

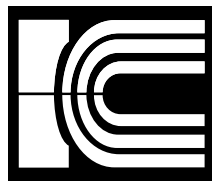
THIS CIRCULAR/STATEMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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 only perused Part A of this Circular in respect of the new shareholders’ mandate for recurrent related party transactions on a limited review basis pursuant to Practice Note 18 of the Main Market Listing Requirements of Bursa Securities.

Bursa Securities has prescribed circular or document in relation to purchase of own shares as Exempt Circular. As such, Bursa Securities has not perused the information relating to the Proposed Share Buy-Back (as defined herein) prior to the issuance of this Statement.

Bursa Securities takes no responsibility for the contents of this Circular/Statement, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Circular/Statement.



KUMPULAN KITACON BERHAD

(Incorporated in Malaysia)

Registration No. 202201006838 (1452535-V)

PART A

CIRCULAR TO SHAREHOLDERS IN RELATION TO THE PROPOSED NEW AND RENEWAL OF SHAREHOLDERS’ MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE (“PROPOSED SHAREHOLDERS’ MANDATE”)

PART B

SHARE BUY-BACK STATEMENT IN RELATION TO THE PROPOSED AUTHORITY FOR THE COMPANY TO PURCHASE ITS OWN ORDINARY SHARES OF UP TO 10% OF THE TOTAL NUMBER OF ISSUED SHARES OF THE COMPANY (“PROPOSED SHARE BUY-BACK”)

PART C

CIRCULAR TO SHAREHOLDERS IN RELATION TO PROPOSED VARIATION AND EXTENSION OF TIMEFRAME FOR THE UTILISATION OF PROCEEDS RAISED FROM THE INITIAL PUBLIC OFFERING (“PROPOSED VARIATION”)

The above proposals will be tabled as Special Business at the Third Annual General Meeting (“**3rd AGM**” or “**AGM**”) of Kumpulan Kitacon Berhad (“**Kitacon**” or “**the Company**”) to be held at Ballroom 3 @ Level 10, Courtyard by Marriott Setia Alam, No. 6, Jalan Setia Dagang AH U13/AH, Setia Alam, Seksyen U13, 40170 Shah Alam, Selangor Darul Ehsan on Tuesday, 24 June 2025 at 11.00 a.m. The Notice of the 3rd AGM together with the Form of Proxy are enclosed in the Annual Report 2024 of the Company, which is dispatched together with this Circular/Statement.

The Form of Proxy for the 3rd AGM must be completed and deposited at the office of the Company’s Share Registrar, Boardroom Share Registrars Sdn Bhd at 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia not less than forty-eight (48) hours before the time appointed for holding the AGM or any adjournment thereof. The lodging of the Form of Proxy will not preclude you from attending and voting in person at the AGM should you subsequently wish to do so, but if you do, your proxy or proxies shall be precluded from attending the AGM.

Last date and time of lodging the Form of Proxy : **Sunday, 22 June 2025 at 11.00 a.m.**

Date and time of the AGM : **Tuesday, 24 June 2025 at 11.00 a.m.**

This Circular/Statement is dated 30 April 2025

DEFINITIONS

For the purpose of this Circular/Statement, except where the context otherwise requires, the following definitions shall apply:

Act	: The Malaysian Companies Act, 2016 as amended from time to time and any re-enactment thereof
AGM	: Annual General Meeting
Asset	: The land and the proposed building located at Lot no. BBR3-i10/05
Board	: The Board of Directors of Kitacon
Bursa Securities	: Bursa Malaysia Securities Berhad [Registration No. 200301033577 (635998-W)]
CMSA	: Capital Markets and Services Act 2007, as amended from time to time and any re-enactment thereof
CCC	: Certificate of Completion and Compliance
Director(s)	: Shall have the meaning given in Section 2(1) of the CMSA for the purposes of the Proposed Shareholders' Mandate and includes any person who is or was within the preceding six (6) months of the date on which the terms of transactions were agreed upon, a Director of the Company, or any other company which is its subsidiary or holding company or a Managing Director of the Company, its subsidiary or holding company
FYE	: Financial year ended/ending 31 December, as the case may be
IPO	: Initial public offering exercise in conjunction with the listing of and quotation of Kumpulan Kitacon Berhad's entire share capital on the Main Market of Bursa Securities on 17 January 2023
Kitacon or the Company	: Kumpulan Kitacon Berhad [Registration No. 202201006838 (1452535-V)]
Kitacon Group or Group	: Kitacon and its subsidiary as defined in Section 4 of the Act
LPD	: 31 March 2025, being the latest practicable date prior to the issuance of this Circular/Statement
Listing Date	: 17 January 2023, being the date of listing of and quotation for Kumpulan Kitacon Berhad's entire issued share capital on the Main Market of Bursa Securities
Listing Requirements	: The Main Market Listing Requirements of Bursa Securities, including any amendments that may be made from time to time
Major Shareholder(s)	: A person who has an interest or interests in one or more voting shares in the Company and the aggregate number of those shares, is: (a) 10% or more of the total number of voting shares in the Company; or

DEFINITIONS (Cont'd)

- (b) 5% or more of the total number of voting shares in the Company where such person is the largest shareholder of the Company,

and includes a person who is or was within the preceding 6 months of the date on which the terms of the transaction were agreed upon, a major shareholder of Kitacon or any other company which is its subsidiary of Kitacon.

For the purposes of this definition, “interest in share” shall have the meaning given in Section 8 of the Act

- Market Day : Any day when Bursa Securities is open for trading of securities
- Person(s) Connected : Such person, in relation to the Director or Major Shareholder, who falls under any one of the following categories:
- (i) A family member of the Director or Major Shareholder;
 - (ii) A trustee of a trust (other than a trustee for an employee share scheme or pension scheme) under which the Director, Major Shareholder or a family member of the Director or Major Shareholder is the sole beneficiary;
 - (iii) A partner of the Director, Major Shareholder or a partner of a person connected with that Director or Major Shareholder;
 - (iv) A person who is accustomed or under an obligation, whether formal or informal, to act in accordance with the directions, instructions or wishes of the Director or Major Shareholder;
 - (v) A person in accordance with whose directions, instructions or wishes the Director or Major Shareholder is accustomed or is under an obligation, whether formal or informal, to act;
 - (vi) A body corporate or its Directors which/ who is/ are accustomed or under an obligation, whether formal or informal, to act in accordance with the directions, instructions or wishes of the Director or Major Shareholder;
 - (vii) A body corporate or its Directors whose directions, instruction or wishes the Director or Major Shareholders is accustomed or is under an obligation whether formal or informal, for act;
 - (viii) A body corporate in which the Director or Major Shareholder and/or persons connected with him are entitled to exercise, or control the exercise of, not less than 20% of the votes attached to voting shares in the body corporate; or
 - (ix) A body corporate which is a related corporation of the Directors or Major Shareholder.

Family member means such person who falls within any one of the following categories:

- (i) spouse;
- (ii) parent;
- (iii) child including an adopted child and step child;
- (iv) brother or sister; and
- (v) spouse of the person referred to in (iii) and (iv) above.

- Proposed Shareholders' Mandate : Proposed new shareholders' mandate and renewal of previous shareholders' mandate for RRPTs to be entered into by the Group from the date of the forthcoming 3rd AGM to the next AGM

DEFINITIONS (Cont'd)

Proposed Share Buy-Back	: Proposed authority for Kitacon to purchase up to 10% of total number of issued Kitacon Shares in accordance with Section 127 of the Act and the requirements of Bursa Securities and/or any other relevant authority
Proposed Variation	: Proposed variation and extension of timeframe for the utilisation of proceeds raised from the IPO
Prospectus	: Prospectus dated 28 December 2022 that was issued in conjunction with the IPO
Public Issue Proceeds	: Gross proceeds raised of approximately RM51.74 million from the public issue under the IPO
Purchased Shares	: Shares purchased pursuant to the Proposed Share Buy-Back
Recurrent Related Party Transaction or RRPT	: Related party transactions involving recurrent transactions of revenue or trading nature which are necessary for the Group's day- to-day operations and are in the ordinary course of business of the Group
Related Party(ies)	: Director(s), Major Shareholder(s) or person(s) connected with such Director(s) or Major Shareholder(s) as defined in Paragraph 1.01 of the Listing Requirements
Related Party Transactions	: Transactions entered into by Kitacon or its subsidiary which involves the interest, direct or indirect, of a Related Party(ies)
RM and sen	Ringgit Malaysia and sen respectively
Share(s) or Kitacon Share(s)	: Ordinary share(s) in Kitacon
SPA	: Sale and Purchase Agreement dated 28 April 2023
Sq ft	: Square feet
Substantial Shareholders(s)	: 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 the aggregate of the nominal amounts of those shares, is not less than 5% of the aggregate of the nominal amounts of all the voting shares in the Company
Treasury Shares	: The Purchased Shares which will be retained by the Company and shall have the meaning given in Section 127(4)(b) of the Act
VP	: Notice of Vacant Possession dated 26 February 2025
Annual Report 2024	: Annual Report of Kitacon issued for the financial year ended 31 December 2024

DEFINITIONS (Cont'd)

References to “we”, “us”, “our” and “ourselves” mean our Company, or where the context otherwise requires, our Group. All references to “you” and “your” in this Circular are to the shareholders of our Company.

Certain amounts and percentage figures included in this Circular have been subject to rounding adjustments. Any discrepancy in the figures included in this Circular between the amounts stated and the totals thereof are due to rounding.

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. Any reference to persons shall include a corporation, unless otherwise specified.

Any reference in this Circular 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 Circular shall be a reference to Malaysian time, unless otherwise specified.

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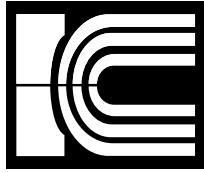
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PART A

**CIRCULAR TO SHAREHOLDERS IN RELATION TO THE
PROPOSED SHAREHOLDERS' MANDATE**



KUMPULAN KITACON BERHAD

(Incorporated in Malaysia)

Registration No. 202201006838 (1452535-V)

Registered Office:

52A, Lebuhr Enggang,
41150 Klang,
Selangor Darul Ehsan.

30 April 2025

The Board of Directors:

- | | |
|------------------------------------|---|
| 1. Ms. Qua Mu Im | <i>(Independent Non-Executive Chairperson)</i> |
| 2. Mr. Tan Ah Kee | <i>(Non-Independent Executive Director /
Managing Director)</i> |
| 3. Mr. Teow Choo Hing | <i>(Non-Independent Non-Executive Director)</i> |
| 4. Mr. Gam Boon Tin | <i>(Non-Independent Executive Director /
Chief Operating Officer)</i> |
| 5. Mr. Goh Yin Huat | <i>(Non-Independent Executive Director /
Chief Financial Officer)</i> |
| 6. Mr. Low Chin Ann @ Han Chin Ann | <i>(Independent Non-Executive Director)</i> |
| 7. Ms. Chang Sua Yean | <i>(Independent Non-Executive Director)</i> |
| 8. Puan Nooriah Binti Hassan | <i>(Independent Non-Executive Director)</i> |

To : The Shareholders of Kumpulan Kitacon Berhad

Dear Sir/Madam,

PROPOSED NEW AND RENEWAL OF SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE ("PROPOSED SHAREHOLDERS' MANDATE")

1. INTRODUCTION

The Company had at the 2nd AGM held on 25 June 2024, obtained a renewal of shareholders' mandate for the Company and/or its subsidiary to enter into RRPTs on terms that are not more favourable to the Related Parties than those generally available to the public.

The authority conferred by the renewed shareholders' mandate shall, in accordance with the Listing Requirements, lapse at the conclusion of the forthcoming 3rd AGM of the Company.

In relation thereto, the Board had on 30 April 2025, announced its intention to seek the shareholders' approval for the Proposed Shareholders' Mandate at the forthcoming 3rd AGM of the Company.

The purpose of this Circular is to provide you with the details of the Proposed Shareholders' Mandate and to seek your approval for the ordinary resolution pertaining to the Proposed Shareholders' Mandate to be tabled at the forthcoming 3rd AGM. The Notice of the 3rd AGM together with the Form of Proxy are enclosed in the Annual Report 2024 of the Company, which is sent together with this Circular/Statement.

SHAREHOLDERS ARE ADVISED TO READ AND CONSIDER THE CONTENTS OF THIS CIRCULAR/STATEMENT CAREFULLY BEFORE VOTING ON THE RESOLUTION PERTAINING TO THE PROPOSED SHAREHOLDERS' MANDATE TO BE TABLED AT THE FORTHCOMING 3RD AGM.

2. DETAILS OF THE PROPOSED SHAREHOLDERS' MANDATE

2.1 Provisions under the Listing Requirements

Pursuant to paragraph 10.09(2) of Chapter 10 of the Listing Requirements, a listed issuer may seek a shareholders' mandate in respect of RRPT of a revenue or trading nature which are necessary for its day-to-day operations, subject to, inter alia, the following:-

- (i) the transactions are in the ordinary course of business and are on terms not more favourable to the Related Party than those generally available to the public;
- (ii) the Shareholders' Mandate is subject to annual renewal and disclosure is made in the annual report of the aggregate value of transactions conducted pursuant to the shareholders' mandate during the financial year where:-
 - (a) the consideration, value of the assets, capital outlay or costs of the aggregated transactions is equal to or exceeds RM1 million; or
 - (b) any one of the percentage ratios of such transactions is equal to or exceed 1%,whichever is the higher,
- (iii) the issuance of a Circular to Shareholders by the listed issuer containing information as specified in the Listing Requirements;
- (iv) in a meeting to obtain shareholders' mandate, the interested Director(s), interested Major Shareholder(s) or interested person(s) connected with the Director(s) or Major Shareholder(s); and where it involves the interest of an interested person connected with the Director or Major Shareholder, such Director or Major Shareholder, must not vote on the resolution approving the transactions. An interested Director or interested Major Shareholder must ensure that persons connected with him abstain from voting on the resolution approving the transactions; and
- (v) to immediately announce to Bursa Securities when the actual value of the RRPT entered into, exceeds the estimated value of the RRPT disclosed in the Circular by 10% or more.

2.2 Proposed Shareholders' Mandate

Kitacon Group has, in the ordinary course of its business, entered into certain RRPTs and it is anticipated that the companies within the Kitacon Group would, in the ordinary course of business, continue to enter into such transactions with the Related Parties, details of which are set out in Section 2.6. It is likely that such transactions will occur with some degree of frequency and could arise at any time.

It is envisaged that in the normal course of the Group's businesses, transactions of a revenue or trading nature between Kitacon Group and the Related Parties are likely to occur, and which are necessary for its day-to-day operations and have been/will be transacted on terms that are not more favourable to the Related Parties than those generally available to the public.

2.3 Validity period of the Proposed Shareholders' Mandate

In this respect, the Board is seeking approval from shareholders for the Proposed Shareholders' Mandate which will allow the Group, in their normal course of business, to enter into the category of Recurrent Related Party Transactions referred to in Section 2.6 of this Circular with the Related Parties, provided that such transactions are made at arm's length, on the Group's normal commercial terms and on terms not more favourable to the Related Parties than those generally available to the public and are not to the detriment of the minority shareholders of the Company.

The Proposed Shareholders' Mandate is subject to annual renewal. In this respect, any authority conferred by the Proposed Shareholders' Mandate shall take effect from and including 24 June 2025 being the date of the forthcoming 3rd AGM of the Company and shall continue to be in force until:

- (a) the conclusion of the next AGM of the Company following the AGM at which such Proposed Shareholders' Mandate was passed, at which time it will lapse, unless by a resolution passed at the meeting, the authority is renewed;
 - (b) the expiration of the period within which the next AGM after the date it is required to be held pursuant to Section 340(2) of the Act (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or
 - (c) revoked or varied by resolution passed by the shareholders in general meeting,
- whichever is the earlier.

Disclosure will be made in the Company's Annual Report in accordance with Section 3.1.5 of Practice Note 12 of the Listing Requirements, which requires a breakdown of the aggregate value of the Recurrent Related Party Transactions made during the financial year pursuant to the Proposed Shareholders' Mandate based on the following information:

- (i) type of Recurrent Related Party Transactions entered into; and
- (ii) names of the Related Parties involved in each type of the Recurrent Related Party Transactions entered into and their relationship with the Company.

Details of the Recurrent Related Party Transactions of the Group which are in accordance with Paragraph 10.09 (1) of the Listing Requirements are set out in the ensuing paragraphs.

2.4 Principal Activity of Kitacon Group

Kitacon is an investment holding company and the principal activity of the subsidiary is the provision of construction services.

The list of Kitacon's subsidiary involved in the related party transactions is as follows:

Name of Subsidiary	Principal Activity	Equity Interest (%)
Kitacon Sdn. Bhd. ("KSB")	Provision of construction services	100%

2.5 Class of Related Parties

The Proposed Shareholders' Mandate will apply to the following classes of Related Parties:

- (i) Directors or Major Shareholders; and
- (ii) Persons Connected to the Directors or Major Shareholders.

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2.6 Details of RRPTs contemplated under the Proposed Shareholders' Mandate

Related Party	Principal Activities	Name of Projects and Nature of Transaction
Kiharta Development Sdn Bhd ("KDSB")	Property Development	<u>Kiharta Development</u> Progress billing raised on provision of construction services by KSB to KDSB
Kiharta Land Sdn Bhd ("KLSB")	Property Development	<u>Kiharta Land</u> Progress billing raised on provision of construction services by KSB to KLSB.
Kiharta Properties Sdn Bhd ("KPSB")	Investment holding (investment in property) and property development	<u>Kiharta Properties</u> Progress billing raised on provision of construction services by KSB to KPSB.
Welloyd Properties Sdn Bhd ("WPSB")	Property Development	<u>Welloyd Properties</u> Progress billing raised on provision of construction services by KSB to WPSB.
Kireka Sdn Bhd ("Kireka")	Investment holding (investment in property)	<u>Kireka Sdn Bhd</u> Progress billing raised on provision of construction services by KSB to Kireka

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The nature and details of the RRPTs entered and/or to be entered into by the Group and the class of Related Parties under the Proposed Shareholders' Mandate are as follows:-

Related Party	Transacting Party within the Group	Interested Directors/Major Shareholder and/or Person Connected to them	Nature of relationship of related parties	Nature of Transaction	Estimated value as per the last mandate (RM'000)	Actual value of RRPT transacted from the date of previous AGM to LPD** (RM'000)	Estimated value from the forthcoming AGM up to the next AGM* (RM'000)	Type of mandate
KDSB	KSB	• Mr. Tan Ah Kee • Mr. Teow Choo Hing • Datuk Phua Sin Mo • Curtis Phua Ti Tsen	Mr. Tan Ah Kee ⁽¹⁾⁽³⁾ Mr. Teow Choo Hing ⁽²⁾⁽³⁾ Datuk Phua Sin Mo ⁽⁸⁾⁽⁹⁾ Curtis Phua Ti Tsen ⁽¹²⁾⁽¹³⁾	Progress billing raised on provision of construction services by KSB to KDSB.	35,000	7,449	45,000	Renewal of existing mandate
KLSB	KSB	• Mr. Tan Ah Kee • Mr. Teow Choo Hing • Datuk Phua Sin Mo • Curtis Phua Ti Tsen	Mr. Tan Ah Kee ⁽¹⁾⁽⁵⁾ Mr. Teow Choo Hing ⁽²⁾⁽⁵⁾ Datuk Phua Sin Mo ⁽⁸⁾⁽¹¹⁾ Curtis Phua Ti Tsen ⁽¹²⁾⁽¹⁵⁾	Progress billing raised on provision of construction services by KSB to KLSB.	10,000	-	10,000	Renewal of existing mandate
KPSB	KSB	• Mr. Tan Ah Kee • Mr. Teow Choo Hing • Datuk Phua Sin Mo • Curtis Phua Ti Tsen	Mr. Tan Ah Kee ⁽¹⁾⁽⁴⁾ Mr. Teow Choo Hing ⁽²⁾⁽⁴⁾ Datuk Phua Sin Mo ⁽⁸⁾⁽¹⁰⁾ Curtis Phua Ti Tsen ⁽¹²⁾⁽¹⁴⁾	Progress billing raised on provision of construction services by KSB to KPSB.	25,000	-	25,000	Renewal of existing mandate
WPSB	KSB	• Mr. Tan Ah Kee	Mr. Tan Ah Kee ⁽¹⁾⁽⁶⁾	Progress billing raised on provision of construction services by KSB to WPSB.	30,000	7,084	30,000	Renewal of existing mandate
Kireka	KSB	• Mr. Tan Ah Kee	Mr. Tan Ah Kee ⁽¹⁾⁽⁷⁾	Progress billing raised on provision of construction services by KSB to Kireka.	-	-	10,000	New mandate

Notes:

* The estimated values are based on the historical data and best estimates by the Management. Accordingly, the actual value of the transactions may vary from the estimated values disclosed above and subject to changes.

** None of the actual value of the RRPT has exceeded the estimated value.

(1) Mr. Tan Ah Kee is the Managing Director and Major Shareholder of Kitacon at 8.364% direct interest and 36.965% indirect interest via Suan Neo Capital Sdn Bhd ("Suan Neo Capital") and Lembah Reka Sdn. Bhd. ("Lembah Reka").

(2) Mr. Teow Choo Hing is the Director and Major Shareholder of Kitacon at 14.104% direct interest.

(3) Mr. Tan and Mr. Teow are also the Directors and Substantial Shareholders of KDSB.

(4) Mr. Tan and Mr. Teow are also the Directors and Substantial Shareholders of KPSB.

(5) Mr. Tan and Mr. Teow are also the Directors and Substantial Shareholders of KDSB, which in turn holds 100% equity interest in KLSB.

(6) Mr. Tan holds approximately 14.3% equity interest in Taipan Hectares Sdn Bhd, which in turn holds 20% equity interest in WPSB.

(7) Mr. Tan is the Director and holds 90% equity interest in Kireka.

(8) Datuk Phua Sin Mo is a Substantial Shareholder of Kitacon with 11.993% direct interest and 2.132% indirect interest through his son, Curtis Phua Ti Tsen.

(9) Datuk Phua is the director and holds 10% equity interest in Aspenlogic Sdn Bhd, which in turn holds 20% equity interest in KDSB.

(10) Datuk Phua is the director and holds 10% equity interest in Aspenlogic Sdn Bhd, which in turn holds 25% equity interest in KPSB.

(11) Datuk Phua is the director and holds 10% equity interest in Aspenlogic Sdn Bhd, which in turn holds 20% equity interest in KDSB and 100% equity interest in KLSB.

(12) Curtis Phua Ti Tsen is a Substantial Shareholder of Kitacon with 2.132% direct interest and 11.993% indirect interest through his father, Datuk Phua.

(13) Curtis Phua holds 35% equity interest in Aspenlogic Sdn Bhd, which in turn holds 20% equity interest in KDSB.

(14) Curtis Phua holds 35% equity interest in Aspenlogic Sdn Bhd, which in turn holds 25% equity interest in KPSB.

(15) Curtis Phua holds 35% equity interest in Aspenlogic Sdn Bhd, which in turn holds 20% equity interest in KDSB and 100% equity interest in KLSB.

The RRPTs above are contemplated under the mandate which complies with Paragraph 10.09(2) and the relevant provisions under items 3.1 and 3.2 of Practice Notice 2 of the Main LR.

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2.7 Amount Due and Owing by Related Parties

As at the LPD, there were no amounts due and owing by the Related Parties to Kitacon Group under the RRPTs which exceeded the credit term.

2.8 Review Procedures in relation to RRPTs

Kitacon Group has established various procedures to ensure that the RRPTs are conducted on an arm's length basis and on normal commercial terms, which are consistent with the Group's normal business practices and policies, and on terms not more favourable to the Related Parties than those generally available to the public and are not to the detriment of the minority shareholders.

The RRPTs will be undertaken based on prevailing rates according to normal commercial terms, business practices and policies or otherwise in accordance with other applicable industry norms/considerations.

There is no threshold for approval for RRPTs as all RRPTs will be reviewed by the Audit and Risk Management Committee and approved by the Board of Directors.

To monitor the RRPTs, the procedures established by Kitacon Group are as follows:

- i) a list of Related Parties will be circulated within Kitacon Group to notify that all RRPTs with the Related Parties are required to be undertaken on an arm's length basis, on normal commercial terms and on terms not more favourable to the Related Parties than those generally available to the public. These include transacting at prevailing market rates/prices of the products or service providers' usual commercial terms or otherwise in accordance with applicable industry norm. Transactions refer to both sales and purchases of products or provision of services of Kitacon Group;
- ii) any tender, quotation or contract received from or proposed to be entered with a Related Party will not be approved unless the terms offered to Kitacon Group are comparable with those offered by other unrelated parties for the same or substantially similar type of transactions;
- iii) records will be maintained by our Company to capture all RRPTs entered into pursuant to the Proposed Shareholders' Mandate to ensure that relevant approvals have been obtained and review procedures in respect of such transactions are adhered to. Our Company will monitor all transactions to ensure that any one of the percentage ratios of the transactions does not exceed 10%;
- iv) the internal auditors shall periodically review the guidelines and procedures in respect of all RRPTs entered into pursuant to the Proposed Shareholders' Mandate and ascertain that the guidelines and procedures have been complied with;
- v) records of RRPTs will be retained and compiled for review by the Audit and Risk Management Committee to ascertain that the guidelines and procedures established to monitor the RRPTs have been complied with and the review shall be done at every quarter together with the review of the quarterly results;

- vi) disclosure will be made in the annual report of our Company of the aggregate value of transactions conducted pursuant to the Proposed Shareholders' Mandate during the financial year, in accordance with the provisions of Paragraph 10.09 of Chapter 10 and Paragraph 3.1.5 of Practice Note 12 of the Main LR; and
- vii) the Audit and Risk Management Committee has reviewed and shall continue to review the adequacy and appropriateness of the procedures as and when required, with the authority to subdelegate to individuals or committees within our Company as they deem appropriate.

At least two (2) other contemporaneous transactions with unrelated third parties for similar products or services will be used as comparison, whenever possible, to determine whether the price and terms offered to the Related Parties are fair and reasonable and comparable to those offered to other unrelated third parties for the same or substantially similar type of products or services. In the event that comparative pricing from unrelated third parties cannot be obtained, Kitacon Group will rely on the prevailing market norms and practices taking into account the efficiency, quality and type of products or services to be provided to ensure that the RRPTs are not detrimental to Kitacon Group.

Any member of the Audit and Risk Management Committee who is interested in any RRPT shall abstain from reviewing such transaction. Any Director who has an interest (direct or indirect) in any RRPT shall abstain from deliberation and voting on the matter. The interested Director(s) shall also abstain from deliberating at Board meetings in respect of the RRPTs in which they or Persons Connected with them are interested.

Pursuant to Paragraph 10.09 of the Main LR, in a meeting to obtain shareholders' approval for the Proposed Shareholders' Mandate, the interested Director, interested Major Shareholder or interested Person Connected with a Director or Major Shareholder; and where it involves the interest of an interested Person Connected to a Director and/or Major Shareholder, such Director or Major Shareholder must abstain from voting on the resolution approving the transactions. An interested Director or interested Major Shareholder must also ensure that Persons Connected with him abstain from voting on the resolution approving the transactions.

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2.9 Statement by the Audit and Risk Management Committee

Part of the Terms of Reference of the Audit and Risk Management Committee would be to review any Related Party Transaction and conflict of interest that may arise within the Kitacon Group, including any transaction, procedure or course of action that raises questions of integrity.

The Audit and Risk Management Committee has reviewed the guidelines and review procedures as outlined in Section 2.8 above and is of the view that the existing procedures are sufficient to ensure that the RRPTs are not more favourable to the Related Parties than those generally available to the public and are not detrimental to the interests of the minority shareholders of Kitacon.

The Audit and Risk Management Committee is of the view that the Group has in place adequate procedures and processes to monitor, track and identify RRPTs in a timely and orderly manner. The Audit and Risk Management Committee conducts quarterly review of the existing procedures and processes to ascertain that they have been complied with.

3. RATIONALE AND BENEFITS OF THE PROPOSED SHAREHOLDERS' MANDATE

The RRPTs as set out in Sections 2.6 of this Circular entered into or to be entered into by the Kitacon Group are recurring transactions of a revenue or trading nature which are necessary for its day-to-day operations and are in the ordinary course of business of the Kitacon Group. These transactions are likely to occur with some degree of frequency and could arise at any time and from time to time. These transactions may be constrained by the time-sensitive nature and confidentiality of such transactions, and it may be impractical to seek shareholders' approval on a case-by-case basis before entering into such RRPTs.

The Proposed Shareholders' Mandate is intended to facilitate the RRPTs. The obtaining of your mandate on an annual basis would eliminate the need to make regular announcements to Bursa Securities and to convene separate general meetings from time to time to seek shareholders' approval as and when potential RRPTs with the Related Parties arise. This would substantially reduce administrative time, inconvenience, and expenses in making announcements and convening such meetings, without compromising the corporate objectives or adversely affecting the business opportunities available to the Kitacon Group.

The rationale and benefits of the Proposed Shareholders' Mandate is to meet the corporate objectives of the Kitacon Group and realise business opportunity of the Group, and when they shall become available to the Group, in more timely and effective way. The Group has had longstanding business relationships with the Related Parties and the close cooperation has reaped mutual benefits which are expected to continue to be beneficial to the business of the Group.

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4. FINANCIAL EFFECTS OF THE PROPOSED SHAREHOLDERS' MANDATE

The Proposed Shareholders' Mandate will not have any effect on the share capital and the Substantial Shareholders' shareholdings in the Company.

However, the Proposed Shareholders' Mandate is expected to contribute positively to the future earnings and net assets of the Kitacon Group as and when the benefits of the RRPTs are realised.

5. APPROVAL REQUIRED FOR THE PROPOSED SHAREHOLDERS' MANDATE

The Proposed Shareholders' Mandate is subject to the approval of the shareholders of Kitacon at the forthcoming 3rd AGM to be convened.

6. INTEREST OF DIRECTORS AND MAJOR SHAREHOLDERS AND PERSONS CONNECTED WITH THEM

The direct and indirect shareholdings of the interested Directors, interested Substantial Shareholders and persons connected with them in the issued and paid-up share capital of the Company as at LPD are as follows:

Name of Interested Directors, Major Shareholders and persons connected	No. of ordinary shares as at LPD			
	Direct	%	Indirect	%
<i>Interested Directors:</i>				
Tan Ah Kee	41,846,900	8.364	184,936,500 ⁽¹⁾	36.965
Teow Choo Hing	70,564,600	14.104	-	-
<i>Substantial Shareholders:</i>				
Suan Neo Capital Sdn Bhd ("Suan Neo Capital")	175,000,000	34.979	-	-
Tan Ah Kee	41,846,900	8.364	184,936,500 ⁽¹⁾	36.965
Teow Choo Hing	70,564,600	14.104	-	-
Datuk Phua Sin Mo	60,000,000	11.993	10,665,000 ⁽²⁾	2.132
Curtis Phua Ti Tsen	10,665,000	2.132	60,000,000 ⁽³⁾	11.993

Notes:

⁽¹⁾ Deemed interested by virtue of his shareholding in Suan Neo Capital and Lembah Reka pursuant to Section 8 of the Act.

⁽²⁾ Deemed interested by virtue of his son's shareholding pursuant to Section 8 of the Act.

⁽³⁾ Deemed interested by virtue of his father's pursuant to Section 8 of the Act.

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Accordingly, the interested Directors, Mr. Tan Ah Kee and Mr. Teow Choo Hing have abstained and will continue to abstain from the Board's deliberations and voting on the relevant resolution. They will also abstain from voting in respect of their direct and/or indirect shareholdings in the Company, on the resolution approving the Proposed Shareholders' Mandate at the 3rd AGM.

In addition, the interested Substantial Shareholders, Suan Neo Capital, Mr. Tan Ah Kee, Mr. Teow Choo Hing, Datuk Phua Sin Mo and Curtis Phua Ti Tsen will abstain from voting in respect of their direct and/or indirect shareholdings in the Company, on the resolution approving the Proposed Shareholders' Mandate at the 3rd AGM.

The interested Directors and the interested Substantial Shareholders have undertaken that they shall ensure that the person connected to them will abstain from voting in respect of their direct and/or indirect shareholdings in the Company on the resolution, deliberating or approving the Proposed Shareholders' Mandate at the forthcoming 3rd AGM.

Save as disclosed above, none of the other Directors, Major Shareholders and/or persons connected to them have any interest, direct or indirect, in the Proposed Shareholders' Mandate.

7. DIRECTORS' STATEMENT AND RECOMMENDATION

The Board (save for the interested Directors, Mr. Tan Ah Kee and Mr. Teow Choo Hing), after having considered all aspects of the Proposed Shareholders' Mandate, is of the opinion that the Proposed Shareholders' Mandate is fair, reasonable and in the best interest of the Company and the Group.

With the exception of Mr. Tan Ah Kee and Mr. Teow Choo Hing who are Directors and deemed interested in the Proposed Shareholders' Mandate and have therefore refrained from making any recommendation in respect of the resolution, your Directors recommend that you vote in favour of the ordinary resolution on the Proposed Shareholders' Mandate to be tabled at the forthcoming 3rd AGM.

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8. 3RD AGM

The ordinary resolution to vote on the Proposed Shareholders' Mandate is set out as Special Business in the Notice of the 3rd AGM contained in the Annual Report 2024 which was sent to you together with this Circular/Statement. The 3rd AGM will be held at Ballroom 3 @ Level 10, Courtyard by Marriott Setia Alam, No. 6, Jalan Setia Dagang AH U13/AH, Setia Alam, Seksyen U13, 40170 Shah Alam, Selangor Darul Ehsan on Tuesday, 24 June 2025 at 11.00 a.m.

If you are unable to attend and vote in person at the 3rd AGM, you should complete and return the Form of Proxy enclosed in the Annual Report 2024 to the Company's Share Registrar, Boardroom Share Registrars Sdn Bhd at 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan not less than forty-eight (48) hours before the time appointed for holding the AGM or any adjournment thereof.

The completion and lodging of the Form of Proxy will not preclude you from attending and voting in person at the AGM should you subsequently wish to do so.

9. FURTHER INFORMATION

Shareholders are advised to refer to the enclosed Appendix I for further information.

Yours faithfully,

For and on behalf of the Board
KUMPULAN KITACON BERHAD

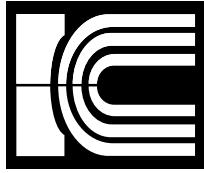
QUA MU IM

Chairperson

Independent Non-Executive Chairperson

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PART B
SHARE BUY-BACK STATEMENT IN RELATION TO THE PROPOSED SHARE BUY-BACK



KUMPULAN KITACON BERHAD

(Incorporated in Malaysia)

Registration No. 202201006838 (1452535-V)

SHARE BUY-BACK STATEMENT IN RELATION TO THE PROPOSED SHARE BUY-BACK (“STATEMENT”)

1. INTRODUCTION

The Company had on 30 April 2025 announced its intention to seek shareholders’ approval at its 3rd AGM to be held on 24 June 2025 for the Proposed Share Buy-Back by Kitacon of its own shares of up to ten percent (10%) of the total number of issued shares of the Company.

This Statement serves to provide you with the relevant information on the Proposed Share Buy-Back, to set out your Board’s recommendation thereon and to seek your approval for the ordinary resolution in respect of the Proposed Share Buy-Back to be tabled at the forthcoming 3rd AGM.

The Notice of the 3rd AGM together with the Form of Proxy, are enclosed in the Annual Report 2024, which has been issued together with this Statement.

SHAREHOLDERS ARE ADVISED TO READ AND CONSIDER THE CONTENTS OF THIS STATEMENT CAREFULLY BEFORE VOTING ON THE RESOLUTION PERTAINING TO THE PROPOSED SHARE BUY-BACK TO BE TABLED AT THE FORTHCOMING 3RD AGM.

2. DETAILS OF THE PROPOSED SHARE BUY-BACK

The Board proposes to seek approval from shareholders for the authority to purchase up to 10% of the total number of Kitacon Shares issued as quoted on the Bursa Securities as at the point of purchase. The Proposed Share Buy-Back is subject to compliance with Section 127 of the Act and any prevailing laws and regulations issued by the relevant authorities.

The Proposed Share Buy-Back shall be effective immediately upon the passing of the ordinary resolution for the Proposed Share Buy-Back at the 3rd AGM and shall be valid until:

- (i) the conclusion of the next AGM of the Company following the general meeting at which the resolution on Proposed Share Buy-Back was passed, at which time it will lapse, unless an ordinary resolution is passed at the general meeting, the authority is renewed, either unconditionally or subject to conditions;
 - (ii) the expiration of the period within which the next AGM is required by law to be held; or
 - (iii) revoked or varied by an ordinary resolution passed by the shareholders in a general meeting;
- whichever occurs first.

2.1 Maximum Number or Percentage of Kitacon Shares That May Be Purchased

The Board proposes to seek a mandate from the shareholders of Kitacon to purchase and/or hold, in aggregate, up to ten per cent (10%) of the total number of issued shares of the Company at any point in time through Bursa Securities.

2.2 Treatment of Kitacon Shares Purchased

In accordance with Section 127(4) of the Act, the Company would be able to deal with any of the Kitacon Shares purchased by the Company in the following manner:

- (a) to cancel the Kitacon Shares purchased; or
- (b) to retain the Kitacon Shares purchased as treasury shares; or
- (c) to retain part of the Kitacon Shares purchased as treasury shares and cancel the remainder of the Kitacon Shares purchased.

Pursuant to Section 127(7) of the Act, where the Kitacon Shares are held as treasury shares, the Directors of the Company may: -

- (a) distribute the Kitacon Shares as dividends to shareholders;
- (b) resell any of the Kitacon Shares in accordance with the Listing Requirements;
- (c) transfer any of the Kitacon Shares for the purposes of or under an employees' share scheme;
- (d) transfer any of the Kitacon Shares as purchase consideration;
- (e) cancel any of the Kitacon Shares; or
- (f) sell, transfer or otherwise use any of the Kitacon Shares for such other purposes as the Minister may by order prescribe.

Immediate announcement(s) and notice(s) will be made to Bursa Securities and the relevant authorities in respect of the Board's decision on the treatment of the purchased Kitacon Shares in compliance with the Listing Requirements and the Act.

In accordance with Section 127(8) of the Act, if such purchased Kitacon Shares are held as treasury shares, it shall not confer: -

- (a) the right to attend or vote at meetings and any purported exercise of such rights is void; and
- (b) 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.

Pursuant to Section 127(9) of the Act, if such purchased Kitacon Shares are held as treasury shares, the Treasury Shares shall 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, without limiting the generality of the provisions of any law or requirements of the Constitution or the Listing Requirements on Substantial Shareholding, takeovers, notices, the requisitioning of meetings, the quorum for meetings and the result of a vote on resolution(s) at meetings.

Nonetheless, Section 127(11) of the Act states that the purchased Kitacon Shares shall not be taken to prevent:-

- (a) an allotment of Kitacon Shares as fully paid bonus shares in respect of the Treasury Shares; or
- (b) the subdivision or consolidation of Treasury Shares.

2.3 Purchase/Resale/Transfer Price

Pursuant to the Listing Requirements, the purchase price of the Kitacon Shares cannot be more than 15% above the weighted average market price of Kitacon Shares for the five (5) Market Days immediately before the purchase. In the case of a resale and/or transfer of Treasury Shares, the Treasury Shares may be resold and/or transfer on Bursa Securities at a price which is:

- i) not less than the weighted average market price of the Kitacon Shares for the five (5) Market Days immediately before the resale and/or transfer; or
- ii) at a discount of not more than 5% to the weighted average market price of the Kitacon Shares for the five (5) Market Days immediately before the resale and/or transfer provided that:-
 - (a) the resale and/or transfer takes place not earlier than thirty (30) days from the date of purchase; and
 - (b) the resale and/or transfer price is not less than the cost of purchase of the Kitacon Shares being resold and/or transferred.

3. RATIONALE FOR THE PROPOSED SHARE BUY-BACK

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

- (i) the Company is able to utilise its surplus financial resources more efficiently and this may help to stabilise the supply and demand of the Kitacon Shares traded on Bursa Securities and thereby support its fundamental value;
- (ii) the Kitacon Shares purchased can be held as treasury shares and resold on Bursa Securities at a higher price and generate capital gains for the Company without affecting the total number of issued shares of the Company;
- (iii) the Treasury Shares can be distributed as share dividends to our shareholders as a reward;
- (iv) the Treasury Shares can be re-issued to satisfy the option(s) to subscribe for Kitacon Share(s) to be granted to the eligible persons under any employees' share scheme; and
- (v) depending on the price paid for the purchase of each share and its impact on earnings of our Group, the purchase of our own shares may strengthen the earnings per share and return of equity of our Company in the event that the Kitacon Shares purchased are cancelled.

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

4.1 Potential Advantages

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

- (a) our Company may be able to stabilise the supply and demand of Kitacon Shares traded on Bursa Securities and thereby supporting its fundamental values, especially during periods of irrational share market movements;
- (b) if the Kitacon Shares bought back by our Company are cancelled, shareholders are likely to enjoy an increase in the value of their investment in our Company as the net earnings per share of Kitacon will increase;
- (c) if the Kitacon Shares bought back are kept as treasury shares, it will give our Directors an option to sell Kitacon Shares so purchased at a higher price and therefore make an exceptional gain for our Company. Alternatively, Kitacon Shares so purchased can be distributed to shareholders as dividends and serve as reward to the shareholders of our Company; and
- (d) the Proposed Share Buy-Back will allow Kitacon to utilise its financial resources more efficiently especially when there is no immediate use for such fund, which may strengthen the consolidated earnings per share of the Group.

4.2 Potential Disadvantages

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

- (a) any purchase of own ordinary shares will reduce our financial resources and may result in us foregoing better investment opportunities that may emerge in future;
- (b) the cashflow of the Company may be affected if the Company decides to utilise bank borrowings to finance the Proposed Share Buy-Back; and
- (c) as any purchase of our own ordinary shares can only be made out of our retained profits, it may result in the reduction of financial resources available immediate distribution to our shareholders in the immediate future.

The Proposed Share Buy-Back is not expected to have any potential material disadvantage to the Company and our shareholders, as it will be implemented only after careful consideration of the financial resources of the Group and its resultant impact on its shareholders.

Nevertheless, our Board will be mindful of the interest of the Company and our shareholders in undertaking any purchase of our own ordinary shares and in the subsequent resale or transfer of Treasury Shares on Bursa Securities, if any.

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5. SOURCE OF FUNDS

Pursuant to the Listing Requirements, the Proposed Share Buy-Back must be made wholly out of the retained profits of the Company. Therefore, the maximum amount of funds to be utilised for the Proposed Share Buy-Back shall not exceed the retained profits account of the Company.

As at 31 December 2024, the audited retained profits of the Company stood at RM1,643,356.

The Proposed Share Buy-Back will be funded by internally generated funds and/or external borrowings. The amount of internally generated funds and/or external borrowings to be utilised will only be determined later depending on, amongst others, the availability of internally generated funds, actual number of Kitacon Shares to be purchased and other relevant cost factors. The actual number of Kitacon Shares to be purchased and/or held and the timing of such purchases will depend on, amongst others, the market conditions and sentiments of the stock market as well as the retained profits and financial resources available to the Company.

In the event that the Company purchases and holds its own shares using external borrowings, the Board will ensure that the Company has sufficient funds to repay the external borrowings and that the repayment will not have any material effect on the cash flow of the Group. In addition, the Board will ensure that the Company satisfies the solvency test as stated in Section 112(2) of the Act before execution of the Proposed Share Buy-Back.

6. SUBSTANTIAL SHAREHOLDERS', DIRECTORS' SHAREHOLDINGS AND PUBLIC SECURITY HOLDING SPREAD

The table below illustrates the direct and indirect interest of the Directors and Substantial Shareholders of Kitacon as at the LPD, assuming that Kitacon purchases 50,030,000 Kitacon Shares, representing 10% of the Company's total number of issued shares as at LPD, from parties other than the Company's Directors and Substantial Shareholders.

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6.1 Directors and Substantial Shareholders

As at LPD, based on the Register of Directors and Register of Substantial Shareholders' shareholdings, the proforma effects of the Proposed Share Buy-Back are set out below:-

Name of Interested Directors, Major Shareholders and persons connected	No. of Ordinary Shares Before Proposed Share Buy-Back ⁽¹⁾			No. of Ordinary Shares After Proposed Share Buy-Back ⁽²⁾		
	Direct	%	Indirect	Direct	%	Indirect
Directors of Kitacon:						
Qua Mu Im	368,000	0.07	-	368,000	0.08	-
Tan Ah Kee	41,846,900	8.36	184,936,500 ⁽³⁾	41,846,900	9.29	184,936,500 ⁽³⁾
Teow Choo Hing	70,564,600	14.10	-	70,564,600	15.67	-
Gam Boon Tin	1,000,000	0.20	-	1,000,000	0.22	-
Goh Yin Huat	400,000	0.08	-	400,000	0.09	-
Low Chin Ann (@ Han Chin Ann	75,000	0.01	15,000 ⁽⁴⁾	75,000	0.02	15,000 ⁽⁴⁾
Chang Sua Yean	50,000	0.01	-	50,000	0.01	-
Nooriah Binti Hassan	50,000	0.01	-	50,000	0.01	-
Substantial Shareholders:						
Suan Neo Capital Sdn Bhd	175,000,000	34.98	-	175,000,000	38.87	-
Tan Ah Kee	41,846,900	8.36	184,936,500 ⁽³⁾	41,846,900	9.29	184,936,500 ⁽³⁾
Teow Choo Hing	70,564,600	14.10	-	70,564,600	15.67	-
Datuk Phua Sin Mo	60,000,000	11.99	10,665,000 ⁽⁵⁾	60,000,000	13.33	10,665,000 ⁽⁵⁾
Curtis Phua Ti Tsen	10,665,000	2.13	60,000,000 ⁽⁶⁾	10,665,000	2.37	60,000,000 ⁽⁶⁾

Notes:

(1) Based on 500,300,000 Shares as at LPD

(2) Excluding a total of 50,030,000 Kitacon Shares, assuming the entire 10% of the total number of Kitacon Shares issued are bought-back by the Company and retained as Treasury Shares.

(3) Deemed interested by virtue of his shareholding in Suan Neo Capital Sdn Bhd and Lembah Reka Sdn Bhd pursuant to Section 8 of the Companies Act 2016.

(4) Deemed interested by virtue of his son, Mr. Low Jia How.

(5) Deemed interested by virtue of his son, Mr. Curtis Phua Ti Tsen.

(6) Deemed interested by virtue of his father, Datuk Phua Sin Mo.

6.2 Public Security Holding Spread

As at LPD, approximately 130,328,931 Shares representing 26.05% of the total number of issued shares of the Company are held by public shareholders. The public shareholding spread would be reduced to 17.83%, assuming that the Proposed Share Buy-Back is implemented in full and the shares are bought back from public shareholders.

The Board undertakes that any proposed purchase of the Kitacon Shares would only be conducted in accordance with laws prevailing at the time of the purchase including compliance with the public shareholding spread of the Company, which shall not fall below twenty-five percent (25%) of the total number of issued shares of the Company as required by the Listing Requirements.

7. FINANCIAL EFFECTS OF THE PROPOSED SHARE BUY-BACK

The financial effects of the Proposed Share Buy-Back are presented below based on the following assumptions:

- i) the purchase of own shares of up to 10% of the total number of Kitacon Shares issued is carried out in full; and
- ii) Kitacon Shares purchased are cancelled.

7.1 Total Number of Issued Shares

For illustration purposes only, the table below shows the potential movement of the total number of Kitacon Shares issued as at the LPD upon the full implementation of the Proposed Share Buy-Back and cancellation of the shares purchased:

Description	No. of Shares	%
Total number of issued shares as at LPD	500,300,000	100.00
Less : Maximum number of Shares which may be purchased and cancelled pursuant to the Proposed Share Buy-Back	(50,030,000)	10.00
Resulting total number of issued shares upon completion of cancellation of maximum number of Shares which may be purchased under the Proposed Share Buy-Back	450,270,000	90.00

7.2 Net Assets

The Proposed Share Buy-Back may increase or decrease the net assets per share of Kitacon Group depending on the purchase price in comparison to the net assets per share of Kitacon Group at the time that the purchase is made.

7.3 Earnings

Depending on the number of Kitacon Shares purchased and the purchase price of the Kitacon Shares, the Proposed Share Buy-Back may increase the earnings per share of Kitacon Group. Similarly, on the assumption that the Kitacon Shares purchased are resold, the extent of the effect on earnings of Kitacon Group will depend on the actual selling prices, the number of Treasury Shares resold and the effective gain or interest savings arising.

8. IMPLICATIONS IN RELATION TO THE MALAYSIAN'S RULES ON TAKE-OVERS, MERGERS AND COMPULSORY ACQUISITIONS ("RULES")

Pursuant to Note 9 of Paragraph 4.01 of the Rules which deals with the obligation to make a mandatory offer pursuant to the purchase by a company of its own voting shares states that the Rules (which is in relation to mandatory offers) shall apply to the following persons ("Offeror"):

- (a) a person obtains control in a company as a result of a buy-back scheme by the company; or
- (b) a person (holding more than 33% but not more than 50% of the voting shares or voting rights of a company), as a result of a buy-back scheme by the company, increase his holding of the voting shares or voting rights of the company by more than 2% in any six (6) months period.

However, an exemption from mandatory offer obligation may be granted by the Securities Commission Malaysia ("SC") under Paragraph 4.15 of the Rules subject to the Offeror and its parties acting-in-concert complying with the conditions stipulated in Paragraph 4.15 of the Rules.

The Company intends to implement the Proposed Share Buy-Back in the manner that will not result in any of the shareholders of Kitacon having to undertake a mandatory offer pursuant to the Rules. In this respect, the Board will be mindful of the requirements of the Rules when implementing the Proposed Share Buy-Back.

In the event that Kitacon decides to purchase its own shares which will result in the increase of the Offeror and its parties acting-in-concert's shareholdings in Kitacon to be more than 2% in any six (6) months period, the Offeror and its parties acting-in-concert will seek a waiver from the SC under Paragraph 4.15 of the Rules before the Company purchases its shares.

9. HISTORICAL SHARE PRICE OF KITACON SHARES

The monthly highest and lowest prices of Kitacon Shares traded on the Bursa Securities for the last twelve (12) months from April 2024 to March 2025 are as follows:

Month/Year	High (RM)	Low (RM)
2024		
April	0.700	0.635
May	0.695	0.655
June	0.745	0.660
July	0.735	0.670
August	0.765	0.600
September	0.790	0.720
October	0.770	0.700
November	0.750	0.705
December	0.770	0.700
2025		
January	0.755	0.700
February	0.795	0.715
March	0.760	0.665

(Source: <https://finance.yahoo.com/quote/5310.KL/history>)

The last transacted price of Kitacon Shares on LPD was RM0.745.

10. INTEREST OF DIRECTORS, MAJOR SHAREHOLDERS AND/OR PERSONS CONNECTED TO THEM

Save for the inadvertent increase in the percentage of the shareholding and/or voting rights of the shareholders as a result of the Proposed Share Buy-Back, none of the Directors, Major Shareholders of the Company and/or persons connected to them have any direct or indirect interest, in the Proposed Share Buy-Back or the resale or transfer of Treasury Shares, if any.

11. DIRECTORS' STATEMENT AND RECOMMENDATION

The Board, having considered all aspects of the Proposed Share Buy-Back, is of the opinion that the terms and conditions of the Proposed Share Buy-Back are fair, reasonable and in the Company's best interest.

As such, the Board recommends that you vote in favour of the ordinary resolution in relation to the Proposed Share Buy-Back to be tabled at the 3rd AGM of the Company.

12. 3RD AGM

The ordinary resolution to vote on the Proposed Share Buy-Back is set out as Special Business in the Notice of the 3rd AGM contained in the Annual Report 2024 which was sent to you together with this Circular/Statement. The 3rd AGM will be held at Ballroom 3 @ Level 10, Courtyard by Marriott Setia Alam, No. 6, Jalan Setia Dagang AH U13/AH, Setia Alam, Seksyen U13, 40170 Shah Alam, Selangor Darul Ehsan on Tuesday, 24 June 2025 at 11.00 a.m.

If you are unable to attend and vote in person at the 3rd AGM, you should complete and return the Form of Proxy enclosed in the Annual Report to the Company's Share Registrar, Boardroom Share Registrars Sdn Bhd at 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan not less than forty-eight (48) hours before the time appointed for holding the AGM or any adjournment thereof.

The completion and lodging of the Form of Proxy will not preclude you from attending and voting in person at the AGM should you subsequently wish to do so.

13. FURTHER INFORMATION

Shareholders are advised to refer to the enclosed Appendix I for further information.

Yours faithfully,

For and on behalf of the Board

KUMPULAN KITACON BERHAD

QUA MU IM

Chairperson

Independent Non-Executive Chairperson

PART C

**CIRCULAR TO SHAREHOLDERS IN RELATION TO THE
PROPOSED VARIATION**

EXECUTIVE SUMMARY

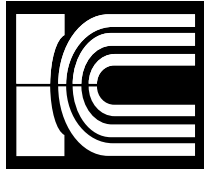
THIS EXECUTIVE SUMMARY HIGHLIGHTS THE SALIENT INFORMATION OF THE PROPOSED VARIATION. YOU ARE ADVISED TO READ THIS CIRCULAR IN ITS ENTIRETY AND NOT TO RELY SOLELY ON THIS EXECUTIVE SUMMARY IN FORMING A DECISION ON THE PROPOSED VARIATION BEFORE VOTING AT THE FORTHCOMING 3RD AGM.

Key information	Description	Reference in Circular
Details of the Proposed Variation	Our Company had completed the IPO exercise on 17 January 2023 and had raised gross proceeds of approximately RM51.74 million from the public issue under the IPO. As at the LPD, our Company has yet to utilise approximately RM10.89 million of the Public Issue Proceeds which were originally earmarked for the acquisition price of a freehold land and construction of a storage and refurbishment facility. After considering the potential for higher returns, the Board proposes to vary the utilisation of the land and the proposed building located at Lot no. BBR3-i10/05 (“Asset”) from the construction of a storage and refurbishment facility for the company’s own use to the construction of a warehouse building for leasing purposes. The Board further proposes to extend the timeframe for utilisation from 36 months to 60 months. Please refer to Section 2 of this Circular for further details on the Proposed Variation.	Section 2
Rationale for the Proposed Variation	The Proposed Variation would allow the Group to generate higher returns while reducing operational costs and offsetting existing storage rental expenses. The Asset’s prime industrial location enhances its attractiveness to potential tenants. As the Notice of Vacant Possession (“VP”) was only received on 26 February 2025, the Group could not submit regulatory approvals or commence construction earlier, as formal legal possession was required. The extension ensures that the utilisation of IPO proceeds aligns with the actual project timeline.	Section 3
Effects of the Proposed Variation	The Proposed Variation will not have any effect on the issued share capital and the substantial shareholders’ shareholdings in the Company. The Proposed Variation is expected to contribute positively to the future earnings and net assets of Kitacore Group as and when the benefits of the revised utilisation of the proceeds are realised.	Section 4

EXECUTIVE SUMMARY (CONT'D)

Key information	Description	Reference in Circular
Approvals Required	The Proposed Variation is subject to the approval of our shareholders at the forthcoming 3 rd AGM.	Section 6
Interests of Directors, Major Shareholders and/or Persons Connected with them	None of the Directors, Major Shareholders of our Company and/or persons connected with them are deemed to have any direct or indirect interest in the Proposed Variation.	Section 7
Directors' Statement and Recommendation	Our Board, after having considered all aspects of the Proposed Variation, which include, but are not limited to, the rationale and justification as well as the effects of the Proposed Variation, is of the opinion that the Proposed Variation is in the best interest of our Company. Accordingly, our Board recommends that you vote in favour of the resolution pertaining to the Proposed Variation to be tabled at the forthcoming 3rd AGM.	Section 10

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KUMPULAN KITACON BERHAD

(Incorporated in Malaysia)

Registration No. 202201006838 (1452535-V)

PROPOSED VARIATION AND EXTENSION OF TIMEFRAME FOR THE UTILISATION OF PROCEEDS RAISED FROM THE INITIAL PUBLIC OFFERING (“PROPOSED VARIATION”)

1. INTRODUCTION

On 28 April 2023, our Board announced that Kitacon Sdn Bhd, a wholly-owned subsidiary of Kitacon, has on 28 April 2023 entered into a SPA with a third party vendor to purchase a piece of freehold land in Mukim Kapar, District of Klang, State of Selangor for a cash consideration of RM13,017,888.

On 30 April 2025, our Board announced further that our Company proposed to undertake the Proposed Variation.

Further details of the Proposed Variation are set out in the ensuing sections of this Circular.

THE PURPOSE OF THIS CIRCULAR TOGETHER WITH THE APPENDICES IS TO PROVIDE YOU WITH THE RELEVANT INFORMATION ON THE PROPOSED VARIATION, TOGETHER WITH OUR BOARD’S RECOMMENDATION THEREON AND TO SEEK YOUR APPROVAL FOR THE RESOLUTION PERTAINING TO THE PROPOSED VARIATION TO BE TABLED AT OUR FORTHCOMING 3RD AGM.

YOU ARE ADVISED TO READ AND CAREFULLY CONSIDER THE CONTENTS OF THIS CIRCULAR TOGETHER WITH THE APPENDICES BEFORE VOTING ON THE RESOLUTION PERTAINING TO THE PROPOSED VARIATION TO BE TABLED AT OUR FORTHCOMING 3RD AGM.

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2. DETAILS OF THE PROPOSED VARIATION

Our Company had completed the IPO exercise on 17 January 2023 and had raised gross proceeds of approximately RM51.74 million from the public issue under the IPO.

As at the LPD, our Company has yet to utilise approximately RM10.89 million of the Public Issue Proceeds which were originally earmarked for the acquisition of land and the construction of a storage and refurbishment facility. After considering the potential for higher returns, our Company proposes leasing out the land and the proposed building instead of utilising them as a storage and refurbishment facility. This approach offers greater financial flexibility and long term value. Accordingly, our Company seeks to vary the unutilised amount and extend the timeframe for its utilisation, as outlined below:

Details of utilisation	Proposed Variation	Proposed utilisation RM'000	Actual utilisation as at the LPD RM'000	Re-allocation RM'000	Proposed Balance unutilised RM'000	Original timeframe for utilisation from Listing Date	Revised timeframe for utilisation from Listing Date
Purchase of construction equipment	No variation	18,000	(18,000)	-	-	Within 36 months	-
- Aluminium formwork systems	No variation	6,000	(6,000)	-	-	Within 36 months	-
- Scaffoldings and cabins							
Purchase of land and construction of a storage and refurbishment facility ⁽¹⁾	Purchase of land and construction of <u>warehouse building for leasing purpose</u> ⁽²⁾	20,000	(9,113)	-	10,887	Within 36 months	Within 60 months
Working capital	No variation	3,280	(3,328)	48	-	Within 24 months	-
Estimated listing expenses	No variation	4,460	(4,412)	⁽³⁾ (48)	-	Within 1 month	-
Total		51,740	(40,853)	-	10,887		

Notes:

- (1) *As disclosed in the Prospectus, our Company has allocated RM20.0 million representing 38.65% of the Public Issue Proceeds, for acquisition of land and construction of a storage and refurbishment facility. As at the LPD, our Company had utilised RM9.11 million for the acquisition of land as follows:*
- i) RM9.11 million was paid as part payment pursuant to the Sale and Purchase Agreement dated 28 April 2023 (“SPA”) entered into between Kitacon Sdn Bhd (“KSB”), a wholly owned subsidiary of our Company, and Sime Darby Property (Bukit Raja) Sdn Bhd (“SDPSB”), who is not a party related to our Group for acquisition of a 2.26 acres of freehold land located in Mukim Kapar, Daerah Klang, Selangor. On 15 March 2023, an individual land title was issued for this freehold land and categorised as industrial land.*
- (2) *The Proposed Variation is intended to enhance returns for the Company by leasing out the land and proposed building instead of using them internally as a storage and refurbishment facility, as originally disclosed in the Prospectus. Details of the proposed building as below:-*
- i) A single-storey warehouse building together with an office building*
 - ii) Estimated gross built up area: 64,000 sq ft*
 - iii) Net lettable area: 64,000 sq ft*
 - iv) Expected commencement date of construction: By January 2026*
 - v) Expected completion date of construction: Within 18 months from the commencement date*
 - vi) The estimated construction cost for the proposed building is approximately RM9.3 million. The total estimated cost for the land acquisition and construction of the building is expected to be RM23 million. This amount exceeds the total allocated proceeds of RM20 million, resulting in a shortfall of approximately RM3 million. The shortfall will be funded through internally generated funds and/or bank borrowings.*
- (3) *Our Board has approved the re-allocation of unutilised IPO proceeds initially earmarked for listing expenses to working capital and is in accordance with the disclosures made in the Prospectus.*

Pending the eventual utilisation of the remaining Public Issue Proceeds earmarked for the acquisition of land and construction of building, the proceeds will continue to be placed in interest-bearing accounts with licensed financial institutions in Malaysia and/or money market deposit instruments/funds. The interests derived or gains arising from the money market deposit instruments/funds will be used as additional working capital for our Company.

In accordance with Paragraph 8.22(2)(a) of the Listing Requirements, a change in the utilisation of proceeds is deemed material if the change amounts to 25% or more of the total proceeds raised. As such, the Proposed Variation constitutes a material change, as the reallocation of RM20.0 million represents approximately 38.65% of the total Public Issue Proceeds. Accordingly, the approval of the shareholders of our Company for the Proposed Variation is required to be obtained at the forthcoming 3rd AGM.

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3. RATIONALE FOR THE PROPOSED VARIATION

As of the LPD, our unused aluminium formworks are stored at a rented storage facility in Port Klang, Selangor while the repair and refurbishment of these formworks are currently outsourced to an external service provider. Given the steady progress of our work, we maintain a low inventory level to minimise rental costs payable to third party. Over the past two years, we incurred rental expenses of approximately RM296,000 for FYE 2023 and RM514,000 for FYE 2024.

Recognising the opportunity to generate sustainable income, the Board proposes leasing out the Asset to a third-party instead of using it for in-house storage. This strategic shift would allow the Group to secure immediate and recurring rental revenue, which is expected to enhance cash flow stability. Additionally, the Asset is strategically positioned in a prime industrial area, near key transportation hubs, making it an attractive option for potential tenants seeking well-located, high-quality industrial space. In view of the Proposed Variation, we shall continue to store our unused aluminium formworks at our currently rented storage facility and the anticipated annual rental expense is estimated at RM514,000. This strategic shift to lease out the Asset to a third-party does not trigger business diversification pursuant to Paragraph 10.13 of Listing Requirements.

Retaining the Asset for our own operations would result in ongoing operational costs, including staffing, maintenance, and upkeep expenses. By leasing the Asset, the Group can transfer these financial and operational burdens to tenants while still benefiting from long-term rental yields. The rental income generated is anticipated to offset the recurring rental costs currently paid for external storage, creating a net-positive financial impact for the Group.

Furthermore, when the Group entered into the Sale and Purchase Agreement (“SPA”) for the land acquisition, it was stipulated that completion would take place within 48 months from the date of SPA, 28 April 2023. However, as is common with property development, the actual completion timeline was subject to various factors beyond our control, including the possibility of the developer completing the project earlier or later than anticipated.

A key reason for seeking for this extension is that the Notice of Vacant Possession (“VP”) was only officially received by the Group on 26 February 2025.

Until VP was obtained, the Group could not accurately determine the actual construction commencement timeline and, consequently, the timeframe for utilising the IPO proceeds. Regulatory approvals for land development and construction require formal possession of the land. As a result, the Group was not in a position to initiate the necessary approval processes earlier.

Now that the VP has been secured, the Group is proceeding with the submission of the architectural plans, development applications, and other required approvals to the relevant authorities to ensure full regulatory compliance. The construction approval process involves significant lead times, including regulatory reviews and compliance checks, permit applications and approvals from local authorities and technical assessments, where applicable.

The Group anticipates obtaining all necessary approvals by the end of 2025 and expects to commence construction within the following 18 months. Since the Asset’s utilisation will only begin upon completion of construction, the extension of time for IPO proceeds utilisation is necessary to align fund deployment with the actual project execution timeline.

Below is the tabulated indicative timeline for key milestones:

No.	Events	Original timeline	Revised timeline	Additional timeline
1	Signed SPA of the land acquisition	28 Apr 2023	28 Apr 2023	
2	Obtained VP for the land	28 Feb 2024	26 Feb 2025	12 months ⁽¹⁾
3	Submission and receiving authorities' approval on proposed building plans for the construction of proposed building on the land	30 Apr 2024	31 Dec 2025	8 months ⁽²⁾
4	Commencement construction of proposed building	1 May 2024	1 Jan 2026	
5	Completion construction of proposed building	31 Oct 2025	30 Jun 2027	
6	Obtaining CCC and the proposed building is ready to use	17 Jan 2026	17 Jan 2028	4 months ⁽²⁾
	Total additional timeline required			24 months

Notes:

- (1) Due to actual completion timeline of earthwork performed by the vendor on the land is later than our anticipated timeline
- (2) Additional timeline is required due to longer anticipated timeline for regulatory reviews and approvals

Premised on the above, our Board is of the view that it is in the best interest of our Group to undertake the Proposed Variation.

4. EFFECTS OF THE PROPOSED VARIATION

The Proposed Variation will not have any effect on the issued share capital and the substantial shareholders' shareholdings in the Company.

The Proposed Variation is expected to contribute positively to the future earnings and net assets of Kitacon Group as and when the benefits of the revised utilisation of the proceeds are realised.

Financial impact of the Proposed Variation is summarised below:

Types of Income/(Expenses)	Original (Own Use) RM'000	Revised (Lease Out) RM'000
Estimated Capital Expenditure	23,000	23,000
Estimated Annual Rental Saving (i) ⁽²⁾	514	-
Estimated Annual Rental Income (ii) ⁽¹⁾	-	1,536
Less: Estimated Annual Rental Expense (iii) ⁽²⁾	-	(514)
Net Positive Financial Impact (i + ii - iii)	514	1,022

Notes:

- (1) Estimated annual rental income calculated based on average monthly market rental rate at Bandar Bukit Raja of RM2 per sq ft with an estimated warehouse built-up of 64,000 sq ft
- (2) Estimated annual rental expense calculated based on actual total incurred rental expenses for FYE 2024 for the Group's current external storage cost.

5. RISK FACTORS

The Proposed Variation does not pose any material risks to our Group. The risks associated with the Proposed Variation, which are not exhaustive, are as follows:

Regulatory Delays Risk	The approval process involves obtaining approval of architectural plans, development plans and other required approvals from relevant authorities for the construction of proposed building. Any unforeseen delays in securing these approvals could further extend the development timeline beyond the Group's estimation. Consequently, any delay in the commencement of the construction may affect the overall timeline for utilising the IPO proceeds and postpone the expected rental income stream for the Group.
Market Demand Risk	Fluctuations in economic conditions may impact the demand for leased industrial properties, potentially resulting in lower-than-expected rental revenue. If the property remains vacant for an extended period, the Group may face an opportunity cost and delay in realising the intended benefits of the Proposed Variation. While the location has been identified as strategically viable for rental purposes, external market factors go beyond the Group's control.
Credit Risk	In any property leasing business, there is always a risk that tenants may default on their rent. This could result in delayed or unpaid rental income. In such cases, the Group may be required to initiate legal action to recover outstanding rent, which could lead to additional costs.

Despite these risks, the Group remains confident that the Proposed Variation is a strategic decision that aligns with its long-term growth objectives. The Group will closely monitor market conditions, ensure compliance with regulatory requirements and adopt prudent financial and risk management strategies to mitigate potential challenges.

6. APPROVALS REQUIRED

The Proposed Variation is subject to the approval of our shareholders at the forthcoming 3rd AGM.

The Proposed Variation is not conditional upon any other corporate exercise/scheme being or proposed to be undertaken by our Company.

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

None of the Directors, Major Shareholders of our Company and / or persons connected with them are deemed to have any direct or indirect, interest in the Proposed Variation.

8. ESTIMATED TIMEFRAME FOR COMPLETION

Barring any unforeseen circumstances and subject to all required approvals being obtained, the Proposed Variation is expected to be completed by the 2nd quarter of 2025.

9. OUTSTANDING PROPOSALS ANNOUNCED BUT PENDING COMPLETION

Save for the Proposed Variation (which is one of the subject matter of this Circular), our Board is not aware of any other outstanding proposals which have been announced but not yet completed as at the LPD.

10. DIRECTORS' STATEMENT AND RECOMMENDATION

Our Board, after having considered all aspects of the Proposed Variation, which include, but are not limited to, the rationale and justification as well as the effects of the Proposed Variation, is of the opinion that the Proposed Variation is in the best interest of our Company.

Accordingly, our Board recommends that you vote in favour of the resolution pertaining to the Proposed Variation to be tabled at the forthcoming 3rd AGM.

11. 3RD AGM

The ordinary resolution to vote on the Proposed Variation is set out as Special Business in the Notice of the 3rd AGM contained in the Annual Report 2024 which was sent to you together with this Circular/Statement. The 3rd AGM will be held at Ballroom 3 @ Level 10, Courtyard by Marriott Setia Alam, No. 6, Jalan Setia Dagang AH U13/AH, Setia Alam, Seksyen U13, 40170 Shah Alam, Selangor Darul Ehsan on Tuesday, 24 June 2025 at 11.00 a.m.

If you are unable to attend and vote in person at the 3rd AGM, you should complete and return the Form of Proxy enclosed in the Annual Report to the Company's Share Registrar, Boardroom Share Registrars Sdn Bhd at 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan not less than forty-eight (48) hours before the time appointed for holding the AGM or any adjournment thereof.

The completion and lodging of the Form of Proxy will not preclude you from attending and voting in person at the AGM should you subsequently wish to do so.

12. FURTHER INFORMATION

Shareholders are advised to refer to Appendix I as set out in this Circular for further information.

Yours faithfully,

For and on behalf of the Board

KUMPULAN KITACON BERHAD

QUA MU IM

Chairperson

Independent Non-Executive Chairperson

Appendix I

FURTHER INFORMATION

1. DIRECTORS' RESPONSIBILITY STATEMENT

This Circular/Statement has been seen and approved by the Directors of Kitacon who individually and collectively accept full responsibility for the completeness and accuracy of the information contained in this Circular/Statement and confirm that after making all reasonable enquiries and to the best of their knowledge and belief, there are no false or misleading statements or other facts, the omission of which would make any information in this Circular/Statement false or misleading.

2. MATERIAL LITIGATION, CLAIMS OR ARBITRATION

As at the LPD, our Group is not engaged in any material litigation, claims and/or arbitrations, either as plaintiff or defendant, and the Board is not aware and does not have any knowledge of any proceedings pending or threatened against our Group, or of any facts likely to give rise to any proceedings which may materially and adversely affect the financial position or business of our Group.

3. MATERIAL CONTRACTS

Kitacon and/or its subsidiary have not entered into any contracts which are or may be material during the last two (2) years preceding the date of this Circular/Statement, other than the contracts entered into in the ordinary course of business.

4. MATERIAL COMMITMENTS AND CONTINGENT LIABILITIES

4.1 Material Commitments

As at the LPD, save as disclosed below, our Board is not aware of any material commitments incurred or known to be incurred by our Group, which may have a material impact on the results or financial position of our Group:

		Source of Funds	
	Commitment for capital expenditure RM'000	Internally generated funds RM'000	Proceeds from our Listing RM'000
Approved and contracted for:			
• Acquisition of land ⁽¹⁾	3,905	-	3,905
• Purchase of properties ⁽²⁾	3,050	3,050	-
Total	6,955	3,050	3,905

Notes:

(1) *As disclosed in the Prospectus, our Group is in progress of acquiring a freehold land and construction of a storage and refurbishment facility.*

(2) *The purchase of properties as required under Letter of Awards from our contract customers will subsequently be rented out.*

4.2 Contingent Liabilities

As at the LPD, our Board is not aware of any contingent liabilities incurred or known to be incurred by our Group that have not been provided for, which upon becoming enforceable may have a material impact on the results or financial position of our Group except as disclosed below:

	Audited as at
	31.12.2024
	RM'000
Performance and tender bonds granted to contract customers	150,292

5. DOCUMENTS FOR INSPECTION

The following documents are available for inspection at the Registered Office of the Company at 52A, Lebuhr Enggang, 41150 Klang, Selangor Darul Ehsan during normal office hours from Mondays to Fridays (excluding public holidays) from the date of this Circular/Statement and up to the time set for convening the AGM:-

- (a) Constitution of Kitacon; and
- (b) Audited Financial Statements for the financial year ended 31 December 2023 and 31 December 2024.

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Appendix II

EXTRACTS OF THE NOTICE OF THE 3RD AGM

AS SPECIAL BUSINESS

ORDINARY RESOLUTION 9

PROPOSED SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF REVENUE OR TRADING NATURE

“THAT approval be and is hereby given to the Company and its subsidiary (“the Group”) to enter into and give effect to the recurrent related party transactions of a revenue or trading nature with the specified classes of related parties as specified in Section 2.5 of the Circular to Shareholders dated 30 April 2025, provided that:

- (a) Such arrangements and/or transactions are necessary for the Group’s day-to-day operations;
- (b) Such arrangements and/or transactions undertaken are in the ordinary course of business, at arm’s length basis and on normally commercial terms which are not more favourable to the related parties than those generally available to third party;
- (c) Such arrangements and/or transactions are not detrimental to the minority shareholders of the Company; and
- (d) The disclosure is made in the Annual Report on the aggregate value of transactions conducted pursuant to the shareholders’ mandate during the financial year in relation to:
 - (i) The related transacting parties and their respective relationship with the Company; and
 - (ii) The nature of the recurrent transactions.

AND THAT such authority shall continue to be in force until:-

- a) The conclusion of the next AGM of the Company, unless the authority is renewed by a resolution passed at the next AGM; or
- b) the expiration of the period within which the next AGM after that date is required to be held pursuant to Section 340(2) of the Act (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or
- c) revoked or varied by an ordinary resolution passed by the shareholders of the Company in a general meeting,

whichever is the earlier.

AND THAT the Directors of the Company be and are hereby authorised to do all such acts and things as they may consider necessary or expedient to give effect to transactions contemplated and/or authorised by this Ordinary Resolution.”

ORDINARY RESOLUTION 10

PROPOSED AUTHORITY FOR THE COMPANY TO PURCHASE ITS OWN ORDINARY SHARES

“THAT subject to the Act, the Constitution of the Company, the Main Market Listing Requirements of Bursa Securities and the approvals of all relevant governmental and/or regulatory authorities (if any), the Company be and is hereby authorised to utilized an amount not exceeding the audited retained profits as at 31 December 2024 to purchase such amount of ordinary shares in the Company (“Proposed Share Buy-Back Authority”) as may be determined by Directors of the Company from time to time through Bursa Securities upon such terms and conditions as the Directors may deem fit and expedient in the interest of the Company provided that the aggregate number of ordinary shares purchased and/or held pursuant to this resolution does not exceed ten per centum (10%) of the total number of issued shares of the Company.

THAT an amount not exceeding the Company’s retained profits be allocated by the Company for the Proposed Share Buy-Back Authority.

THAT authority be and is hereby given to the Directors of the Company to decide at their absolute discretion to either retain the shares so purchased as treasury shares (as defined in Section 127 of the Act) and/or to cancel the shares so purchased and if retained as treasury shares, may resell treasury shares and/or to distribute them as share dividend and/or subsequently cancel them.

THAT the authority conferred by this resolution will be effective immediately upon the passing of this resolution and will expire at:-

- I. The conclusion of the next AGM of the Company, at which time the said authority will lapse unless by an ordinary resolution passed at a general meeting of the Company, the authority is renewed, either unconditionally or subject to conditions;
- II. The expiration of the period within which the next AGM of the Company is required by law to be held; or
- III. Revoked or varied by an ordinary resolution passed by the shareholders in a general meeting;

whichever occurs first, but not so as to prejudice the completion of the purchase(s) by the Company before the aforesaid expiry date and in any event, in accordance with the Listing Requirements and/or any other relevant governmental and/or regulatory authorities (if any).

AND THAT the Directors of the Company be authorised to take all steps necessary to implement, complete and do all such acts and things (including executing all such documents as may be required) as they may consider expedient or necessary to give effect to the Proposed Share Buy-Back Authority as may be agreed or allowed by any relevant governmental and/or regulatory authority.”

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ORDINARY RESOLUTION 16

PROPOSED VARIATION AND EXTENSION OF TIMEFRAME FOR THE UTILISATION OF PROCEEDS RAISED FROM THE INITIAL PUBLIC OFFERING (“PROPOSED VARIATION”)

“**THAT** subject to the approvals of all relevant authorities and/or parties being obtained, the Board be and is hereby authorised to vary the use of proceeds raised from the initial public offering and extension of timeframe in the manner set out in Part C of the Circular to shareholders dated 30 April 2025 of the Company.

AND THAT the Board be and is hereby empowered and authorised to do all acts, deeds and things and to execute, sign, deliver and cause to be delivered on behalf of the Company all such documents and/or arrangements as may be necessary or expedient in order to implement, finalise, give effect and complete the Proposed Variation with full powers to assent to any conditions, modifications, variations and/or amendments in any manner as may be required or imposed by the relevant authorities or as the Board may deem necessary or expedient in the best interest of the Company.”

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