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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.

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KECK SENG (MALAYSIA) BERHAD

Registration No. 196801000565 (8157-D)

(Incorporated in Malaysia)

STATEMENT TO SHAREHOLDERS

IN RELATION TO THE

**PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR
SHARE BUY-BACK**

The resolution in respect of the above proposal will be tabled at the Fifty-Second Annual General Meeting ("AGM") of the Company, which will be held virtually through live streaming from the **Broadcast Venue at Conference Room, Suite 15-01, 15th Floor, Menara Keck Seng, 203 Jalan Bukit Bintang, 55100 Kuala Lumpur, Malaysia** on **Friday, 27 May 2022 at 10.00 a.m.** The Notice of Fifty-Second AGM, Proxy Form, Administrative Guide and this Statement are available on the Company's website at <https://my.keckseng.com/>.

If you are unable to attend and vote remotely at the Fifty-Second AGM, you may complete, sign and return the Proxy Form in accordance with the instructions printed thereon as soon as possible and in any event so as to arrive at the Share Registrar's Office of the Company at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur or alternatively, the Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, not less than forty-eight (48) hours before the time fixed for holding the Fifty-Second AGM or at any adjournment thereof. You also have option to submit the Proxy Form electronically via TIIH Online at <https://tiah.online>. Please refer to the Administrative Guide on the procedures for electronic lodgement of Proxy Form via TIIH Online.

Last date and time for lodging the Proxy Form	:	Wednesday, 25 May 2022 at 10.00 a.m.
Date and time of Fifty-Second AGM	:	Friday, 27 May 2022 at 10.00 a.m.

DEFINITIONS

Unless where the context otherwise requires, the following definitions shall apply throughout this statement:-

“Act”	:	The Companies Act 2016, as may be amended from time to time and any enactment thereof.
“AGM”	:	Annual General Meeting.
“Board”	:	The Board of Directors of KSMB.
“Bursa Securities” or “the Exchange”	:	Bursa Malaysia Securities Berhad [Registration No. 200301033577 (635998-W)].
“Code”	:	Malaysian Code on Take-Overs and Mergers 2016 and any amendments made thereto from time to time.
“EPS”	:	Earnings per share.
“KSMB” or “the Company”	:	Keck Seng (Malaysia) Berhad [Registration No. 196801000565 (8157-D)].
“KSMB Group” or “Group”	:	KSMB and its subsidiary companies, collectively.
“Listing Requirements”	:	Bursa Securities Main Market Listing Requirements and any Practice Notes issued in relation thereto, including any amendments that may be made from time to time.
“Major Shareholder(s)”	:	A person who has an interest(s) in voting share(s) in the Company and the number or aggregate number of those shares is:- (a) 10% or more of the total number of voting shares in the Company; or (b) 5% or more of the total number of voting shares in the Company where such person is the largest shareholder of the Company; “Interest” shall have the meaning of “interest in shares” given in Section 8 of the Act.
“Market Day”	:	Means a day on which the stock market of the Exchange is open for trading in securities.
“Minister”	:	Minister charged with the responsibility for companies, currently the Minister of Domestic Trade and Consumer Affairs, Malaysia.
“Proposed Renewal of Shareholders’ Mandate for Share Buy-Back”	:	Proposed renewal of authority to purchase of the Company’s own shares representing up to 10% of the total number of issued shares of the Company.
“Purchased Shares”	:	Shares purchased pursuant to the Proposed Renewal of Shareholders’ Mandate for Share Buy-Back.
“RM and sen”	:	Ringgit Malaysia and sen respectively.
“Statement”	:	This share buy-back statement dated 28 April 2022 in relation to the Proposed Renewal of Shareholders’ Mandate for Share Buy-Back.
“Substantial Shareholder(s)”	:	A person who has an interest or interests in one or more voting shares in the Company and the number or the aggregate number of such shares is not less than 5% of the total number of all the voting shares in the Company.

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

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

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KECK SENG (MALAYSIA) BERHAD

Registration No. 196801000565 (8157-D)

(Incorporated in Malaysia)

Registered Office:-

Suite 1301, 13th Floor
City Plaza, Jalan Tebrau
80300 Johor Bahru
Johor Darul Takzim

28 April 2022

Board of Directors:-

Ho Kim Swee @ Ho Kian Guan (*Executive Chairman*)
Dato' Ho Cheng Chong @ Ho Kian Hock (*Managing Director*)
Ho Eng Chong @ Ho Kian Cheong (*Non-Independent Non-Executive Director*)
Chan Lui Ming Ivan (*Executive Director*)
Lee Huee Nan @ Lee Hwee Leng (*Executive Director*)
Too Hing Yeap @ Too Heng Yip (*Senior Independent Non-Executive Director*)
Tai Lam Shin (*Independent Non-Executive Director*)
Mahathir Bin Mohamed Ismail (*Independent Non-Executive Director*)
Liew Foong Yuen (*Independent Non-Executive Director*)
Dato' Dr. Zaha Rina Binti Zahari (*Independent Non-Executive Director*)
Ho Chung Kain (He ChongJing) (*Alternate to Dato' Ho Cheng Chong @ Ho Kian Hock*)
Ho Chung Hui (*Alternate to Lee Huee Nan @ Lee Hwee Leng*)
Ho Chung Tao (*Alternate to Chan Lui Ming Ivan*)
Ho Chung Kiat, Sydney (He ChongJie, Sydney) (*Alternate to Ho Eng Chong @ Ho Kian Cheong*)

TO: OUR SHAREHOLDERS

Dear Sir/Madam,

PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR SHARE BUY-BACK

1. INTRODUCTION

On 7 April 2022, the Company announced that it proposes to seek a renewal of the approval from the shareholders for the Proposed Renewal of Shareholders' Mandate for Share Buy-Back at the forthcoming Fifty-Second AGM to be convened on 27 May 2022.

At the Fifty-First AGM held on 22 June 2021, the Board had obtained the shareholders' approval to allow the Company to buy-back of up to 10% of its total number of issued shares. This authority shall lapse at the conclusion of the forthcoming AGM unless it is renewed.

The purpose of this Statement is to provide you with the relevant information and to seek your approval for an ordinary resolution pertaining to the Proposed Renewal of Shareholders' Mandate for Share Buy-Back to be tabled as Special Business at the forthcoming Fifty-Second AGM.

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

2. DETAILS OF THE PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR SHARE BUY-BACK

The Board is seeking your approval for the Company to purchase and/or hold shares representing up to 10% of its total number of issued shares on Bursa Securities, subject to the Act, Listing Requirements and any prevailing laws, rules, regulations, orders, guidelines and requirements issued by the relevant authorities at the time of purchase.

The Proposed Renewal of Shareholders' Mandate for Share Buy-Back will be effective immediately upon the passing of the ordinary resolution and will remain in effect until the conclusion of the next AGM of KSMB, or the expiry of the period within which the next AGM is required by law to be held, or revoked or varied by an ordinary resolution passed by shareholders in a general meeting, whichever occurs first.

Set out below are details of the Proposed Renewal of Shareholders' Mandate for Share Buy-Back:-

(i) Funding

The Proposed Renewal of Shareholders' Mandate for Share Buy-Back will be funded from internally generated funds. Under the Listing Requirements, the maximum funds to be utilised for the purchase of the shares shall not exceed the total retained profits of the Company. Accordingly, the Directors shall allocate an amount of funds which will not be more than the aggregate sum of the retained profits of the Company in respect of any purchase of shares pursuant to the Proposed Renewal of Shareholders' Mandate for Share Buy-Back. Based on the latest audited financial statements of KSMB as at 31 December 2021, the audited retained profits of the Company stood at RM1,599,705,000.

The actual number of shares to be purchased, the total amount of funds to be utilised, impact on cash flows and the timing of the purchase(s) will depend on the prevailing equity market conditions and sentiments as well as the financial resources available to the Company at the time of the purchase(s). In the event the Company decides to utilise bank borrowings to finance the purchase of its own shares, the Board will ensure that there are sufficient funds to repay such borrowings and that such repayment will not have a material impact on the cash flow or earnings of the Company.

In addition, the Board will ensure that the Company satisfies the solvency test as stated under Section 112(2) of the Act before executing the Proposed Renewal of Shareholders' Mandate for Share Buy-Back.

(ii) Treatment of Purchased Shares

In accordance with Section 127 of the Act, the Purchased Shares may be dealt with by your Directors in the following manner:-

- (a) to cancel the Purchased Shares; or
- (b) retain the Purchased Shares as treasury shares to:-
 - (i) distribute the shares as dividends to shareholders of the Company, such dividends to be known as "share dividends";
 - (ii) resell the shares, or any of the shares in accordance with the relevant rules of Bursa Securities;
 - (iii) transfer the shares, or any of the shares for the purposes of or under an employees' share scheme;
 - (iv) transfer the shares, or any of the shares as purchase consideration;
 - (v) cancel the shares or any of the shares; or
 - (vi) sell, transfer or otherwise use the shares for such other purposes as the Minister may by order prescribe; or
- (c) to retain part of the Purchased Shares as treasury shares and cancel the remainder.

(iii) Ranking

While the Purchased Shares are held as treasury shares, Section 127 (8) and (9) of the Act states that the rights attached to them as to voting, dividends and participation in other distributions or otherwise are suspended and the treasury shares shall not be taken into account in calculating the number or percentage of shares or of a class of shares for any purposes including substantial shareholding, takeovers, notices, the requisitioning of meetings, the quorum for a meeting and the result of a vote on a resolution at a meeting.

(iv) Regulatory requirements

The Proposed Renewal of Shareholders' Mandate for Share Buy-Back is subject to compliance with Section 127 of the Act, Listing Requirements and any prevailing laws, rules, regulations, orders, guidelines and requirements issued by the relevant authorities at the time of the purchase.

Pursuant to the Listing Requirements, the Proposed Renewal of Shareholders' Mandate for Share Buy-Back is subject to, *inter-alia*, the following rules:-

- the public shareholding spread of 25% of its total number of issued shares is to be maintained at all times. As detailed in Section 6.7 of this Statement, the Board undertakes to purchase shares only to the extent that the public shareholding spread of KSMB shall not fall below 25% of its total number of issued shares at all times pursuant to the Proposed Renewal of Shareholders' Mandate for Share Buy-Back;
- the purchase price of the shares shall not be more than fifteen per centum (15%) above the weighted average market price for the shares for the five (5) Market Days immediately preceding the date of the purchase(s);
- an immediate announcement will be made to Bursa Securities of any purchase or resale of shares and whether the Purchased Shares will be cancelled or retained as treasury shares or a combination of both;
- the Company may only resell or transfer any treasury shares on Bursa Securities at:-
 - (i) a price, which is not less than the weighted average market price of shares for the five (5) Market Days immediately before the date of the resale or transfer; or
 - (ii) a discounted price of not more than five per centum (5%) to the weighted average market price of shares for the five (5) Market Days immediately before the date of the resale or transfer, provided that:-
 - (a) the resale or transfer takes place not earlier than 30 days from the date of the purchase; and
 - (b) the resale or transfer price is not less than the cost of purchase of shares being resold or transferred;
- the maximum funds to be utilised for the purchase of the shares shall not exceed the level of retained profits of the Company. As mentioned in Section 2 of this Statement, the allocation of funds for the Proposed Renewal of Shareholders' Mandate for Share Buy-Back would not exceed the aggregate sum of retained profits of the Company; and
- the Proposed Renewal of Shareholders' Mandate for Share Buy-Back shall only be effected on the market of Bursa Securities via its automated trading system and shall exclude any direct business transactions as defined under the rules of Bursa Securities.

3. RATIONALE FOR THE PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR SHARE BUY-BACK

The implementation of the Proposed Renewal of Shareholders' Mandate for Share Buy-Back would enable the Company to utilise its surplus financial resources to purchase shares when appropriate, and at prices which the Board view as favourable.

The Proposed Renewal of Shareholders' Mandate for Share Buy-Back would effectively reduce the number of shares carrying voting and participation rights (unless the Purchased Shares are resold on Bursa Securities or distributed as share dividends). Consequently (whether the Purchased Shares are held as treasury shares or cancelled), all else being equal, the EPS of the Company/KSMB Group may be enhanced as the earnings of KSMB/KSMB Group would be divided by a reduced number of shares.

The Purchased Shares may be cancelled at such time(s) where the Board is of the view that there is excess share capital and wish to reduce the number of shares in circulation. If the Purchased Shares are held as treasury shares, such shares may potentially be resold on Bursa Securities at a higher price and therefore realising a potential gain in reserves without affecting the total issued share capital of the Company. The treasury shares may also be distributed to shareholders as dividends and, if undertaken, would serve to reward the shareholders of the Company.

4. POTENTIAL ADVANTAGES AND DISADVANTAGES OF THE PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR SHARE BUY-BACK

Advantages

- (i) To enable the Company to stabilise the supply and demand of shares on Bursa Securities and thereby reducing the volatility of shares.
- (ii) If the Purchased Shares are subsequently cancelled, it is expected to enhance the EPS of the Company thereby making the shares more attractive to investors.
- (iii) If the treasury shares are distributed as dividends, it may then serve to reward the shareholders.

Disadvantages

- (i) The Proposed Renewal of Shareholders' Mandate for Share Buy-Back will reduce the amount of resources available for distribution to the shareholders of the Company and may result in the Group having to forego feasible investment opportunities that may emerge in the future and any income that may be derived from the deposit of funds in interest bearing instruments.
- (ii) The working capital of the Group will also be affected, as any shares purchase will reduce the Group's cash flow. However, the financial resources of the Group may increase if the shares purchased and held as treasury shares are resold at prices higher than purchase price.

The Board will be mindful of the interests of the Company and the shareholders in implementing the Proposed Renewal of Shareholders' Mandate for Share Buy-Back.

5. PURCHASE OF SHARES AND RESALE OF TREASURY SHARES MADE IN THE PREVIOUS 12 MONTHS

The Company had not made any purchase, resale, transfer and/cancellation of its own shares in the preceding twelve (12) months up to 4 April 2022.

As at 4 April 2022, a total of 2,173,500 shares were held as treasury shares.

6. EFFECTS OF THE PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR SHARE BUY-BACK

The effects of the Proposed Renewal of Shareholders' Mandate for Share Buy-Back on the share capital, consolidated NA, working capital, earnings, dividends and the Substantial Shareholders' shareholdings in KSMB are set out below:-

6.1 Share Capital

The effects of the Proposed Renewal of Shareholders' Mandate for Share Buy-Back on the issued share capital of KSMB will depend on the treatment of the Purchased Shares.

In the event the Proposed Renewal of Shareholders' Mandate for Share Buy-Back is carried out in full and all the Purchased Shares are cancelled, the present share capital of the Company will be reduced by the number of shares so cancelled, the effect shall be as follows:-

	Number of shares
Total number of issued shares as at 4 April 2022	361,477,110*
Assuming purchase of own shares pursuant to the Proposed Renewal of Shareholders' Mandate for Share Buy-Back (up to 10% of the total number of issued shares)	(36,147,711)
Resultant total number of issued shares	325,329,399

*Included the 2,173,500 treasury shares held by KSMB as at 4 April 2022.

If the Purchased Shares are retained as treasury shares, the Proposed Renewal of Shareholders' Mandate for Share Buy-Back will not have any effect on the issued share capital of the Company. However, the rights attached to the treasury shares as to voting, dividends and participation in other distribution or otherwise would be suspended.

6.2 Net Assets (“NA”)

The effects of the Proposed Renewal of Shareholders’ Mandate for Share Buy-Back on the consolidated NA of KSMB would depend on the purchase price and the number of shares which the Company will buy back. The Proposed Renewal of Shareholders’ Mandate for Share Buy-Back will reduce the consolidated NA per share at the time of purchase if the purchase price exceeds the consolidated NA per share and conversely will increase the consolidated NA per share at the time of purchase if the purchase price is less than the consolidated NA per share.

Should the Purchased Shares be held as treasury shares and later resold, the consolidated NA per share will increase if the Company realises a gain from the resale, and vice versa. If the treasury shares are distributed to shareholders as share dividends, the NA per share will decrease by the cost of the treasury shares.

6.3 Working Capital

The Proposed Renewal of Shareholders’ Mandate for Share Buy-Back is likely to reduce the working capital of the KSMB Group, the quantum of which depends on the purchase price of the shares, the number of shares repurchased and any associated costs incurred in making the purchase.

6.4 Earnings

The effects of the Proposed Renewal of Shareholders’ Mandate for Share Buy-Back on the earnings of the KSMB Group would depend on the purchase price and the number of shares to be repurchased as well as the effective funding cost to the Company in implementing the Proposed Renewal of Shareholders’ Mandate for Share Buy-Back. The reduction in the number of shares applied in the computation of the EPS pursuant to the Proposed Renewal of Shareholders’ Mandate for Share Buy-Back (whether the Purchased Shares are held as treasury shares or cancelled) may generally, all else being equal, have a positive impact on the EPS for the financial year when the Proposed Renewal of Shareholders’ Mandate for Share Buy-Back is implemented.

Should the Purchased Shares be held as treasury shares and later resold, the extent of the impact to the EPS of the KSMB Group will depend on the actual selling price, the number of treasury shares resold and the effective funding cost, if any.

6.5 Dividends

Assuming the Proposed Renewal of Shareholders’ Mandate for Share Buy-Back is implemented in full, dividends would be paid on the remaining issued share capital of KSMB (excluding the shares already purchased). The Proposed Renewal of Shareholders’ Mandate for Share Buy-Back may have an impact on the Company’s dividend policy for the financial year ending 31 December 2022 as it would reduce the cash available which may otherwise be used for dividend payments. Nonetheless, the treasury shares purchased may be distributed as dividends to shareholders of the Company, if the Company so decides.

Any dividends to be declared by KSMB in the future would depend on, inter-alia, the profitability and cash flow position of the KSMB Group.

6.6 Substantial Shareholders

Shares bought back by the Company under the Proposed Renewal of Shareholders’ Mandate for Share Buy-Back that are retained as treasury shares and/or subsequently cancelled will result in a proportionate increase in the percentage shareholdings of the Substantial Shareholders in the Company, as detailed in Section 8 below.

6.7 Public Shareholding Spread

As at 4 April 2022, the public shareholding spread of the Company was approximately 37.37%. Assuming that the Company purchases up to the maximum number of Shares as allowed under the Proposed Renewal of Shareholders’ Mandate for Share Buy-Back, the public shareholding spread is expected to reduce to 30.83%.

The Company shall not buy-back any shares if it results in the Company being in breach of the minimum public shareholding spread requirement under the Listing Requirements.

7. CONDITIONS OF THE PROPOSED RENEWAL OF SHAREHOLDERS’ MANDATE FOR SHARE BUY-BACK

The Proposed Renewal of Shareholders’ Mandate for Share Buy-Back is subject to the approval of the shareholders of KSMB at the forthcoming Fifty-Second AGM.

8. INTERESTS OF DIRECTORS, MAJOR SHAREHOLDERS AND PERSONS CONNECTED TO THEM

Save for the proportionate increase in the percentage of shareholdings of the Directors, Substantial Shareholders and persons connected to them as a result of the effective decrease in the total number of voting shares of the Company upon the Proposed Renewal of Shareholders' Mandate for Share Buy-Back, none of the Directors and/or Major Shareholders and/or persons connected to them has any interest, direct or indirect, in the Proposed Renewal of Shareholders' Mandate for Share Buy-Back.

The shareholdings of the Directors and Substantial Shareholders of KSMB are as follows:

Directors	Before the Proposed Renewal of Shareholders' Mandate for Share Buy-Back				After the Proposed Renewal of Shareholders' Mandate for Share Buy-Back			
	Direct		Indirect		Direct		Indirect	
	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
Ho Kim Swee @ Ho Kian Guan	24,395,538	6.79	103,075,673 ⁽¹⁾	28.69	24,395,538	7.50	103,075,673 ⁽¹⁾	31.68
Dato' Ho Cheng Chong @ Ho Kian Hock	24,899,687	6.93	103,075,673 ⁽¹⁾	28.69	24,899,687	7.65	103,075,673 ⁽¹⁾	31.68
Ho Eng Chong @ Ho Kian Cheong	24,662,436	6.86	18,000,000 ⁽²⁾	5.01	24,662,436	7.58	18,000,000 ⁽²⁾	5.53
Lee Huee Nan @ Lee Hwee Leng	88,593	0.02	-	-	88,593	0.03	-	-
Chan Lui Ming Ivan	102,000	0.03	-	-	102,000	0.03	-	-
Too Hing Yeap @ Too Heng Yip	-	-	-	-	-	-	-	-
Tai Lam Shin	-	-	-	-	-	-	-	-
Mahathir Bin Mohamed Ismail	-	-	-	-	-	-	-	-
Liew Foong Yuen	-	-	-	-	-	-	-	-
Dato' Dr. Zaha Rina Binti Zahari	-	-	-	-	-	-	-	-
Ho Chung Kain (He ChongJing) – Alternate Director to Dato' Ho Cheng Chong @ Ho Kian Hock	640,000	0.18	-	-	640,000	0.20	-	-
Ho Chung Tao – Alternate Director to Chan Lui Ming Ivan	-	-	-	-	-	-	-	-
Ho Chung Hui – Alternate Director to Lee Huee Nan @ Lee Hwee Leng	-	-	-	-	-	-	-	-
Ho Chung Kiat, Sydney (He ChongJie, Sydney) – Alternate Director to Ho Eng Chong @ Ho Kian Cheong	-	-	-	-	-	-	-	-

⁽¹⁾ Deemed interested by virtue of his interest in Ho Yeow Koon And Sons Private Limited, Plentong Quarry (M) Sdn. Bhd., Firmstead Realty Sendirian Berhad, South West Holdings Sdn. Bhd. And KS Ocean Inc.

⁽²⁾ Deemed interested by virtue of his interest in Laser Ace Venture Ltd (BVI), Liteace Management Ltd (BVI), Vuitton Assets Ltd (BVI) and Skytrax Ventures Ltd.

Substantial Shareholders	Before the Proposed Renewal of Shareholders' Mandate for Share Buy-Back				After the Proposed Renewal of Shareholders' Mandate for Share Buy-Back			
	Direct		Indirect		Direct		Indirect	
	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
Ho Yeow Koon And Sons Private Limited	58,342,889	16.24	21,920,512 ⁽¹⁾	6.10	58,342,889	17.93	21,920,512 ⁽¹⁾	6.74
Dato' Ho Cheng Chong @ Ho Kian Hock	24,899,687	6.93	103,075,673 ⁽²⁾	28.69	24,899,687	7.65	103,075,673 ⁽²⁾	31.68
Ho Kim Swee @ Ho Kian Guan	24,395,538	6.79	103,075,673 ⁽²⁾	28.69	24,395,538	7.50	103,075,673 ⁽²⁾	31.68
Ho Eng Chong @ Ho Kian Cheong	24,662,436	6.86	18,000,000 ⁽³⁾	5.01	24,662,436	7.58	18,000,000 ⁽³⁾	5.53
KS Ocean Inc	22,812,272	6.35	-	-	22,812,272	7.01	-	-
Plentong Quarry (M) Sdn. Bhd.	18,225,000	5.07	-	-	18,225,000	5.60	-	-

⁽¹⁾ Deemed interested by virtue of its interest in Plentong Quarry (M) Sdn. Bhd., Firmstead Realty Sendirian Berhad and South West Holdings Sdn. Bhd.

⁽²⁾ Deemed interested by virtue of his interest in Ho Yeow Koon And Sons Private Limited, Plentong Quarry (M) Sdn. Bhd., Firmstead Realty Sendirian Berhad, South West Holdings Sdn. Bhd. and KS Ocean Inc.

⁽³⁾ Deemed interested by virtue of his interest in Laser Ace Venture Ltd (BVI), Liteace Management Ltd (BVI), Vuitton Assets Ltd (BVI) and Skytrax Ventures Ltd.

9. IMPLICATIONS OF THE PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR SHARE BUY-BACK RELATING TO THE CODE

In the event that the Company acquires the full amount of the shares authorised under the Proposed Renewal of Shareholders' Mandate for Share Buy-Back and all the shares so acquired are held as treasury shares, the equity interest of the Substantial Shareholders and their respective parties acting in concert triggering the obligation to undertake a mandatory offer under Paragraph 15(2) of the General Principle 12 of the Code and Rule 4 of the Rules on Take-Overs, Mergers and Compulsory Acquisitions, an exemption will be sought from the Securities Commission Malaysia before the purchase is made.

For illustration, if the equity interest of any one of the Substantial Shareholders and their respective parties acting in concert increases to more than 33% but less than 50% of the voting shares of KSMB and such that their shareholdings of KSMB increases in a period of six (6) months from the date of purchase by more than 2%, the affected Substantial Shareholder and parties acting in concert would be obliged to undertake a mandatory offer for the remaining shares not held by the said affected Substantial Shareholder and parties acting in concert.

Securities Commission Malaysia may grant a waiver to undertake a mandatory offer, subject to the affected Substantial Shareholder and parties acting in concert complying with certain conditions, if obligation is triggered as a result of any action outside its direct participation. The Substantial Shareholders of KSMB as disclosed in Section 8 herein have indicated that they intend to apply for the proposed exemption under Rule 4 of the Rules on Take-Overs, Mergers and Compulsory Acquisitions if the obligation is expected to be triggered as a result of the Proposed Renewal of Shareholders' Mandate for Share Buy-Back. The effects of the Proposed Renewal of Shareholders' Mandate for Share Buy-Back on their shareholdings are set out in Section 8 herein.

10. HISTORICAL SHARE PRICES

The monthly highest and lowest prices of shares traded on Bursa Securities for the preceding 12 months from April 2021 to March 2022 are as follows:

	High (RM)	Low (RM)
Year 2021		
April	3.60	3.59
May	3.46	3.40
June	3.53	3.53
July	3.46	3.45
August	3.43	3.41
September	3.33	3.33
October	3.86	3.68
November	3.44	3.41

	High (RM)	Low (RM)
December	3.44	3.44
<u>Year 2022</u>		
January	3.69	3.43
February	3.70	3.59
March	3.63	3.59
Last traded price on Bursa Securities on 4 April 2022, being the latest practicable date before the printing of the Statement.		3.64

Source: KLSE Screener

11. DIRECTORS' RECOMMENDATION

After due consideration, the Board is of the opinion that the Proposed Renewal of Shareholders' Mandate for Share Buy-Back is in the best interest of the Company. Accordingly, the Board recommends that you vote in favour of the ordinary resolution to be tabled at the forthcoming Fifty-Second AGM to give effect to the Proposed Renewal of Shareholders' Mandate for Share Buy-Back.

12. DIRECTORS' RESPONSIBILITY STATEMENT

This Statement has been reviewed and approved by the Directors of KSMB and they individually and collectively accept full responsibility for the accuracy of the information contained herein and confirm 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 Statement misleading

13. FIFTY-SECOND AGM

The Fifty-Second AGM of KSMB will be held virtually through live streaming from the Broadcast Venue at Conference Room, Suite 15-01, 15th Floor, Menara Keck Seng, 203 Jalan Bukit Bintang, 55100 Kuala Lumpur, Malaysia on Friday, 27 May 2022 at 10.00 a.m. for the purpose of considering and, if thought fit, to pass the resolution pertaining to the Proposed Renewal of Shareholders' Mandate for Share Buy-Back.

The Broadcast Venue is **strictly for the purpose of complying with Section 327(2) of the Act**. Shareholders/proxy(ies) will not be allowed to attend the Fifty-Second AGM in person at the Broadcast Venue on the day of the meeting.

If you are unable to attend and vote remotely at the Fifty-Second AGM, you may complete, sign and return the Proxy Form in accordance with the instructions contained therein as soon as possible and in any event so as to arrive at the Share Registrar's Office of the Company at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur or alternatively, the Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, not less than forty-eight (48) hours before the time fixed for holding the Fifty-Second AGM. The Proxy Form may also be submitted electronically via TIIH Online at <https://tjih.online>. Kindly refer to the Administrative Guide on the procedures for electronic lodgement of Proxy Form via TIIH Online.

14. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at the registered office of KSMB at Suite 1301, 13th Floor, City Plaza, Jalan Tebrau, 80300 Johor Bahru, Johor Darul Takzim during normal business hours from Mondays to Fridays (except public holidays) from the date of this Statement up to and including the date of the forthcoming Fifty-Second AGM:

- (i) Constitution of KSMB; and
- (ii) The audited consolidated financial statements of KSMB for the past two (2) financial years ended 31 December 2020 and 31 December 2021.

Yours faithfully,
For and on behalf of the Board of Directors
KECK SENG (MALAYSIA) BERHAD

Ho Kim Swee @ Ho Kian Guan
Executive Chairman