

THIS CIRCULAR 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 advisers immediately.

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CAB CAKARAN CORPORATION BERHAD

(200201015998)(583661-W)
(Incorporated in Malaysia)

CIRCULAR TO SHAREHOLDERS

in relation to

PART A

PROPOSED RENEWAL OF THE AUTHORITY FOR THE PURCHASE OF THE COMPANY’S OWN ORDINARY SHARES OF UP TO TEN PER CENTUM (10%) OF THE COMPANY’S TOTAL NUMBER OF ISSUED SHARES (“PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY”)

PART B

PROPOSED RENEWAL OF SHAREHOLDERS’ MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE (“PROPOSED RENEWAL OF SHAREHOLDERS’ MANDATE”) AND PROPOSED NEW SHAREHOLDERS’ MANDATE FOR ADDITIONAL RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE (“PROPOSED NEW SHAREHOLDERS’ MANDATE”)

The Notice of the Twenty-Second Annual General Meeting of CAB Cakaran Corporation Berhad, which will be held at the Conference Room, Third Floor, CAB Cakaran Corporation Berhad, Plot 21, Lorong Jelawat 4, Seberang Jaya Industrial Park, Seberang Jaya, 13700 Perai, Penang on Monday, 25 March 2024 at 10.30 a.m. or any adjournment thereof, is enclosed together with the Form of Proxy in CAB Cakaran Corporation Berhad’s Annual Report 2023.

The Form of Proxy should be lodged at the Registered Office of the Company at Suite A, Level 9, Wawasan Open University, 54, Jalan Sultan Ahmad Shah, 10050 Georgetown, Penang not later than forty-eight (48) hours before the time appointed for holding the meeting, as indicated below. You may also submit the proxy appointment electronically via TIH Online at <https://tiah.online> before the proxy form submission cut-off time as indicated below. The lodgement of the Form of Proxy will not preclude you from attending, participating, speaking and voting in person at the meeting should you subsequently wish to do so.

Last date and time for lodging the Form of Proxy : Saturday, 23 March 2024 at 10.30 a.m.

Date and time of the AGM : Monday, 25 March 2024 at 10.30 a.m.

This Circular is dated 30 January 2024

DEFINITIONS

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

| | | |
|----------------------------|---|---|
| "Act" | : | The Companies Act 2016, as amended from time to time and any re-enactment thereof |
| "AGM" | : | Annual General Meeting |
| "AKSB" | : | Antik Kualiti Sdn. Bhd. |
| "ALFP" | : | Ayamlikes Food Processing Sdn. Bhd. |
| "BHP" | : | Ban Hong Poultry Pte. Ltd. |
| "Board" | : | Board of Directors of CAB |
| "Bursa Securities" | : | Bursa Malaysia Securities Berhad |
| "Benarlab" | : | Benarlab Sdn. Bhd. |
| "CAB" or "the Company" | : | CAB Cakaran Corporation Berhad |
| "CAB Group" or "the Group" | : | CAB and its subsidiaries |
| "CABBF" | : | CAB Cakaran Breeding Farm Sdn. Bhd. |
| "CABC" | : | CAB Cakaran Sdn. Bhd. |
| "CABG" | : | CAB Amesist Biomass Generation Sdn. Bhd. |
| "CABINDO" | : | CABINDO Poultry Sdn. Bhd. |
| "CABI" | : | CAB International Trade Pte. Ltd. |
| "CABL" | : | CAB Cakaran (Langkawi) Sdn. Bhd. |
| "CABS" | : | CAB Cakaran Southern Sdn. Bhd. |
| "CABT" | : | CAB Cakaran (Timur) Sdn. Bhd. |
| "C&BP" | : | C & B Poultry Sdn. Bhd. |
| "CPGPS" | : | Cabin Premier GPS Farm Sdn. Bhd. |
| "Code" | : | Malaysian Code on Take-overs and Mergers 2016, as amended from time to time |
| "Directors" | : | Shall have the meaning given in Section 2 of the Act and includes any person who is or was within the preceding 6 months of the date on which the terms of the transaction were agreed upon, a Director of CAB or any other company which is its subsidiary or a Chief Executive Officer of CAB or its subsidiaries |
| "Dronexcel" | : | Dronexcel Sdn. Bhd. |

DEFINITIONS

| | | |
|---------------------|---|---|
| "EGM" | : | Extraordinary General Meeting |
| "EPS" | : | Earnings per share |
| "FBFI" | : | Farm's Best Food Industries Sdn. Bhd. |
| "GCPL" | : | Gourmet Chefs Pte. Ltd. |
| "HKFM" | : | HK Foods (M) Sdn. Bhd. |
| "HMFF" | : | Home Mart Fresh & Frozen Sdn. Bhd. |
| "HMSFF" | : | Home Mart Southern Fresh & Frozen Sdn. Bhd. |
| "JJSB" | : | Jimat Jaya Sdn. Bhd. |
| "JGFSB" | : | Jaya Gading Farm Sdn. Bhd. |
| "KKSBB" | : | Kyros Kebab Sdn. Bhd. |
| "KFI" | : | Kyros Food Industries Sdn. Bhd. |
| "KIM FA" | : | Kim Fa Foodstuffs Pte. Ltd. |
| "KISB" | : | Kyros International Sdn. Bhd. |
| "KTSB" | : | Kyros Trademark Sdn. Bhd. |
| "KMP Private" | : | KMP Private Ltd. |
| "KMP Investments" | : | KMP Investments Pte. Ltd. |
| "LMSB" | : | Likes Marketing Sdn. Bhd. |
| "LPD" | : | 8 January 2024, being the latest practicable date prior to the issuance of this Circular |
| "MMLR" | : | Main Market Listing Requirements of Bursa Securities (as amended from time to time and any re-enactment thereof) |
| "Major Shareholder" | : | <p>A person who has an interest or interests in one or more voting shares in a corporation and the number or aggregate number of those shares is:</p> <p>(a) 10% or more of the total number of voting shares in the corporation; or</p> <p>(b) 5% or more of the total number of voting shares in the corporation where such person is the largest shareholder of the corporation.</p> <p>For the purpose of this definition, "interest in shares" shall have the meaning given in Section 8 of the Act.</p> |
| "Market day" | : | A day on which the stock market of Bursa Securities is open for trading in securities as defined in the MMLR |
| "Mariton" | : | Mariton International Limited |
| "NA" | : | Net assets |
| "OTK" | : | OTK Farm Equipment Sdn. Bhd. |

DEFINITIONS

- "PJGSB" : Pasaraya Jaya Gading Sdn. Bhd.
- "PPL" : Protheme Pte. Ltd.
- "Person(s) Connected" : A person connected in relation to any person (referred to as "said Person") means such person who falls under any one of the following categories:
- (i) a family member of the said Person (family member means such person who falls within any one of the following categories:
 - (a) spouse;
 - (b) parent;
 - (c) child including an adopted child and step-child;
 - (d) brother or sister; and
 - (e) spouse of the person referred to in subparagraphs (c) and (d) above
 - (ii) a trustee of a trust (other than a trustee for a share scheme for employees or pension scheme) under which the said Person, or a family member of the said Person, is the sole beneficiary;
 - (iii) a partner of the said Person;
 - (iv) a person, or where the person is a body corporate, the body corporate or its directors, who is/are accustomed or under an obligation, whether formal or informal, to act in accordance with the directions, instructions or wishes of the said Person;
 - (v) a person, or where the person is a body corporate, the body corporate or its directors, in accordance with whose directions, instructions or wishes the said Person is accustomed or is under an obligation, whether formal or informal, to act;
 - (vi) a body corporate in which the said Person, or persons connected with the said Person are entitled to exercise, or control the exercise of, not less than 20% of the votes attached to voting shares in the body corporate; or
 - (vii) a body corporate which is a related corporation of the said Person.
- "Plant Wealth" : Plant Wealth Holdings Limited
- "Proposed Renewal of Share Buy-Back Authority" : Proposed renewal of the authority to enable the Company to purchase CAB Shares up to a maximum of ten per centum (10%) of the Company's total number of issued shares
- "Proposed Renewal of Shareholders' Mandate" : Proposed shareholders' mandate for the Company and/or its subsidiary companies to enter into recurrent related party transactions of a revenue or trading nature in the ordinary course of business which are necessary for the CAB Group's day-to-day operations and which approval from the shareholders is being sought at the forthcoming AGM
- "Proposed New Shareholders' Mandate" : Proposed new shareholders' mandate which approval from the shareholders is being sought at the forthcoming AGM
- "Purchased CAB Shares" : Shares purchased pursuant to the Proposed Renewal of Share Buy-back Authority
- "Related Party(ies)" : A Director, Major Shareholder of CAB or its subsidiaries or a person connected with such Director or Major Shareholder
- "RM" : Ringgit Malaysia

DEFINITIONS

| | | |
|---------------------------|---|--|
| "RRPT" or "RRPTs" | : | Related Party Transactions involving recurrent transactions of a revenue or trading nature which are necessary for the Group's day-to-day operations and are in the ordinary course of business of the Group |
| "Share(s)" | : | Ordinary share(s) in CAB |
| "SHBF" | : | Shin Hong Breeding Farm Sdn. Bhd. |
| "SPAC" | : | A corporation which has no operations or income generating business at the point of initial public offering and has yet to complete a qualifying acquisition with the proceeds of such offering |
| "Substantial Shareholder" | : | A person who has an interest or interests in one or more voting shares in the company and the number or the aggregate number of such shares is not less than 5% of the total number of all the voting shares included in the Company |
| "THPP" | : | Tong Huat Poultry Processing Factory Pte. Ltd. |
| "TH LIKES" | : | TH Likes Pte. Ltd. |

All references to "you" in this Circular are to the shareholders of the Company.

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

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

Any discrepancy in the tables included in this Circular between the amount listed, actual figures and the totals thereof are due to rounding.

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PART A

**LETTER TO THE SHAREHOLDERS OF CAB IN RELATION TO
THE PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY**



CAB CAKARAN CORPORATION BERHAD

(200201015998)(583661-W)
(Incorporated in Malaysia)

Registered Office

Suite A, Level 9
Wawasan Open University
54, Jalan Sultan Ahmad Shah
10050 Georgetown, Penang

30 January 2024

Board of Directors

Chuah Ah Bee (*Executive Chairman*)
Chuah Hoon Phong (*Group Managing Director*)
Chew Chee Khong (*Executive Director*)
Loo Choo Gee (*Executive Director*)
Lim Ghim Chai (*Independent Non-Executive Director*)
Wijanti Tjendera (*Non-Independent Non-Executive Director*)
Professor Dato' Dr Mohd Fakhruddin Bin Abdul Mukti
(*Independent Non-Executive Director*)
Datuk Sr Haji Zakaria Bin Hashim (*Independent Non-Executive Director*)

To: The Shareholders of CAB Cakaran Corporation Berhad

Dear Sir / Madam,

PROPOSED RENEWAL OF THE AUTHORITY FOR THE PURCHASE OF THE COMPANY'S OWN ORDINARY SHARES OF UP TO TEN PER CENTUM (10%) OF THE COMPANY'S TOTAL NUMBER OF ISSUED SHARES ("PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY")

1. INTRODUCTION

On 28 December 2023, the Company announced its proposal to seek a renewal of an existing authorisation from its shareholders to purchase shares of the Company up to ten per centum (10%) of the total number of issued shares of CAB through the Bursa Securities pursuant to Section 127 of the Act and any prevailing laws and regulations issued by the relevant authorities at the time of purchase.

At the 21st AGM held on 24 March 2023, the Company had obtained from its shareholders, the authorisation for the Company to purchase up to ten per centum (10%) of the total number of issued shares of CAB. The authority obtained shall lapse at the conclusion of the forthcoming 22nd AGM unless a renewal of the authority of share buy-back is obtained from shareholders of CAB. In view thereof, a renewal of the authority for the purchase of its own shares is sought from shareholders for the Proposed Renewal of Share Buy-Back Authority by way of an ordinary resolution.

The purpose of Part A of this Circular is to provide you with details of the Proposed Renewal of Share Buy-Back Authority, to set out the recommendation of the Board and to seek your approval for the ordinary resolution to be tabled at the 22nd AGM. The Notice of the 22nd AGM and the Form of Proxy are enclosed in the Annual Report for the financial year ended 30 September 2023.

2. DETAILS OF THE PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY

2.1 Quantum and Funding

As at LPD, the total number of issued shares of the Company stood at RM145,979,553.31 comprising 701,892,742 Shares. The maximum number of shares that may be bought-back of up to ten percent (10%) of the total number of issued shares of CAB will include all shares which have been previously bought-back and retained as treasury shares.

The authority from shareholders, if renewed, shall be effective upon the passing of the Ordinary Resolution for the Proposed Renewal of Share Buy-Back Authority at the 22nd AGM and will continue to be in force until:

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

whichever occurs first.

Paragraph 12.10(1) of the MMLR stipulates that the Proposed Renewal of Share Buy-Back Authority must be made wholly out of retained profits of the listed company. The maximum amount of funds to be allocated for the Proposed Share Buy-Back will be subject to the retained profits of the Company. The actual number of Shares which may be purchased and the timing of the purchase(s) will depend on, inter-alia, the market conditions, the availability of retained earnings and financial resources of the Company as well as the Bursa Securities requirement to maintain the necessary shareholding spread and minimum issued share capital.

Based on the latest audited financial statements of CAB as at 30 September 2023, the Company's retained earnings was RM4,834,494.

The funding of the Proposed Renewal of Share Buy-Back Authority will be through internally generated funds and/or bank borrowings, the proportion of which will depend on the quantum of purchase consideration as well as the availability of any internally generated funds and borrowings and repayment capabilities of CAB Group at the time of purchase(s). As such, the funding is not expected to have a negative bearing on the cash flow position of CAB Group.

The amount of funds to be utilised for the Proposed Renewal of Share Buy-Back Authority will only be determined later depending on the actual number of CAB Shares to be purchased, the availability of funds at the time of purchase(s) and other relevant cost factors.

2.2 Treatment of Shares Purchased

Pursuant to the provisions of Section 127(4) of the Act, the Directors may deal with the Shares in the following manner:

- (i) cancel the Shares so purchased;
- (ii) retain the Shares so purchased in treasury, which may be distributed as share dividends to the shareholders and/or be resold on the market of Bursa Securities in accordance with the relevant rules of Bursa Securities and/or be transferred for the purposes of an employees' share scheme and/or be transferred as purchase consideration and/or be cancelled subsequently and/or be sold, transferred or otherwise be used for such purposes of the Minister may by order prescribe; or

(iii) retain part of the Shares so purchased as treasury shares and cancel the remainder.

While the Purchased CAB Shares are held as treasury shares, the rights attached to them as to attending meetings, voting, receiving dividends and participation in other distributions whether cash or otherwise shall not be conferred to the holder of such treasury shares and the treasury shares shall not be taken into account in calculating the number or percentage of shares or of a class of shares in CAB for any purpose including substantial shareholdings, take-overs, notices, the requisitioning of meetings, the quorum for a meeting and the result of a vote on a resolution at a meeting.

An immediate announcement will be made to Bursa Securities in respect of your Directors' decision on the treatment of shares purchased.

2.3 Pricing

Under the provisions of Paragraph 12.17 of the MMLR, the Company may only purchase its own Shares on Bursa Securities at a price which is not more than 15% above the weighted average market price for the Shares for the five (5) market days immediately before the date of the purchase. Under the provisions of Paragraph 12.18 of the MMLR, the Company may only resell the Purchased CAB Shares held as treasury shares on Bursa Securities at:

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

2.4 Public Shareholding Spread

As at LPD, the public shareholding spread of the Company was approximately 33.75%. The public shareholding spread is expected to be reduced to approximately 26.45% assuming the Proposed Renewal of Share Buy-Back Authority is implemented in full and all the Shares so purchased and cancelled. In this regard, the Board undertakes that the purchase of Shares will be conducted in compliance with the 25% public shareholding spread as required by the MMLR.

2.5 Implication relating to the Code

Under the Code, a director and any person acting in concert with him or a relevant shareholder will be required to make a mandatory general offer for the remaining ordinary shares of the Company not already owned by him/them if his/their stake in the Company is increased to beyond 33% or if his/their existing shareholdings is between 33% and 50% and increases by another 2% in any subsequent 6 months' period.

Notwithstanding the above, such person and any person acting in concert may make an application to the Securities Commission for an exemption from a mandatory general offer under Paragraph 24.1 of Practice Note 9 of the Code.

As at the date of this Circular, the Company has yet to decide on the percentage of its own shares to be purchased pursuant to the Proposed Renewal of Share Buy-Back Authority. In any case, it is not the intention of the Company to cause any shareholder to trigger an obligation to undertake a mandatory general offer under the Code and the Company will be mindful of the above implications of the Code in making any purchase of its own shares under the Proposed Renewal of Share Buy-Back Authority.

2.6 Advantages and Disadvantages

The potential advantages of the Proposed Renewal of Share Buy-Back Authority to the Company and its shareholders are outlined in Section 3 of this Statement.

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

- (i) the Proposed Renewal of Share Buy-Back Authority, if implemented, would reduce the financial resources of the Group and may result in the Group foregoing better investment opportunities that may emerge in future; and
- (ii) the Proposed Renewal of Share Buy-Back Authority may also reduce the amount of resources available for the payment of cash dividends to shareholders of CAB.

However, the financial resources of the Group may increase pursuant to the resale of the Purchased CAB Shares held as treasury shares at prices higher than the purchase price. In that regard, the Company would buy back the Shares only after your Directors have given due consideration to the potential impact on the Group's earnings and financial position and your Directors are of the opinion that it would be in the interests of the Company and the minority shareholders to do so.

2.7 Purchase of its own shares in the preceding twelve (12) months

The Company has not made any purchase of its own Shares in the previous twelve (12) months proceeding to the date of this Circular. The total number of shares bought back and held as treasury shares as at LPD was 545,500. The Company has not resold, cancelled and/or distributed any treasury shares as dividends in the same period.

2.8 Historical Share Prices

The monthly highest and lowest transacted prices of the Shares on the Bursa Securities for the past twelve (12) months from January 2023 to December 2023 are as follows:

| Month | High RM | Low RM |
|----------------|------------|-----------|
| January 2023 | 0.505 | 0.466 |
| February 2023 | 0.525 | 0.476 |
| March 2023 | 0.748 | 0.495 |
| April 2023 | 0.748 | 0.641 |
| May 2023 | 0.738 | 0.650 |
| June 2023 | 0.670 | 0.570 |
| July 2023 | 0.695 | 0.610 |
| August 2023 | 0.710 | 0.625 |
| September 2023 | 0.695 | 0.620 |
| October 2023 | 0.665 | 0.600 |
| November 2023 | 0.775 | 0.615 |
| December 2023 | 0.715 | 0.635 |

(Source : Bursa Securities)

The last transacted price of CAB Shares on 22 January 2024 being the date prior to the printing of this Circular, was RM0.725.

3. RATIONALE FOR THE PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY

The Proposed Renewal of Share Buy-Back Authority will help stabilise the market price as well as the supply and demand of the Company's shares and this is expected to enhance investors' confidence in the performance and the price of the Company's shares traded. All things being equal, the Proposed Renewal of Share Buy-Back Authority, whether the Company's shares to be purchased are maintained as treasury shares or cancelled, will improve the Earnings Per Share ("EPS") of the Company due to the reduction in the number of shares used for the purpose of computing EPS. This in turn, may have a positive impact on the market price of shares. If the

purchased shares are held as treasury shares, they could be resold with the intention of realising a potential gain and/or distributed as share dividends to reward the shareholders of the Company.

In the event the treasury shares are distributed as share dividends to shareholders, it will serve as a reward to shareholders of the Company.

The Proposed Renewal of Share Buy-Back Authority is not expected to have any potential material disadvantage to the Company and shareholders as it will be exercised only after considering the financial resources of the Group and resultant impact on Shareholders.

4. FINANCIAL EFFECTS OF THE PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY

4.1 Share Capital

The effect of the Proposed Renewal of Share Buy-Back Authority on the number of issued shares of the Company will depend on whether Purchased CAB Shares are cancelled or retained as treasury shares. The Proposed Renewal of Share Buy-Back Authority will result in a reduction in the number of issued shares of the Company if the Purchased CAB Shares are cancelled.

In the event the Proposed Renewal of Share Buy-Back Authority is implemented in full and all the Purchased CAB Shares are subsequently cancelled, the proforma effects on the total number of issued shares of CAB as LPD, are as follows:

| | Number of Shares |
|--|-------------------------|
| Existing number of issued shares as at LPD | 701,892,742* |
| Cancellation of Purchased CAB Shares | 70,189,274 |
| Resultant number of issued shares upon completion of the Proposed Renewal of Share Buy-Back Authority and cancellation | 631,703,468 |

*(Note: *This is inclusive of 545,500 CAB Shares held as treasury shares as at LPD)*

However, the Proposed Renewal of Share Buy-Back Authority will have no effect on the number of issued shares of the Company if all the Purchased CAB Shares are to be retained as treasury shares, resold or distributed to the shareholders.

4.2 NA per Share

The Proposed Renewal of Share Buy-Back Authority may result in an increase or decrease in the NA per Share depending on the purchase price(s) of the Shares bought back. The NA per Share will increase if the purchase price is less than the NA per Share and will decrease if the purchase price exceeds the NA per Share at the time when the Shares are purchased.

In the event that the Purchased CAB Shares which are retained as treasury shares are resold, the NA of the CAB Group will increase or decrease depending on whether a gain or a loss is realised upon the resale. The quantum of the increase or decrease in NA will depend on the actual disposal price and the number of the Purchased CAB Shares, retained as treasury shares, which are resold.

4.3 Working Capital

The Proposed Renewal of Share Buy-Back Authority will reduce the working capital of the CAB Group, the quantum of which depends on the actual purchase price and number of Shares purchased. However, it is not expected to have a material adverse effect on the working capital of the Group. If Purchased CAB Shares are treated as treasury shares and subsequently resold on Bursa Securities, the working capital of the Group will increase if the Company realizes a gain from the resale.

4.4 EPS

The effect of the Proposed Renewal of Share Buy-Back Authority on the EPS of the Company is dependent on, inter-alia, the actual number of the Shares bought back and the purchase price(s) of the Shares and the effective funding cost to the Company.

Assuming that the Purchased CAB Shares are retained as treasury shares and resold, the EPS will increase if the selling price is higher than the cost of the Purchased CAB Shares and the interest foregone or interest expense incurred on the Purchased CAB Shares. If the Purchased CAB Shares are cancelled, the EPS will increase provided that the income foregone and interest expense incurred on the Purchased CAB Shares is less than the EPS before the Proposed Renewal of Share Buy-Back Authority.

The effective reduction in the number of shares in the computation of the consolidated EPS pursuant to the Proposed Renewal of Share Buy-Back Authority may generally, all other things remaining equal, have a positive impact on the consolidated EPS of the Company for the financial year in which the shares are purchased.

4.5 Dividends

The Proposed Renewal of Share Buy-Back Authority may reduce the amount of distributable reserves available for payment of dividend in the immediate future.

5. DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' INTERESTS

The effects of the Proposed Renewal of Share Buy-Back Authority on the shareholdings of the directors and substantial shareholders based on the CAB's Registers of Directors' Shareholdings and Substantial Shareholders as at LPD will be as follows:

(i) Directors

| Name of Directors | Before the Proposed Renewal of Share Buy-Back Authority Taking into account Shares purchased and held as treasury shares | | | | After the Proposed Renewal of Share Buy-Back Authority Assuming 10% of the share capital is purchased and cancelled | | | |
|---|---|---------------|---------------|---------------------|--|---------------|---------------|---------------------|
| | Direct | | Indirect | | Direct | | Indirect | |
| | No. of shares | % | No. of shares | % | No. of shares | % | No. of shares | % |
| Chuah Ah Bee | 198,032,079 | 28.24 | 123,089,923 | 17.55 ^{*1} | 198,032,079 | 31.35 | 123,089,923 | 19.49 ^{*1} |
| Loo Choo Gee | 5,201,000 | 0.74 | - | - | 5,201,000 | 0.82 | - | - |
| Chuah Hoon Phong | 14,344,061 | 2.05 | 334,612 | 0.05 ^{*2} | 14,344,061 | 2.27 | 334,612 | 0.05 ^{*2} |
| Chew Chee Khong | - | - | - | - | - | - | - | - |
| Lim Ghim Chai | - | - | - | - | - | - | - | - |
| Wijanti Tjendera | - | - | - | - | - | - | - | - |
| Professor Dato' Dr Mohd Fakhrudin Bin Abdul Mukti | - | - | - | - | - | - | - | - |
| Datuk Sr Haji Zakaria Bin Hashim | 1,000 | ^{*5} | - | - | 1,000 | ^{*5} | - | - |

(ii) Substantial Shareholders

| Name of Substantial Shareholders | Before the Proposed Renewal of Share Buy-Back Authority Taking into account Shares purchased and held as treasury shares | | | | After the Proposed Renewal of Share Buy-Back Authority Assuming 10% of the share capital is purchased and cancelled | | | |
|----------------------------------|--|-------|---------------|---------------------|---|-------|---------------|---------------------|
| | Direct | | Indirect | | Direct | | Indirect | |
| | No. of shares | % | No. of shares | % | No. of shares | % | No. of shares | % |
| Chuah Ah Bee | 198,032,079 | 28.24 | 123,089,923 | 17.55 ^{*1} | 198,032,079 | 31.35 | 123,089,923 | 19.49 ^{*1} |
| Chan Kim Keow | 97,116,248 | 13.85 | 25,973,675 | 3.70 ^{*4} | 97,116,248 | 15.37 | 25,973,675 | 4.11 ^{*4} |
| Plant Wealth | 106,595,625 | 15.20 | - | - | 106,595,625 | 16.87 | - | - |
| KMP Investments | - | - | 106,595,625 | 15.20 ^{*3} | - | - | 106,595,625 | 16.87 ^{*3} |
| KMP Private | - | - | 106,595,625 | 15.20 ^{*3} | - | - | 106,595,625 | 16.87 ^{*3} |
| Mariton | - | - | 106,595,625 | 15.20 ^{*3} | - | - | 106,595,625 | 16.87 ^{*3} |
| Anthoni Salim | - | - | 106,595,625 | 15.20 ^{*3} | - | - | 106,595,625 | 16.87 ^{*3} |
| Tan Hang Huat | - | - | 106,595,625 | 15.20 ^{*3} | - | - | 106,595,625 | 16.87 ^{*3} |

Notes:

^{*1}Deemed interested under Section 8 of the Act by virtue of his spouse's and children's shareholdings in CAB, and his shareholding in CAB Family Holdings Sdn Bhd.

^{*2}Deemed interested under Section 59(11)(c) of the Act by virtue of his spouse's shareholdings in CAB and his shareholding in CAB Family Holdings Sdn Bhd by virtue of Section 8 of the Act.

^{*3}Deemed interested under Section 8 of the Act by virtue of Plant Wealth's shareholdings in CAB.

^{*4}Deemed interested under Section 8 of the Act by virtue of her children's shareholdings in CAB, and her shareholding in CAB Family Holdings Sdn Bhd.

^{*5} Negligible.

Save for the changes in percentage of shareholdings and/or voting of the Shareholders resulting from the Proposed Renewal of Share Buy-Back Authority, none of the Directors and Substantial Shareholders has any interest, direct or indirect, in the Proposed Renewal of Share Buy-Back Authority and, if any, the resale of treasury shares. In addition, in so far as the Directors are aware, none of the persons connected to the Directors and Substantial Shareholders has any interest, direct or indirect, in the Proposed Renewal of Share Buy-Back Authority and, if any, in the resale of treasury shares.

6. DIRECTORS' RECOMMENDATION

Your Directors, having considered all aspects of the Proposed Renewal of Share Buy-Back Authority, are of the opinion that the Proposed Renewal of Share Buy-Back Authority is in the best interest of the Company. Accordingly, your Directors recommend that you vote in favour of the Ordinary Resolution pertaining to the Proposed Renewal of Share Buy-Back Authority to be tabled at the forthcoming AGM.

7. APPROVALS REQUIRED

The Proposed Renewal of Share Buy-Back Authority is subject to the approval of the shareholders of the Company, which will be sought at the forthcoming AGM.

8. ANNUAL GENERAL MEETING

The ordinary resolution to approve the Proposed Renewal of Share Buy-Back Authority is set out as Special Business in the Notice of the 22nd AGM in the Company's 2023 Annual Report. The AGM will be held at the Conference Room, Third Floor, Plot 21, Lorong Jelawat 4, Seberang Jaya Industrial Park, Seberang Jaya, 13700 Perai, Penang on Monday, 25 March 2024 at 10.30 a.m.

If you are unable to attend the 22nd AGM in person, kindly complete and return the Proxy Form enclosed in the 2023 Annual Report in accordance with the instructions printed therein to the Registered Office of CAB at Suite A, Level 9, Wawasan Open University, 54, Jalan Sultan Ahmad Shah, 10050 Georgetown, Penang, Malaysia not less than forty-eight (48) hours before the time set for the AGM. You may also submit the proxy appointment electronically via TIIH Online at <https://tiih.online> before the proxy form submission cut-off time. The completion, signing and return of the Proxy Form will not, however, preclude you from attending and voting at the AGM should you find that you are subsequently able to do so.

9. FURTHER INFORMATION

Shareholders are requested to refer to Appendices II and III for further information.

Yours faithfully
For and on behalf of the Board of
CAB CAKARAN CORPORATION BERHAD

CHUAH AH BEE
Executive Chairman

PART B

LETTER TO THE SHAREHOLDERS OF CAB IN RELATION TO

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

AND

**PROPOSED NEW SHAREHOLDERS' MANDATE FOR ADDITIONAL RECURRENT
RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE**



CAB CAKARAN CORPORATION BERHAD

(200201015998)(583661-W)
(Incorporated in Malaysia)

Registered Office

Suite A, Level 9
Wawasan Open University
54, Jalan Sultan Ahmad Shah
10050 Georgetown, Penang

30 January 2024

Board of Directors

Chuah Ah Bee (*Executive Chairman*)
Chuah Hoon Phong (*Group Managing Director*)
Chew Chee Khong (*Executive Director*)
Loo Choo Gee (*Executive Director*)
Lim Ghim Chai (*Independent Non-Executive Director*)
Wijanti Tjendera (*Non-Independent Non-Executive Director*)
Professor Dato' Dr Mohd Fakhrudin Bin Abdul Mukti
(*Independent Non-Executive Director*)
Datuk Sr Haji Zakaria Bin Hashim (*Independent Non-Executive Director*)

To: The Shareholders of CAB Cakaran Corporation Berhad

Dear Sir / Madam,

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

1. INTRODUCTION

At the Company's 21st AGM held on 24 March 2023, the Company had obtained a mandate from its shareholders for CAB Group to enter into recurrent related party transactions of a revenue or trading nature, which are necessary for the day-to-day operations of CAB Group, with certain classes of related parties as disclosed therein.

The Existing Shareholders' Mandate shall, in accordance with the Listing Requirements, expire at the conclusion of the forthcoming AGM unless it is renewed.

On 28 December 2023, the Company announced to Bursa Securities of the Company's intention to seek shareholders' approval for the Proposed Renewal of Shareholders' Mandate and the Proposed New Shareholders' Mandate at the forthcoming AGM to be convened on Monday, 25 March 2024.

The purpose of Part B of this Circular is to provide you with details of the Proposed Renewal of Shareholders' Mandate and the Proposed New Shareholders' Mandate and to seek your approval for the ordinary resolution to be tabled at the AGM to be convened on Monday, 25 March 2024, a notice of which is set out in the Annual Report of the Company.

2. DETAILS OF THE PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE AND THE PROPOSED NEW SHAREHOLDERS' MANDATE

2.1 Provisions under the Listing Requirements

Pursuant to Paragraph 10.09 of Chapter 10 of the Listing Requirements, a listed issuer may seek shareholders' mandate subject to the following:

- the transactions are in the ordinary course of business and are on terms not more favourable to the related party than those generally available to the public;
- the shareholders' mandate is subject to annual renewal and disclosure is made in the annual report of the aggregate value of transactions conducted pursuant to the shareholders' mandate during the financial year where:
 - (i) the consideration, value of the assets, capital outlay or costs of the RRPT is equal to or exceeds RM1 million; or
 - (ii) the percentage ratio of such RRPT is equal to or exceeds 1%,whichever is the higher.
- the issuance of a circular to shareholders by the listed issuer for the shareholders' mandate, the contents of which shall include information as set out in the Listing Requirements;
- in a meeting to obtain shareholders' mandate, the relevant related party must comply with the requirements set out in Paragraph 10.08(7) of the Listing Requirements:
 - (i) a related party with any interest, direct or indirect ("interested related party") must not vote on the resolution in respect of the related party transaction;
 - (ii) an interested related party must ensure that the persons connected with them abstain from voting on the resolution in respect of the related party transaction; and
 - (iii) the person connected with the interested related party must not vote on the resolution in respect of the related party transaction.
- the listed issuer immediately announces to Bursa Securities when the actual value of a RRPT entered into by the listed issuer, exceeds the estimated value of the RRPT disclosed in the circular by 10% or more and must include the information as may be prescribed by the Bursa Securities in its announcement.

Where a listed issuer has procured the shareholders' mandate pursuant to the above, the provision of Paragraph 10.08 of the Listing Requirements shall not apply with regard to transactions as detailed in this section.

Accordingly, the Company proposes to seek the Proposed Renewal of Shareholders' Mandate and the Proposed New Shareholders' Mandate from its shareholders for CAB Group to enter into transactions with Related Parties which are of a revenue or trading nature and necessary for the day-to-day operations of CAB Group as disclosed in Section 2.4 below, on terms not more favourable to the related parties than those generally available to and / or from the public and are not detrimental to the minority shareholders.

If approved at the forthcoming AGM, the Proposed Renewal of Shareholders' Mandate and the Proposed New Shareholders' Mandate will take effect from and including 25 March 2024 being the date of the passing of the ordinary resolution relating thereto tabled at the forthcoming AGM, and will continue to be in force until:

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

whichever is the earlier.

Disclosures have been made in CAB's Annual Report 2023 of the actual breakdown of the aggregate value of RRPTs made pursuant to the existing shareholders' mandate during the financial year ended 30 September 2023.

2.2 The Principal Activities of CAB Group

CAB is principally an investment holding company and provides management services to its subsidiaries whilst the principal activities of its subsidiaries as at LPD are as follows:

| Name of Subsidiaries | Effective Equity Interest (%) | Principal Activities |
|------------------------------------|--------------------------------------|--|
| Benarlab | 51.00 | Wholesaler of poultry feed, animal feed nutrition, supplements and feed additives for poultry |
| CABC | 100.00 | Breeding of broiler chicken and trading of broiler chicken, poultry feeds and other farm consumables |
| CABINDO | 100.00 | Dormant |
| CABG | 100.00 | Dormant |
| Dronexcel | 51.00 | Provision of drone spraying services for oil palm sector; general trading and investment holding |
| FBFI | 53.04 | Poultry hatcheries, contract farming, poultry processing, marketing and distribution of poultry products |
| KISB | 100.00 | Investment holding and fast food franchising business |
| KFI | 100.00 | Processing of meat products and trading |
| HKFM | 100.00 | Dormant |
| HMFF | 100.00 | Trading of supermarket products |
| LMSB | 100.00 | Distributing and marketing of food products |
| THPP | 51.00 | Supplier of slaughtered poultry and frozen poultry products, provider of other related services and investment holding |
| HMSFF | 50.00 | Dormant |
| <i>Subsidiaries of CABC</i> | | |
| C&BP | 30.40 | Breeding of parent stock of black chicken and colour birds to produce hatching eggs and chicks |
| CABBF | 100.00 | Breeding of parent stocks to produce broiler eggs and chicks and transport agent |
| CABL | 100.00 | Marketing of chicken and frozen foods |
| CABS | 51.00 | Breeding of black chicken and colour birds and trading of chicken, poultry feeds and other farm consumables |
| CPGPS | 67.94 | Breeding of grand-parent stocks to produce breeder chicks |
| JGFSB | 58.02 | Poultry farming, trading in poultry and other related business |
| JJSB | 100.00 | Processing and marketing of chicken and transport agent |
| OTK | 55.00 | Manufacturing and trading of farm equipment and evaporative pad and trading of poultry feed |
| SHBF | 50.00 | Renting of property, plant and equipment to generate rental income |

| Name of Subsidiaries | Effective Equity Interest (%) | Principal Activities |
|-------------------------------------|--------------------------------------|---|
| <i>Subsidiaries of KISB</i> | | |
| KKSB | 100.00 | Fast food restaurants operators and trading |
| KTSB | 75.00 | Dormant |
| <i>Subsidiaries of JJSB</i> | | |
| AKSB | 100.00 | Processing and marketing of chicken |
| <i>Subsidiaries of JGFSB</i> | | |
| CABT | 58.02 | Trading of poultry and other related products with poultry contract farmers |
| PJGSB | 58.02 | Trading of supermarket products |
| <i>Subsidiaries of CABS</i> | | |
| ALFP | 60.07 | Processing and marketing of chicken. |
| PPL | 30.60 | Wholesale of livestock, meat and poultry products |
| <i>Subsidiaries of THPP</i> | | |
| BHP | 51.00 | Importing and marketing of poultry products |
| CABI | 45.90 | Importer of frozen poultry and meat products |
| GCPL | 30.60 | Manufacturing of value added food products and trading in food products |
| KIM FA | 30.60 | Supply and distribution of all kinds of sauces and foodstuffs |
| TH LIKES | 51.00 | Wholesale of food products |

2.3 The Principal Activities of the other related transacting parties

The principal activities of the other related transacting parties which are not part of CAB Group that are involved in the RRPT with CAB Group are set out below:

| Other Related Transacting Parties | Principal Activities |
|--|---|
| Aqina Farming Sdn. Bhd. | Poultry farming |
| Chuah Ah Bee Sdn. Bhd. ("CABSB") | Investment holding and to carry on the business of food court |
| Chuah Ah Chui | Trading in chicken |
| Chyuan Heng Farming Sdn. Bhd. ("CHFSB") | Breeders of chicken and poultry farmers |
| DS Poultry Sdn. Bhd. | Poultry farming and trading of poultry products |
| Fah Leong Sdn. Bhd. ("FLSB") | Letting of properties |
| Hwah Wai Agriculture Sdn Bhd ("HWASB") | Growing of coconut and general trading |
| Intelmatrix Sdn. Bhd. ("Intelmatrix") | General Trading |

| Other Related Transacting Parties | Principal Activities |
|--|---|
| Maju Jaya Farm (“MJF”) | Breeding chicken |
| Ni-On Marketing System Sdn. Bhd. (“NMS”) | Transport agent and production and marketing of complete animal feeds as well as trading in pharmaceutical chemical, veterinary medicine and industrial products. |
| Nulab Sdn. Bhd. (“Nulab”) | Manufacturing of prepared feeds for farms animals |
| OTO Agriculture Marketing Sdn. Bhd. (“OTO”) | Trading of farming equipment and evaporative cooling pads |
| Sinmah Food Services (S) Pte Ltd (“Sinmah Food”) | Processing and preserving of meat and meat products and wholesale of food, beverages and tobacco (including dried or canned) |
| Sinmah Poultry Processing (S) Pte. Ltd. (“SPPS”) | Slaughtering of poultry and refrigerated warehousing and storage |
| Unisetali Sdn. Bhd. (“USB”) | General trading agencies and other merchandise, prawn rearing horticulture, fish and vegetables |
| YWT Contract Farming (“YWT”) | Breeding chicken and selling vegetables |

2.4 Proposed Shareholders’ Mandate

The details of the nature and estimated annual value of the RRPT in respect of which the Company is seeking renewal of mandate and a fresh mandate from its shareholders as contemplated under the Proposed Renewal of Shareholders’ Mandate and Proposed New Shareholders’ Mandate are set out in Appendix I of this Circular.

3. GUIDELINES, METHODS AND PROCEDURES IN RELATION TO RRPT

CAB Group has established and implemented the following guidelines, methods and procedures to ensure that recurrent related party transactions are not to the detriment of the minority shareholders and are undertaken at arm’s length and are on normal commercial terms which are not more favourable to the related party than those extended to the public:

- (a) The scope and definition of arm’s length and normal commercial terms are clearly stated and the procedures and guidelines in determining the pricing, quality, reasonability, fairness and so forth for CAB Group’s best interest together with the class of related parties and nature of transactions be laid out in a list and regularly updated from time to time to be circulated within CAB Group to all Executive Directors and relevant Department Heads with notification that all recurrent related party transactions are to be undertaken at arm’s length and are on normal commercial terms which are not more favourable to the Related Party than those extended to the public.
- (b) The transaction prices and the terms and conditions are determined by current market forces under similar commercial terms and normal trade practices for transactions with third parties.
- (c) All recurrent related party transactions shall be tabled at the Audit Committee Meeting for review on quarterly basis. The Audit Committee shall have the right to engage independent advisers or experts, if required, for the purpose of performing an independent and balanced assessment, evaluation and comparison of transaction price, terms and conditions pertaining to the recurrent related party transactions.
- (d) The Board and the Audit Committee shall approve the guidelines, methods and procedures with authority to delegate to the Company’s Internal Auditors to review the procedures and to give their recommendations.

- (e) The Group Finance Director shall maintain a record of all recurrent related party transactions which have been approved by shareholders. The purpose of the said record is to ensure that all relevant approvals have been obtained and procedures have been complied with.
- (f) The Internal Audit Senior Manager shall review all recurrent related party transactions to ensure that they comply with the guidelines and procedures set up and to report on its findings to the Audit Committee.
- (g) If during the quarterly review, the Audit Committee should be of the view that the guidelines and review procedures are no longer appropriate or adequate to ensure recurrent related party transactions are carried out on normal commercial terms or be prejudicial to shareholders, the Company will seek a fresh mandate from shareholders based on new guidelines and review procedures.

Sales of chicks, feed and farm consumables, live and processed chicken and provision of slaughtering services

Where practical and/or feasible, at least two (2) other contemporaneous transactions with unrelated third parties for similar products and/or quantities will be used as comparison for determining the price and terms offered by/to the Related Parties are fair and reasonable as compared with those offered by unrelated third parties.

For provision of slaughtering services, market slaughtering charge rate, as may be obtainable, will be used for assessment.

In the event that quotation or comparative pricing from unrelated third parties cannot be obtained, the transaction prices will be reviewed by the Executive Directors provided they are not parties to the transactions to ensure that the RRPTs are not detrimental to CAB Group.

Tenancy

The determination of rental payable on factory building is already based on the prevailing market rental rates and hence, no other comparative pricing was made. As regards to the rental of poultry farms, the rate will be based on similar commercial terms for transactions with third parties, business practices and policies and on terms which are generally in line with industry norms.

The terms of the pricing of the above RRPTs are always consistent with the CAB Group's usual business pricing practices and policies. Hence, the pricing is not more favourable to the transacting parties than to the public and not to the detriment of the minority shareholders of CAB.

4. STATEMENT BY AUDIT COMMITTEE

The Audit Committee of the Company has seen and reviewed the procedures mentioned in Section 3 above and is of the view that the said procedures are sufficient to ensure that the RRPTs are not more favourable to the Related Parties than those generally available to the public and are not detrimental to the minority shareholders.

The Audit Committee is also of the view that the CAB Group has in place adequate procedures and processes to monitor, track and identify RRPTs in a timely and orderly manner. The Audit Committee has reviewed the records of CAB Group's related party transactions on a quarterly basis.

5. RATIONALE AND BENEFITS FOR THE PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE AND THE PROPOSED NEW SHAREHOLDERS' MANDATE

The rationale for and benefits of the Proposed Renewal of Shareholders' Mandate and the Proposed New Shareholders' Mandate to CAB Group are as follows:

- (a) The Proposed Renewal of Shareholders' Mandate and the Proposed New Shareholders' Mandate will facilitate transactions with Related Parties which are carried out in the ordinary course of business of CAB Group and are made on an arm's length basis and on terms not more favourable to the Related Parties than those generally available to the public and not in the Company's opinion detrimental to the minority shareholders.
- (b) The Proposed Renewal of Shareholders' Mandate and the Proposed New Shareholders' Mandate will enhance the CAB Group's ability to pursue business opportunities, which may be of time-sensitive in nature and it may not be practical to seek shareholders' approval on a case-by-case basis before entering into such transactions.
- (c) The transactions between the Related Parties allow the CAB Group more efficient utilisation of existing resources, prompt delivery and better bargaining power from reliable suppliers.
- (d) The Proposed Renewal of Shareholders' Mandate and the Proposed New Shareholders' Mandate will eliminate the need to make regular announcements or convene separate general meetings from time to time to seek shareholders' mandate approval as and when potential RRPT with a mandated Related Parties arise, thereby reducing the administrative time and expenses in convening such meetings, without compromising the corporate objectives and adversely affecting the business opportunities available to the Group.

6. INTEREST OF INTERESTED DIRECTORS, MAJOR SHAREHOLDERS AND PERSONS CONNECTED WITH A DIRECTOR OR A MAJOR SHAREHOLDER

As at LPD, the direct and indirect shareholdings of the interested Directors and Major Shareholders in CAB in respect of the Proposed Renewal of Shareholders' Mandate are as follows:

| | No. of Shares held in CAB | | | |
|-----------------------------|----------------------------------|----------|-----------------|----------|
| | Direct | % | Indirect | % |
| Interested Directors | | | | |
| Chuah Ah Bee | 198,032,079 | 28.24 | 123,089,923 | 17.55 |
| Chuah Hoon Phong | 14,344,061 | 2.05 | 334,612 | 0.05 |

| | No. of Shares held in CAB | | | |
|---------------------------|----------------------------------|----------|-----------------|----------|
| | Direct | % | Indirect | % |
| Major Shareholders | | | | |
| Chuah Ah Bee | 198,032,079 | 28.24 | 123,089,923 | 17.55 |
| Chan Kim Keow | 97,116,248 | 13.85 | 25,973,675 | 3.70 |

The abovenamed Directors, being the Directors who are interested in the Proposed Renewal of Shareholders' Mandate and the Proposed New Shareholders' Mandate have abstained and will continue to abstain from all deliberations and voting on the RRPT involving them, as comprised in the Proposed Renewal of Shareholders' Mandate and the Proposed New Shareholders' Mandate at the relevant Board meetings. They will also abstain from voting in respect of their direct and indirect shareholding at the forthcoming AGM, on the ordinary resolution approving the

RRPT involving them. The Major Shareholders will also abstain from voting in respect of their direct and indirect shareholdings in CAB at the forthcoming AGM, on the ordinary resolution approving the RRPT involving their interests, which are comprised in the Proposed Renewal of Shareholders' Mandate and the Proposed New Shareholders' Mandate.

As at LPD, the direct and indirect shareholding of the Persons Connected with a Director and/or Major Shareholder who are interested in the Proposed Renewal of Shareholders' Mandate and the Proposed New Shareholders' Mandate are set out below:

| Persons Connected with a Director and / or a Major Shareholder | No. of Shares held in CAB | | | |
|--|---------------------------|------|----------|---|
| | Direct | % | Indirect | % |
| Chuah Ah Chui | 28,125 | -* | - | - |
| Chuah Hoon Hong | 12,996,875 | 1.85 | - | - |
| Chuah Hoon Teng | 12,812,500 | 1.83 | - | - |
| Chuah Teh Chai | - | - | - | - |
| Ng Honk Ling | 170,312 | 0.02 | - | - |
| Leong Youk Leen | - | - | - | - |
| Tiew Chee Wei | - | - | - | - |
| Yap Kim Gee | - | - | - | - |
| Yap Soon Boon | - | - | - | - |
| Yap Soon Chyuan | - | - | - | - |
| Chua Geok Lan | - | - | - | - |
| Ong Khoon Chuah | 756,200 | 0.11 | - | - |
| Alex Tan Kuan Hon | - | - | - | - |
| Tan Chin Long | - | - | - | - |
| Teo Siew Giok | - | - | - | - |
| Too Siew Din | 302 | -* | - | - |
| Toh Chye Lam | - | - | - | - |
| Toh Chai Hock | - | - | - | - |
| Toh York Mue | - | - | - | - |
| Toh Chai Hoe | - | - | - | - |
| Chiew Hock You | - | - | - | - |
| Chiew Kin Huat | - | - | - | - |
| Khor Yu Beng | 1,550,000 | 0.22 | - | - |
| Ong Chuan Seng | 2,648,000 | 0.38 | - | - |
| Sia Hui Chen | - | - | - | - |
| Aman Tan Ho Peng | 6,101,000 | 0.87 | - | - |
| Tan Chin Tee | 6,628,500 | 0.95 | - | - |
| Tan Wen Lee | - | - | - | - |

* - negligible

The abovenamed Persons Connected will abstain from voting in respect of his/her direct and indirect shareholding in the Company, if any, at the forthcoming AGM, on the ordinary resolution approving the RRPTs involving his/her interests, which are comprised in the Proposed Renewal of Shareholders' Mandate and the Proposed New Shareholders' Mandate.

The abovenamed Directors and/or Major Shareholders, who are interested in the Proposed Renewal of Shareholders' Mandate and the Proposed New Shareholders' Mandate, have undertaken to ensure that the Persons Connected to them will abstain from voting in respect of their direct and indirect shareholdings in the Company, if any, at the forthcoming AGM, on the ordinary resolution approving the RRPT involving their interests, which are comprised in the Proposed Renewal of Shareholders' Mandate and the Proposed New Shareholders' Mandate.

Save for the Directors and/or Major Shareholders and Persons Connected to them, as set out above, none of the Directors or Major Shareholders and Persons Connected to them have any interest, direct or indirect, in the Proposed Renewal of Shareholders' Mandate and the Proposed New Shareholders' Mandate. Where the Persons Connected with a Director and/or Major Shareholder of CAB Group has any interest, direct or indirect, in the Proposed Renewal of Shareholders' Mandate and the Proposed New Shareholders' Mandate, the Director and/or Major Shareholders concerned will also abstain from voting in respect of their direct or indirect shareholdings in the Company at the forthcoming AGM, on the resolution deliberating or approving the RRPTs involving the relevant Director and/or major shareholder or persons connected to them in the Proposed Renewal of Shareholders' Mandate and the Proposed New Shareholders' Mandate.

7. THRESHOLDS FOR APPROVAL OF RRPTS WITHIN CAB GROUP

There are no thresholds for the approval of RRPTs within CAB Group and all related party transactions will be subject to periodic reviews by the Audit Committee to ensure that they have been transacted on arm's length basis and on commercial terms not detrimental to CAB Group and that proper disclosures will be made in the annual report of CAB in respect of the aggregate value of transactions conducted pursuant to the Proposed Renewal of Shareholders' Mandate and the Proposed New Shareholders' Mandate during the financial year.

If it is determined that the guidelines and/or procedures stated in Section 3 of this Circular are inadequate and to ensure that:

- (i) the RRPTs will be conducted at arm's length and on normal commercial terms which are not more favourable to the Related Parties than those generally available to the public; and
- (ii) such transactions are not to the detriment of the minority shareholders of the Company or prejudicial to the interests of the shareholders,

the Company will obtain a fresh shareholders' mandate based on new guidelines and procedures. The Audit Committee shall also have the discretion to request for limits to be imposed or for additional procedures to be followed if it considers such a request to be appropriate. In that event, such limits or procedures may be implemented without the approval of shareholders, provided that they are more stringent than the existing limits or procedures.

8. EFFECTS OF THE PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE AND PROPOSED NEW SHAREHOLDERS' MANDATE

The Proposed Renewal of Shareholders' Mandate and Proposed New Shareholders' Mandate are not expected to have any material effect on the issued share capital, consolidated NA, consolidated earnings, gearing and Major Shareholders' shareholdings of CAB.

9. AMOUNT DUE AND OWING TO CAB GROUP BY RELATED PARTIES

The total outstanding amount as at financial year ended 30 September 2023 was RM10,279,238. The total amount due and owing to CAB Group which exceeded the credit term given arising from the RRPTs as per Section 9 of this Circular amounted to RM3,558,847 is shown as follows:

| Principal Sum | Late Payment Interest | Amount due which exceeded the credit term ("Overdue Sum") (RM) | | | |
|---------------|-----------------------|---|------------------------|-------------------------|-----------|
| | | ≤ 1 year | > 1 year to 3 years | > 3 years to 5 years | > 5 years |
| RM3,558,847 | - | RM3,558,847 | - | - | - |

The outstanding amount which exceeded the credit term was trade in nature. No late payment charges or interest were imposed on the overdue amount less than one year.

Out of the total amount of RM3,558,847 due to the Group, RM3,088,847 had been settled as at the LPD. The Management will continue to monitor and pursue for early settlement of the remaining outstanding amount. The Board is optimistic that the overdue amount is recoverable.

10. DIRECTORS' RECOMMENDATION

The Directors (save for Chuah Ah Bee and Chuah Hoon Phong, who are interested and deemed interested in the Proposed Renewal of Shareholders' Mandate and Proposed New Shareholders' Mandate) are of the opinion that the Proposed Renewal of Shareholders' Mandate and the Proposed New Shareholders' Mandate are in the best interest of the Company.

Accordingly, the Directors (save for Chuah Ah Bee and Chuah Hoon Phong, who are interested and deemed interested in the Proposed Renewal of Shareholders' Mandate and Proposed New Shareholders' Mandate) recommend that you vote in favour of the ordinary resolution to be tabled at the AGM.

11. APPROVALS REQUIRED

The Proposed Renewal of Shareholders' Mandate and the Proposed New Shareholders' Mandate are subject to the approval of the shareholders of the Company, which will be sought at the forthcoming AGM.

12. ANNUAL GENERAL MEETING

The ordinary resolution pertaining to the Proposed Renewal of Shareholders' Mandate and the Proposed New Shareholders' Mandate have been incorporated in the Notice of AGM, which is enclosed in CAB's Annual Report 2023. The AGM will be held at the Conference Room, Third Floor, Plot 21, Lorong Jelawat 4, Seberang Jaya Industrial Park, Seberang Jaya, 13700 Perai, Penang on Monday, 25 March 2024 at 10.30 a.m. or any adjournment thereof.

If you are unable to attend and vote in person at the AGM of the Company and wish to appoint a proxy instead, you are requested to complete, sign and return the Proxy Form enclosed in CAB's Annual Report 2023, in accordance with the instructions printed therein. The Proxy Form must be lodged at the registered office of the Company at Suite A, Level 9, Wawasan Open University, 54, Jalan Sultan Ahmad Shah, 10050 Georgetown, Penang, not less than forty-eight (48) hours before the time fixed for the AGM or any adjournment thereof. You may also submit the proxy appointment electronically via TIH Online at <https://tiah.online> before the proxy form submission cut-off time. The completion, signing and return of the Proxy Form will not preclude you from attending and voting in person, should you subsequently decide to do so.

13. FURTHER INFORMATION

Shareholders are requested to refer to the attached Appendices II and III for further information.

Yours faithfully
For and on behalf of the Board of
CAB CAKARAN CORPORATION BERHAD

LIM GHIM CHAI
Independent Non-Executive Director

PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE

The details of the nature and estimated annual value of the RRPT in respect of which the Company is seeking **renewal of mandate** from its shareholders as contemplated under the Proposed Renewal of Shareholders' Mandate are as follows:

| Nature of Transaction | Company in CAB Group | Related Party with whom the Group is transacting | Estimated Value of Transaction from the date of the AGM to the date of AGM in 2025* (RM) | Interested Related Party^ | Relationships | Actual Value transacted from the date of the AGM on 24 March 2023 to LPD (RM) ㄟ | Estimated Value of Transaction as disclosed in the preceding year's Circular to Shareholders (RM) ㄟ |
|---|----------------------|--|--|--|--|---|---|
| Sales of broilers by YWT | JGFSB | YWT | 90,000,000 | Interested Major Shareholder of JGFSB Yap Soon Chyuan Interested Directors Leong Youk Leen Yap Kim Gee | Yap Soon Chyuan is a Major Shareholder of JGFSB. He is also the sole proprietor of YWT. Yap Soon Chyuan is the nephew of Leong Youk Leen and Yap Kim Gee. | 41,962,246 | 90,000,000 |
| Sales of chicks, farm consumables and feed by JGFSB | JGFSB | YWT | 80,000,000 | Interested Major Shareholder of JGFSB Yap Soon Chyuan Interested Directors Leong Youk Leen Yap Kim Gee | Yap Soon Chyuan is a Major Shareholder of JGFSB. He is also the sole proprietor of YWT. Yap Soon Chyuan is the nephew of Leong Youk Leen and Yap Kim Gee. | 36,903,288 | 80,000,000 |

Proposed Renewal of Shareholders' Mandate (cont'd)

| Nature of Transaction | Company in CAB Group | Related Party with whom the Group is transacting | Estimated Value of Transaction from the date of the AGM to the date of AGM in 2025* (RM) | Interested Related Party^ | Relationships | Actual Value transacted from the date of the AGM on 24 March 2023 to LPD (RM) ² | Estimated Value of Transaction as disclosed in the preceding year's Circular to Shareholders (RM) ² |
|---|----------------------|--|--|---|--|---|---|
| Renting of poultry farms by YWT (Note #) | JGFSB | YWT | 1,600,000 | Interested Major Shareholder of JGFSB Yap Soon Chyuan Interested Directors Leong Youk Leen Yap Kim Gee | Yap Soon Chyuan is a Major Shareholder of JGFSB. He is also the sole proprietor of YWT. Yap Soon Chyuan is the nephew of Leong Youk Leen and Yap Kim Gee. | 1,044,784 | 1,600,000 |
| Sales of chicks, feed and farm consumables by JGFSB | JGFSB | MJF | 17,000,000 | Interested Major Shareholder of JGFSB Yap Soon Chyuan Interested Directors Leong Youk Leen Yap Kim Gee Interested Person Connected Tiew Chee Wei | Tiew Chee Wei, the sole proprietor of MJF, is the brother-in-law of Yap Soon Chyuan. Tiew Chee Wei is the nephew-in-law of Leong Youk Leen and Yap Kim Gee. | 10,322,851 | 17,000,000 |

Proposed Renewal of Shareholders' Mandate (cont'd)

Note # : The poultry farms are currently located at the properties known as follows:

| | Land | Tenure Agreement | Yearly Rental |
|--------|---|--|--|
| (i) | Lot 103, GRN 4803, Mukim of Hulu Jabor, District of Kemaman, Terengganu (JG1 & 2); | 3 months from the date of Intake of day-old chick for each cycle | Approximate yearly rental of RM307,000. (Note ###) |
| (ii) | PT 1725, GM 3350, Mukim of Sg Karang, District of Kuantan, Pahang (JG 3); | 3 months from the date of Intake of day-old chick for each cycle | Approximate yearly rental of RM85,200. (Note ###) |
| (iii) | PT 1721, GM 3367, Mukim of Sg Karang, District of Kuantan, Pahang (JG 5); | 3 months from the date of Intake of day-old chick for each cycle | Approximate yearly rental of RM87,000. (Note ###) |
| (iv) | PT 1731, GM 1475, Mukim of Sg Karang, District of Kuantan, Pahang (JG 6); | 3 months from the date of Intake of day-old chick for each cycle | Approximate yearly rental of RM112,000. (Note ###) |
| (v) | Lot 3205, GM 3252, Mukim of Kuala Kuantan, District of Kuantan, Pahang (JG 12); | 3 months from the date of Intake of day-old chick for each cycle | Approximate yearly rental of RM130,000. (Note ###) |
| (vi) | Lot 3351, GRN 6567, Mukim of Kuala Kuantan, District of Kuantan, Pahang (JG 13); | 3 months from the date of Intake of day-old chick for each cycle | Approximate yearly rental of RM434,000. (Note ###) |
| (vii) | Lot 1671, GM 3324, Mukim Sg Karang, District of Sungai Karang, Kuantan, Pahang (JG 10); | 3 months from the date of Intake of day-old chick for each cycle | Approximate yearly rental of RM186,000. (Note ###) |
| (viii) | Lot 1669, GM 3345 Mukim Sg Karang, District of Sungai Karang, Kuantan, Pahang (JG 7). | 3 months from the date of Intake of day-old chick for each cycle | Approximate yearly rental of RM126,000. (Note ###) |

Note ### Depending on the actual quantity of day-old chick intake per batch and number of cycles per year. Barring any unforeseen circumstances, the estimated cycles per year would be 4 to 6

Proposed Renewal of Shareholders' Mandate (cont'd)

| Nature of Transaction | Company in CAB Group | Related Party with whom the Group is transacting | Estimated Value of Transaction from the date of the AGM to the date of AGM in 2025* (RM) | Interested Related Party^ | Relationships | Actual Value transacted from the date of the AGM on 24 March 2023 to LPD (RM) ☐ | Estimated Value of Transaction as disclosed in the preceding year's Circular to Shareholders (RM) ☐ |
|----------------------------------|----------------------|--|--|---|--|---|---|
| Renting of farms by MJF (Note #) | JGFSB | MJF | 600,000 | Interested Major Shareholder of JGFSB Yap Soon Chyuan Interested Directors Leong Youk Leen Yap Kim Gee Interested Person Connected Tiew Chee Wei | Tiew Chee Wei, the sole proprietor of MJF, is the brother-in-law of Yap Soon Chyuan. Tiew Chee Wei is the nephew-in-law of Leong Youk Leen and Yap Kim Gee. | 299,100 | 600,000 |
| Sales of broilers by MJF | JGFSB | MJF | 18,000,000 | Interested Major Shareholder of JGFSB Yap Soon Chyuan Interested Directors Leong Youk Leen Yap Kim Gee Interested Person Connected Tiew Chee Wei | Tiew Chee Wei, the sole proprietor of MJF, is the brother-in-law of Yap Soon Chyuan. Tiew Chee Wei is the nephew-in-law of Leong Youk Leen and Yap Kim Gee. | 10,396,868 | 18,000,000 |

Note # : The poultry farms are currently located at the properties known as follows:
Lot PT5 HS(M) 1218 & Lot 2004 PM 171, Lubok Puteri, Mukim Lepar, Daerah Pekan, Pahang (JG 15).

| Land | Tenure Agreement | Yearly Rental |
|---|--|--|
| (i) Lot 1870, GM 339, Mukim Hulu Jabor, District of Kemaman, Terengganu (JG11); | 3 months from the date of Intake of day-old chick for each cycle | Approximate yearly rental of RM141,000. (Note ###) |
| (ii) Lot PT5 HS(M) 1218 & Lot 2004 PM 171, Lubok Puteri, Mukim Lepar, Daerah Pekan, Pahang (JG 15). | 3 months from the date of Intake of day-old chick for each cycle | Approximate yearly rental of RM266,000. (Note ###) |

Note ### Depending on the actual quantity of day-old chick intake per batch and number of cycles per year. Barring any unforeseen circumstances, the estimated cycles per year would be 4 to 6

Proposed Renewal of Shareholders' Mandate (cont'd)

| Nature of Transaction | Company in CAB Group | Related Party with whom the Group is transacting | Estimated Value of Transaction from the date of the AGM to the date of AGM in 2025* (RM) | Interested Related Party^ | Relationships | Actual Value transacted from the date of the AGM on 24 March 2023 to LPD (RM) ☒ | Estimated Value of Transaction as disclosed in the preceding year's Circular to Shareholders (RM) ☒ |
|---|----------------------|--|--|--|---|---|---|
| Sales of chicks, feed and farm consumables by JGFSB | JGFSB | CHFSB | 12,000,000 | Interested Major Shareholder of JGFSB Yap Soon Chyuan Interested Directors Leong Youk Leen Yap Kim Gee | Yap Soon Chyuan is one of the Directors and a Major Shareholder of CHFSB. He is also a Major Shareholder of JGFSB. Yap Soon Chyuan is the nephew of Leong Youk Leen and Yap Kim Gee. | 5,184,155 | 12,000,000 |
| Sales of broilers by CHFSB | JGFSB | CHFSB | 12,000,000 | Interested Major Shareholder of JGFSB Yap Soon Chyuan Interested Directors Leong Youk Leen Yap Kim Gee | Yap Soon Chyuan is one of the Directors and a Major Shareholder of CHFSB. He is also a Major Shareholder of JGFSB. Yap Soon Chyuan is the nephew of Leong Youk Leen and Yap Kim Gee. | 4,884,841 | 12,000,000 |
| Rental of land & building located at Lot 54, Kawasan Perindustrian Semambu, 25300 Kuantan, Pahang by PJGSB ** | PJGSB | FLSB | 300,000 | Interested Director of PJGSB Yap Soon Chyuan | Yap Soon Chyuan is a Major Shareholder of JGFSB, the holding company of PJGSB. PJGSB holds 20% in FLSB. | 114,194 | 300,000 |

Proposed Renewal of Shareholders' Mandate (cont'd)

| Nature of Transaction | Company in CAB Group | Related Party with whom the Group is transacting | Estimated Value of Transaction from the date of the AGM to the date of AGM in 2025* (RM) | Interested Related Party^ | Relationships | Actual Value transacted from the date of the AGM on 24 March 2024 to LPD (RM) ☒ | Estimated Value of Transaction as disclosed in the preceding year's Circular to Shareholders (RM) ☒ |
|--|----------------------|--|--|---|---|---|---|
| Sales of fish, vegetables and fruits by USB | PJGSB | USB | 4,000,000 | <p>Interested Major Shareholder of PJGSB Yap Soon Chyuan</p> <p>Interested Directors Leong Youk Leen Yap Soon Chyuan</p> <p>Interested Persons Connected Yap Soon Boon</p> | <p>Yap Soon Boon and Yap Soon Chyuan are brothers and Directors of USB. They are also nephews of Leong Youk Leen.</p> <p>Yap Soon Chyuan is a Major Shareholder of USB.</p> | 1,069,878 | 4,000,000 |
| Sales of chicks, feed and farm consumables by CABT | CABT | YWT | 7,000,000 | <p>Interested Major Shareholder of CABT Yap Soon Chyuan</p> <p>Interested Director Leong Youk Leen</p> | <p>Yap Soon Chyuan is a Major Shareholder of CABT. He is also the sole proprietor of YWT.</p> <p>Yap Soon Chyuan is the nephew of Leong Youk Leen.</p> | 3,500,411 | 7,000,000 |

Proposed Renewal of Shareholders' Mandate (cont'd)

| Nature of Transaction | Company in CAB Group | Related Party with whom the Group is transacting | Estimated Value of Transaction from the date of the AGM to the date of AGM in 2025* (RM) | Interested Related Party^ | Relationships | Actual Value transacted from the date of the AGM on 24 March 2023 to LPD (RM) ☒ | Estimated Value of Transaction as disclosed in the preceding year's Circular to Shareholders (RM) ☒ |
|------------------------------------|----------------------|--|--|---|---|---|---|
| Sales of broilers by YWT | CABT | YWT | 8,000,000 | Interested Major Shareholder of CABT Yap Soon Chyuan Interested Director Leong Youk Leen | Yap Soon Chyuan is a Major Shareholder of CABT. He is also the sole proprietor of YWT. Yap Soon Chyuan is the nephew of Leong Youk Leen. | 4,183,172 | 8,000,000 |
| Sales of processed chicken by AKSB | AKSB | Chuah Ah Chui | 700,000 | Interested Directors of AKSB Chuah Ah Bee Chan Kim Keow Interested Persons Connected Chuah Hoon Phong Chuah Hoon Hong Chuah Hoon Teng Ng Honk Ling Chuah Teh Chai | Chuah Ah Chui is sibling of Chuah Ah Bee and brother-in-law of Chan Kim Keow. Chuah Hoon Phong, Chuah Hoon Hong and Chuah Hoon Teng are the children of Chuah Ah Bee and nephews of Chuah Ah Chui. Ng Honk Ling is the niece-in-law of Chuah Ah Chui. Chuah Teh Chai is the father of Chuah Ah Chui. | 234,298 | 700,000 |

Proposed Renewal of Shareholders' Mandate (cont'd)

| Nature of Transaction | Company in CAB Group | Related Party with whom the Group is transacting | Estimated Value of Transaction from the date of the AGM to the date of AGM in 2025* (RM) | Interested Related Party^ | Relationships | Actual Value transacted from the date of the AGM on 24 March 2023 to LPD (RM) ☒ | Estimated Value of Transaction as disclosed in the preceding year's Circular to Shareholders (RM) ☒ |
|---------------------------------|----------------------|--|--|---|--|---|---|
| Rental of farm by CABC (Note #) | CABC | Chuah Ah Bee | 100,000 | <p>Interested Directors of CABC Chuah Ah Bee Chan Kim Keow Chuah Hoon Phong</p> <p>Interested Persons Connected Chuah Hoon Hong Chuah Hoon Teng Ng Honk Ling Chuah Ah Chui Chuah Teh Chai</p> | <p>Chuah Hoon Phong, Chuah Hoon Hong and Chuah Hoon Teng are children of Chuah Ah Bee and Chan Kim Keow.</p> <p>Ng Honk Ling is the spouse of Chuah Hoon Hong and daughter-in-law of Chuah Ah Bee and Chan Kim Keow.</p> <p>Chuah Ah Chui is sibling of Chuah Ah Bee.</p> <p>Chuah Teh Chai is the father of Chuah Ah Bee.</p> | 49,960 | 100,000 |

Note # : The poultry farm is currently located at the property known as follows:

| Land | Tenure Agreement | Yearly Rental |
|---|------------------|---|
| (i) Lot 4761, (formerly known as Lot 2018), Mukim 12, Seberang Prai Utara, Penang | 1 year | Approximate yearly rental of RM63,000. (Note ###) |

Note ### Depending on the actual quantity of day-old chick intake per batch and number of cycles per year. Barring any unforeseen circumstances, the estimated cycles per year would be 4 to 6

Proposed Renewal of Shareholders' Mandate (cont'd)

| Nature of Transaction | Company in CAB Group | Related Party with whom the Group is transacting | Estimated Value of Transaction from the date of the AGM to the date of AGM in 2025* (RM) | Interested Related Party^ | Relationships | Actual Value transacted from the date of the AGM on 24 March 2023 to LPD (RM) ☒ | Estimated Value of Transaction as disclosed in the preceding year's Circular to Shareholders (RM) ☒ |
|--------------------------------------|----------------------|--|--|---|--|---|---|
| Purchase of farming equipment by OTK | OTK | NMS | 1,000,000 | Interested Director and Major Shareholder of OTK Khor Yu Beng | Khor Yu Beng is a Director and Major Shareholder of OTK. He is also a Director and Major Shareholder of NMS. | 0 | 1,000,000 |
| Purchase of farming equipment by OTK | OTK | OTO | 5,000,000 | Interested Director and Major Shareholder of OTK Ong Chuan Seng | Ong Chuan Seng is a Director and Major Shareholder of OTK. He is also a Director and Major Shareholder of OTO. | 1,809,298 | 5,000,000 |

Proposed Renewal of Shareholders' Mandate (cont'd)

| Nature of Transaction | Company in CAB Group | Related Party with whom the Group is transacting | Estimated Value of Transaction from the date of the AGM to the date of AGM in 2025* (RM) | Interested Related Party^ | Relationships | Actual Value transacted from the date of the AGM on 24 March 2023 to LPD (RM) ¢ | Estimated Value of Transaction as disclosed in the preceding year's Circular to Shareholders (RM) ¢ |
|---|-----------------------------|---|---|---|---|--|--|
| Sales of colour bird day-old-chicks by C&BP | C&BP | Aqina Farming Sdn. Bhd. | 10,000,000 | Interested Director and Major Shareholder of C&BP Alex Tan Kuan Hon Interested Person Connected Tan Chin Long Teo Siew Giok | Tan Chin Long and Teo Siew Giok are the Directors and Major Shareholders of Aqina Farming Sdn. Bhd. They are also the parents of Alex Tan Kuan Hon. | 4,117,115 | 10,000,000 |
| Sales of chicken and chicken parts by ALFP® (Note ##) | ALFP | Intelmatrix | 0 | Interested Director & Major Shareholder of ALFP Sia Hui Chen | Sia Hui Chen is a Director and Major Shareholder of ALFP. He is also a Director and Major Shareholder of Intelmatrix. | 0 | 5,000,000 |

Note @ : When Intelmatrix cannot meet its own customers' demand due to insufficient supply from its own farms, Intelmatrix will buy chicken from ALFP and thereafter sell the chicken to its own customers. This will be the same when ALFP cannot meet its own customers' demand due to shortfall in its supply. ALFP will buy chicken from Intelmatrix and thereafter sell the chicken to its customers.

Note ##: The Company will not be seeking for Shareholders' Mandate for the current year.

Proposed Renewal of Shareholders' Mandate (cont'd)

| Nature of Transaction | Company in CAB Group | Related Party with whom the Group is transacting | Estimated Value of Transaction from the date of the AGM to the date of AGM in 2025* (RM) | Interested Related Party^ | Relationships | Actual Value transacted from the date of the AGM on 24 March 2023 to LPD (RM) ☒ | Estimated Value of Transaction as disclosed in the preceding year's Circular to Shareholders (RM) ☒ |
|--|-----------------------------|---|---|--|---|--|--|
| Provision of transportation services by ALFP [@] (Note ##) | ALFP | Intelmatrix | 0 | Interested Director & Major Shareholder of ALFP Sia Hui Chen | Sia Hui Chen is a Director and Major Shareholder of ALFP. He is also a Director and Major Shareholder of Intelmatrix. | 0 | 400,000 |
| Sales of chicken and chicken parts by Intelmatrix [@] (Note ##) | ALFP | Intelmatrix | 0 | Interested Director & Major Shareholder of ALFP Sia Hui Chen | Sia Hui Chen is a Director and Major Shareholder of ALFP. He is also a Director and Major Shareholder of Intelmatrix. | 0 | 5,000,000 |
| Provision of transportation services by Intelmatrix [@] (Note ##) | ALFP | Intelmatrix | 0 | Interested Director & Major Shareholder of ALFP Sia Hui Chen | Sia Hui Chen is a Director and Major Shareholder of ALFP. He is also a Director and Major Shareholder of Intelmatrix. | 20,475 | 1,000,000 |

Note [@] : When Intelmatrix cannot meet its own customers' demand due to insufficient supply from its own farms, Intelmatrix will buy chicken from ALFP and thereafter sell the chicken to its own customers. This will be the same when ALFP cannot meet its own customers' demand due to shortfall in its supply. ALFP will buy chicken from Intelmatrix and thereafter sell the chicken to its customers.

Note ##: The Company will not be seeking for Shareholders' Mandate for the current year.

Proposed Renewal of Shareholders' Mandate (cont'd)

| Nature of Transaction | Company in CAB Group | Related Party with whom the Group is transacting | Estimated Value of Transaction from the date of the AGM to the date of AGM in 2025* (RM) | Interested Related Party^ | Relationships | Actual Value transacted from the date of the AGM on 24 March 2023 to LPD (RM) ☒ | Estimated Value of Transaction as disclosed in the preceding year's Circular to Shareholders (RM) ☒ |
|--|-----------------------------|---|---|--|---|--|--|
| Sales of colour birds by PPL | PPL | SPPS | 0 | Interested Director & Major Shareholder of PPL Chiew Kin Huat (Note @) | Chiew Kin Huat is a Director and Major Shareholder of PPL. He is also a Director and Major Shareholder of SPPS. | 6,117,830 | 15,000,000 |
| Sales of chicks, feed and farm consumables by CABT | CABT | MJF | 7,000,000 | Interested Major Shareholder of CABT Yap Soon Chyuan Interested Director Leong Youk Leen Interested Person Connected Tiew Chee Wei | Tiew Chee Wei is the sole proprietor of MJF and brother-in-law of Yap Soon Chyuan. He is also the nephew-in-law of Leong Youk Leen. | 0 | 7,000,000 |
| Sales of broilers by MJF | CABT | MJF | 8,000,000 | Interested Major Shareholder of CABT Yap Soon Chyuan Interested Director Leong Youk Leen Interested Person Connected Tiew Chee Wei | Tiew Chee Wei is the sole proprietor of MJF and brother-in-law of Yap Soon Chyuan. He is also the nephew-in-law of Leong Youk Leen. | 0 | 8,000,000 |

Note @: Chiew Kin Huat resigned as a Director in PPL on 22 January 2024. His spouse, Ong Bee Wah was appointed as a Director in PPL on 22 January 2024. Chiew Kin Huat transferred all of his shares in PPL to Ong Bee Wah on 23 January 2024.

Proposed Renewal of Shareholders' Mandate (cont'd)

| Nature of Transaction | Company in CAB Group | Related Party with whom the Group is transacting | Estimated Value of Transaction from the date of the AGM to the date of AGM in 2025* (RM) | Interested Related Party^ | Relationships | Actual Value transacted from the date of the AGM on 24 March 2023 to LPD (RM) ☒ | Estimated Value of Transaction as disclosed in the preceding year's Circular to Shareholders (RM) ☒ |
|--|----------------------|--|--|---|---|---|---|
| Rental of one (1) unit of double storey shop office cum godown by HMFF ** (Note #) | HMFF | CABSB | 255,000 | <p>Interested Directors of HMFF Chuah Ah Bee Chuah Hoon Phong Chuah Hoon Teng</p> <p>Interested Persons Connected Chan Kim Keow Chuah Hoon Hong Ng Honk Ling Chuah Ah Chui Chuah the Chai</p> | <p>Chuah Ah Bee and Chan Kim Keow are Directors and Major Shareholders of CABSB.</p> <p>Chuah Hoon Phong, Chuah Hoon Hong and Chuah Hoon Teng are Directors of CABSB and children of Chuah Ah Bee and Chan Kim Keow.</p> <p>Ng Honk Ling is the spouse of Chuah Hoon Phong and daughter-in-law of Chuah Ah Bee and Chan Kim Keow.</p> <p>Chuah Ah Chui is sibling of Chuah Ah Bee.</p> <p>Chuah Teh Chai is the father of Chuah Ah Bee.</p> | 161,774 | 255,000 |

Note # : The rental is currently located at the property known as follows:

| Address | Tenure Agreement | Monthly rental |
|--|------------------|----------------|
| (i) No. 1, Jalan Berkat, Taman Berkat, 09400 Padang Serai, Kedah | 1 year | RM17,000 |

Proposed Renewal of Shareholders' Mandate (cont'd)

| Nature of Transaction | Company in CAB Group | Related Party with whom the Group is transacting | Estimated Value of Transaction from the date of the AGM to the date of AGM in 2025* (RM) | Interested Related Party^ | Relationships | Actual Value transacted from the date of the AGM on 24 March 2023 to LPD (RM) ☒ | Estimated Value of Transaction as disclosed in the preceding year's Circular to Shareholders (RM) ☒ |
|--|-----------------------------|---|---|---|---|--|--|
| Renting of one (1) single storey factory building by HMFF** (Note #) | HMFF | CABSB | 150,000 | <p>Interested Directors of HMFF Chuah Ah Bee Chuah Hoon Phong Chuah Hoon Teng</p> <p>Interested Persons Connected Chan Kim Keow Chuah Hoon Hong Ng Honk Ling Chuah Ah Chui Chuah Teh Chai</p> | <p>Chuah Ah Bee and Chan Kim Keow are Directors and Major Shareholders of CABSB.</p> <p>Chuah Hoon Phong, Chuah Hoon Hong and Chuah Hoon Teng are Directors of CABSB and children of Chuah Ah Bee and Chan Kim Keow.</p> <p>Ng Honk Ling is the spouse of Chuah Hoon Phong and daughter-in-law of Chuah Ah Bee and Chan Kim Keow.</p> <p>Chuah Ah Chui is sibling of Chuah Ah Bee.</p> <p>Chuah Teh Chai is the father of Chuah Ah Bee.</p> | 95,161 | 150,000 |

Note # : The rental is currently located at the property known as follows:

| Address | Tenure Agreement | Monthly rental |
|--|-------------------------|-----------------------|
| (i) No. 1818, Jalan Rozhan, Alma, 14000 Bukit Mertajam | 1 year | RM10,000 |

Proposed Renewal of Shareholders' Mandate (cont'd)

| Nature of Transaction | Company in CAB Group | Related Party with whom the Group is transacting | Estimated Value of Transaction from the date of the AGM to the date of AGM in 2025* (RM) | Interested Related Party^ | Relationships | Actual Value transacted from the date of the AGM on 24 March 2023 to LPD (RM) ¢ | Estimated Value of Transaction as disclosed in the preceding year's Circular to Shareholders (RM) ¢ |
|--|-----------------------------|---|---|--|---|--|--|
| Sales of poultry goods by FBFI | FBFI | SPPS | 500,000 | Interested Director & Major Shareholder of FBFI Chiew Hock You | Chiew Hock You is a Director and Major Shareholder of FBFI. He is also a Director and Major Shareholder of SPPS. | 0 | 500,000 |
| Sales of poultry goods by FBFI | FBFI | Sinmah Food | 1,000,000 | Interested Director & Major Shareholder of FBFI Chiew Hock You | Chiew Hock You is a Director and Major Shareholder of FBFI. He is also a Director and Major Shareholder of SPPS, which in turn is a Major Shareholder of Sinmah Food. | 0 | 1,000,000 |
| Sales of colour bird day-old-chicks by Aqina Farming Sdn. Bhd. | C&BP | Aqina Farming Sdn. Bhd. | 500,000 | Interested Director and Major Shareholder of C&BP Alex Tan Kuan Hon Interested Persons Connected Tan Chin Long Teo Siew Giok | Tan Chin Long and Teo Siew Giok are the Directors and Major Shareholders of Aqina Farming Sdn. Bhd. They are also the parents of Alex Tan Kuan Hon. | 0 | 500,000 |

Proposed Renewal of Shareholders' Mandate (cont'd)

| Nature of Transaction | Company in CAB Group | Related Party with whom the Group is transacting | Estimated Value of Transaction from the date of the AGM to the date of AGM in 2025* (RM) | Interested Related Party^ | Relationships | Actual Value transacted from the date of the AGM on 24 March 2023 to LPD (RM) ☒ | Estimated Value of Transaction as disclosed in the preceding year's Circular to Shareholders (RM) ☒ |
|--|-----------------------------|---|---|---|--|--|--|
| Sales of farming equipment, evaporative cooling pads and electrical appliances (including installation works) by OTK | OTK | NMS | 1,000,000 | Interested Director and Major Shareholder of OTK Khor Yu Beng | Khor Yu Beng is a Director and Major Shareholder of OTK. He is also a Director and Major Shareholder of NMS. | 0 | 1,000,000 |
| Sales of farming equipment, evaporative cooling pads and electrical appliances (including installation works) by OTK | OTK | OTO | 5,000,000 | Interested Director and Major Shareholder of OTK Ong Chuan Seng | Ong Chuan Seng is a Director and Major Shareholder of OTK. He is also a Director and Major Shareholder of OTO. | 49,798 | 10,000,000 |
| Sales of farming equipment, evaporative cooling pads and electrical appliances (including installation works) by OTK | OTK | DS Poultry Sdn. Bhd. | 1,000,000 | Interested Director and Major Shareholder of OTK Khor Yu Beng | Khor Yu Beng is a Director and Major Shareholder of OTK. He is also a Director of DS Poultry Sdn. Bhd. | 0 | 1,000,000 |

Proposed Renewal of Shareholders' Mandate (cont'd)

| Nature of Transaction | Company in CAB Group | Related Party with whom the Group is transacting | Estimated Value of Transaction from the date of the AGM to the date of AGM in 2025* (RM) | Interested Related Party^ | Relationships | Actual Value transacted from the date of the AGM on 24 March 2023 to LPD (RM) ¢ | Estimated Value of Transaction as disclosed in the preceding year's Circular to Shareholders (RM) ¢ |
|------------------------------------|-----------------------------|---|---|---|--|--|--|
| Sale of feeds by NMS | OTK | NMS | 25,000,000 | Interested Director and Major Shareholder of OTK Khor Yu Beng | Khor Yu Beng is a Director and Major Shareholder of OTK. He is also a Director and Major Shareholder of NMS. | 8,378,020 | 25,000,000 |
| Sale of feed's raw material to NMS | OTK | NMS | 1,000,000 | Interested Director and Major Shareholder of OTK Khor Yu Beng | Khor Yu Beng is a Director and Major Shareholder of OTK. He is also a Director and Major Shareholder of NMS. | 0 | 3,000,000 |

PROPOSED NEW SHAREHOLDERS' MANDATE

The details of the nature and estimated annual value of the additional RRPT in respect of which the Company is seeking **a fresh mandate** from its shareholders as contemplated under the Proposed New Shareholders' Mandate are as follows:

| Nature of Transaction | Company in CAB Group | Related Party with whom the Group is transacting | Estimated Value of Transaction from the date of the AGM to the date of AGM in 2025* (RM) | Interested Related Party^ | Relationships |
|---|----------------------|--|--|--|--|
| Sales of broilers by HWASB | JGFSB | HWASB | 90,000,000 | Interested Major Shareholder of JGFSB Yap Soon Chyuan Interested Director Leong Youk Leen Yap Kim Gee | Yap Soon Chyuan is a Major Shareholder of JGFSB. He is the sole Director and sole Shareholder of HWASB. Yap Soon Chyuan is the nephew of Leong Youk Leen and Yap Kim Gee. |
| Sales of chicks, farm consumables and feed by JGFSB | JGFSB | HWASB | 80,000,000 | Interested Major Shareholder of JGFSB Yap Soon Chyuan Interested Directors Leong Youk Leen Yap Kim Gee | Yap Soon Chyuan is a Major Shareholder of JGFSB. He is the sole Director and sole Shareholder of HWASB. Yap Soon Chyuan is the nephew of Leong Youk Leen and Yap Kim Gee. |

PROPOSED NEW SHAREHOLDERS' MANDATE

The details of the nature and estimated annual value of the additional RRPT in respect of which the Company is seeking **a fresh mandate** from its shareholders as contemplated under the Proposed New Shareholders' Mandate are as follows :-

| Nature of Transaction | Company in CAB Group | Related Party with whom the Group is transacting | Estimated Value of Transaction from the date of the AGM to the date of AGM in 2025* (RM) | Interested Related Party^ | Relationships |
|--|----------------------|--|--|--|--|
| Renting of poultry farms by HWASB (Note #) | JGFSB | HWASB | 1,600,000 | Interested Major Shareholder of JGFSB Yap Soon Chyuan Interested Directors Leong Youk Leen Yap Kim Gee | Yap Soon Chyuan is a Major Shareholder of JGFSB. He is the sole Director and sole Shareholder of HWASB. Yap Soon Chyuan is the nephew of Leong Youk Leen and Yap Kim Gee. |
| Sales of chicks, farm consumables and feed by CABT | CABT | HWASB | 7,000,000 | Interested Major Shareholder of CABT Yap Soon Chyuan Interested Director Leong Youk Leen | Yap Soon Chyuan is a Major Shareholder of CABT. He is the sole Director and sole Shareholder of HWASB. Yap Soon Chyuan is the nephew of Leong Youk Leen. |
| Sales of broilers by HWASB | CABT | HWASB | 8,000,000 | Interested Major Shareholder of CABT Yap Soon Chyuan Interested Director Leong Youk Leen | Yap Soon Chyuan is a Major Shareholder of CABT. He is the sole Director and sole Shareholder of HWASB. Yap Soon Chyuan is the nephew of Leong Youk Leen. |

PROPOSED NEW SHAREHOLDERS' MANDATE

The details of the nature and estimated annual value of the additional RRPT in respect of which the Company is seeking **a fresh mandate** from its shareholders as contemplated under the Proposed New Shareholders' Mandate are as follows :-

Note # : The poultry farms are currently located at the properties known as follows:

| | Land | Tenure Agreement | Yearly Rental |
|--------|---|--|--|
| (i) | Lot 103, GRN 4803, Mukim of Hulu Jabor, District of Kemaman, Terengganu (JG1 & 2); | 3 months from the date of Intake of day-old chick for each cycle | Approximate yearly rental of RM307,000. (Note ###) |
| (ii) | PT 1725, GM 3350, Mukim of Sg Karang, District of Kuantan, Pahang (JG 3); | 3 months from the date of Intake of day-old chick for each cycle | Approximate yearly rental of RM85,200. (Note ###) |
| (iii) | PT 1721, GM 3367, Mukim of Sg Karang, District of Kuantan, Pahang (JG 5); | 3 months from the date of Intake of day-old chick for each cycle | Approximate yearly rental of RM87,000. (Note ###) |
| (iv) | PT 1731, GM 1475, Mukim of Sg Karang, District of Kuantan, Pahang (JG 6); | 3 months from the date of Intake of day-old chick for each cycle | Approximate yearly rental of RM112,000. (Note ###) |
| (v) | Lot 3205, GM 3252, Mukim of Kuala Kuantan, District of Kuantan, Pahang (JG 12); | 3 months from the date of Intake of day-old chick for each cycle | Approximate yearly rental of RM130,000. (Note ###) |
| (vi) | Lot 3351, GRN 6567, Mukim of Kuala Kuantan, District of Kuantan, Pahang (JG 13); | 3 months from the date of Intake of day-old chick for each cycle | Approximate yearly rental of RM434,000. (Note ###) |
| (vii) | Lot 1671, GM 3324, Mukim Sg Karang, District of Sungai Karang, Kuantan, Pahang (JG 10); | 3 months from the date of Intake of day-old chick for each cycle | Approximate yearly rental of RM186,000. (Note ###) |
| (viii) | Lot 1669, GM 3345 Mukim Sg Karang, District of Sungai Karang, Kuantan, Pahang (JG 7). | 3 months from the date of Intake of day-old chick for each cycle | Approximate yearly rental of RM126,000. (Note ###) |

Note ### Depending on the actual quantity of day-old chick intake per batch and number of cycles per year. Barring any unforeseen circumstances, the estimated cycles per year would be 4 to 6

PROPOSED NEW SHAREHOLDERS' MANDATE

The details of the nature and estimated annual value of the additional RRPT in respect of which the Company is seeking **a fresh mandate** from its shareholders as contemplated under the Proposed New Shareholders' Mandate are as follows :-

| Nature of Transaction | Company in CAB Group | Related Party with whom the Group is transacting | Estimated Value of Transaction from the date of the AGM to the date of AGM in 2025* (RM) | Interested Related Party [^] | Relationships |
|---|----------------------|--|--|--|---|
| Sales of animal feed nutrition, supplements, biologic and feed additives for poultry by Benarlab | Benarlab | Nulab | 5,000,000 | Interested Director and Major Shareholder of BSB Aman Tan Ho Peng ("Aman Tan") Tan Wen Lee Tan Chin Tee | Aman Tan and Tan Wen Lee are Directors and Major Shareholders of Benarlab. Both are also the Directors and Major Shareholders of Nulab. Tan Chin Tee is a Director and Major Shareholder of Benarlab. He is also the father of Aman Tan and Tan Wen Lee. |
| Purchase of feed nutrition, supplements, biologic, feed additives and premix for poultry from Nulab | Benarlab | Nulab | 25,000,000 | Interested Director and Major Shareholder of BSB Aman Tan Ho Peng ("Aman Tan") Tan Wen Lee Tan Chin Tee | Aman Tan and Tan Wen Lee are Directors and Major Shareholders of Benarlab. Both are also the Directors and Major Shareholders of Nulab. Tan Chin Tee is a Director and Major Shareholder of Benarlab. He is also the father of Aman Tan and Tan Wen Lee. |
| Sales of colour birds by PPL | PPL | SPPS | 15,000,000 | Interested Director and Major Shareholder of PPL Ong Bee Wah Interested Person Connected Chiew Kin Huat | Ong Bee Wah is a Director and Major Shareholder of PPL. She is the spouse of Chiew Kin Huat. Chiew Kin Huat is a Director and a Major Shareholder of SPPS. NOTE: Please refer to footnote on Page 30. |

Notes :-

- * *The estimated value of the transactions for the period from the date of forthcoming AGM to the date of the next AGM is based on past transactions and/or management estimates and on the assumption that current levels of operations will continue and all external conditions remain constant. Due to the nature of the transactions, the actual value of the transactions may vary from the estimated value disclosed above.*
- ** *The tenancy of the premises is for a period less than three (3) years and subject to renewal. The rental payable will be on a monthly basis.*
- [^] *The direct and indirect shareholdings of these interested related parties (if any) are set out in Section 6. Accordingly, these interested related parties will abstain from voting in respect of their direct or indirect shareholdings in CAB at the forthcoming AGM on the Proposed Renewal of Shareholders' Mandate and the Proposed New Shareholders' Mandate.*
- ⊠ *None of the actual value transacted exceeded the estimated value as disclosed to the shareholders in the preceding year's Circular to Shareholders.*

FURTHER INFORMATION

1. DIRECTORS' RESPONSIBILITY STATEMENT

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

2. MATERIAL CONTRACTS

Save as disclosed below, neither CAB nor any of its subsidiaries have entered into any material contracts (not being contracts entered into in the ordinary course of business) within the two (2) years preceding the date of this Circular:

- 2.1 CAB had on 26 January 2022 entered into a joint venture agreement with MATA Aerotech Sdn Bhd to jointly undertake the provision of drone spraying for the oil palm sector in Peninsular Malaysia. In relation thereto, CAB had also proposed to diversify the existing principal activities of CAB and its subsidiaries to include the provision of drone related services for the agriculture industry ("Proposed Diversification"),

The shareholders of CAB had approved the abovementioned Proposed Diversification at the Extraordinary General Meeting held on 24 March 2022.

3. MATERIAL LITIGATION, CLAIMS AND ARBITRATION

Save as disclosed below, neither CAB nor any of its subsidiary companies are engaged in any material litigation, claim or arbitration, either as plaintiff or defendant and the Board is not aware and do not have any knowledge of any proceedings pending or threatened against the Company and/ or its subsidiaries or of any facts likely to give rise to any proceeding which may materially or adversely affect the financial position or business of the Company and/ or its subsidiary companies.

High Court of Sungai Petani (Case No. KB-15-14-07/2023) – Objection on the Compensation amount under Section 38(5) of the Land Acquisition Act 1960

CABG had on 21 August 2023 received a letter from the High Court of Sungai Petani pertaining to the objection towards the compensation amount for part of Lot 61021, GRN 218907, Bandar Gurun, Daerah Kuala Muda, Kedah Darul Aman offered by the Land Administrator of Daerah Kuala Muda, Kedah under Section 38(5) of the Act.

Background

CABG is the proprietor of the land known as Lot 61021, Sek 6, GRN 218907, Bandar Gurun, Daerah Kuala Muda measuring 41.27 hectares (equivalent to 4,442,266.07 per sq ft or 412,700.00 per sq metres) ("**Land**").

CABG had received a notification dated 23 October 2022 on the proposed acquisition of land from the Land Administrator of its intention to hold a land inquiry on 27 November 2022 pertaining to the compulsory acquisition of part of the Land measuring 5.0371 hectares (equivalent to 542,188.96 per sq ft or 50,371.00 per sq metres) ("**Subject Land**") under the Act for a sum of RM7,522,488.25 ("**Compensation Amount**") for the proposed *Projek Talian Penghantaran Elektrik 500kV dari Tapak Loji Janakuasa Kitar Padu Gas ke Pencawang Masuk Utama (PMU) Gurun East di Mukim Gurun dan Bandar Gurun, Daerah Kuala Muda, Negeri Kedah Darul Aman*.

An inquiry was held on 14 February 2023 by the Land Administrator and attended by amongst others, the representative of CABG. CABG objected to the Compensation Amount and had on 21

March 2023 submitted an application for the objection to be referred to Court to the District Land Administrator of Daerah Kuala Muda, Negeri Kedah on the ground that:-

1. The award made by the Land Administrator at the rate of RM13.10 per sq ft on the Subject Land did not follow the present market rate;
2. The award made by the Land Administrator on the *kos pecah pisah* did not follow the actual value of damage which will be borne by the proprietor; and
3. The Land Administrator did not take into consideration the claims on other costs which had been spent by the proprietor to develop the said Land.

The case is still pending case management as the parties are still in the midst of exchanging pre-trial documents. Once that process is completed, the court will fix a trial date.

4. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection during normal office hours (except public holidays) at the registered office of CAB from the date of this Circular up to and including the date of the AGM:

- (a) Constitution of CAB;
- (b) the audited financial statements of CAB for the past two (2) financial years ended 30 September 2022 and 2023; and
- (c) the material contracts referred to in Section 2 above.

EXTRACTS OF NOTICE OF TWENTY-SECOND AGM**As Special Business**

To consider and if thought fit, to pass with or without modifications the following ordinary resolutions:

Proposed renewal of the authority for the purchase of the Company's own ordinary shares of up to ten per centum (10%) of the Company's total number of issued shares ("Proposed Renewal of Share Buy-Back Authority")

"THAT subject to the provisions under the Companies Act 2016 ("the Act"), rules, regulations and orders made pursuant to the Act, provisions of the Company's Constitution, Bursa Malaysia Securities Berhad ("Bursa Securities") Main Market Listing Requirements and the approvals of all relevant authorities (if any), the Company be and is hereby authorised to purchase such number of ordinary shares in the Company ("CAB Shares") as may be determined by the Directors of the Company from time to time through Bursa Securities upon such terms and conditions as the Directors may deem fit and expedient in the interest of the Company provided that the aggregate number of shares purchased pursuant to this resolution shall not exceed ten per centum (10%) of the total number of issued shares of the Company as at point of purchase ("Proposed Renewal of Share Buy-Back Authority").

**Ordinary
Resolution 8**

THAT the maximum amount of funds to be utilised for the purpose of the Proposed Renewal of Share Buy-Back Authority shall not exceed the Company's aggregate retained profits.

THAT authority be and is hereby given to the Directors of the Company to decide at their discretion as may be permitted and prescribed by the Act and/or any prevailing laws, rules, regulations, orders, guidelines and requirements issued by the relevant authorities for the time being in force to deal with any CAB Shares so purchased by the Company in the following manner:

- (i) the CAB Shares so purchased could be cancelled; or
- (ii) the CAB Shares so purchased could be retained as treasury shares for distribution as share dividends to the shareholders of the Company and/or be resold through Bursa Securities in accordance with the relevant rules of Bursa Securities and/or be transferred for the purposes of an employees' share scheme and/or be transferred as purchase consideration and/or be cancelled subsequently and/or be sold, transferred or otherwise be used for such purposes of the Minister may by order prescribe; or
- (iii) retain part of the CAB Shares so purchased as treasury shares and cancel the remainder; or
- (iv) in accordance with the relevant prevailing statutory provisions and guidelines.

THAT the authority conferred by this resolution will be effective immediately from the passing of this ordinary resolution 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 authority would lapse unless renewed by ordinary resolution, either unconditionally or conditionally; or
- (ii) the passing of the date on which the next annual general meeting of the Company is required by law to be held; or
- (iii) the authority is revoked or varied by ordinary resolution passed by the shareholders of the Company in general meeting;

whichever occurs first.

And THAT the Directors of the Company be and are authorised to take such steps to give full effect to the Proposed Renewal of Share Buy-Back Authority with full power to assent to any conditions, modifications, variations and/or amendments as may be imposed by the relevant authorities and/or to do all such acts and things as the Directors may deem fit and expedient in the best interest of the Company."

Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature and Proposed New Shareholders' Mandate for Additional Recurrent Related Party Transactions of a Revenue or Trading Nature

**Ordinary
Resolution 8**

"THAT subject always to the provisions of the Companies Act 2016 ("the Act"), the Company's Constitution, Bursa Malaysia Securities Berhad Main Market Listing Requirements or other regulatory authorities, approval be and is hereby given to the Company and/or its subsidiaries to enter into recurrent related party transactions with the related parties as set out in Appendix I of the Circular to Shareholders dated 30 January 2024 ("the Circular"), which are necessary for the day to day operations and are carried out in the ordinary course of business and are on normal commercial terms which are not more favourable to the related parties than those generally available to the public and not detrimental to the minority shareholders as set out in the Circular ("Mandate").

THAT the Directors be empowered to do all such acts and things be considered necessary or expedient to give full effect to the Mandate with full powers to assent to any conditions, modifications, revaluations, variations and/or amendments as may be imposed by the relevant authorities.

THAT such Mandate shall commence upon passing this ordinary resolution and to be in force until:

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

whichever is earlier.

And THAT the Directors of the Company be and are hereby authorised to complete and to do all such acts and things (including executing all such documents as may be required) as they may consider expedient or necessary to give effect to the transactions contemplated and/or authorised by this ordinary resolution."