

**THIS STATEMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.**

If you are in any doubt as to the course of action to be taken, you should consult your stockbroker, bank manager, solicitor, accountant or other professional adviser immediately.

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**MATANG BERHAD**

Registration No. 201501017043 (1142377-X)  
(Incorporated in Malaysia)

**STATEMENT TO SHAREHOLDERS**

**IN RELATION TO THE**

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

The Proposed Renewal of Share Buy-Back will be tabled as Special Business at the Tenth Annual General Meeting ("**10<sup>th</sup> AGM**") of the Company, which will be conducted virtually through live streaming from the broadcast venue at Tricor Business Centre, Manuka 2 & 3 Meeting Room, Unit 29-01, Level 29, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia ("**Broadcast Venue**") using the Remote Participation and Voting ("**RPV**") facilities provided by Tricor Investor & Issuing House Services Sdn Bhd ("**TIIH**") via TIIH Online website at <https://tiih.online> on Tuesday, 19 November 2024 at 10.00 a.m. or any adjournment thereof. The Notice of AGM and the Proxy Form, as set out in the Annual Report of the Company for the financial year ended 30 June 2024, together with this Statement, are available at the Company's website at: <https://www.matangbhd.com/annual-report/>.

A member entitled to attend, speak (including posing questions via real-time submission of types texts), and vote (collectively "**participate**") at the AGM is entitled to appoint a proxy or proxies to participate on his/ her behalf. In such event, the Proxy Form must be lodged at the office of the Company's Share Registrar, Tricor Investor & Issuing House Services Sdn Bhd at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or its Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia, or by electronic lodgement via TIIH Online website at <https://tiih.online>, not less than forty-eight (48) hours before the time for holding the AGM or at any adjournment thereof. The lodging of the Proxy Form shall not preclude you from participating in person at the AGM should you subsequently wish to do so.

Last date and time for lodging the Proxy Form : Sunday, 17 November 2024 at 10.00 a.m.

Date and time of the 10<sup>th</sup> AGM : Tuesday, 19 November 2024 at 10.00 a.m.

This Statement is dated 21 October 2024

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## DEFINITIONS (CONT'D)

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

"Act"	:	The Companies Act 2016
"AGM"	:	Annual General Meeting of the Company
"Board"	:	The Board of Directors of Matang
"Bursa Securities"	:	Bursa Malaysia Securities Berhad
"CDS"	:	Central Depository System
"Code"	:	Malaysia Code on Take-overs and Mergers 2016, including any amendments thereto that may be made from time to time
"Constitution"	:	Constitution of Matang
"Director(s)"	:	Has the meaning given in Section 2(1) of the Capital Markets and Services Act 2007 and includes any person who is or was within the preceding 6 months of the date on which the terms of the Proposed Renewal of Share Buy-Back were agreed upon:-  (i) a director of Matang, its subsidiaries; and  (ii) a chief executive of Matang, its subsidiaries
"EPS"	:	Earnings per Share
"FYE"	:	Financial year ended
"Huaren"	:	Huaren Holdings Sdn Bhd [Registration No. 197701000414 (31319-K)], a major shareholder of Matang
"Listing Requirements"	:	ACE Market Listing Requirements of Bursa Securities
"LPD"	:	8 October 2024, being the latest practicable date prior to the printing and despatch of this Statement
"Matang" or the "Company"	:	Matang Berhad [Registration No. 201501017043 (1142377-X)]
"Matang Group" or the "Group"	:	Matang and its subsidiaries, collectively
"Matang Share(s)" or "Share(s)"	:	Ordinary share(s) in Matang
"Major Shareholder(s)"	:	Means a person who has an interest or interests in one or more voting shares 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.

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## DEFINITIONS (CONT'D)

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For the purpose of this definition, "interest in shares" has the meaning given in Section 8 of the Act and for the purpose of the Proposed Renewal of Share Buy-Back, includes any person who is or was within the preceding six (6) months of the date on which the terms of the transaction were agreed upon, such major shareholder of the Company or any other company which is its subsidiary or holding company

"NA"	:	Net assets attributable to ordinary equity holders of Matang
"Proposed Renewal of Share Buy-Back"	:	Proposed Renewal of Authority for the Company to purchase its own Shares of up to ten percent (10%) of its total number of issued shares
"Purchased Shares"	:	Shares purchased by Matang pursuant to the Proposed Renewal of Share Buy-Back
"RM" and "sen"	:	Ringgit Malaysia and sen, respectively
"SC"	:	Securities Commission Malaysia
"Shareholders"	:	Shareholders of Matang
"Statement"	:	Statement in relation to the Proposed Renewal of Share Buy-Back
"Substantial Shareholder(s)"	:	A person who has 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

All references to "**we**", "**us**", "**our**", and "**ourselves**" are made to Matang and, where the context requires, shall include our subsidiaries.

All references to "**you**" or "**your(s)**" in this Statement are made to our shareholders, who are entitled to attend and vote at the AGM.

Unless specifically referred to, words denoting incorporating the singular shall, where applicable, include the plural and vice versa, and words denoting incorporating the masculine gender shall, where applicable, include the feminine and neuter genders and vice versa. Any reference to persons shall include corporations unless otherwise specified.

Any reference in this Statement to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any reference to a time of day and date in this Statement shall be a reference to Malaysian time and date, respectively, unless otherwise specified. Any discrepancy in the figures included in this Statement between the amounts stated, actual figures and the totals thereof are due to rounding adjustments.

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## **MATANG BERHAD**

Registration No. 201501017043 (1142377-X)  
(Incorporated in Malaysia)

### **Registered Office**

Unit 30-01, Level 30, Tower A  
Vertical Business Suite  
Avenue 3, Bangsar South  
No. 8, Jalan Kerinchi  
59200 Kuala Lumpur  
W.P. Kuala Lumpur  
Malaysia

21 October 2024

### **Board of Directors**

Dato' Foong Chee Meng (*Independent Non-Executive Chairman*)  
Tan Tuan Peng (*Executive Director*)  
Dato' Ng Keng Heng (*Executive Director*)  
Sophia Lim Chia Hui (*Independent Non-Executive Director*)  
Datuk Tew Boon Chin (*Independent Non-Executive Director*)  
Datuk Teoh Sew Hock (*Non-Independent Non-Executive Director*)

### **To: Our shareholders**

Dear Sir/Madam,

### **PROPOSED RENEWAL OF SHARE BUY-BACK**

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#### **1. INTRODUCTION**

On 21 August 2024, the Company announced its intention to seek the shareholders' approval for the Proposed Renewal of Share Buy-Back at the forthcoming 10<sup>th</sup> AGM.

The purpose of this Statement is to provide the Shareholders with the relevant information on the Proposed Renewal of Share Buy-Back and to seek the Shareholders' approval for the Proposed Renewal of Share Buy-Back as per the ordinary resolution to be tabled at the forthcoming 10<sup>th</sup> AGM of the Company which will be held virtually through live streaming from the Broadcast Venue using the RPV facilities provided by TIIH via TIIH Online website at <https://tiih.online> on Tuesday, 19 November 2024 at 10.00 a.m. or at any adjournment thereof.

The Notice of AGM and the Proxy Form are enclosed in the Annual Report of the Company for FYE 30 June 2024 which are available together with this Statement at the Company's website at: <https://www.matangbhd.com/annual-report/>.

**SHAREHOLDERS OF MATANG ARE ADVISED TO READ AND CONSIDER CAREFULLY THE CONTENTS OF THIS STATEMENT TOGETHER WITH THE APPENDICES CONTAINED HEREIN BEFORE VOTING ON THE RESOLUTION PERTAINING TO THE PROPOSED RENEWAL OF SHARE BUY-BACK TO BE TABLED AT THE FORTHCOMING AGM.**

## **2. DETAILS OF THE PROPOSED RENEWAL OF SHARE BUY-BACK**

At the Ninth AGM held on 22 November 2023, Matang's shareholders had granted their approval for the Company to purchase its own Shares of up to ten percent (10%) of its total number of issued Shares. In compliance with the Listing Requirements and the resolution passed by shareholders on 22 November 2023, the authority granted to the Company to purchase its own shares on Bursa Securities will expire at the conclusion of the Company's forthcoming Tenth AGM to be held on 19 November 2024 unless renewed by an ordinary resolution passed by the shareholders.

The Board is proposing to seek the approval of the shareholders of the Company to purchase its own Shares of up to ten per cent (10%) of the total number of issued Shares of the Company, which are listed on Bursa Securities through its appointed stockbroker(s) at any point in time subject to compliance with Section 113(5) and 127 of the Act, the Listing Requirements and prevailing laws at the time of purchase.

The Proposed Renewal of Share Buy-Back, if approved by the shareholders of Matang at the forthcoming AGM, shall be effective immediately from the date of the passing of the ordinary resolution for the Proposed Renewal of Share Buy-Back and shall remain in force until:

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

whichever occurs first but shall not prejudice the completion of purchase(s) by the Company of its own Shares before the aforesaid expiry date and, in any event, in accordance with the Listing Requirements and any applicable laws, rules, regulations, orders, guidelines, and requirements issued by any relevant authorities.

### **2.1 Quantum**

As at LPD, the Company's issued share capital is RM245,070,549 comprising 2,389,200,276 Shares and hence, the Company may purchase and/or hold up to 238,920,027 Shares, representing not more than ten percent (10%) of the existing total number of issued Matang Shares of 2,389,200,276 Shares as at the LPD.

### **2.2 Fundings**

The shareholders' approval for the Proposed Renewal of Share Buy-Back does not impose an obligation on the Company to purchase its own Shares on Bursa Securities. Rather, it will allow the Board to execute the power of the Company to purchase its own Shares at any time within the abovementioned time.

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

If funded through internally generated funds, the purchase of the Shares pursuant to the Proposed Renewal of Share Buy-Back is not expected to have a material impact on the cash flow position of the Company. In the event that the Proposed Renewal of Share Buy-Back is to be financed by bank borrowings, the Board will ensure that the Company has the capacity to repay such borrowings and that such repayment will not have a material effect on the Company's cash flow.

The maximum amount of funds to be allocated for the Proposed Renewal of Share Buy-Back shall not exceed the aggregate of retained profits of the Company based on the latest audited financial statements and/or the latest management accounts of the Company (where applicable) available. The Company's latest audited retained profits as at 30 June 2024 was RM3,439,439. As of the date of this Statement, the unaudited quarterly results for the first quarter ended 30 September 2024 have yet to be released.

### **2.3 Treatment of the Purchased Shares**

Pursuant to Section 127 of the Act where the Company has purchased any Shares, the Board may, at their discretion, resolve the following:

- (a) To cancel all or part of the Purchased Shares; and
- (b) To retain all or part of the Purchased Shares as treasury shares as defined in Section 127 of the Act.

Based on Section 127(7) of the Act, where the Purchased Shares are held as treasury shares, the Board may at their discretion:

- (a) distribute all or part of the treasury shares as dividends to the shareholders of the Company;
- (b) resell all or part of the treasury shares in accordance with the relevant rules of Bursa Securities;
- (c) transfer all or part of the treasury shares for the purposes of or under the employees' share scheme established by the Company and/or its subsidiaries;
- (d) transfer all or part of the treasury shares as purchase consideration;
- (e) cancel all or part of the treasury shares;
- (f) sell, transfer, or otherwise use the treasury shares for such other purposes as the Minister charged with the responsibility for companies may by order prescribe; and/or
- (g) deal with the treasury shares in any other manners as allowed by the Act, Listing Requirements, applicable laws, rules, regulations, guidelines, requirements and/or orders of any relevant authorities for the time being in force.

In the event the Company decides to purchase its own Shares pursuant to the Proposed Renewal of Share Buy-Back, an immediate announcement will be made by the Company to Bursa Securities on the day of each purchase of its own Shares giving details including, amongst others, the number of Shares and the price(s) of the Purchased Shares or where relevant the highest and lowest price paid, the total consideration paid and the treatment for the Purchased Shares as decided by the Board. An immediate announcement will also be made by the Company to Bursa Securities of any cancellation, resale or transfer of the Purchased Shares upon such time when the Board reaches the decisions. As of the date of this Statement, the Board has yet to make any decision with regard to the treatment(s) of the Shares so purchased in the future.

Pursuant to Section 127(13) and 127(14) of the Act, where the Directors resolve to cancel the Purchased Shares, the Company's issued capital shall be diminished by the Shares so cancelled, and the costs of the shares shall be applied in the reduction of the profits otherwise available for distribution as dividends.

## **2.4 Ranking**

If the Purchased Shares are held as treasury shares, the rights attaching the Purchased Shares in relation to voting, dividends and participation in rights, allotments and/or other forms of distributions would be suspended. The treasury shares will not be taken into account in arriving at the number or percentage of Shares or of a class of Shares in the Company for the purposes of including determination of substantial shareholdings, take-overs, notices, requisition of meetings, quorum of meetings, and the result of a vote on a resolution at meetings of shareholders.

## **2.5 Purchase Price**

Pursuant to Rule 12.17 of the Listing Requirements, the Company may only purchase its own Shares at a price which is not more than fifteen percent (15%) above the weighted average share price of Matang Shares for the five (5) market days immediately preceding the date of the purchase(s).

## **2.6 Resell or Transfer Price**

In the case of a resale or transfer of the treasury Shares pursuant to Section 127(7) of the Act, the Company may only resell the Purchased Shares held as treasury shares at a price which is:

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

## **2.7 Public Shareholding Spread**

Pursuant to Rule 8.02(1) of the Listing Requirements, a listed corporation must ensure that at least 25% of its total listed shares (excluding treasury shares) are in the hands of public shareholders.

Based on the Record of Depositors of the Company as at LPD, the public shareholding spread of the Company was 65.35% of its total number of issued Shares.

The public shareholding spread of the Company is expected to be reduced to 61.50% assuming the Proposed Renewal of Share Buy-Back is implemented in full i.e., up to 10% of the total number of issued shares of the Company and the Purchased Shares are assumed to be purchased from the public shareholders and the number of Matang Shares held by the Directors and Substantial Shareholders of Matang and/or persons connected to them remain unchanged.

The Company will not undertake and shall ensure that it will not undertake any share buy-back if any of the purchase will result in public spread requirements being not met.

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### **3. POTENTIAL ADVANTAGES AND DISADVANTAGES OF THE PROPOSED RENEWAL OF SHARE BUY-BACK**

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

- (a) The Proposed Renewal of Share Buy-Back allows the Company to take swift actions and preventive measures against speculation that affects Share prices significantly without changes to the fundamentals of the Company or the Group. This will also restore or enhance investors' confidence in the Company or the Group.
- (b) It will reduce the volatility in the prices of the Shares and the effects of the same and can help the Company in safeguarding investors' confidence in the Company or the Group.
- (c) The distribution of treasury shares as share dividends or the transfer of the treasury shares for purposes under an employees' share scheme of the Company benefits either the shareholders or the employees of the Company, both of which are two important groups of stakeholders for the Company.
- (d) The purchase of Shares which reduce the capital base of the Company may potentially enhance EPS to the remainder of the shareholders and also create opportunities for capital gain from the re-sale of treasury shares.

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

- (a) The internally generated cash that is used for purposes of purchase of the Company's own Shares will reduce the available financial resources for other strategic investments (such as acquisitions of quality assets) and operational purposes (such as working capital to capitalise on low material costs) when opportunities of the same arise.
- (b) The Proposed Renewal of Share Buy-Back, if implemented to purchase Shares in the Company, will also reduce the available resources for distribution to shareholders as dividends.

The Proposed Renewal of Share Buy-Back is not expected to have any potential material disadvantages to the Company and the shareholders as the Board will implement with due consideration of the financial resources of the Group, the market conditions for the Shares as well as the solvency conditions after any purchases of the Shares. The Board shall be mindful of the interest of the Company and the shareholders and will be prudent with respect of the implementation of the Proposed Renewal of Share Buy-Back.

### **4. RATIONALE FOR THE PROPOSED RENEWAL OF SHARE BUY-BACK**

The Proposed Renewal of Share Buy-Back, if implemented, is envisaged to have the following potential benefits to the Company and its shareholders:

- (a) The Company may be able to reduce the volatility of its share prices by stabilising the supply and demand of its Shares traded in the open market. The stability of the Share price may be important to maintain investors' confidence as well as facilitate future fundraising exercises of the Company via the equity market.
- (b) The Company shall be able to use its surplus financial resources, not immediately required for other utilisation or purposes, more efficiently to stabilise the supply and demand of its Shares traded on Bursa Securities, thereby supporting its fundamental value.
- (c) Where the Purchased Shares are retained as treasury shares, such treasury shares may be resold in future by the Company for a gain or may be distributed as share dividends to the shareholders, thereby benefiting the shareholders.

- (d) Where the Purchased Shares or treasured shares are cancelled, the reduced capital base may enhance the future EPS of the Company or the consolidated EPS of the Group.

## 5. EFFECTS OF THE PROPOSED RENEWAL OF SHARE BUY-BACK

The effects of the Proposed Renewal of Share Buy-Back on the share capital, NA, working capital, earnings and shareholdings of the Directors and Substantial Shareholders of the Company are set out below:

### 5.1 Share Capital

The effect of the Proposed Renewal of Share Buy-Back on the issued Share capital of Matang will depend on whether the Purchased Shares are cancelled or retained as treasury shares. In the event that all the Purchased Shares are to be retained as treasury shares or resold or distributed as share dividends, there shall be no effect on the implementation of the Proposed Renewal of Share Buy-Back on the total number of issued Shares.

Based on the number of issued Shares of Matang, the maximum number of Shares which can be repurchased pursuant to the Proposed Renewal of Share Buy-Back are as follows:

	<b>Based on Existing Share Capital Number of Shares</b>
Total number of issued Shares as at LPD	2,389,200,276
Less: The maximum Shares which can be bought back	(238,920,027)
<b>Reduced Shares Capital assuming cancellation of all the Purchased Shares</b>	<b>2,150,280,249</b>

If the Purchased Shares are retained as treasury shares, the rights attaching the Purchased Shares in respect of voting, dividends and participation in any other distribution would have to be suspended. The treasury shares will not be accounted for in calculating the number or percentage of Shares or of a class of shares in the Company for any purposes, including for substantial shareholdings, takeovers, notices, requisition of meetings, quorum for a meeting and result of a vote on a resolution at a meeting.

### 5.2 NA

The effect of the Proposed Renewal of Share Buy-Back on the NA of the Group will depend on the number of Purchased Shares, the price(s) paid for such Shares, the effective funding cost to the Group to finance (if applicable) the purchase of the Shares and any loss of interest income to the Group arising from the purchase of the Shares, and whether the Purchased Shares are cancelled or retained as treasury shares.

In the event that all Purchased Shares are retained as treasury shares, the NA of the Group would be reduced by the purchase cost of the treasury shares because the treasury shares are required to be carried at cost and be offset against the equity.

In the event that all the Purchased Shares are cancelled and/or the treasury shares retained (from the Purchased Shares) are cancelled and/or distributed as share dividends:

- (a) The NA per Share of the Group will be reduced if the purchase price(s) per Share exceeds the NA per Share at the relevant point in time of the purchase;
- (b) The NA per Share of the Group will be increased if the purchase price(s) per Share was/were lower than the NA per Share at the relevant point in time of the purchase.

In the event that the Purchased Shares are resold on the share market, the NA per Share of the Group will increase if the Company realises a gain from the resale and vice versa.

### **5.3 Working Capital and Cash Flow**

The Proposed Renewal of Share Buy-Back, if implemented, will nevertheless reduce the working capital and cash flows of the Group at such quantum which depends on, amongst others, the number of Shares purchased, the purchase price(s) of the Shares and any additional cost or incidental costs incurred in the purchase. If the Purchased Shares, which are retained as treasury shares, are resold, the working capital and cash flow of the Group would increase at such quantum, which depends on, amongst others, the number of treasury shares resold and the selling price(s) of the treasury shares.

### **5.4 Earnings and EPS**

The effect of the Proposed Renewal of Share Buy-Back on the earnings of the Group will depend on the number of Purchased Shares, the price(s) paid for such Shares, the effective funding cost to the Group to finance (if applicable) the purchase of the Shares and any loss of interest income to the Group arising from the purchase of the Shares.

All things being equal, the reduction in Matang Shares used in the computation of the EPS further to the purchase of Shares under the Proposed Renewal of Share Buy-Back shall generally have a positive impact on the EPS of the Group for the financial year in which the Shares are purchased.

Assuming that the Purchased Shares which are retained as treasury shares and resold at a later stage, the effect on the EPS of the Group shall depend on the selling price, the number of treasury shares resold and the effective gain or interest savings arising from the exercise.

In the event that Purchased Shares are cancelled, the EPS of the Group would increase provided that the income foregone, and interest expenses incurred on the Purchased Shares are less than the EPS before the Proposed Renewal of Share Buy-Back.

### **5.5 Dividends**

The Company has proposed, subject to shareholders' approval, a final dividend of 0.16 sen per Share for the financial year ended 30 June 2024. Barring any unforeseen circumstances, any future dividends which may be declared would depend on, amongst others, the profitability and cashflow position of the Group.

The Proposed Renewal of Share Buy-Back may have an adverse impact on the Company's dividend payout, if any, in the event that the implementation reduces the cash available which may otherwise be used for dividend payment. Nevertheless, the implementation of the Proposed Renewal of Share Buy-Back is restricted by the available retained earnings of the Company and subject to the solvency conditions of the Group being observed by the Board at all times.

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## 5.6 Directors' and Substantial Shareholders' Shareholdings

Based on the Register of Directors' Shareholdings and Register of Substantial Shareholders as at LPD, assuming that the Proposed Renewal of Share Buy-Back is implemented in full and that all the Purchased Shares are cancelled, the effect of the Proposed Renewal of Share Buy-Back on the shareholdings of the existing Directors and Substantial Shareholders of Matang are set out below.

	Number of Shares Held As at LPD <sup>&amp;</sup>				After the Proposed Renewal of Share Buy-Back <sup>@</sup>			
	Direct		Indirect		Direct		Indirect	
	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
<b>Substantial shareholders</b>								
Huaren	576,945,428	24.15	-	-	576,945,428	26.83	-	-
Ang Kian You	208,560,300	8.73	-	-	208,560,300	9.70	-	-
Malaysian Chinese Association	-	-	598,763,528 <sup>#</sup>	25.06	-	-	598,763,528 <sup>#</sup>	27.85
<b>Directors</b>								
Dato' Foong Chee Meng	-	-	-	-	-	-	-	-
Tan Tuan Peng	-	-	-	-	-	-	-	-
Dato' Ng Keng Heng	9,000	^	-	-	9,000	^	-	-
Sophia Lim Chia Hui	-	-	-	-	-	-	-	-
Datuk Tew Boon Chin	-	-	-	-	-	-	-	-
Datuk Teoh Sew Hock	10,028,000	0.42	-	-	10,028,000	0.47	-	-

**Notes:**

<sup>@</sup> assuming the Proposed Renewal of Share Buy-Back is implemented in full and all Shares so purchased (i.e., 238,920,027 Shares) are fully cancelled

<sup>#</sup> deemed interested by virtue of its shareholdings in Huaren and Rohua Sdn Bhd pursuant to Section 8 of the Act

<sup>^</sup> less than 0.01%

## 6. IMPLICATION OF THE CODE

Pursuant to the Code, a person and any parties acting in concert with him will be required to make a mandatory offer for the remaining Shares not already owned by him/her/them if his/her/their stake in the Company is increased to beyond 33.0% or if his/her/their existing shareholdings is between 33% and 59% and exceeds by another 2% in any six (6) months period.

Notwithstanding the above, the parties acting in concert are allowed to make an application to the SC for a waiver from implementing a mandatory general offer under the Code and the application for waiver must be submitted to the SC before a mandatory offer obligation is triggered.

As it is not intended for the Proposed Renewal of Share Buy-Back to trigger the obligation to undertake a mandatory general offer under the Code by any of its major and/or substantial shareholders and/or parties acting in concert with them, the Board will ensure that only such number of Shares are purchased, retained as treasury shares, cancelled or distributed such that the Code will not be triggered.

## 7. INTEREST OF DIRECTORS' AND/OR MAJOR SHAREHOLDERS' SHAREHOLDINGS AND/OR PERSONS CONNECTED TO THEM

Save as disclosed in Section 5.6 of this Statement, none of the Directors and/or substantial shareholders of the Company and/or persons connected to them have any interest, either direct or indirect in the Proposed Renewal of Share Buy-Back.

**8. APPROVALS REQUIRED**

The Proposed Renewal of Share Buy-Back is conditional upon the approval of the Shareholders of the Company being obtained in the forthcoming AGM to be convened.

**9. PREVIOUS PURCHASE, RESALE, CANCELLATION AND/OR TRANSFER OF TREASURY SHARES MADE IN THE PRECEDING TWELVE (12) MONTHS**

The Company has not made any purchase of its own shares, resale, transfer or cancellation of treasury shares in the previous 12 months preceding the LPD. As at the LPD, the Company does not hold any treasury shares.

**10. HISTORICAL SHARE PRICES**

The monthly highest and lowest prices of Matang Shares as traded on Bursa Securities for the last twelve (12) months from Octoberber 2023 to September 2024 are as follows:

	<b>High RM</b>	<b>Low RM</b>
<b>2023</b>		
October	0.095	0.085
November	0.090	0.085
December	0.090	0.085
<b>2024</b>		
January	0.095	0.085
February	0.090	0.085
March	0.100	0.085
April	0.090	0.085
May	0.090	0.085
June	0.090	0.085
July	0.090	0.085
August	0.090	0.085
September	0.090	0.085

*(Source: Bursa Securities)*

The last transacted share price of Matang Shares on LPD was RM0.085.

**11. DIRECTORS' RECOMMENDATION**

The Board, having considered all aspects of the Proposed Renewal of Share Buy-Back, is of the opinion that the Proposed Renewal of Share Buy-Back is fair, reasonable and in the best interests of the Company. Accordingly, the Board recommends that the Shareholders of Matang vote in favour of the ordinary resolution for the Proposed Renewal of Share Buy-Back to be tabled at the forthcoming Tenth AGM.

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## 12. AGM

The Ordinary Resolution relating to the Proposed Renewal of Share Buy-Back will be tabled as Special Business at the Tenth AGM of the Company. This Statement is available at <https://matangbhd.com/annual-report/> together with the Notice of Tenth AGM, Proxy Form and the Administrative Guide for the Tenth AGM of the Company.

The 10th AGM of the Company will be conducted virtually through live streaming from the Broadcast Venue using the RPV facilities provided by TIIH via TIIH Online website at <https://tiih.online> on Tuesday, 19 November 2024 at 10.00 a.m for the purpose of considering and if thought fit, passing the Ordinary Resolution on the Proposed Renewal of Share Buy-Back, under the agenda of Special Business.

Members are to participate remotely at the Tenth AGM using RPV. Please follow the procedures in the Administrative Guide for the Tenth AGM in order to participate remotely via RPV. If you are unable to participate in this Tenth AGM, you may appoint proxy(ies) to do so on your behalf by depositing the completed Proxy Form at the Company's Share Registrar, Tricor Investor & Issuing House Services Sdn Bhd 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 Services Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, no less than forty-eight (48) hours before the time for holding the Tenth AGM or any adjournment thereof. You may also submit the proxy appointment electronically via Tricor's TIIH Online website at <https://tiih.online> not later than the aforementioned time. For further information on the electronic lodgement of Proxy Forms, please refer to the Administrative Guide for the Tenth AGM.

## 13. FURTHER INFORMATION

Shareholders are advised to refer to the attached Appendix I for additional information and Appendix II for the Extract of the AGM Notice in relation to the Proposed Renewal of Share Buy-Back.

Yours faithfully,  
For and on behalf of the Board of  
**MATANG BERHAD**

**DATO' FOONG CHEE MENG**  
Independent Non-Executive Chairman

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**FURTHER INFORMATION**

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**1. DIRECTORS' RESPONSIBILITY STATEMENT**

This Statement has been seen and approved by the Directors of Matang who individually and collectively accept full responsibility for the accuracy of the information given and confirm that after making all reasonable enquiries to the best of their knowledge and belief there are no other facts, omission of which would make any statement herein misleading or incorrect.

**2. MATERIAL CONTRACTS**

Save for as disclosed below, Matang has not entered into any material contracts (not being contracts entered into in the ordinary course of business) within the two (2) years immediately preceding the LPD:

- (a) On 10 February 2023, Matang entered into a conditional sale and purchase agreement ("SPA") with Star Media Group Berhad ("Star Media") and SMG Land Sdn Bhd ("SMG Land"), a wholly-owned subsidiary of Star Media to acquire two (2) units of double-storey semi-detached factory and warehouse annexed with a one-and-a-half (1 ½) storey office building and other ancillary buildings to be erected upon part of the land held under Geran 204624, Lot 78658, Mukim Damansara, Daerah Petaling, Negeri Selangor ("Property") for a total purchase consideration of RM33,000,000 to be satisfied via the allotment and issuance of 357,000,000 new ordinary shares in Matang to SMG Production & Distribution Sdn Bhd, a wholly-owned subsidiary of the SMG Land at an issue price of RM0.0809 each and cash payment amounting to RM4,118,700.

However, the Company received a request from Star Media on 14 July 2023 to mutually terminate the SPA as Star Media was not able to secure its shareholders' approval at its Extraordinary General Meeting on 31 May 2023 for the proposed disposal of the Property to Matang and they do not foresee their ability to have the same resolution passed. On 17 July 2023, the Company wrote to Star Media to state its agreement to mutually terminate the SPA with effect from 17 July 2023, the announcement of which was made on an even date. Further to the mutual termination of the SPA on 17 July 2023, Star Media and SMG Land shall have no further claims against Matang in respect of the SPA.

- (b) On 2 May 2023, Matang entered into a conditional Share Sale Agreement ("SSA") with Tan Chor Wee, Teyu Soo Moi, Lim Pon Chuan, Bu Yau Hoi, Tan Yu Kung, Tan Yue Teck, Tan Yew Hock, Tan Yu Chuan, Tew Han Kiong and Ngah Seng Moe (collectively referred to as the "Sellers") for the proposed acquisition of 2,500,000 shares in Greencode Farm Sdn Bhd ("GFSB") ("Sale Share(s)"), representing 100% equity interest in GFSB for a purchase consideration of RM30,566,196.61 ("Purchase Consideration") to be satisfied entirely via cash ("Proposed Acquisition").

Subsequently, on 25 July 2023, the conditions precedent under the SSA were fulfilled, and the Purchase Consideration was settled in full by Matang on an even date in accordance with the terms of the SSA. Hence, the completion of the Proposed Acquisition has taken place on 25 July 2023.

**3. MATERIAL LITIGATION**

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

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**FURTHER INFORMATION**

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**4. DOCUMENTS FOR INSPECTION**

Copies of the following documents are available for inspection by the Shareholders of Matang at the Registered Office of Matang at Unit 30-01, Level 30, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No.8, Jalan Kerinchi, 59200 Kuala Lumpur during normal office hours between Monday and Friday (except public holidays) from the date of this Statement up to and including the date of the AGM:

- (a) The Constitution of Matang; and
- (b) The audited financial statements of Matang Group for the financial years ended 30 June 2023 and 30 June 2024.

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**EXTRACT OF RESOLUTION ON THE PROPOSED RENEWAL OF SHARE BUY-BACK**


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To consider and if thought fit, to pass the following as Ordinary Resolution:

**ORDINARY RESOLUTION (Resolution 8)**  
**PROPOSED RENEWAL OF AUTHORITY FOR THE COMPANY TO PURCHASE ITS OWN SHARES UP TO TEN PER CENT (10%) OF THE TOTAL NUMBER OF ISSUED SHARES (“PROPOSED RENEWAL OF SHARE BUY-BACK”)**

“THAT subject always to the Companies Act 2016 (“the Act”), the Constitution of the Company, the ACE Market Listing Requirements (“the Listing Requirements”) of Bursa Malaysia Securities Berhad (“Bursa Securities”) and all other applicable laws, guidelines, rules and regulations, the Company be and is hereby authorised, to the fullest extent permitted by law, to purchase such number of issued shares in the Company as may be determined by the Directors of the Company from time to time through Bursa Securities pursuant to the Listing Requirements upon such terms and conditions as the Directors may deem fit and expedient in the interest of the Company provided that:

- a. the aggregate number of issued shares in the Company (“Shares”) purchased (“Purchased Shares”) and/or held as treasury shares pursuant to this ordinary resolution does not exceed ten per centum (10%) of the total number of issued shares of the Company as quoted on Bursa Securities as at point of purchase; and
- b. the maximum fund to be utilised by the Company for the purpose of purchasing the shares shall not exceed the aggregate of the retained profits of the Company based on the latest audited financial statements and/or the latest management accounts (where applicable) available at the time of the purchase,

(“Proposed Share Buy-Back”).

AND THAT the authority to facilitate the Proposed Share Buy-Back will commence immediately upon passing of this Ordinary Resolution and will continue to be in force until:

- a. the conclusion of the next Annual General Meeting (“AGM”) of the Company following the general meeting at which such resolution was passed, at which it will lapse unless by ordinary resolution passed at that meeting, the authority is renewed, either unconditionally or subject to conditions;
- b. the expiration of the period within which the next AGM of the Company is required by law to be held; or
- c. revoked or varied by ordinary resolution passed by the shareholders of the Company at a general meeting,

whichever occurs first but shall not prejudice the completion of purchase(s) by the Company of its own Shares before the aforesaid expiry date and, in any event, in accordance with the Listing Requirements and any applicable laws, rules, regulations, orders, guidelines and requirements issued by any relevant authorities.

AND THAT the Directors of the Company be and are hereby authorised, at their discretion, to deal with the Purchased Shares until all the Purchased Shares have been dealt with by the Directors in the following manner as may be permitted by the Act, Listing Requirements, applicable laws, rules, regulations, guidelines, requirements and/or orders of any relevant authorities for the time being in force:

- i. To cancel all or part of the Purchased Shares;
- ii. To retain all or part of the Purchased Shares as treasury shares as defined in Section 127 of the Act;
- iii. To distribute all or part of the treasury shares as dividends to the shareholders of the Company;
- iv. To resell all or part of the treasury shares;

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**EXTRACT OF RESOLUTION ON THE PROPOSED RENEWAL OF SHARE BUY-BACK**

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- v. To transfer all or part of the treasury shares for the purposes of or under the employees' share scheme established by the Company and/or its subsidiaries;
- vi. To transfer all or part of the treasury shares as purchase consideration;
- vii. To sell, transfer or otherwise use the shares for such other purposes as the Minister with responsibility for companies may by order prescribe; and/or
- viii. To deal with the treasury shares in any other manners as allowed by the Act, Listing Requirements, applicable laws, rules, regulations, guidelines, requirements and/or orders of any relevant authorities for the time being in force.

AND THAT the Directors of the Company be and are authorised to take all such steps as are necessary or expedient, including without limitation, the opening and maintaining of central depository account(s) under Securities Industry (Central Depositories) Act, 1991, and the entering into all agreements, arrangements and guarantee with any party or parties, to implement, finalise and give full effect to the Proposed Share Buy-Back with full powers to assent to any conditions, modifications, variations and/or amendments (if any) as may be imposed by the relevant authorities."

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