

## FAVELLE FAVCO BERHAD (“FFB” OR “COMPANY”)

### PROPOSED ESTABLISHMENT OF A NEW EMPLOYEES’ SHARE ISSUANCE SCHEME OF UP TO 10% OF THE TOTAL NUMBER OF ISSUED SHARES IN FFB (EXCLUDING TREASURY SHARES) AT ANY ONE TIME DURING THE DURATION OF THE EMPLOYEES’ SHARE ISSUANCE SCHEME (“PROPOSED SIS”)

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*(For the purpose of this announcement, the latest practicable date is 12 May 2022 (“LPD”). Certain figures in this announcement have been subject to rounding adjustments.)*

#### 1. INTRODUCTION

On behalf of the Board of Directors of the Company (“**Board**”), TA Securities Holdings Berhad (“**TA Securities**”) wishes to announce that the Company proposes to establish and implement a new employees’ share issuance scheme (“**Proposed SIS**”) of up to 10% of the total number of issued shares in the Company (excluding treasury shares) at any one time during the duration of the Proposed SIS for the Executive Directors of the Company and/or its non-dormant subsidiaries (“**Group**”) (“**Eligible Directors**”) and employees of the Group.

The Company has an existing SIS which will be expiring on 9 July 2022 (“**Existing SIS**”). The Board had decided not to extend the duration of the Existing SIS and to implement the Proposed SIS after the expiry of the Existing SIS.

#### 2. DETAILS OF THE PROPOSED SIS

The Proposed SIS shall comprise the employees’ share option scheme (“**ESOS**”) and a share grant plan (“**SGP**”) for the Eligible Directors and employees of the Group (excluding dormant subsidiaries) who fulfil the eligibility criteria for participation in the Proposed SIS (“**Eligible Persons**”) in accordance with the by-laws of the Proposed SIS (“**By-Laws**”).

The Proposed SIS will be administered by a committee to be duly appointed and authorised by the Board (“**Scheme Committee**”).

The ESOS will involve the granting of options (“**SIS Options**” or “**Options**”) to the Eligible Persons to subscribe for new Shares at the prescribed Option price, subject to terms and conditions of the By-Laws. Upon acceptance by the selected Eligible Persons, the Options shall be vested to them and may be subjected to the fulfilment of certain vesting conditions as may be determined by the Scheme Committee.

The SGP involves the granting of new Shares to the Eligible Persons (“**SGP Awards**”), subject to the terms and conditions of the By-Laws. Upon acceptance of the SGP Awards by the selected Eligible Persons, the SGP Awards will be vested to them over the duration of the Proposed SIS, and may be subjected to the fulfilment of certain vesting conditions as may be determined by the Scheme Committee.

In the event the Scheme Committee decides that an offer made in writing by the Scheme Committee to an Eligible Person in the manner indicated in the By-Laws (“**Offer**”) or vesting of SIS Options is staggered, the number of SIS Options to be offered in an Offer and the timing for the vesting of these SIS Options shall be decided by the Scheme Committee and shall be subject to other conditions as set out by the Scheme Committee in the letter of offer (including but not limited to performance, assessment and appraisal or performance targets) at its sole and absolute discretion and an Offer shall be separate and independent from the others.

The salient terms and conditions of the Proposed SIS, which are governed by the By-Laws are set out as below:

## **2.1 Total number of Shares available under the Proposed SIS**

The maximum number of new Shares which may be made available pursuant to the Proposed SIS, shall not exceed in aggregate 10% of the total number of issued shares of the Company (excluding treasury shares) at any point in time during the duration of the Proposed SIS as provided in the By-Laws.

## **2.2 Eligibility**

Any Eligible Director and employee of the Group (excluding dormant subsidiaries) shall be eligible to participate in the Proposed SIS if, as at the date on which an offer (including any subsequent offers) is made by the Scheme Committee to an Eligible Person to participate in the Proposed SIS (“Offer Date”), the Eligible Person:

- (i) is a Malaysian citizen;
- (ii) has attained the age of 18 years old;
- (iii) is employed by and is on the payroll of a company within the Group;
- (iv) save for the Eligible Directors, is employed for a continuous period of at least 1 year in the Group from the date of confirmation of employment;
- (v) if an employee is employed by a company which is acquired by the Group during the duration of the Proposed SIS and becomes a subsidiary upon such acquisition, the employee must have completed from the date of confirmation of employment, continuous service of at least 1 year from the date that company becomes a subsidiary;
- (vi) not be an undischarged bankrupt nor subject to any bankruptcy proceedings;
- (vii) in respect of an Eligible Director, such Eligible Director is a director named in the Register of Directors of the Company;
- (viii) in respect of employment under fixed-term contract, such person must have been continuously in service for at least 5 years in the Group prior to the Offer Date;
- (ix) the allocation of Shares to the Eligible Directors must have been approved by the shareholders of the Company in a general meeting and such Eligible Directors are not prohibited or disallowed by the relevant authorities or laws from participating in the Proposed SIS; and
- (x) fulfils any other criteria including but not limited to the performance targets, appraisals and assessments as may be set or determined by the Group that may be determined by the Scheme Committee from time to time, at its absolute discretion.

In determining the eligibility and allocation of Eligible Persons to participate in the Proposed SIS, the Scheme Committee will take into account among others, the performance appraisal(s) and past and future contributions of the Eligible Persons to the Group (excluding dormant subsidiaries), and such other factors that the Scheme Committee deems relevant from time to time. For avoidance of doubt, the selection of Eligible Persons for participation in the Scheme shall be at the sole and absolute discretion of the Scheme Committee. The decision of the Scheme Committee shall be final and binding.

### 2.3 Basis of allotment and maximum allowable allotment of Shares

Subject to any adjustments which may be made to the By-Laws, the aggregate number of new Shares to be made available to an Eligible Person in accordance with the Scheme shall be determined at the sole and absolute discretion of the Scheme Committee after taking into consideration the Eligible Person's performance, position, seniority, responsibility and the number of years in service subject to the following:

- (i) that the aggregate number of new Shares made available under the Scheme shall not exceed the amount stipulated in **Section 2.1** of this announcement; notwithstanding the foregoing and the Scheme Committee shall not be obliged in any way to offer an Eligible Person the Options or grant the SGP Awards for all the specified maximum number of Shares that the Eligible Person is entitled to under the Proposed SIS;
- (ii) that not more than 80%\* of the new Shares available under the Proposed SIS at any point in time when an offer made in writing by the Scheme Committee to the Eligible Persons ("Offer") shall be allocated, in aggregate, to the Eligible Directors and senior management of the Group (excluding dormant subsidiaries);

*Note:*

\* *The basis in arriving at this threshold takes into account the number of Eligible Directors and senior management of the Group (excluding dormant subsidiaries) who are eligible to participate in the Proposed SIS and was determined after considering that the Eligible Directors and senior management are the key drivers to the growth of the Group's businesses. This is intended to incentivise the Eligible Directors and senior management for their contribution towards improving the Group's overall financial performance and enhancing the total returns, including the appreciation of share price and dividend to the shareholders. The Proposed SIS also aims to reward and retain the Eligible Directors and senior management of the Group (excluding dormant subsidiaries) for their attainment of higher performance, commitment, dedication and loyalty.*

- (iii) that not more than 10% of the total new Shares available under the Scheme at any point in time when an Offer is made shall be granted to any individual Eligible Person who, either singly or collectively through persons connected with an Eligible Person, holds 20% or more of the total number of issued shares in the Company (excluding treasury shares); and
- (iv) the Eligible Directors and senior management of the Group (excluding dormant subsidiaries) do not participate in the voting, deliberation or discussion of their own allocations of Options and SGP Awards under the Proposed SIS.

### 2.4 Basis of determining the subscription price and reference value

Subject to any adjustment made in accordance with the By-Laws and pursuant to the Main Market Listing Requirements of Bursa Securities ("**Listing Requirements**"), the price payable for the new Shares upon exercise of the SIS Options ("**Subscription Price**") and the reference price which is used to determine the number of Shares to be granted under the SGP ("**SGP Price**") shall be based on a price to be determined by the Board upon recommendation of the Scheme Committee based on the 5-day volume weighted average market price ("**5D-VWAP**") of the Shares immediately preceding the offer date, with a discount of not more than 10%.

## **2.5 Acceptance of Offer and SGP Award**

Acceptance of an Offer by an Eligible Person shall be accompanied by the payment of RM1.00 or such other amount and/or in such other currency as may be determined at the discretion of the Scheme Committee as non-refundable consideration for the SIS Option.

Acceptance of an SGP Award by an Eligible Person shall be made by way of a written notice from the Eligible Person to the Scheme Committee in the form prescribed by the Scheme Committee and accompanied by payment of RM1.00 or such other only as non-refundable consideration for the acceptance of each SGP Award (regardless of the number of shares comprised therein).

## **2.6 Ranking of the new Shares**

The new Shares arising from the Proposed SIS shall, upon allotment and issuance, rank equally in all respects with the then existing Shares, save and except that they will not be entitled to any dividends, rights, allotments and/or any other distributions, the entitlement date of which precedes the date of allotment and issuance of the new Shares.

The SIS Options shall not carry any rights to vote at any general meeting of the Company. The grantee shall not in any event be entitled to any dividends, rights, allotments or any other distributions that may be declared, made or paid, or other entitlements on his/her unexercised SIS Options.

## **2.7 Retention period**

The new Shares to be allotted and issued to a grantee pursuant to the Proposed SIS will not be subject to any retention period or restriction on transfer. However, grantees are encouraged to hold the Shares as a long-term investment rather than for realisation of any immediate gain.

## **2.8 Listing of the new Shares**

The Company will submit an application to Bursa Securities for the listing of and quotation for the new Shares to be issued pursuant to the Proposed SIS.

## **2.9 Effective date and duration of the Proposed SIS**

The effective date for the commencement of the Proposed SIS shall be the date of full compliance with the Listing Requirements in relation to the Proposed SIS and after the expiry of the Existing SIS.

The Proposed SIS shall be in force for a period of 5 years from the effective date of commencement of the Proposed SIS. However, an extension to the Proposed SIS may be effected by the Board upon recommendation of the Scheme Committee, subject always that the aggregate duration of the Proposed SIS shall not exceed a duration of 10 years from the effective date of commencement.

## **2.10 Exercise of SIS Options**

The exercise of the SIS Option may be staggered over the Scheme Period as determined by the Scheme Committee.

Where the maximum percentage of a SIS Options exercisable within a particular year of the Proposed SIS is not fully exercised by the grantee, the percentage unexercised shall be carried forward to the following year and the maximum percentage of the SIS Options exercisable in that year shall not exceed the aggregate of the percentage unexercised in the previous year and the exercisable percentage of that year, provided always that no SIS Option shall be carried forward beyond the Scheme Period.

## **2.11 Amendments and/or modification to the Proposed SIS**

Subject to compliance with the requirements of Bursa Securities and any other relevant authorities, the Board shall have the power, at any time and from time to time, by resolution to amend, at the recommendation of the Scheme Committee, all or any provisions of the Proposed SIS. However, no such amendment shall be made which would alter to the advantage of any Eligible Person or grantee in respect of matters prescribed under Appendix 6E of the Listing Requirements, without the prior approval of the Company's shareholders in a general meeting where such approval is required by applicable laws.

Where an amendment and/or modification is made to the By-Laws, the Company shall submit to Bursa Securities, the amendment and/or modification to the By-Laws and a confirmation letter that the amendment and/or modification complies with the provision of the guidelines on SIS as stipulated under the Listing Requirements and rules of Bursa Malaysia Depository Sdn Bhd no later than 5 market days from the effective date of the said amendment and/or modification.

The grantees shall be given written notice in the form prescribed by the Scheme Committee from time to time of any additions, amendments to and/or modifications of the By-Laws within 5 market days of any of the foregoing taking effect.

## **3. RATIONALE FOR THE PROPOSED SIS**

The rationale for the Proposed SIS are as follows:

- (i) to attract prospective skilled and experienced executives or personnel to join the Group as and when required and to reward and retain Eligible Persons who have contributed to the success of the Group, whose services have proven to be invaluable to the smooth operation and continued growth of the Group; and
- (ii) to create a sense of ownership in the Group through direct equity participation in the Company by the Eligible Persons and to provide an incentive for them to participate in the future growth of the Group, thereby increasing the level of motivation, commitment, dedication and loyalty amongst the Eligible Persons.

## **4. UTILISATION OF PROCEEDS**

The gross proceeds to be raised pursuant to the exercise of the SIS Options under the Proposed SIS will depend on the number of SIS Options granted and exercised at the relevant point in time and the Subscription Price. Such proceeds will be utilised for the Group's working capital requirements within 12 months from the date when such proceeds are received. Pending utilisation of proceeds from the exercise of the SIS Options, the proceeds would be placed in deposits with financial institutions and/or short-term money market financial instruments.

The estimated expenses for the Proposed SIS of approximately RM100,000 will be funded through the Group's internally-generated funds.

## 5. EFFECTS OF THE PROPOSED SIS

### 5.1 Share capital

The Proposed SIS is not expected to have any immediate material effect on the share capital of the Company until such time when such SIS Options are exercised and/or the new Shares under the SGP Awards are vested. However, the share capital of the Company will increase progressively depending on the number of new Shares to be issued pursuant to the exercise of the SIS Options and/or the new Shares under the SGP Awards that may be granted under the Proposed SIS, subject to a maximum of 10% of the total number of issued shares of the Company (excluding treasury shares) at any point in time during the duration of the Proposed SIS.

For both the minimum scenario and maximum scenario as set out below, it is assumed that none of the treasury shares is sold prior to the exercise of any SIS Options and/or the new Shares under the SGP Awards to be granted under the Proposed SIS.

As at the LPD, the Company has 3,357,000 outstanding SIS Options with an exercise price of RM2.35 each pursuant to the Existing SIS. The outstanding SIS Options are in-the-money in view of the closing market price of the Shares as at the LPD of RM3.25.

For illustrative purposes, the pro forma effects of the Proposed SIS on the share capital of the Company are set out below:

<b>Minimum scenario</b>	Assuming that none of the outstanding Existing SIS Options will be exercised before the expiry of the Existing SIS Options on 9 July 2022 and prior to the implementation of the Proposed SIS Options
<b>Maximum scenario</b>	Assuming that all the outstanding Existing SIS Options will be exercised before the expiry of the Existing SIS Options on 9 July 2022 and prior to the implementation of the Proposed SIS Options

	Minimum Scenario		Maximum Scenario	
	No. of Shares	RM	No. of Shares	RM
As at the LPD	233,088,763	175,569,741	233,088,763	175,569,741
Less: Treasury shares	(1,345,000)	(3,006,476)	(1,345,000)	(3,006,476)
	231,743,763	172,563,265	231,743,763	172,563,265
To be issued assuming full exercise of the Existing SIS	-	-	3,357,000	7,888,950
	231,743,763	172,563,265	235,100,763	180,452,215
To be fully issued pursuant to the Proposed SIS <sup>(1)</sup>	23,174,000	67,111,904 <sup>(2)</sup>	23,510,000	68,084,960 <sup>(2)</sup>
<b>Enlarged share capital</b>	<b>254,917,763</b>	<b>239,675,169</b>	<b>258,610,763</b>	<b>248,537,175</b>

Notes:

- (1) Assuming the maximum of up to 10% of the existing number of issued shares of the Company (excluding 1,345,000 treasury shares) pursuant to the Proposed SIS.
- (2) Assuming the Subscription Price of RM2.896, based on 9.68% discount to the 5D-VWAP of the Shares of RM3.2065 up to the LPD.

## **5.2 Net assets attributable to the ordinary equity holders of the Company (“NA”) and gearing**

The Proposed SIS is not expected to have an immediate effect on the consolidated NA per Share and gearing of the Group until such time when the new Shares are allotted and issued when the Options are exercised or pursuant to the vesting of the SGP Awards. The effects on the NA per Share and gearing of the Group will depend upon the Option Price, the number of new Shares to be issued upon exercise of the Options and the vesting of the SGP Awards as well as the potential effect on the future earnings of the Group and the adoption of the Malaysian Financial Reporting Standards 2 (“MFRS 2”) on share-based payments.

Under the Proposed SIS, whilst the granting of the Options is expected to result in the recognition of a charge in the Group’s statement of comprehensive income pursuant to MFRS 2, the recognition of such a charge will have no material effect on the Group’s NA as a corresponding amount will be classified as an equity compensation reserve which forms part of the Group’s shareholders’ equity. If none of the granted Options are exercised within the duration of the Proposed SIS, the amount outstanding in the equity compensation reserve would be transferred to the Company’s retained earnings. If the granted Options are exercised, the amount outstanding in the equity reserve would be transferred to the Company’s share capital account.

Any potential effect of the SGP Awards on the Group’s consolidated NA per Share and gearing will depend on the fair value of the Shares to be awarded on the date of granting as well as the number of Shares to be issued, which can only be determined at the point of the vesting of the SGP Awards on the date of vesting.

The Company has taken note of the potential impact of MFRS 2 on the Group’s future NA per Share and shall take into consideration such impact on the allocation and granting of Options and the SGP Awards to the Eligible Persons.

## **5.3 Earnings and earnings per Share (“EPS”)**

The Proposed SIS is not expected to have any material effect on the earnings of the Group, save for the estimated expenses of approximately RM100,000 to be incurred in relation to the Proposed SIS and the possible impact of MFRS 2.

The potential effects of the Proposed SIS on the earnings and EPS of the Group would depend on the number of Options granted and exercised, the number of Shares granted and vested under the SGP Awards, the Option Price payable upon the exercise of the Options, as well as the earnings impact of MFRS 2.

Under MFRS 2, the potential cost arising from the issuance of the Options is measured by the fair value of the Options, which is expected to vest at each date of offer and is recognised in the statement of profit or loss and other comprehensive income of the Group over the vesting period of the Options, thereby reducing the earnings of the Group. The fair value of the Options is determined after taking into consideration the historical volatility of the Shares, the risk-free rate of return, the Option Price and the time to maturity of the Options from the vesting date of the Options. Hence, the potential effect on the EPS of the Group, as a consequence of the recognition of the said cost, cannot be determined at this juncture.

Under MFRS 2, the potential cost of awarding the Shares under the SGP Awards will need to be measured by the fair value on the date of granting and recognised as an expense in the Group’s statement of profit or loss and other comprehensive income over the vesting period of such Shares under the SGP Awards.

The extent of the effect of the SGP Awards on the Group's EPS cannot be determined at this juncture as it would depend on the fair value of the Shares at the respective dates of the SGP Awards. However, the potential cost of the SGP Awards does not represent a cash outflow and is only an accounting treatment.

The Company has taken note of the potential impact of the MFRS 2 on the Group's future earnings and shall take into consideration such impact on the allocation and granting of the Shares to the Eligible Persons.

#### **5.4 Substantial shareholders' shareholdings**

The Proposed SIS is not expected to have any immediate effect on the Company's substantial shareholders' shareholdings until such time the Options granted are exercised and new Shares are issued pursuant to the SGP Awards. Any potential effect on the substantial shareholders' shareholdings in the future would depend on the number of new Shares arising from such exercise or issuance.

For illustration purposes only, the pro forma effects of the Proposed SIS on the substantial shareholders' shareholdings in the Company are set out in the table below:

<b>Minimum scenario</b>	Assuming that none of the outstanding Existing SIS Options will be exercised before the expiry of the Existing SIS Options on 9 July 2022 and prior to the implementation of the Proposed SIS Options
<b>Maximum scenario</b>	Assuming that all the outstanding Existing SIS Options will be exercised before the expiry of the Existing SIS Options on 9 July 2022 and prior to the implementation of the Proposed SIS Options

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### Minimum Scenario

	As at the LPD				After full issuance of Shares under the Proposed SIS <sup>(1)</sup>			
	Direct		Indirect		Direct		Indirect	
	No. of Shares	% <sup>(2)</sup>	No. of Shares	% <sup>(2)</sup>	No. of Share	% <sup>(2)</sup>	No. of Share	% <sup>(2)</sup>
Muhibbah Engineering (M) Bhd (“MEB”)	140,748,343	60.73	-	-	140,748,343	55.21	-	-
Mac Ngan Boon @ Mac Yin Boon	10,842,913	4.68	140,748,343 <sup>(3)</sup>	60.73	10,842,913 <sup>(4)</sup>	4.25	140,748,343 <sup>(3)</sup>	55.21

### Maximum Scenario

	As at the LPD				After full exercise of the outstanding SIS Options				After full issuance of Shares under the Proposed SIS <sup>(1)</sup>			
	Direct		Indirect		Direct		Indirect		Direct		Indirect	
	No. of Shares	% <sup>(2)</sup>	No. of Shares	% <sup>(2)</sup>	No. of Share	% <sup>(2)</sup>	No. of Share	% <sup>(2)</sup>	No. of Shares	% <sup>(2)</sup>	No. of Shares	% <sup>(2)</sup>
MEB	140,748,343	60.73	-	-	140,748,343	59.87	-	-	140,748,343	54.42	-	-
Mac Ngan Boon @ Mac Yin Boon	10,842,913	4.68	140,748,343 <sup>(3)</sup>	60.73	10,842,913	4.61	140,748,343 <sup>(3)</sup>	59.87	10,842,913	4.19	140,748,343 <sup>(3)</sup>	54.42

Notes:

- (1) Assuming that the total new Shares to be issued pursuant to the Proposed SIS amount to 10% of the total number of issued shares of the Company as at the LPD and none of the treasury shares is sold prior to the Proposed SIS.
- (2) Excluding 1,345,000 treasury shares as at the LPD.
- (3) Deemed interested pursuant to Section 8 of the Companies Act 2016 (“Act”).
- (4) Assuming no provision has been made for the allotment of SIS Options or granting of SGP Awards to Mac Ngan Boon @ Mac Yin Boon as the Board has yet to decide on the quantum to be allocated to the Eligible Directors

## 5.5 Convertible securities

As at the LPD, the Company does not have any outstanding options, warrants or convertible securities except for 3,357,000 SIS Options that are outstanding pursuant to the Existing SIS.

## 6. APPROVALS REQUIRED

The Proposed SIS is subject to the following approvals being obtained:

- (i) Bursa Securities for the listing of and quotation for the new Shares to be issued pursuant to the Proposed SIS on the Main Market of Bursa Securities; and
- (ii) the shareholders of the Company at an extraordinary general meeting (“EGM”) to be convened.

## 7. INTERESTS OF THE DIRECTORS, MAJOR SHAREHOLDERS, CHIEF EXECUTIVE AND/OR PERSONS CONNECTED

All the Eligible Directors of the Company, namely Mac Ngan Boon @ Mac Yin Boon (who is also a major shareholder of the Company (“**Interested Major Shareholder**”)), via his substantial interest in MEB, Mac Chung Hui, Lee Poh Kwee and Mazlan bin Abdul Hamid, are deemed interested in the Proposed SIS by virtue of their eligibility to participate in the Proposed SIS (“**Interested Directors**”). Mac Chung Hui is the son of Mac Ngan Boon @ Mac Yin Boon. All the Non-Executive Directors of the Company are not eligible to participate in the Proposed SIS.

Accordingly, the Interested Directors have abstained and will continue to abstain from all deliberations and voting in respect of their respective potential allocations of the Proposed SIS at the relevant board meetings. Furthermore, the Interested Directors will abstain and will also ensure that persons connected to them will abstain from voting in respect of their direct and/or indirect shareholdings in the Company on the resolutions pertaining to their respective potential allocations of the Proposed SIS to be tabled at an EGM to be convened.

MEB is an Interested Major Shareholder by virtue of Mac Ngan Boon @ Mac Yin Boon’s substantial interests in MEB. Accordingly, MEB will abstain from voting on the ordinary resolutions pertaining to the potential allocations of SIS Options to Mac Ngan Boon @ Mac Yin Boon and Mac Chung Hui to be tabled at an EGM to be convened. It has also undertaken to ensure that persons connected to it will abstain from voting on the resolutions pertaining to the potential allocations of the Proposed SIS to Mac Ngan Boon @ Mac Yin Boon and Mac Chung Hui to be tabled at an EGM to be convened.

Save as disclosed above, none of the Company’s other Directors, major shareholders, chief executive and/or other persons connected to them has any interest, direct or indirect, in the Proposed SIS.

The direct and indirect shareholdings of the Interested Directors and Interested Major Shareholder as at the LPD are set out below:

	Direct		Indirect	
	No. of Shares	% <sup>(1)</sup>	No. of Shares	% <sup>(1)</sup>
<b><u>Interested Directors</u></b>				
Mac Ngan Boon @ Mac Yin Boon	10,842,913	4.68	142,487,143 <sup>(2)</sup>	61.48
Mac Chung Hui	3,842,000	1.66	-	-
Lee Poh Kwee	2,915,000	1.26	-	-
Mazlan bin Abdul Hamid	3,216,800	1.39	-	-
<b><u>Interested Major Shareholders</u></b>				
MEB	140,748,343	60.73	-	-
Mac Ngan Boon @ Mac Yin Boon	10,842,913	4.68	140,748,343 <sup>(3)</sup>	60.73

*Notes:*

- (1) *Excluding 1,345,000 treasury shares.*
- (2) *140,748,343 Shares deemed interested pursuant to Section 8 of the Act by virtue of his substantial interests in MEB and 1,738,800 Shares deemed interested pursuant to Section 59(11)(c) of the Act, held through his spouse and children. For the avoidance of doubt, his son, Mac Chung Hui's direct shareholding in the Company is excluded as Mac Chung Hui is also a Director of the Company.*
- (3) *Deemed interested pursuant to Section 8 of the Act.*

## **8. ESTIMATED TIME FRAME FOR IMPLEMENTATION**

The Proposed SIS is expected to be implemented in the 2<sup>nd</sup> half of 2022.

## **9. DIRECTORS' STATEMENT**

After having considered all aspects of the Proposed SIS, the Board (excluding the Interested Directors) is of the opinion that the Proposed SIS is in the best interests of the Company.

## **10. APPLICATION TO THE RELEVANT AUTHORITIES**

The application to Bursa Securities in respect of the Proposed SIS is expected to be submitted within 1 month from the date of this announcement.

## **11. ADVISER**

TA Securities has been appointed as the Adviser for the Proposed SIS.

This announcement is dated 13 May 2022.