

# SHARE BUY-BACK STATEMENT

## STATEMENT ACCOMPANYING NOTICE OF 30<sup>TH</sup> ANNUAL GENERAL MEETING OF KERJAYA PROSPEK PROPERTY BERHAD (“KPPROP” or “the Company”)

(Pursuant to Paragraph 12.06(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad)

### 1.0 IMPORTANCE

This statement is important and requires your immediate attention.

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

Bursa Malaysia Securities Berhad (“**Bursa Securities**”) has not perused this share buy-back statement (“**Statement**”) prior to its issuance as such contents are exempt from perusal pursuant to Practice Note 18 of the Main Market Listing Requirements of Bursa Securities (“**Listing Requirements**”). Bursa Securities takes no responsibility for the contents of this Statement and makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Statement.

### 2.0 INTRODUCTION

At the 29<sup>th</sup> Annual General Meeting (“**AGM**”) held on 23 August 2022, KPPROP obtained shareholders’ approval for the purchase of up to a maximum of ten percent (10%) of the total number of issued shares of the Company (referred to the Ordinary Shares of KPPROP (“**Share(s)**” or “**KPPROP Shares**”) quoted on Bursa Securities.

This authority conferred by the shareholders will expire at the conclusion of the forthcoming 30<sup>th</sup> AGM of the Company.

On 26 July 2023, the Board of Directors of KPPROP (“**Board**” or “**Directors**”) announced the Company’s intention to seek the approval of the shareholders of KPPROP for the renewal of the shareholders’ mandate at the forthcoming 30<sup>th</sup> AGM to allow the Directors to exercise the power of the Company, after the minimum public shareholding spread is met, to purchase its own shares up to a maximum of ten percent (10%) of the total number of issued Shares of KPPROP at any point of time within the Authority Period as defined in 3.3 (“**Proposed Shareholders’ Mandate for Share Buy-Back**” or “**Proposed Share Buy-Back**”).

The Proposed Share Buy-Back will be effected through KPPROP’s appointed stockbroker.

**THE PURPOSE OF THIS STATEMENT IS TO PROVIDE THE SHAREHOLDERS WITH THE RELEVANT INFORMATION ON THE PROPOSED SHARE BUY-BACK AND TO SET OUT THE VIEW AND RECOMMENDATION OF THE BOARD AS WELL AS TO SEEK THE APPROVAL FROM THE SHAREHOLDERS FOR THE RESOLUTION PERTAINING TO THE PROPOSED SHAREHOLDERS’ MANDATE FOR SHARE BUY-BACK TO BE TABLED AT THE FORTHCOMING 30<sup>TH</sup> AGM, NOTICE OF WHICH IS CONTAINED IN THIS ANNUAL REPORT.**

**YOU ARE ADVISED TO READ AND CONSIDER CAREFULLY THE CONTENTS OF THIS STATEMENT BEFORE VOTING ON THE RESOLUTION PERTAINING TO THE PROPOSED SHAREHOLDERS’ MANDATE FOR SHARE BUY-BACK TO BE TABLED AT THE FORTHCOMING 30<sup>TH</sup> AGM.**

### 3.0 DETAILS OF THE PROPOSED SHAREHOLDERS’ MANDATE FOR SHARE BUY-BACK

#### 3.1 Maximum number or percentage of KPPROP Shares to be acquired

Based on the records of the Company as at 30 June 2023 being the latest practicable date prior to printing of this Statement (“**LPD**”), KPPROP has a total of 400,142,339 Shares. Pursuant to the Proposed Share Buy-Back, KPPROP may purchase up to 40,014,233 KPPROP Shares, representing up to 10% of its total number of issued Shares as at the LPD, subject to the extent that the public shareholding spread of the Company shall not fall below 25% of the total number of issued Shares of the Company in the hands of public shareholders at all times.

## SHARE BUY-BACK STATEMENT (CONT'D)

### 3.1 Maximum number or percentage of KPPROP Shares to be acquired (cont'd)

The computation of the total number of issued KPPROP Shares assuming that the Proposed Share Buy-Back is to be implemented in full is illustrated as follows:-

	<b>No. of KPPROP Shares</b>
Total number of KPPROP Shares as at the LPD	400,142,339
<b>Less:</b>	
Treasury shares based on the Record of Depositors as at LPD	(32,500,800)
Maximum number of KPPROP Shares that can be repurchased	(7,513,433)
<b>Total number of issued Shares of KPPROP after full implementation of the Proposed Share Buy-Back</b>	<b>360,128,106</b>

**Note:-**

*Assuming no conversion of Redeemable Convertible Preference Shares, prior to the implementation of the Proposed Share Buy-Back*

### 3.2 Maximum amount of funds to be allocated and the source of funds

Paragraph 12.10(1) of the Listing Requirements stipulates that the Proposed Share Buy-Back must be made wholly out of the retained earnings of the Company. Accordingly, the maximum funds to be allocated by the Company for the Proposed Share Buy-Back shall not exceed the total retained earnings of the Company at the time of purchase. Based on the Company's audited financial statements as at 31 March 2023, the Company registered a retained profit of RM50,328,967. Based on the latest unaudited financial statements of the Company as at 30 June 2023, the Company has a retained profit of RM49,939,951.

Notwithstanding the above, the Proposed Share Buy-Back may be funded using the internally generated funds of KPPROP and/or external borrowings, the exact proportion/quantum of which has yet to be determined at this juncture. The source of funding the Proposed Share Buy-Back will only be determined at a later stage depending on, amongst others, the availability of internally generated funds, the retained earnings and financial resources of the Company at the time of the purchase(s), the actual number of KPPROP Shares to be purchased and other relevant cost factors.

The actual number of KPPROP Shares to be purchased and the timing of such purchases will depend on, amongst others, the market conditions and sentiments of the stock market as well as the retained earnings and the financial resources available to the Company.

In the event the Company decides to utilise bank borrowings to finance the Proposed Share Buy-Back, the Board will ensure that the Company has sufficient financial capability to repay the bank borrowings and that the Bank borrowings will not have a material impact on the cash flow of the Company.

### 3.3 Duration of the Proposed Share Buy-Back

The Proposed Share Buy-Back would be effective immediately upon the passing of the ordinary resolution for the Proposed Renewal of Shareholders' Mandate for Share Buy-Back by the shareholders of KPPROP at the forthcoming 30<sup>th</sup> AGM. Pursuant to Paragraph 12.07(3) of the Listing Requirements, the Proposed Share Buy-Back shall be valid until:-

- (i) the conclusion of the next annual general meeting of the Company following the general meeting at which such resolution was passed at which time the said authority shall lapse unless by an ordinary resolution passed at that meeting, the authority is renewed, either unconditionally or subject to conditions;

## SHARE BUY-BACK STATEMENT (CONT'D)

### 3.3 Duration of the Proposed Share Buy-Back (cont'd)

- (ii) the expiration of the period within which the next annual general meeting of the Company is required to be held pursuant to Section 340(2) of the Companies Act 2016 (“Act”) (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Act; or
  - (iii) the authority is revoked or varied by ordinary resolution passed by the shareholders in general meeting,
- whichever occurs first (“**Authority Period**”).

The Proposed Share Buy-Back will allow the Board to exercise the power of the Company to purchase its own Shares at any time during the Authority Period.

### 3.4 Treatment of Purchased Shares

In accordance with Section 127(4) of the Act, the Board is able to deal with the KPPROP shares purchased pursuant to the Proposed Share Buy-Back (“**Purchased Shares**”) in the following manner:-

- (i) to cancel the Purchased Shares;
- (ii) to retain the Purchased Shares as treasury shares; or
- (iii) to retain part of the Purchased Shares as treasury shares and cancel the remainder.

Pursuant to Section 127(5) of the Act, shares that are purchased by a company unless held in treasury, shall be deemed to be cancelled immediately on purchase.

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

- (i) distribute the treasury shares as dividends to KPPROP shareholders, such dividends to be known as “share dividends”;
- (ii) resell the treasury shares or any of the treasury shares in accordance with the relevant rules of Bursa Securities;
- (iii) transfer the treasury shares or any of the treasury shares for the purpose of or under an employees’ share scheme;
- (iv) transfer the treasury shares or any of the treasury shares as purchase consideration;
- (v) cancel the treasury shares or any of the treasury shares; or
- (vi) sell, transfer or otherwise use the treasury shares for such other purposes as the Minister charged with the responsibility for companies (as set out in the Act) may by order prescribe.

Pursuant to Section 127(8) of the Act, if the Purchased Shares are held as treasury shares, the rights attached to them in relation to attend and vote at meetings, dividends and participation in any other distribution including any distribution of assets upon winding up of the company and otherwise are suspended. In accordance with Section 127(9) of the Act, the treasury shares shall not be taken into account in calculating the number or percentage of shares or of a class of shares in the Company 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 meetings.

The decision whether to retain the Purchased Shares as treasury shares, or to cancel the Purchased Shares or a combination of both, will be determined by the Board at the appropriate time.

The Company will make an immediate announcement to Bursa Securities of any purchase or resale of KPPROP Shares and whether the Purchased Shares will be cancelled or retained as treasury shares or a combination of both.

## SHARE BUY-BACK STATEMENT (CONT'D)

### 3.5 Pricing

Pursuant to Paragraph 12.17 of the Listing Requirements, KPPROP may only purchase its own Shares at a price which is not more than 15% above the 5-day Volume-Weighted Average market Price (“VWAP”) of KPPROP Shares immediately preceding the date of the purchase(s).

Pursuant to Paragraph 12.18 of the Listing Requirements, KPPROP may only resell or transfer any treasury shares on Bursa Securities at a price which is:-

- (i) not less than the 5-day VWAP of KPPROP Shares immediately before the day of the resale or transfer; or
- (ii) a discounted price of not more than 5% to the 5-day VWAP of KPPROP Shares immediately before the date of 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 the KPPROP Shares being resold or transferred.

### 3.6 Previous purchases, resale and cancellation of treasury shares

As at the LPD, a total of 32,500,800 Shares were held as treasury shares. The Company has not resold, transferred and/or cancelled any treasury shares in the previous 12 months preceding this Statement.

The detail of the purchases made by the Company of its own shares during the previous 12 months are as follows:-

Date of Purchase	No. of Shares Purchased	Share Price per Share		Average price paid per Share RM	*Total Consideration Paid RM
		Lowest RM	Highest RM		
12 August 2022	300,000	0.560	0.580	0.570	171,457.50
15 August 2022	224,000	0.550	0.580	0.565	127,240.00
16 August 2022	471,900	0.580	0.610	0.593	280,584.00
17 August 2022	500,000	0.605	0.620	0.613	309,637.50
18 August 2022	171,000	0.605	0.635	0.620	106,810.00
19 August 2022	44,000	0.630	0.635	0.633	27,870.00
22 August 2022	204,500	0.630	0.635	0.633	129,790.00
24 August 2022	161,000	0.635	0.635	0.635	102,235.00
29 August 2022	94,000	0.615	0.630	0.623	59,013.00
01 September 2022	154,800	0.625	0.635	0.630	97,627.00
02 September 2022	181,900	0.630	0.635	0.633	115,389.00
05 September 2022	244,500	0.630	0.635	0.633	154,815.00
07 September 2022	236,500	0.620	0.635	0.628	149,342.50
14 September 2022	377,700	0.615	0.640	0.628	239,736.00
19 September 2022	40,600	0.620	0.635	0.628	25,680.50
21 September 2022	66,400	0.630	0.635	0.633	41,964.00
22 September 2022	52,500	0.620	0.635	0.628	33,000.00
27 September 2022	288,900	0.615	0.630	0.623	180,581.50
29 September 2022	203,400	0.620	0.630	0.625	127,425.00

## SHARE BUY-BACK STATEMENT (CONT'D)

### 3.6 Previous purchases, resale and cancellation of treasury shares (cont'd)

The detail of the purchases made by the Company of its own shares during the previous 12 months are as follows (cont'd):-

Date of Purchase	No. of Shares Purchased	Share Price per Share		Average price paid per Share RM	*Total Consideration Paid RM
		Lowest RM	Highest RM		
05 October 2022	277,900	0.595	0.620	0.608	170,092.50
07 October 2022	136,200	0.610	0.630	0.620	85,226.00
11 October 2022	95,200	0.610	0.630	0.620	59,353.00
12 October 2022	161,600	0.620	0.630	0.625	101,592.00
19 October 2022	117,400	0.615	0.630	0.623	73,106.00
21 October 2022	137,000	0.620	0.630	0.625	85,570.50
01 November 2022	173,500	0.615	0.630	0.623	108,139.00
24 November 2022	148,700	0.610	0.625	0.618	91,601.50
09 December 2022	226,800	0.620	0.635	0.628	142,500.00
16 December 2022	260,000	0.620	0.640	0.630	165,872.00
23 December 2022	280,000	0.620	0.640	0.630	177,445.00
09 January 2023	800,000	0.595	0.620	0.608	491,426.00
11 January 2023	251,900	0.620	0.630	0.625	156,937.50
18 January 2023	172,200	0.610	0.610	0.610	105,042.00
19 January 2023	530,000	0.610	0.625	0.618	328,601.50
20 January 2023	232,900	0.615	0.625	0.620	144,972.50
25 January 2023	424,100	0.615	0.630	0.623	266,534.50
16 February 2023	600,000	0.610	0.625	0.618	371,804.50
21 February 2023	660,000	0.590	0.620	0.605	397,302.00
22 February 2023	259,400	0.610	0.620	0.615	159,636.00
02 March 2023	225,000	0.620	0.630	0.625	140,763.50
07 March 2023	380,000	0.610	0.625	0.618	236,483.00
08 March 2023	260,000	0.610	0.630	0.620	161,489.00
09 March 2023	190,400	0.620	0.625	0.623	118,521.00
14 March 2023	300,000	0.600	0.615	0.608	182,980.00
15 March 2023	185,200	0.605	0.615	0.610	113,818.00
21 March 2023	201,900	0.600	0.610	0.605	122,632.00
07 April 2023	184,000	0.605	0.610	0.608	111,720.00
18 May 2023	620,000	0.575	0.595	0.585	361,109.50
23 May 2023	208,900	0.595	0.600	0.598	125,115.50
26 May 2023	680,900	0.590	0.590	0.590	401,731.00
29 May 2023	4,000,000	0.600	0.600	0.600	2,400,000.00
30 May 2023	4,844,600	0.595	0.600	0.598	2,905,257.00
31 May 2023	5,261,600	0.600	0.600	0.600	3,156,960.00

\* Note: The total consideration paid is excluding transaction costs.

## SHARE BUY-BACK STATEMENT (CONT'D)

### 3.7 Public shareholding spread of KPPROP

The Proposed Share Buy-Back will be carried out in accordance with the prevailing laws at the time of the purchase including compliance with the 25% shareholding spread requirements as set out in Paragraph 8.02(1) of the Listing Requirements.

The public shareholding spread of the Company as at LPD stood at 38.51%.

The Board is mindful of the requirement that any purchase of KPPROP Shares by the Company must not result in the public shareholding spread of KPPROP falling below 25% of the total number of issued Shares.

### 3.8 Implications relating to the Rules on Take-overs, Mergers and Compulsory Acquisitions issued by the Securities Commission of Malaysia ("Rules")

Pursuant to the Rules, a person or a group of persons acting in concert will be required to make a mandatory offer if his/their stake(s) in the Company is/are increased to beyond 33% of the voting shares or voting rights of a company or if his/their existing shareholding(s) is/are more than 33% but less than 50% and it exceeds by another 2% in any six (6) month's period.

In the event that the Proposed Share Buy-Back results in the shareholdings of any of the above parties being affected, the said person or group of persons acting in concert will be obliged to make a mandatory offer for the remaining KPPROP Shares not held by him/them. However, an exemption from a mandatory offer obligation may be granted by the Securities Commission under the Rules, subject to the affected person and the parties acting in concert complying with the certain conditions, if the obligation is triggered as a result of action outside their direct participation.

As it is not intended for the Proposed Share Buy-Back to trigger the obligation to undertake a mandatory offer by any of its substantial shareholders and/or parties acting in concert with them, the Company is mindful that only such number of shares are purchased, retained as treasury shares, cancelled or distributed such that the Rules will not be triggered. However, in the event that an obligation to undertake a mandatory offer should arise with respect to any parties resulting from the Proposed Share Buy-Back, the relevant parties shall make the necessary application to the Securities Commission for an exemption from undertaking a mandatory offer under the Rules before a mandatory offer is triggered.

### 4.0 RATIONALE FOR THE PROPOSED SHARE BUY-BACK

The Proposed Share Buy-Back will enable KPPROP to utilise any of its surplus financial resources, which is not immediately required for other uses, to purchase its own Shares from the market. With the share buy-back mandate being procured, the Company will be able to stabilise the supply and demand of KPPROP Shares traded on Bursa Securities and thereby support its fundamental value, if required.

In addition, the Purchased Shares may be held as treasury shares and resold on Bursa Securities with the intention of realising a potential gain without affecting the total issued shares of the Company. Should any treasury shares be distributed as share dividends, this would serve to reward the shareholders of the Company.

The Proposed Share Buy-Back is not expected to have any potential material disadvantages to the Company and its shareholders, and it will be implemented only after taking into consideration, amongst others, the financial resources of KPPROP, and of the resultant impact on the shareholders of the Company. The Board will be mindful of the best interests of the Company and its shareholders when undertaking the Proposed Share Buy-Back.

## SHARE BUY-BACK STATEMENT (CONT'D)

### 5.0 POTENTIAL ADVANTAGES AND DISADVANTAGES OF THE PROPOSED SHARE BUY-BACK

#### 5.1 Advantages of the Proposed Share Buy-Back

- (i) The Proposed Share Buy-Back, if implemented, will allow the Company to take preventive measures against speculation which would in turn, stabilise the market price of KPPROP Shares and hence, enhance investor's confidence.
- (ii) The Company would have the opportunity to realise potential capital gains if the Purchased Shares are resold at prices higher than the purchase prices and such proceeds may be subsequently utilised for working capital and investment opportunities arising in the future.
- (iii) The Purchased Shares (if retained as treasury shares) may serve as an alternative to reward the shareholders of the Company in the event the Company distributes the treasury shares as share dividends.

#### 5.2 Disadvantages of the Proposed Share Buy-Back

- (i) The Proposed Share Buy-Back will reduce the amount of resources available for distribution to the shareholders of the Company and may result in KPPROP and its subsidiaries ("**the Group**") having to forego feasible investment opportunities that may surface in the future. However, the financial resources of the Group may increase if the Purchased Shares are resold at prices higher than the acquisition cost.
- (ii) The Proposed Share Buy-Back will reduce the trading liquidity of Shares in the open market as a result of a decrease in the number of outstanding Shares.

The Board does not expect the Proposed Share Buy-Back to result in any material disadvantage to the Company and its shareholders as it will be implemented only after taking into consideration that there is adequate cash flow to fund KPPROP's working capital requirements and dividends to be paid to the shareholders prior to allocating the available resources for the Proposed Share Buy-Back. The Board, in exercising any decision to purchase any KPPROP Shares will be mindful of the interests of the Company, the Group and the shareholders in implementing the Proposed Share Buy-Back.

### 6.0 EFFECTS OF THE PROPOSED SHARE BUY-BACK

#### 6.1 Issued shares

The effects of the Proposed Share Buy-Back on the Company's issued shares will depend on whether the Purchased Shares are cancelled or retained as treasury shares.

In the event that the maximum number of KPPROP Shares (of up to 10% of the latest total number of issued Shares) authorised under the Proposed Share Buy-Back are purchased and retained as treasury shares, there would be no effect to the issued share capital of KPPROP.

## SHARE BUY-BACK STATEMENT (CONT'D)

### 6.1 Issued shares (cont'd)

However, assuming that the maximum number of KPPROP Shares (of up to 10% of the latest total number of issued Shares) authorised under the Proposed Share Buy-Back are purchased and cancelled, the effects of the Proposed Share Buy-Back are set out below:-

	<b>No. of Shares</b>
Issued Shares as at the LPD	400,142,339
<b>Less:</b>	
Treasury Shares based on the Record of Depositors as at LPD	(32,500,800)
Maximum number of KPPROP Shares that may be purchased and cancelled pursuant to the Proposed Share Buy-Back while maintaining the 25% public shareholdings spread requirement	(7,513,433)
<b>Issued Share after the Proposed Share Buy-Back</b>	<b>360,128,106</b>

**Note:-**

*Assuming no conversion of Redeemable Convertible Preference Shares, prior to the implementation of the Proposed Share Buy-Back and no change in shareholdings for shares held by Directors, Major Shareholders and Person Connected to Directors/Major Shareholders.*

### 6.2 Net Assets ("NA") per Share and gearing

The effects of the shares repurchase on the NA per Share of the KPPROP is dependent on factors such as the number of KPPROP Shares which the Company will buy-back, purchase price of the KPPROP Shares at the time of the buy-back, the treatment of the Shares purchased and the funding cost, if any.

The Purchased Shares that are retained as treasury shares would decrease the consolidated NA by the acquisition cost of the treasury shares, as the treasury shares are required to be carried at cost and would offset against the equity. The acquisition costs for future shares buy-backs are unknown at this juncture. If the treasury shares are subsequently cancelled or distributed as share dividends, there will be no additional effect on the consolidated NA of KPPROP.

In the event the Purchased Shares that are retained as treasury shares are resold in the open market on Bursa Securities, the consolidated NA of KPPROP will be affected by the resale value of the Shares. In the event the resale value is higher than the cost, there would be a net increase in the consolidated NA of KPPROP. On the contrary, in the event the cost is higher than the resale value, there would be a net decrease on the consolidated NA of the Company.

If the Purchased Shares are retained as treasury shares, cancelled and/or distributed as share dividends, the consolidated NA per Share will decrease if the purchase price of KPPROP Shares exceeds the consolidated NA per Share, and if the consolidated NA per Share exceeds the purchase price of KPPROP Shares, the consolidated NA per Share will increase. On the contrary, the converse effect would apply in the event the treasury shares are resold on Bursa Securities.

## SHARE BUY-BACK STATEMENT (CONT'D)

### 6.3 Earnings and Earnings Per Share ("EPS")

The effects of the Proposed Share Buy-Back on the earnings of the Group are dependent on the purchase price of KPPROP Shares and the effective funding cost of such purchases or loss in interest income to the Group, if internally generated funds are utilised.

Furthermore, the Proposed Share Buy-Back, regardless if the Purchased Shares are maintained as treasury shares or cancelled, will result in a lower number of Shares being used for the purposes of computing the EPS. Hence, the Proposed Share Buy-Back will improve the EPS of KPPROP, which in turn is expected to have a positive influence on the market price of KPPROP Shares.

In the event the Purchased Shares which are retained as treasury shares and subsequently resold, the extent of the effect on the earnings of KPPROP will depend on the actual selling price, the number of treasury shares resold and the effective gain or the interest savings arising from the exercise.

### 6.4 Working capital

The Proposed Share Buy-Back will result in cash outflow, thereby reducing the working capital of the KPPROP, the quantum of which is dependent on the purchase prices of the KPPROP Shares and the number of KPPROP Shares repurchased and the funding costs, if any. Nevertheless, the Board will take into consideration the interests of KPPROP and its shareholders as well as assess the working capital requirements KPPROP of the Group prior to the Proposed Share Buy-Back.

### 6.5 Dividends

The Proposed Share Buy-Back is not expected to have any material impact on the Board's decision in recommending future dividends. Nonetheless, the Proposed Share Buy-Back may have an impact on the Company's dividend quantum as it would reduce the cash available for dividend payment, which may otherwise be used for dividend payment. Notwithstanding the above, the KPPROP Shares purchased which are held as treasury shares may be distributed as Share dividends to shareholders of the Company, if the Board decides to do so.

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## SHARE BUY-BACK STATEMENT (CONT'D)

### 6.6 Interest of Substantial shareholders / Major shareholders, directors and/or person connected to them

For illustration purposes only, the pro forma effects of the shareholdings of substantial shareholders / major shareholders, directors and/or person connected to them of KPPROP assuming the repurchase of KPPROP Shares by the Company pursuant to the Proposed Share Buy-Back is carried out in full and the shares so purchased are cancelled, are as follows:-

	Shareholdings as at the LPD			After the Proposed Share Buy-Back		
	Direct		Indirect	Direct		Indirect
	No. of Shares	%	No. of Shares	%	No. of Shares	%
<b>Substantial shareholders/ major shareholders*</b>						
JAWAWANA SDN BHD	225,850,048	61.432	-	-	225,850,048	-
DATUK TEE ENG HO	-	-	225,850,048#	61.432	-	225,850,048#
DATIN TOH SIEW CHUON	-	-	225,850,048#	61.432	-	225,850,048#
TEE ENG SENG	-	-	225,850,048#	61.432	-	225,850,048#
<b>Directors<sup>^</sup></b>						
DATIN TOH SIEW CHUON	-	-	225,850,048#	61.432	-	225,850,048#
TEE ENG SENG	-	-	225,850,048#	61.432	-	225,850,048#
IR. LOW WUU SHIN	-	-	-	-	-	-
KUAN YING TUNG	-	-	-	-	-	-
TEE SUN EE	207,300	0.056	-	-	207,300	0.058

**Note:-**

Assuming no conversion of Redeemable Convertible Preference Shares as at LPD, prior to the implementation of the Proposed Share Buy-Back and no change in shareholdings for shares held by Directors, Substantial Shareholders/Major Shareholders and Person Connected to Directors/Substantial Shareholders/Major Shareholders.

# Deemed interested pursuant to Section 8 of the Companies Act 2016 by virtue of their shareholdings in Jawawana Sdn. Bhd.

\* Shareholdings based on the Register of Substantial Shareholders' Shareholdings.

^ Shareholdings based on the Directors' Shareholdings.

## SHARE BUY-BACK STATEMENT (CONT'D)

### 7.0 HISTORICAL SHARE PRICES

The monthly highest and lowest traded prices of KPPROP Shares (adjusted retrospectively for the dividends declared) on Bursa Securities for the last 12 months from July 2022 to June 2023 are as follows:-

	High (RM)	Low (RM)
<b>2022</b>		
July	0.550	0.520
August	0.640	0.520
September	0.655	0.605
October	0.640	0.580
November	0.635	0.585
December	0.645	0.605
<b>2023</b>		
January	0.635	0.570
February	0.640	0.590
March	0.635	0.585
April	0.615	0.590
May	0.610	0.570
June	0.710	0.600
The last transacted price of KPPROP Shares as at the LPD prior to the printing of this Statement		0.605

(Source: Investing.com)

### 8.0 APPROVALS REQUIRED

The Proposed Share Buy-Back is subject to and conditional upon the shareholders' approval being obtained at the AGM of KPPROP to be convened.

The Proposed Share Buy-Back is not conditional upon any other proposals undertaken or to be undertaken by the Company.

The voting on the resolution in relation to the Proposed Renewal of Shareholders' Mandate for Share Buy-Back at the 30<sup>th</sup> AGM will be taken via poll.

### 9.0 INTEREST OF DIRECTORS, MAJOR SHAREHOLDERS AND/OR PERSONS CONNECTED TO THEM

Save for the proportionate increase in the percentage of shareholding and/or voting rights of shareholders of the Company as a result of the Proposed Share Buy-Back in KPPROP that Purchased Shares are retained as treasury shares and/or cancelled, none of the directors and/or major shareholders of KPPROP and/or persons connected to them have any interests, whether direct or indirect, in the Proposed Share Buy-Back or resale of the treasury shares, if any.

### 10.0 DIRECTORS' RECOMMENDATION

The Board, having considered all aspects of the Proposed Share Buy-Back, including the rationale and the effects of the Proposed Share Buy-Back, is of the opinion that the Proposed Share Buy-Back is in the best interest of the Company. Accordingly, the Board recommends that you vote in favour of the ordinary resolution in respect of the Proposed Shareholders' Mandate for Share Buy-Back to be tabled at the forthcoming 30<sup>th</sup> AGM.

## SHARE BUY-BACK STATEMENT (CONT'D)

### **11.0 DIRECTORS' RESPONSIBILITY STATEMENT**

This Statement has been seen and approved by the Board and they collectively and individually accept full responsibility for the accuracy of the information given in this Statement. The Board confirms that, after making 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 herein misleading.

### **12.0 DOCUMENTS AVAILABLE FOR INSPECTION**

Copies of the following documents are available for inspection at the registered office of the Company at 802, 8th Floor, Block C, Kelana Square, 17 Jalan SS7/26, 47301 Petaling Jaya, Selangor during normal business hours between Mondays and Fridays (except public holidays) from the date of this Statement up to and including the date of the forthcoming 30th AGM:-

- (a) the Constitution of KPPROP; and
- (b) the audited financial statements of KPPROP for the past 2 financial years ended 31 March 2022 and 31 March 2023.

This Statement is dated 27 July 2023.

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