pre-stressed concrete piles to Jack-In Pile (M) Sdn Bhd (**"JIP"**) for a project known as *"Proposed Condotel on Plot 5, Impression City, Kawasan Bandar VI, Daerah Melaka Tengah, Melaka"* (**"Project Condotel"**).

In addition, YTB Impression Sdn Bhd (**"YTB"**) gave 2 letters of undertaking dated 6 February 2017 and 23 October 2017 respectively to our Company whereby YTB undertook to pay any shortfall of payment by JIP as the piling contractor to our Company in relation to our Company's supply of concrete piles for Project Condotel.

In view that there was an outstanding amount of goods sold and delivered by our Company to JIP, our Company issued a few notices of demand dated 11 April 2018 and 3 July 2018 to JIP to demand for the outstanding amount of goods sold and delivered to JIP.

On 23 August 2018, our Company has issued another notice of demand to JIP and YTB respectively to demand for the total sum of RM3,294,880.03 being the aggregate arising from the outstanding amount of goods sold and delivered as at 7 May 2018.

As at the LPD, our Company's solicitor has confirmed that they are in the preparation to commence any legal proceeding against JIP and YTB for the amount of RM3,294,880.03. However, the legal action against JIP and YTB is yet to be filed in Court.

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**FURTHER INFORMATION (CONT'D)**

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**6. DOCUMENTS AVAILABLE FOR INSPECTION**

Copies of the following documents are available for inspection at our Registered Office at 22<sup>nd</sup> Floor Menara Promet (KH), Jalan Sultan Ismail, 50250 Kuala Lumpur, during normal office hours from Mondays to Fridays (except public holidays) from the date of this Circular up to and including the date of our EGM:

- (i) our Constitution;
- (ii) the audited consolidated financial statements of our Company for the FYE 31 August 2017 and FYE 31 August 2018;
- (iii) the letter of consent referred to in Section 2 of this Appendix; and
- (iv) the relevant cause papers in respect of the legal proceedings referred to in Section 5 of this Appendix.



**CONCRETE ENGINEERING PRODUCTS BERHAD**

(Company No. 88143-P)  
(Incorporated in Malaysia)

**NOTICE OF EXTRAORDINARY GENERAL MEETING**

**NOTICE IS HEREBY GIVEN** that an Extraordinary General Meeting ("**EGM**") of Concrete Engineering Products Berhad ("**CEPCO**" or the "**Company**") will be held at Dewan Murni, Ground Floor Menara Integriti, Institut Integriti Malaysia, Persiaran Tuanku Syed Sirajuddin, Off Jalan Tuanku Abdul Halim, 50480 Kuala Lumpur, on Monday, 7 January 2019 at 11:00 a.m. or immediately upon the conclusion or adjournment of the 34<sup>th</sup> Annual General Meeting of CEPCO to be held at the same venue on the same day at 10:00 a.m., whichever is later, or at any adjournment of the EGM, for the purpose of considering and, if thought fit, passing with or without modifications the following resolution:

**ORDINARY RESOLUTION**

**PROPOSED BONUS ISSUE OF 29,850,000 NEW ORDINARY SHARES IN CEPCO ("BONUS SHARE(S)") ON THE BASIS OF 2 BONUS SHARES FOR EVERY 3 EXISTING ORDINARY SHARES OF CEPCO ("CEPCO SHARES") HELD ON AN ENTITLEMENT DATE TO BE DETERMINED LATER ("PROPOSED BONUS ISSUE")**

**"THAT** subject to the approvals of all relevant regulatory authorities and/or parties, approval be and is hereby given to the Board of Directors of CEPCO ("**Board**") to capitalise an amount of RM29,850,000 out of the Company's share premium account, and to apply the same for the purposes of issuing 29,850,000 Bonus Shares in the share capital of the Company, credited as fully paid-up to the entitled shareholders whose names appear in the Record of Depositors of the Company as at the close of business on the entitlement date to be determined by the Board and announced later on the basis of 2 Bonus Shares for every 3 existing CEPCO Shares held;

**THAT** fractional entitlements that may arise from the Proposed Bonus Issue, if any, shall be disregarded and dealt with in such manner as the Board shall in its absolute discretion deem fit or expedient and in the best interest of the Company;

**THAT** the Bonus Shares shall, upon allotment and issuance, rank equally in all respects with the existing CEPCO Shares of the same class upon listing;

**AND THAT** the Board be and is hereby authorised to sign and execute all documents to give effect to the Proposed Bonus Issue with full powers to assent to any conditions, modifications, variations and/or amendments in any manner as may be required by the relevant authorities and to deal with all matters relating thereto and to take all such steps and do all acts and things in any manner as they may deem necessary or expedient to implement, finalise and give full effect to the Proposed Bonus Issue."

**By Order of the Board**

**Norakhmar Binti Baharom (LS 0001698)**  
Company Secretary

Kuala Lumpur  
10 December 2018

**Notes:**

1. *A member of the Company entitled to attend and vote at the meeting is entitled to appoint a proxy or proxies to attend and vote in his/her stead. A proxy need not be a member of the Company.*
2. *The instrument appointing a proxy shall be in writing under the hand of the appointor or his/her attorney duly authorised in writing, or if the appointor is a corporation, either under its Common Seal or signed by an officer or attorney duly authorised.*
3. *Where a member appoints more than 1 proxy, the appointments shall be invalid unless he/she specifies the proportions of his/her shareholdings to be represented by each proxy.*
4. *The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a certified copy of that power or authority shall be deposited at the Registrar's Office at 22<sup>nd</sup> Floor Menara Promet (KH), Jalan Sultan Ismail, 50250 Kuala Lumpur, not less than 48 hours before the time for holding the meeting or any adjournment thereof.*
5. *A member whose name appears in the Record of Depositors as at 2 January 2019 shall be regarded as Member of the Company entitled to attend the meeting or appoint a proxy to attend and vote on his/her behalf.*
6. *Any alteration in the Form of Proxy must be initialled.*



# FORM OF PROXY

CDS Account No.	
NO OF SHARES HELD	

**CONCRETE  
ENGINEERING  
PRODUCTS BERHAD**  
(Company No. 88143-P)  
(Incorporated in Malaysia)



I/We \_\_\_\_\_ (NRIC/Company) \_\_\_\_\_  
(FULL NAME IN CAPITAL LETTERS)

of \_\_\_\_\_  
(ADDRESS)

being a shareholder(s) of Concrete Engineering Products Berhad hereby appoint \*the Chairman of the Meeting,

or \_\_\_\_\_ ( \_\_\_\_\_ )  
(FULL NAME OF PROXY) %

of \_\_\_\_\_  
(ADDRESS)

\*and/or failing him/her \_\_\_\_\_ ( \_\_\_\_\_ )  
(FULL NAME OF PROXY) %

of \_\_\_\_\_  
(ADDRESS)

as \*my/our proxy to vote for \*my/our behalf at the Extraordinary General Meeting of the Company to be held at Dewan Murni, Ground Floor Menara Integriti, Institut Integriti Malaysia, Persiaran Tuanku Syed Sirajuddin, Off Jalan Tuanku Abdul Halim, 50480 Kuala Lumpur, on Monday, 7 January 2019 at 11:00 a.m. or immediately upon the conclusion or adjournment of the 34<sup>th</sup> Annual General Meeting of Concrete Engineering Products Berhad to be held at the same venue on the same day at 10:00 a.m., whichever is later, and at any adjournment thereof for the following purposes:

ORDINARY RESOLUTION	FOR	AGAINST
Proposed Bonus Issue		

Votes are as indicated by an "X" in the appropriate spaces above. If no indication is given, my/our proxy shall vote or abstain from voting as he/she thinks fit.

\_\_\_\_\_  
Signature/Seal of Shareholder(s)

Dated this day \_\_\_\_\_ of \_\_\_\_\_ \*2018/2019

Tel no. \_\_\_\_\_

\*Delete whichever is not applicable.

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Fold this flap for sealing

Then fold here



The Company Secretary

**CONCRETE ENGINEERING PRODUCTS BERHAD**  
22<sup>nd</sup> Floor Menara Promet (KH)  
Jalan Sultan Ismail  
50250 Kuala Lumpur

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