

THIS CIRCULAR TO SHAREHOLDERS OF MAYBULK BERHAD (FORMERLY KNOWN AS MALAYSIAN BULK CARRIERS BERHAD) ("MAYBULK" OR THE "COMPANY") IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

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

Bursa Malaysia Securities Berhad ("**Bursa Securities**") has not perused the contents of this Circular prior to its issuance as it is prescribed as an exempt document pursuant to Practice Note 18 of the Main Market Listing Requirements of Bursa Securities. Bursa Securities takes no responsibility for the contents of this Circular, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Circular.

The Securities Commission Malaysia ("**SC**") had notified that it has no further comments to the contents of this Circular and the Independent Advice Letter ("**IAL**") as set out in Part B of this Circular. However, such notification shall not be taken to suggest that the SC agrees with the recommendation of the independent adviser or assumes responsibility for the correctness of any statements made, opinions expressed, or reports contained in the IAL. The SC takes no responsibility for the contents of the IAL, makes no representation as to its accuracy or completeness, and expressly disclaims any liability for any loss you may suffer arising from or in reliance upon the whole or part of the contents of the IAL.



MAYBULK BERHAD

(Formerly known as Malaysian Bulk Carriers Berhad)
Registration No. 198801008597 (175953-W)
(Incorporated in Malaysia)

CIRCULAR TO SHAREHOLDERS IN RELATION TO THE:

PART A

- (I) **PROPOSED SHARE BUY-BACK AUTHORITY OF UP TO 10% OF THE TOTAL NUMBER OF ISSUED SHARES OF THE COMPANY ("PROPOSED SHARE BUY-BACK AUTHORITY"); AND**
- (II) **PROPOSED EXEMPTION UNDER SUBPARAGRAPH 4.15(1) OF THE RULES ON TAKE-OVERS, MERGERS AND COMPULSORY ACQUISITIONS ISSUED BY THE SC TO DATO' GOH CHENG HUAT AND PERSON(S) ACTING IN CONCERT WITH HIM FROM THE OBLIGATION TO UNDERTAKE A MANDATORY TAKE-OVER OFFER FOR ALL THE REMAINING ORDINARY SHARES IN MAYBULK ("MAYBULK SHARES" OR "SHARES") NOT ALREADY OWNED BY THEM ARISING FROM THE PURCHASE BY MAYBULK OF ITS OWN SHARES PURSUANT TO THE PROPOSED SHARE BUY-BACK AUTHORITY ("PROPOSED EXEMPTION")**
- (COLLECTIVELY REFERRED TO AS THE "PROPOSALS")

PART B

INDEPENDENT ADVICE LETTER FROM THE INDEPENDENT ADVISER TO THE NON-INTERESTED DIRECTORS AND NON-INTERESTED SHAREHOLDERS OF MAYBULK IN RELATION TO THE PROPOSED EXEMPTION

AND

NOTICE OF EXTRAORDINARY GENERAL MEETING

Principal Adviser



Inter-Pacific Securities Sdn Bhd

Registration No. 197201001092 (12738-U)

(A Participating Organisation of Bursa Malaysia Securities Berhad)

Independent Adviser



BDO Capital Consultants Sdn Bhd

Registration No. 199601032957 (405309-T)

(Incorporated in Malaysia)

The Extraordinary General Meeting of the Company ("**EGM**") will be conducted on a virtual basis through live streaming from the broadcast venue at BO1-A-09-1, Menara 2, KL Eco City, 3 Jalan Bangsar, 59200 Kuala Lumpur, Malaysia, on Wednesday, 26 June 2024 at 11.00 a.m., or immediately after the conclusion of the Company's Thirty-Fifth Annual General Meeting which will be held on the same day at 10.00 a.m., whichever is later, or at any adjournment thereof. The Notice of EGM together with the Proxy Form, Administrative Guide and this Circular can be downloaded from Bursa Securities' website at <https://www.bursamalaysia.com/> and the Company's website at <https://www.maybulk.com.my/>.

Shareholders whose names appear in the record of depositors of Maybulk on Thursday, 20 June 2024 at 5.00 p.m. are entitled to attend, participate and vote remotely at the EGM using the Remote Participation and Electronic Voting ("**RPEV**") facilities provided by Company's Share Registrar, Boardroom Share Registrars Sdn Bhd at <https://meeting.boardroomlimited.my>. If you are unable to attend and vote remotely at the EGM, you are entitled to appoint proxy(ies) by completing and lodging the Proxy Form enclosed in this Circular in accordance with the instructions therein to 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia not less than forty-eight (48) hours before the time for holding the EGM, or any adjournment thereof. Alternatively, shareholder(s) may submit the electronic Proxy Form ("**e-Proxy Form**") using RPEV facilities at <https://meeting.boardroomlimited.my>, not less than forty-eight (48) hours before the time set for holding the EGM or any adjournment thereof. The lodging of the Proxy Form / e-Proxy Form will not preclude you from attending, participating and voting remotely in person at the EGM should you subsequently wish to do so, but if you do, your proxy(ies) shall be precluded from attending the EGM.

Day, date and time of the EGM : Wednesday, 26 June 2024 at 11.00 a.m. or immediately after the conclusion of the Company's Thirty-Fifth Annual General Meeting which will be held on the same day at 10.00 a.m., whichever is later

Last day, date and time to lodge the Proxy Form / e-Proxy Form : Monday, 24 June 2024 at 11.00 a.m.

This Circular is dated 10 May 2024

DEFINITIONS

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

Act	:	Companies Act 2016
AGM	:	Annual general meeting of the Company
BDOCC or Independent Adviser	:	BDO Capital Consultants Sdn Bhd, being the independent adviser appointed to advise the non-interested Directors and non-interested Shareholders in relation to the Proposed Exemption
Board	:	Board of Directors of the Company
Bursa Securities	:	Bursa Malaysia Securities Berhad
Circular	:	This circular to the Shareholders in relation to the Proposals
CMSA	:	Capital Markets and Services Act, 2007
Dato' Goh or Interested Major Shareholder	:	Dato' Goh Cheng Huat, Group Managing Director and a Major Shareholder
Directors	:	The directors of the Company, and shall have the meaning given in subsection 2(1) of the CMSA
EGM	:	Extraordinary general meeting of the Company
EPS	:	Earnings per Share
FYE	:	Financial year ended 31 December
IAL	:	Independent advice letter from the Independent Adviser in relation to the Proposed Exemption, as set out in Part B of this Circular
Interested Directors	:	Dato' Goh and Lin JunLiang, Troy
Interpac or Principal Adviser	:	Inter-Pacific Securities Sdn Bhd
Listing Requirements	:	Main Market Listing Requirements of Bursa Securities
LPD	:	3 May 2024, being the latest practicable date prior to the date of this Circular
Major Shareholder(s)	:	Person(s) who have an interest or interests in one or more voting shares in the Company and the number or aggregate number of those shares, is: - (i) 10% or more of the total number of voting shares in the Company; or (ii) 5% or more of the total number of voting shares in the Company where such person is the largest shareholder of the Company. For the purposes of this definition, “ interest ” shall have the meaning of “ interest in shares ” given in Section 8 of the Act. A Major Shareholder 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 major shareholder of the Company, or any other corporation which is its subsidiary or holding company
Market Day	:	Any day on which Bursa Securities is open for trading in securities

DEFINITIONS (CONT'D)

Mandatory Offer	:	Take-over offer to be made pursuant to subsection 218(2) of the CMSA and subparagraph 4.01(a) of the Rules for all the remaining Shares not already held by Dato' Goh and his persons acting in concert
Maybulk or the Company	:	Maybulk Berhad (formerly known as Malaysian Bulk Carriers Berhad)
Maybulk Group or the Group	:	Collectively, Maybulk and its subsidiaries
Maybulk Share(s) or Share(s)	:	Ordinary share(s) in the Company
NA	:	Net assets
PAC	:	Person(s) acting in concert with Dato' Goh pursuant to subsection 216(2) and subsection 216(3) of the CMSA in respect of the Proposed Exemption as at the LPD, namely Datin Tan Pak Say, the spouse of Dato' Goh
Proposals	:	Collectively, the Proposed Share Buy-Back Authority and Proposed Exemption
Proposed Exemption	:	Proposed exemption under subparagraph 4.15(1) of the Rules to Dato' Goh and his persons acting in concert from the obligation to undertake a mandatory take-over offer for all the remaining Maybulk Shares not already owned by them arising from the purchase by Maybulk of its own Shares pursuant to the Proposed Share Buy-Back Authority
Proposed Share Buy-Back Authority	:	Proposed Shareholders' mandate to authorise the Company to purchase its own Shares of up to 10% of its total number of issued shares
RM and sen	:	Ringgit Malaysia and sen, respectively
Rules	:	Rules on Take-overs, Mergers and Compulsory Acquisition issued by the SC
SC	:	Securities Commission Malaysia
Shareholder(s)	:	Registered holder(s) of Maybulk Shares
VWAP	:	Volume weighted average share price

All references to "you" or "your" in this Circular are to the Shareholders. In this Circular, words referring to the singular shall, where applicable, include the plural and *vice versa* and words importing the masculine gender shall, where applicable, include the feminine and neuter genders and *vice versa*. Reference to persons shall include corporations, unless otherwise specified.

Any reference in this Circular to any statute, rules, regulations or legislation is a reference to such statute, rules, regulations or legislation currently in force and as may be amended from time to time and any re-enactment thereof. Any reference to a time of day in this Circular shall be a reference to Malaysian time, unless otherwise stated. Any discrepancies in the figures included in this Circular between the amounts stated, actual figures and the totals thereof are due to rounding.

Certain statements in this Circular may be forward-looking in nature, which are subject to uncertainties and contingencies. Forward-looking statements may contain estimates and assumptions made by the Board after due enquiry, which are nevertheless subject to known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements to differ materially from the anticipated results, performance or achievements expressed or implied in such forward-looking statements. In light of these and other uncertainties, the inclusion of a forward-looking statement in this Circular should not be regarded as a representation or warranty that the Company's plans and objectives will be achieved.

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EXECUTIVE SUMMARY

This Executive Summary highlights only the salient information of the Proposals. Shareholders are advised to read the Circular in its entirety for further details and not to rely solely on this Executive Summary in forming a decision on the Proposals before voting at the EGM.

Key information	Description	Reference in Circular
Summary of the Proposals	<p>Proposed Share Buy-Back Authority</p> <p>Maybulk intends to seek its Shareholders' approval for the mandate for Maybulk to purchase its own Shares for an aggregate amount of up to 10% of the issued share capital at any point in time.</p> <p>Proposed Exemption</p> <p>The Proposed Exemption will entail an exemption under subparagraph 4.15(1) of the Rules granted to Dato' Goh, the Group Managing Director and one of the Major Shareholders, and his persons acting in concert from the obligation to undertake a Mandatory Offer arising from the purchase by Maybulk of its Shares pursuant to the Proposed Share Buy-Back Authority.</p>	Sections 2 & 3, Part A
Rationale for the Proposals	<p>Proposed Share Buy-Back Authority</p> <p>The Proposed Share Buy-Back Authority will enable Maybulk to utilise its surplus financial resources to purchase its own shares as and when the Board deems fit, during the tenure in which the authority granted is in effect.</p> <p>Proposed Exemption</p> <p>The Proposed Exemption will relieve Dato' Goh and his persons acting in concert from the obligation to undertake the Mandatory Offer arising from the purchase by Maybulk of its Shares pursuant to the Proposed Share Buy-Back Authority, as it is not his intention to undertake the Mandatory Offer.</p>	Section 4, Part A
Approvals required and conditionality	<p>The Proposals are subject to the following approvals being obtained:</p> <ul style="list-style-type: none"> (i) the shareholders of Maybulk for the Proposals at the EGM to be convened; and (ii) the SC for the Proposed Exemption. <p>The Proposed Exemption is conditional upon the Proposed Share Buy-Back Authority but not vice versa.</p>	Section 9, Part A
Interests of Directors, major Shareholders and/or persons connected with them	<p>Proposed Share Buy-Back Authority</p> <p>None of the Directors, major Shareholders of the Company and/or persons connected with them has any interest, direct and/or indirect, in the Proposed Share Buy-Back Authority.</p> <p>Proposed Exemption</p> <p>Dato' Goh is deemed interested in the Proposed Exemption by virtue of him being the Group Managing Director and major shareholder of Maybulk. Lin JunLiang, Troy, being the Executive Director cum Chief Investment Officer of Maybulk, is also deemed interested in the Proposed Exemption as he is the son-in-law of Dato' Goh.</p> <p>Accordingly, the Interested Directors have abstained and will continue to abstain from deliberating and voting at the relevant Board meetings of the Company pertaining to the Proposed Exemption. The Interested Directors and Interested Major Shareholder will also abstain and will undertake to ensure that persons connected with them (if any) will also abstain from voting in respect of their direct and/or indirect shareholdings in the Company on the resolutions pertaining to the Proposed Exemption to be tabled at the forthcoming EGM.</p>	Section 11, Part A

EXECUTIVE SUMMARY (CONT'D)

Key information	Description	Reference in Circular
Directors' statement and recommendation	<p>Proposed Share Buy-Back Authority</p> <p>The Board having considered all aspects of the Proposed Share Buy-Back Authority is of the opinion that the Proposed Share Buy-Back Authority is in the best interest of the Company.</p> <p>Accordingly, the Board recommends that you vote in favour of the resolution pertaining to the Proposed Share Buy-Back Authority to be tabled at the EGM to be convened.</p> <p>Proposed Exemption</p> <p>The Board (save for the Interested Directors), having considered all aspects of the Proposed Exemption including the views of the Independent Adviser, is of the opinion that the Proposed Exemption is in the best interest of the Company, fair, reasonable and not detrimental to the interest of the non-interested Shareholders.</p> <p>Accordingly, the Board (save for the Interested Directors) recommends that you vote in favour of the resolution pertaining to the Proposed Exemption to be tabled at the EGM to be convened.</p>	Section 13, Part A

PART A

LETTER TO THE SHAREHOLDERS IN RELATION TO THE PROPOSALS



MAYBULK BERHAD

(Formerly known as Malaysian Bulk Carriers Berhad)
Registration No. 198801008597 (175953-W)
(Incorporated in Malaysia)

Registered Office:
Suite 8.01, Level 8
Menara Binjai
No 2 Jalan Binjai
50450 Kuala Lumpur
Wilayah Persekutuan
Malaysia

10 May 2024

Board of Directors

Yeoh Khoon Cheng (Independent Non-Executive Chairman)
Dato' Goh Cheng Huat (Group Managing Director)
Ooi Teik Huat (Executive Director and Chief Financial Officer)
Lin JunLiang, Troy (Executive Director cum Chief Investment Officer)
Elsie Kok Yin Mei (Independent Non-Executive Director)
Mohd. Arif bin Mastol (Independent Non-Executive Director)

To: The Shareholders

Dear Sir / Madam,

- (I) **PROPOSED SHARE BUY-BACK AUTHORITY; AND**
- (II) **PROPOSED EXEMPTION**

(COLLECTIVELY REFERRED TO AS THE "PROPOSALS")

1. INTRODUCTION

On 27 March 2024, Interpac, had on behalf of the Board, announced that the Company proposes to undertake the Proposals.

BDOCC has been appointed as the Independent Adviser pursuant to paragraph 3.06 of the Rules to advise the non-interested Directors and non-interested Shareholders on the Proposed Exemption.

Further, the SC had on 29 April 2024, given its notification that it has no further comments to the contents of the Circular (including the IAL as set out in Part B of this Circular) and such notification shall not be taken to suggest that the SC recommends the Proposed Exemption or assumes responsibility for the correctness of any statements made or opinions or reports expressed in the Circular (including the IAL as set out in Part B of this Circular).

THE PURPOSE OF THIS CIRCULAR IS TO PROVIDE YOU WITH RELEVANT INFORMATION ON THE PROPOSALS AND TO SET OUT THE VIEWS AND RECOMMENDATIONS OF THE BOARD AS WELL AS TO SEEK YOUR APPROVAL FOR THE RESOLUTIONS PERTAINING TO THE PROPOSALS WHICH WILL BE TABLED AT THE FORTHCOMING EGM. THE NOTICE OF THE EGM AND THE PROXY FORM ARE ENCLOSED WITH THIS CIRCULAR.

YOU ARE ADVISED TO READ AND CAREFULLY CONSIDER THE CONTENTS OF THIS CIRCULAR INCLUDING THE RECOMMENDATION OF THE INDEPENDENT ADVISER IN RELATION TO THE PROPOSED EXEMPTION AS SET OUT IN THE IAL IN PART B OF THIS CIRCULAR TOGETHER WITH THE APPENDIX CONTAINED HEREIN BEFORE VOTING ON THE RESOLUTIONS TO GIVE EFFECT TO THE PROPOSALS AT THE FORTHCOMING EGM.

To facilitate electronic delivery of documents in the future, it is important for you to register your e-mail address with Bursa Depository via:-

- (i) https://www.bursamalaysia.com/trade/our_products_services/central_depositor_y_system/request_for_estatement; or
- (ii) Bursa Anywhere mobile application which can be downloaded from Google Play Store or Apple App Store.

2. DETAILS OF THE PROPOSED SHARE BUY-BACK AUTHORITY

The Board is proposing to seek the Shareholders' approval for the mandate for Maybulk to purchase its own Shares for an aggregate amount of up to 10% of the issued share capital at any point in time.

The Proposed Share Buy-Back Authority, shall take effect from the passing of the ordinary resolution pertaining thereto at the forthcoming EGM once approved by the Shareholders and shall continue to be in force until:

- (i) the conclusion of the next AGM 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 unconditionally or subject to conditions; or
- (ii) the expiration of the period within which the next AGM 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.

The Proposed Share Buy-Back Authority does not impose an obligation on the Company to purchase its own Shares. Instead, it will allow the Board to exercise the power of the Company to purchase its own Shares at any point within the time period as specified above.

For information, the Proposed Share Buy Back Authority is the first such mandate sought by the Company.

2.1 Maximum number or percentage of Shares to be acquired

The maximum aggregate number of Shares which may be purchased by the Company shall not exceed 10% of the total number of issued shares of the Company in compliance with Paragraph 12.09 of the Listing Requirements. As at the LPD, the maximum number of Shares that can be purchased and/or held by the Company is as follows:

	<u>No. of Shares</u>
Total number of issued shares of Maybulk	1,000,000,000
10% of the total number of issued shares	100,000,000
Maximum number of Shares which may be purchased pursuant to the Proposed Share Buy-Back Authority	100,000,000

The actual number of Shares to be purchased, the total amount of funds to be utilised as well as the timing of the purchases of any Shares will be dependent on, among others, market conditions, the availability of the retained profits and the financial resources available to Maybulk as well as Bursa Securities' requirement to maintain the minimum shareholding spread and minimum share capital.

2.2 Maximum amount of funds to be allocated and the source of funds

The Proposed Share Buy-Back Authority will be funded through internally-generated funds and/or external borrowings. The amount of internally-generated funds and/or external borrowings to be utilised will only be determined later depending on the availability of internally-generated funds and actual number of Shares to be purchased. The actual number of Shares to be purchased and/or held, and the timing of such purchases will depend on, amongst others, the market conditions and sentiments of the equity markets as well as the retained profits and financial resources available to the Company.

The Proposed Share Buy-Back Authority will reduce the amount of cash available to fund the working capital requirements of the Company, the quantum of which depends on the actual number and purchase price of the Shares purchased. However, the purchases of Shares by the Company are not expected to have a material effect on the working capital and cash flow of the Group. Assuming the purchase price of the Shares purchased under the Proposed Share Buy Back Authority is RM0.2991, being the 5-day VWAP of the Maybulk Shares up to the LPD, the purchase of the maximum number of Shares which may be purchased under the Proposed Share Buy Back Authority would result in a reduction in the cash holdings of the Group of RM29.91 million.

For information, the cash and bank balances of the Group as at 31 December 2023 is approximately RM311.21 million whilst the retained profits of the Company as at 31 December 2023 is approximately RM172.32 million.

In the event that the Proposed Share Buy-Back Authority is to be partly financed by external borrowings, the Board will ensure that the Company has sufficient funds to repay the external borrowings and that the drawdown of such borrowings and the repayment of the associated finance cost will not have a material adverse effect on the cash flow of the Group.

2.3 Purchase price of the Shares

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

2.4 Treatment of the purchased Shares

The purchased Shares may either be (i) cancelled; or (ii) retained as treasury shares; or (iii) combination of items (i) and (ii), in accordance with Section 127 of the Act. An announcement will be made to Bursa Securities on whether the purchased shares will be cancelled, retained as treasury shares, distributed as share dividends or resold by the Company on Bursa Securities, or a combination of the above, depending on the availability of, amongst others, the retained profits of the Company. The distribution of treasury shares as share dividends will be applied as a reduction of the Company's retained profits.

The Board may decide to hold the purchased Shares as treasury shares if it is of the opinion that in the foreseeable future, there is strong potential for these shares to be resold at a gain, thus adding value for the Shareholders. Conversely, the Company may decide to cancel the purchased Shares if it is of the opinion that it no longer requires the funds. The Company may also distribute the treasury shares as share dividends, which can serve to reward Shareholders. The Company may also transfer the treasury shares as purchase consideration for any potential acquisition of assets in the future.

If the purchased Shares are held as treasury shares, the rights attached to them as to voting, dividends and participation in rights, allotments or other distributions are suspended. Further, the treasury shares shall not be taken into account in calculating the number or percentage of shares or of a class of shares in the Company for any purpose including determination of substantial shareholding, takeovers, notices, the requisition of meetings, the quorum for a meeting and the result of a vote on a resolution at a meeting for Shareholders.

2.5 Public shareholding spread

Paragraph 8.02(1) of the Listing Requirements stipulates that a listed corporation must ensure that at least 25% of its total listed shares (excluding treasury shares) are in the hands of public shareholders. The Proposed Share Buy-Back Authority is not expected to result in any breach of the public shareholding spread requirement by the Company.

As at the LPD, the public shareholding spread of the Company is 53.74%. The public shareholding spread is expected to be reduced to 48.60% assuming the Proposed Share Buy-Back Authority is implemented in full, and all the Shares so purchased are purchased from public Shareholders and are either cancelled, held as treasury shares or a combination of both.

2.6 Implication of the Rules

The Company intends to implement the Proposed Share Buy-Back Authority in such manner that it will not result in any obligation of the shareholders to undertake a mandatory offer pursuant to subsection 218(2) of the CMSA and subparagraph 4.01(a) of the Rules.

However, in the event the Company purchases 29,848,485 Shares representing approximately 2.98% of its issued share capital pursuant to the Proposed Share Buy-Back Authority, the collective shareholdings of Dato' Goh and his PAC in Maybulk will increase from 32.02% to 33% + 1 Share. In addition, in the event that the Company purchases the maximum percentage of 10% of its issued share capital pursuant to the Proposed Share Buy-Back Authority, the collective shareholdings of Dato' Goh and his PAC in Maybulk is expected to increase from 32.02% to 35.57%. Such increase in the shareholding of Dato' Goh and his PAC in the Company will result in Dato' Goh and his persons acting in concert having to undertake a Mandatory Offer pursuant to subparagraph 4.01(a) of the Rules.

The Company understands that it is not the intention of Dato' Goh and his PAC to undertake a Mandatory Offer in the event that the purchase of Shares pursuant to the Proposed Share Buy-Back Authority results in their collective shareholdings in Maybulk exceeding 33%. Therefore, Dato' Goh and his PAC intends to submit an application to seek the SC's approval for the Proposed Exemption under subparagraph 4.15(1) of the Rules, subject to the approval being obtained from the non-interested Shareholders for the Proposed Exemption at the forthcoming EGM.

Please refer to Section 3 below for further details of the Proposed Exemption.

3. DETAILS OF THE PROPOSED EXEMPTION

The Proposed Exemption will entail an exemption under subparagraph 4.15(1) of the Rules to be granted to Dato' Goh and his persons acting in concert from the obligation to undertake a Mandatory Offer arising from the purchase by Maybulk of its Shares pursuant to its Proposed Share Buy-Back Authority.

For information, subparagraph 4.15(1) of the Rules states that an offeror may apply for an exemption from a mandatory offer obligation which will otherwise have been triggered as a result of a share buy-back scheme. SC may consider granting an exemption if the conditions below are fulfilled:

- (i) there is no acquisition/purchase of voting shares or voting rights in the company (save for subscriptions for new shares which have been fully disclosed in the whitewash circular) by the offeror and persons acting in concert with him, between the date on which they knew that the announcement of the share buy-back proposal was imminent and the earlier of-
 - (a) the date on which the authority of the share buy-back expires; or
 - (b) the date on which the company announces it has bought back such number of shares as authorised by shareholders at the latest general meeting or decided to cease buying back its shares, as the case may be,if such acquisitions, taken together with the share buy-back would cause them to incur a mandatory offer obligation; and
- (ii) approval has been obtained from independent holders of voting shares or voting rights of the offeree at a meeting of the holders of the relevant class of voting shares or voting rights to waive their rights to receive the mandatory offer from the offeror and persons acting in concert.

Further, pursuant to subparagraph 4.15(3) of the Rules, the Proposed Exemption, if granted, will expire upon:

- (a) the date of expiry of the relevant shareholders' authority under Section 127 of the Act or any relevant governing statute or provision. For information, pursuant to Paragraph 12.07 of the Listing Requirements, the Proposed Share Buy-Back Authority shall continue to be in force until:
 - (aa) the conclusion of the next AGM following the forthcoming EGM at which the Proposed Share Buy-Back Authority will be tabled for the approval of the Shareholders;
 - (bb) the expiration of the period within which the next AGM is required to be held pursuant to Section 340(1) and 340(2) of the Act; or
 - (cc) revoked or varied by ordinary resolution passed by Maybulk's Shareholders in a general meeting.whichever occurs first;
- (b) the date on which the company announces it has bought back such number of shares as authorised by shareholders under the Proposed Share Buy-Back Authority; or
- (c) the date on which the company announces it has decided to cease buying back its shares as authorised under the Proposed Share Buy-Back Authority,

whichever is earlier.

Any exemption will be invalidated if the offeror or persons acting in concert have engaged in a disqualifying transaction.

3.1 Identity of person acting in concert

Datin Tan Pak Say, who is the spouse of Dato' Goh, is a person acting in concert with Dato' Goh in respect of the Proposed Exemption pursuant to subsection 216(3) of the CMSA.

3.2 Maximum potential shareholdings of Dato' Goh upon implementation of the Proposed Share Buy-Back Authority

The shareholdings of Dato' Goh and his PAC as at the LPD and after the implementation of the Proposed Share Buy-Back Authority are as follows:

	<u>No. of Shares</u>	<u>%</u>
As at the LPD:		
Total issued share capital of Maybulk	1,000,000,000	100.00
Held by Dato' Goh	320,000,000	32.00
Held by Datin Tan Pak Say	150,000	0.015
Held by Dato' Goh and his PAC	<u>320,150,000</u>	<u>32.02</u>
<u>Assuming Maybulk purchases 29,848,485 Shares⁽¹⁾</u> (approximately 2.98% of its issued share capital)		
Total issued share capital of Maybulk	970,151,515	100.00
Held by Dato' Goh and his PAC	320,150,000	⁽²⁾33.00
<u>Assuming Maybulk purchases 100,000,000 Shares⁽³⁾</u> (10.00% of its issued share capital)		
Total issued share capital of Maybulk	900,000,000	100.00
Held by Dato' Goh and his PAC	320,150,000	35.57

Notes:

- (1) *Being the minimum number of Shares to be acquired by Maybulk to trigger a Mandatory Offer obligation of Dato' Goh and the persons acting in concert with him.*
- (2) *Represents 33% + 1 Share of the total issued share capital of Maybulk.*
- (3) *Being the maximum number of issued share capital allowed to be purchased pursuant to the Proposed Share Buy-Back Authority.*

Notwithstanding the above, it is not the intention of Dato' Goh and his PAC to undertake a Mandatory Offer in the event Maybulk's purchase of its own Shares pursuant to the Proposed Share Buy-Back Authority results in their shareholdings in Maybulk exceeding 33%.

In this regard, an application for the Proposed Exemption shall be submitted to the SC by Dato' Goh and his PAC under subparagraph 4.15(1) of the Rules after the approval from the non-interested Shareholders of Maybulk for the Proposed Exemption has been obtained at the forthcoming EGM.

3.3 Dealing in Shares by Dato' Goh and his persons acting in concert

Dato' Goh and his PAC declares and confirms that they have not acquired any direct or indirect interest in any of the Shares during since the date of the first announcement in relation to the Proposals on 27 March 2024 and up to the LPD.

4. RATIONALE OF THE PROPOSALS

4.1 Proposed Share Buy-Back Authority

The Proposed Share Buy-Back Authority will enable Maybulk to purchase its own shares as and when the Board deems fit, during the tenure in which the authority granted is in effect after taking into consideration, amongst others, the following reasons:

- (i) the Shares have been trading below the audited NA per Share of Maybulk as at 31 December 2023 of RM0.522 for the past 2 years prior to the LPD. As such, the Proposed Share Buy-Back Authority would result in an increase in both the NA per Share (assuming the purchase prices of the shares is below the NA per Share at any point in time) and EPS due to the decrease in the number of Shares outstanding.

For information, the Company is unaware of any significant events or announcement made which have resulted in Maybulk Shares being traded below the audited NA per Share of Maybulk as at 31 December 2023 of RM0.522 since 9 May 2022;

- (ii) enable Maybulk to utilise part of its surplus financial resources which are not immediately required for use in its business operations. For information, the cash and cash equivalents of the Group as at 31 December 2023 is approximately RM311.21 million. In addition, save for the ongoing corporate exercise which is further elaborated in Section 10(i), Part A of this Circular, as at the LPD, the Company does not have any plans which would require the substantial utilisation or investment of its surplus financial resources;
- (iii) the purchased Shares may be retained as treasury shares and resold on Bursa Securities with the opportunity of realising potential capital gains;
- (iv) the purchased Shares retained as treasury shares may be distributed as share dividends to reward Shareholders; and
- (v) the purchased Shares retained as treasury shares may be transferred as purchase consideration for any potential acquisition of assets in the future.

4.2 Proposed Exemption

Maybulk intends to undertake the Proposed Share Buy-Back Authority in view of the benefits as stated in Section 4.1 above. However, the purchase of its own Shares may result in Dato' Goh and his persons acting in concert having to undertake a Mandatory Offer pursuant to subparagraph 4.01(a) of the Rules. As it is not Dato' Goh's intention to undertake the Mandatory Offer arising from the purchase by Maybulk of its Shares pursuant to its Proposed Share Buy-Back Authority, the Proposed Exemption is sought to:

- (i) enable Maybulk to purchase the maximum number of its own Shares as allowed pursuant to the Proposed Share Buy-Back Authority without Dato' Goh and his persons acting in concert having to undertake the Mandatory Offer; and
- (ii) to facilitate Dato' Goh and his persons acting in concert to obtain an exemption from the obligation to undertake the Mandatory Offer.

5. POTENTIAL ADVANTAGES AND DISADVANTAGES OF THE PROPOSED SHARE BUY-BACK AUTHORITY

The potential advantages of the Proposed Share Buy-Back Authority are as follows:

- (i) the purchase of Shares by the Company may assist in stabilising the overall supply and demand for Maybulk Shares on Bursa Securities, which in turn is expected to foster investors' confidence;
- (ii) if the Shares purchased are subsequently cancelled, this may increase the consolidated EPS of the Maybulk Group, which may potentially have a positive impact on the price of the Maybulk Shares;
- (iii) if the treasury shares are sold at prices higher than the purchase prices, Maybulk may realise a gain which would consequently increase Maybulk's working capital and NA; and
- (iv) as a mechanism to reward Shareholders in the event that the treasury shares are distributed as share dividend.

The potential disadvantages of the Proposed Share Buy-Back Authority are as follows:

- (i) the Proposed Share Buy-Back Authority, if implemented, will reduce the financial resources of the Group and may represent an opportunity cost to the Group in respect of its ability to undertake other investment opportunities and/or to earn any income that may be derived from other alternative use of such funds such as deposits in interest bearing instruments;
- (ii) if the Company decides to utilise bank borrowings to finance the purchase of its Shares, the Company's cash flow may be affected to the extent of the interest costs associated with such borrowings; and
- (iii) as the purchase of its Shares can only be made wholly out of the Company's retained profits, it may result in the reduction of financial resources available for distribution to the Shareholders in the form of cash dividends as the funds are utilised to purchase the Company's own Shares.

6. EFFECTS OF THE PROPOSALS

The Proposed Exemption will not have any financial effects on the Group. The effects of the Proposed Share Buy-Back Authority are as follows:

6.1 Share capital

In the event that the maximum number of shares authorised under the Proposed Share Buy-Back Authority are purchased and cancelled, the issued share capital of Maybulk as at LPD will decrease from 1,000,000,000 Shares to 900,000,000 Shares. However, if all the Shares so purchased are retained as treasury shares, the share capital of Maybulk would not be affected, but substantially all rights attached to such shares purchased held as treasury shares would be suspended.

6.2 NA

The effects of the purchase of Shares pursuant to the Proposed Share Buy-Back Authority on the NA per share of the Maybulk Group is dependent on the purchase prices of the shares. The shares purchased would reduce the NA per share of the Maybulk Group if the purchase price exceeds the NA per share at the relevant point in time. Conversely, the NA per share of the Maybulk Group would increase if the purchase price were less than the NA per share at the relevant point in time.

For illustration purposes, the pro forma effects of the Proposed Share Buy Back Authority on the NA and NA per share, assuming the Proposed Share Buy-Back Authority is implemented in full are as follows:

	Audited as at 31 December 2023	Assuming the Proposed Share Buy- Back Authority is implemented in full
	RM'000	RM'000
Share capital	63,791	63,791
Less: Treasury shares, at cost	-	⁽¹⁾ (29,910)
Foreign currency translation reserve	59,954	59,954
Retained earnings	398,563	398,563
	522,308	492,398
No. of Shares in issue ('000)	1,000,000	900,000
NA per Share (RM)	0.522	0.547

Note:

(1) Calculated based on the 5-day VWAP of Maybulk Shares up to and including the LPD of RM0.2991 per Share.

6.3 Working capital

The purchase of Shares pursuant to the Proposed Share Buy-Back Authority will result in an outflow of cash and thereby reduce the working capital of the Maybulk Group, the quantum of which is dependent on the purchase prices of the Maybulk shares and the number of shares purchased. Nevertheless, the Board is mindful of the interests of the Shareholders when undertaking the Proposed Share Buy-Back Authority and will assess the working capital needs of the Maybulk Group prior to any purchase of the Shares. In the event the Company purchases its own shares using external borrowings, the Company will ensure that it has sufficient funds to repay the external borrowings.

6.4 Earnings and EPS

The effect of the Proposed Share Buy-Back Authority on the EPS of the Maybulk Group is dependent on the number Maybulk Shares purchased, the effective funding cost to finance such purchases and/or loss in interest income to Maybulk Group if internally generated funds are utilised. Further, the purchase of the Maybulk Shares will result in a lower number of shares being taken into account for purposes of EPS computation.

For illustration purposes, the pro forma effects of the Proposed Share Buy Back Authority on the earnings and EPS of the Maybulk Group assuming the Proposed Share Buy-Back Authority is implemented in full are as follows:

	Audited as at 31 December 2023	Assuming the Proposed Share Buy- Back Authority is implemented in full
Profit after tax (RM'000)	49,646	49,646
No. of Shares in issue ('000)	1,000,000	900,000
EPS (sen)	4.96	5.52

6.5 Dividends

Assuming the Proposed Share Buy-Back Authority is implemented in full and the dividend quantum is maintained at the previous financial years' dividend quantum, the share buy-back will have the effect of increasing the dividend per share as a result of a decrease in the number of Shares which are entitled to participate in the dividends.

For illustration purposes, the pro forma effects of the Proposed Share Buy Back Authority on the dividend payout of the Maybulk Group assuming the Proposed Share Buy-Back Authority is implemented in full on 1 January 2023 are as follows:

	FYE 31 December 2023	Assuming the Proposed Share Buy Back Authority is implemented in full
Dividend declared (RM'000)	15,000	15,000
No. of Shares ('000)	1,000,000	900,000
Dividend per Share (RM)	0.015	0.017

6.6 Substantial Shareholders' shareholdings

The effects of the Proposed Share Buy-Back Authority on the shareholdings of the substantial Shareholders based on the Register of Substantial shareholders as at the LPD are as follows:

	As at the LPD			Assuming the maximum number of Shares are purchased pursuant to the Proposed Share Buy-Back Authority		
	Direct		Indirect	Direct		Indirect
	No. of Shares	(1)%	No. of Shares	(1)%	No. of Shares	(2)%
Substantial Shareholders						
▪ Dato' Goh	320,000,000	32.000	(3)150,000	0.015	320,000,000	35.556
▪ PPB Group Berhad	140,000,000	14.000	(4)20,000	(5)-	140,000,000	15.556
	460,000,000	46.000			460,000,000	51.112
PAC of Dato' Goh						
▪ Datin Tan Pak Say	150,000	0.015			150,000	0.017
Total	460,150,000	46.015			460,150,000	51.129

Notes:

- (1) Based on the issued share capital of 1,000,000,000 Shares as at the LPD.
- (2) Based on the issued share capital of 900,000,000 Shares (excluding 100,000,000 Shares either held as treasury shares or cancelled, or a combination of the both) assuming the maximum number of Shares are purchased pursuant to the Proposed Share Buy-Back Authority.
- (3) Deemed interested by virtue of his spouse's direct shareholdings in Maybulk pursuant to Section 8 of the Act.
- (4) Deemed interested by virtue of its substantial shareholdings in Cathay Screen Cinemas Sdn Bhd pursuant to Section 8 of the Act.
- (5) Negligible (less than 0.01%).

7. PURCHASE OF MAYBULK SHARES, RESALE OR TRANSFER AND/OR CANCELLATION OF TREASURY SHARES IN THE PRECEDING 12 MONTHS

As the Proposed Share Buy-Back Authority is the first mandate sought by the Company, the Company does not hold any treasury shares as at the LPD and has not made any purchase, resale or cancellation of any of its own Shares in the previous 12 months preceding the date of this Circular.

8. HISTORICAL SHARE PRICES

The monthly highest and lowest market prices of Maybulk Shares as traded on Bursa Securities for the past 12 months from May 2023 to April 2024 are as follows:

	<u>High</u> <u>(RM)</u>	<u>Low</u> <u>(RM)</u>
<u>2023</u>		
May	0.335	0.290
June	0.320	0.295
July	0.315	0.300
August	0.355	0.305
September	0.340	0.310
October	0.325	0.305
November	0.335	0.300
December	0.315	0.300
<u>2024</u>		
January	0.345	0.305
February	0.340	0.310
March	0.315	0.295
April	0.305	0.290
Last transacted market price on the LPD		0.300

(Source: Bloomberg)

9. APPROVALS REQUIRED AND CONDITIONALITY

9.1 Approvals required

The Proposals are subject to the following approvals being obtained:

- (i) the Shareholders of Maybulk for the Proposals at the EGM to be convened; and
- (ii) the SC for the Proposed Exemption. An application to the SC will be made by Dato' Goh and his PAC after the approval is obtained from the non-interested Shareholders of Maybulk at the EGM to be convened.

9.2 Conditionality

The Proposed Exemption is conditional upon the Proposed Share Buy-Back Authority but not vice versa.

Save for the above, the Proposals are not conditional upon any other corporate exercise / scheme being or proposed to be undertaken by the Company.

10. CORPORATE EXERCISES ANNOUNCED BUT PENDING COMPLETION

Save for the Proposals and as disclosed below, there are no other corporate exercises which have been announced by the Company but are pending completion as at the date of this Circular:

- (i) On 29 August 2023, MBC Logistic Hub Sdn Bhd, (formerly known as MBC Retail Sdn Bhd) ("**MBC Logistic Hub**"), a then wholly owned subsidiary of the Company, had entered into a conditional sale and purchase agreement ("**SPA**") with Kapar Land Sdn Bhd to acquire a parcel of freehold land measuring approximately 23.48 hectares located in Mukim Kapar, Daerah Klang, Negeri Selangor ("**Land**") for a total cash consideration of RM165 million ("**Acquisition**").

On the even date, Maybulk entered into a conditional subscription and shareholders agreement ("**SSA**") with Golden Valley Ventures Sdn Bhd ("**GVVSB**") for the subscription of new ordinary shares in MBC Logistic Hub ("**MBCLH Share(s)**"), where MBC Logistic Hub shall become a 60%-owned subsidiary of Maybulk, while GVVSB shall hold the remaining 40% of equity in MBC Logistic Hub, and the SSA shall regulate their rights as the shareholders of MBC Logistic Hub for the proposed joint venture between Maybulk and GVVSB to jointly acquire and undertake an industrial development on the Land to diversify its existing principal activities to include industrial property development and investment.

As at 8 January 2024, the Company subscribed for 59,999 MBCLH Shares whilst GVVSB subscribed for 40,000 MBCLH Shares. The new MBCLH Shares were allotted and issued to the Company and GVVSB on even date, resulting in MBC Logistic Hub becoming a 60%-owned subsidiary of the Company.

The SPA for the Acquisition has become unconditional on 8 January 2024 and is expected to be completed by the 3rd quarter of 2024 upon the settlement of the balance purchase consideration in accordance with the terms of the SPA.

11. INTERESTS OF DIRECTORS, MAJOR SHAREHOLDERS AND/OR PERSONS CONNECTED WITH THEM

11.1 Proposed Share Buy-Back Authority

Save for the proportionate increase in the percentage of shareholdings and/or voting rights of the Shareholders resulting from any purchase of Shares by Maybulk pursuant to the Proposed Share Buy-Back Authority, none of the Directors, Major Shareholders of the Company and/or persons connected with them has any interest, direct and/or indirect, in the Proposed Share Buy-Back Authority.

11.2 Proposed Exemption

Dato' Goh is the Group Managing Director and a Major Shareholder of Maybulk, holding approximately 32% equity interest in Maybulk, is deemed interested in the Proposed Exemption.

Lin JunLiang, Troy, being the Executive Director cum Chief Investment Officer of Maybulk, is also deemed interested in the Proposed Exemption as he is the son-in-law of Dato' Goh.

Accordingly, the Interested Directors have abstained and will continue to abstain from deliberating and voting at the relevant Board meetings of the Company pertaining to the Proposed Exemption.

The Interested Directors and Interested Major Shareholder will also abstain and will undertake to ensure that persons connected with them (if any) will also abstain from voting in respect of their direct and/or indirect shareholdings in the Company on the resolutions pertaining to the Proposed Exemption to be tabled at the forthcoming EGM. The shareholdings of the Interested Directors and the Interested Major Shareholder in Maybulk as at the LPD are as follows:

	Direct		Indirect	
	No. of Shares	(1)%	No. of Shares	(1)%
Dato' Goh	320,000,000	32.00	150,000	(2)0.015
Lin JunLiang, Troy		-	-	-

Notes:

- (1) Based on the issued share capital of 1,000,000,000 Shares as at the LPD.
(2) Deemed interested by virtue of his spouse's direct shareholdings in Maybulk.

Save as disclosed above, none of the other Directors and Major Shareholders and/or persons connected with them have any interest, direct and/or indirect, in the Proposed Exemption.

12. ADVISERS

Interpac has been appointed as the Principal Adviser to Maybulk for the Proposals.

BDOCC had been appointed by the Board (save for the Interested Directors) pursuant to paragraph 3.06 of the Rules as the Independent Adviser to provide comments, opinions, information and recommendations to the Board (save for the Interested Directors) and the non-interested Shareholders of Maybulk in respect of the Proposed Exemption.

Please refer to Part B of this Circular for the IAL. The non-interested Shareholders are advised to read and carefully consider the contents of the IAL before voting on the resolution pertaining to the Proposed Exemption to be tabled at the EGM to be convened.

13. DIRECTORS' STATEMENT AND RECOMMENDATION

13.1 Proposed Share Buy-Back Authority

The Board having considered all aspects of the Proposed Share Buy-Back Authority is of the opinion that the Proposed Share Buy-Back Authority is in the best interest of the Company.

Accordingly, the Board recommends that you vote in favour of the resolution pertaining to the Proposed Share Buy-Back Authority to be tabled at the EGM to be convened.

13.2 Proposed Exemption

The Board (save for the Interested Directors), having considered all aspects of the Proposed Exemption including the views of the Independent Adviser, is of the opinion that the Proposed Exemption is in the best interest of the Company, fair, reasonable and not detrimental to the interest of the non-interested Shareholders.

Accordingly, the Board (save for the Interested Directors) recommends that you vote in favour of the resolution pertaining to the Proposed Exemption to be tabled at the EGM to be convened.

14. TENTATIVE TIMELINE

Barring any unforeseen circumstances and subject to the approvals from the relevant authorities, the relevant approvals for the Proposals are expected to be obtained by the second quarter of 2024.

<u>Date</u>	<u>Events</u>
26 June 2024	EGM for the Proposals
Early July 2024	Application to SC for the Proposed Exemption
Mid-July 2024	Approval from SC for the Proposed Exemption

15. EGM

The EGM, the notice of which is enclosed with this Circular, will be conducted on a virtual basis and through live streaming from the broadcast venue at BO1-A-09-1, Menara 2, KL Eco City, 3 Jalan Bangsar, 59200 Kuala Lumpur, Malaysia via RPEV facilities at <https://meeting.boardroomlimited.my> on Wednesday, 26 June 2024 at 11.00 a.m., or immediately after the conclusion of the Company's Thirty-Fifth Annual General Meeting which will be held on the same day at 10.00 a.m., whichever is later, or at any adjournment thereof, for the purpose of considering and if thought fit, passing the resolutions, with or without any modification, to give effect to the Proposals.

If you are unable to attend and vote in person at the EGM, you may appoint a proxy or proxies to attend and vote on your behalf by completing, signing and returning the enclosed Proxy Form in accordance with the instructions contained therein as soon as possible, so as to arrive at the office of the Share Registrar, Boardroom Share Registrars Sdn Bhd or alternatively, you may lodge your Proxy Form by electronic means through Boardroom Smart Investor Portal at <https://meeting.boardroomlimited.my> or via e-mail to bsr.helpdesk@boardroomlimited.com. The completed Proxy Form must be deposited/lodged not less than forty-eight (48) hours before the date and time appointed for holding the EGM as indicated above or at any adjournment thereof. The lodging of the Proxy Form will not preclude you from attending and voting in person at the EGM should you subsequently decide to do so and in such an event, your Proxy Form shall be deemed to have been revoked.

Shareholders are advised to refer to the Administrative Guide for the EGM on the registration and voting process for the EGM.

16. FURTHER INFORMATION

Shareholders are requested to refer to the IAL as set out in Part B of this Circular and the attached Appendix I for further information.

Yours faithfully

For and on behalf of the Board of

MAYBULK BERHAD

(FORMERLY KNOWN AS MALAYSIAN BULK CARRIERS BERHAD)

YEOH KHOON CHENG

Independent Non-Executive Chairman

PART B

**INDEPENDENT ADVICE LETTER TO THE NON-INTERESTED DIRECTORS
AND NON-INTERESTED SHAREHOLDERS OF MAYBULK IN RELATION TO
THE PROPOSED EXEMPTION**

EXECUTIVE SUMMARY

All definitions used in this executive summary shall have the same meaning as the words and expressions defined in the “Definitions” section of the Circular, except where the context otherwise requires or where otherwise defined in this IAL. All references to “you” are references to the non-interested Directors and non-interested Shareholders, whilst all references to “we”, “us” or “our” in this IAL are references to BDOCC, being the Independent Adviser for the Proposed Exemption.

This executive summary highlights the salient points of this IAL. You are advised to read and understand this IAL in its entirety, together with the letter from the Board to the Shareholders in relation to the Proposals in Part A of the Circular and the accompanying appendices for other relevant information and not to rely solely on this executive summary in forming an opinion on the Proposed Exemption.

You are also advised to carefully consider the recommendations contained in both letters before voting on the ordinary resolution in respect of the Proposed Exemption to be tabled at the forthcoming EGM in relation to the Proposals.

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

1. INTRODUCTION

On 27 March 2024, Interpac had, on behalf of the Board, announced that the Company proposed to undertake the following:

- (i) Proposed Share Buy-Back Authority; and
- (ii) Proposed Exemption.

The Proposed Exemption is conditional upon the Proposed Share Buy-Back Authority but not vice versa.

As at the LPD, Maybulk has a total issued share capital of 1,000,000,000 Shares and does not have any treasury Shares.

As at the LPD, Dato’ Goh and his PAC hold a total of 320,150,000 Shares, representing approximately 32.02% shareholding in Maybulk.

Pursuant to the Proposed Share Buy-Back Authority, the proforma shareholdings of Dato’ Goh and his PAC as at the LPD and after the implementation of the Proposed Share Buy-Back Authority are as follows:

- (i) **Assuming Maybulk purchases 29,848,485 Shares (i.e. approximately 2.98% of the issued share capital of Maybulk)**

	As at the LPD				Assuming Maybulk purchases 29,848,485 Shares			
	Direct No. of Shares	(1)%	Indirect No. of Shares	(1)%	Direct No. of Shares	(2)%	Indirect No. of Shares	(2)%
Dato’ Goh Datin Tan Pak Say	320,000,000 150,000	32.000 0.015	⁽³⁾ 150,000 -	0.015 -	320,000,000 150,000	32.985 0.015	⁽³⁾ 150,000 -	0.015 -
Dato’ Goh and his PAC	320,150,000	32.02	-	-	320,150,000	⁽⁴⁾ 33.00	-	-

Notes:

(1) Based on the issued share capital of 1,000,000,000 Shares as at the LPD.

(2) Based on the issued share capital of 970,151,515 Shares (excluding 29,848,485 Shares either held as treasury Shares or cancelled, or a combination of the both).

EXECUTIVE SUMMARY

- (3) *Deemed interested by virtue of his spouse's direct shareholding in Maybulk pursuant to Section 8 of the Act.*
- (4) *Represents 33% + 1 Share of the total issued share capital of Maybulk.*

Based on the above, we noted the following:

- a) the individual shareholding of Dato' Goh will increase from 32.00% (as at LPD) to 32.985%. As the individual shareholding of Dato' Goh does not exceed 33%, Dato' Goh will not trigger a Mandatory Offer obligation under subsection 218(2) of the CMSA and subparagraph 4.01(a) of the Rules.
- b) the collective shareholdings of Dato' Goh and his PAC will increase from 32.02% (as at LPD) to 33.00% + 1 Share. As the collective shareholdings of Dato' Goh and his PAC exceeds 33%, Dato' Goh and his PAC will trigger a Mandatory Offer obligation under subsection 218(2) of the CMSA and subparagraph 4.01(a) of the Rules.

(ii) Assuming Maybulk purchases 100,000,000 Shares (i.e. maximum of 10% of the issued share capital of Maybulk)

	As at the LPD				Assuming Maybulk purchases 100,000,000 Shares			
	Direct		Indirect		Direct		Indirect	
	No. of Shares	(1)%	No. of Shares	(1)%	No. of Shares	(2)%	No. of Shares	(2)%
Dato' Goh	320,000,000	32.000	⁽³⁾ 150,000	0.015	320,000,000	35.556	⁽³⁾ 150,000	0.017
Datin Tan Pak Say	150,000	0.015	-	-	150,000	0.017	-	-
Dato' Goh and his PAC	320,150,000	32.02	-	-	320,150,000	35.57	-	-

Notes:

- (1) *Based on the issued share capital of 1,000,000,000 Shares as at the LPD.*
- (2) *Based on the issued share capital of 900,000,000 Shares (excluding 100,000,000 Shares either held as treasury Shares or cancelled, or a combination of the both), assuming the maximum number of Shares are purchased pursuant to the Proposed Share Buy-Back Authority.*
- (3) *Deemed interested by virtue of his spouse's direct shareholding in Maybulk pursuant to Section 8 of the Act.*

Based on the above, we noted the following:

- a) the individual shareholding of Dato' Goh will increase from 32.00% (as at LPD) to 35.556%. As the individual shareholding of Dato' Goh exceeds 33%, Dato' Goh will trigger a Mandatory Offer obligation under subsection 218(2) of the CMSA and subparagraph 4.01(a) of the Rules.
- b) the collective shareholdings of Dato' Goh and his PAC will increase from 32.02% (as at LPD) to 35.57%. As the collective shareholdings of Dato' Goh and his PAC exceed 33%, Dato' Goh and his PAC will trigger a Mandatory Offer obligation under subsection 218(2) of the CMSA and subparagraph 4.01(a) of the Rules.

EXECUTIVE SUMMARY

As it is not the intention of Dato' Goh and his PAC to undertake a Mandatory Offer as a result of Maybulk's purchase of its own Shares pursuant to the Proposed Share Buy-Back Authority, Dato' Goh and his PAC intend to seek the SC's approval for the Proposed Exemption under subparagraph 4.15(1) of the Rules. An application for the Proposed Exemption will be submitted to the SC by Interpac on behalf of Dato' Goh and his PAC after approval of the non-interested Shareholders for the Proposed Exemption has been obtained at the forthcoming EGM to be convened for the Proposals.

In compliance with the Rules, the Board (save for the Interested Directors) had on 27 March 2024 appointed us to act as the Independent Adviser to advise the non-interested Directors and non-interested Shareholders in relation to the Proposed Exemption.

Pursuant to paragraph 3.07 of the Rules, we had on 29 March 2024 declared our independence from any conflict of interest or potential conflict of interest to the SC in relation to our appointment as Independent Adviser for the Proposed Exemption.

Pursuant to subparagraph 4.08(3)(g) of the Rules, the SC had, vide its letter dated 29 April 2024, notified it has no further comments to the contents of this IAL. However, such notification shall not be taken to suggest that the SC agrees with our recommendation or assumes responsibility for the correctness of any statements made or opinions or reports expressed in this IAL.

The purpose of this IAL is to provide you with our independent evaluation on the fairness and reasonableness of the Proposed Exemption on a holistic basis, together with our recommendation on whether you should vote in favour of the resolution pertaining to Proposed Exemption, subject to the scope and limitations specified herein. Nevertheless, you should rely on your own evaluation of the merits and demerits of the Proposed Exemption before making any decision on the course of action to be taken at Maybulk's forthcoming EGM.

THIS IAL IS PREPARED SOLELY FOR YOU TO CONSIDER THE PROPOSED EXEMPTION AND SHOULD NOT BE USED OR RELIED UPON BY ANY OTHER PARTY OR FOR ANY OTHER PURPOSE WHATSOEVER.

YOU ARE ADVISED TO READ AND UNDERSTAND THIS IAL AND THE LETTER FROM THE BOARD TO THE SHAREHOLDERS IN RELATION TO THE PROPOSALS AS SET OUT IN PART A OF THE CIRCULAR TOGETHER WITH THE ACCOMPANYING APPENDICES, AND TO CAREFULLY CONSIDER THE RECOMMENDATIONS CONTAINED IN BOTH LETTERS BEFORE VOTING ON THE ORDINARY RESOLUTION IN RESPECT OF THE PROPOSED EXEMPTION TO BE TABLED AT THE FORTHCOMING EGM IN RELATION TO THE PROPOSALS.

IF YOU HAVE ANY DOUBT AS TO THE COURSE OF ACTION TO BE TAKEN IN RELATION TO THE PROPOSED EXEMPTION, YOU SHOULD CONSULT YOUR STOCKBROKER, SOLICITOR, ACCOUNTANT, BANK MANAGER OR OTHER PROFESSIONAL ADVISERS IMMEDIATELY.

EXECUTIVE SUMMARY

2. EVALUATION OF THE PROPOSED EXEMPTION

In arriving at our conclusion and recommendation in respect of the Proposed Exemption, we have assessed the fairness and reasonableness of the Proposed Exemption on a holistic basis in accordance with Schedule 2: Part III of the Rules, taken into consideration the following factors:

Area of Evaluation	Our Comments
<p>Section 6 of this IAL</p> <p>Rationale of the Proposed Exemption</p>	<p>(i) Maybulk Shares have been trading below its audited NA per Share for the past 2 years up to and including the LPD</p> <p>Maybulk Shares have been trading below Maybulk’s audited NA per Share as at 31 December 2023 of RM0.522 for the past 2 years up to and including the LPD. As such, the Proposed Share Buy-Back Authority represents an opportunity for Maybulk to have the flexibility to purchase its own Shares below its audited NA per Share. For information purposes, Maybulk’s Shares based on the 5-day VWAP as at the LPD of RM0.2991 are trading at a discount of 42.70% to the audited NA per Share of RM0.522.</p> <p>In the event that the purchased Shares are retained as treasury Shares, Maybulk can have the option to resell the Shares in the open market and benefit from capital gains if the Shares are sold at a higher price as compared to the cost of purchase of the Shares. Accordingly, this can generate additional cashflow for the Group to be used for working capital purposes. Alternatively, Maybulk can also have the option to distribute the purchased Shares (i.e. treasury Shares) as dividends to reward its Shareholders or use the purchased Shares as purchase consideration for any potential acquisition of assets in the future.</p> <p>(ii) Maybulk’s improving financial position and increasing cash and bank balances</p> <p>The current cash position and debt level of the Group indicates that the Group has strong cash reserves and minimal debt obligations which allows the Group to have surplus financial resources which can be utilised to purchase its own Shares pursuant to the Proposed Share Buy-Back Authority.</p> <p>While the Group had on 29 August in 2023 announced its diversification into industrial property development and investment business (“Industrial Property Business”) and had obtained Shareholders’ approval on 6 December 2023, we noted from the management of Maybulk that the Company will only purchase its own Shares after careful consideration of the Group’s financial position, prevailing market price of Maybulk Shares and working capital requirements for its Groups business activities. As at the LPD, the Group has only 1 ongoing development project in Mukim Kapar, Klang (“Kapar Land”) under the Industrial Property Business which will be undertaken by the 60% owned subsidiary company of Maybulk (ie. MBC Logistic Hub Sdn Bhd (“MBC Logistic Hub”). As disclosed in Section 11 of Attachment I of this IAL, the capital commitment for the balance purchase consideration and estimated gross development cost of Kapar Land is estimated to be RM171.41 million. For this purpose, MBC Logistic Hub had on 5 February 2024 secured a banking facility of up to RM275 million to fund for the said capital commitment. As such, the Group has sufficient cash to support the development of Kapar Land and to embark on share buy-back activities pursuant to the Proposed Share Buy-Back Authority. In the event that the Group requires more cash to support its working capital requirements for the Industrial Property Business, the Group can leverage on its low gearing and current financial position to obtain more bank borrowings.</p>

EXECUTIVE SUMMARY

Area of Evaluation	Our Comments
	<p>(iii) Share buy-back is expected to have a positive impact on the computation of EPS and NA per share of the Group</p> <p>In the event Maybulk purchases its own Shares pursuant to the Proposed Share Buy-Back Authority, the number of outstanding Maybulk Shares will reduce as the purchased Shares (i.e. treasury Shares) will be deducted from the total issued share capital of Maybulk, hence resulting in a higher EPS computation.</p> <p>In addition, on the assumption that Maybulk purchases its own Shares pursuant to the Proposed Share Buy-Back Authority at a market price which is lower than the NA per Share of Maybulk at any point in time, the reduced number of outstanding Maybulk Shares will result in a higher NA per Share computation.</p> <p>(iv) Impact of share buy-back on the trading liquidity of Maybulk Shares</p> <p>The purchase of Maybulk's own Shares pursuant to the Proposed Share Buy-Back Authority will result in a lower number of outstanding Shares traded in the open market and will reduce the trading liquidity of Maybulk Shares accordingly.</p> <p>We also noted in Section 2.5, Part A of the Circular that the Company has a public shareholding spread of 53.74% as at the LPD. On the assumption that Maybulk purchases a maximum of 10% of its issued Shares from the public Shareholders pursuant to the Proposed Share Buy-Back Authority, the public shareholding spread will reduce from 53.74% (as at LPD) to 48.60%.</p> <p>Notwithstanding the above, we are of the view that the trading liquidity of Maybulk Shares is dependent on amongst others, the performance of the Company, the supply and demand of Maybulk Shares in the open market and general market sentiment. It should also be noted that Maybulk still maintains a 48.60% public shareholding spread on the assumption that Maybulk purchases a maximum of 10% of its issued Shares pursuant to the Proposed Share Buy-Back Authority.</p> <p>As disclosed in Section 3, Part A of the Circular, the Proposed Exemption will relieve Dato' Goh and his person(s) acting in concert from the obligation to undertake a Mandatory Offer in the event that Maybulk purchases its own Shares pursuant to the Proposed Share Buy-Back Authority.</p> <p>Without the Proposed Exemption, Maybulk will still be able to implement its share buy-back activities to purchase up to 29,848,484 Shares without resulting in Dato' Goh and his person(s) acting in concert's collective shareholdings exceeding 33%. However, this limitation would result in Maybulk not being able to effectively implement its share buy-back activities pursuant to the Proposed Share Buy-Back Authority which is sought to allow Maybulk to purchase a maximum of 100,000,000 Shares (i.e. 10% of issued share capital of Maybulk) without Dato' Goh and his person(s) acting in concert having to undertake a Mandatory Offer.</p> <p>Based on the above, we are of the view that there are merits for the Proposed Exemption.</p>

EXECUTIVE SUMMARY

Area of Evaluation	Our Comments																								
<p>Section 7 of this IAL</p> <p>Effects of the Proposed Exemption</p>	<p>(i) Issued share capital</p> <p>Maybulk Shares that are purchased by Maybulk can either be retained as treasury Shares or cancelled.</p> <p>On the assumption that Maybulk purchases a maximum of 10% of its issued share capital pursuant to the Proposed Share Buy-Back Authority and the repurchased Shares are retained as treasury Shares, the proforma effects on the share capital of Maybulk Group are as follows:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th></th> <th style="text-align: center;">No. of Shares</th> <th style="text-align: center;">RM</th> </tr> </thead> <tbody> <tr> <td>Share capital as at the LPD</td> <td style="text-align: center;">1,000,000,000</td> <td style="text-align: center;">63,791,327</td> </tr> <tr> <td>Less: Repurchased Shares that are retained as treasury Shares (assuming Maybulk purchases a maximum of 10% of its issued share capital)</td> <td style="text-align: center;">(100,000,000)</td> <td style="text-align: center;">-</td> </tr> <tr> <td>Share capital</td> <td style="text-align: center;">900,000,000</td> <td style="text-align: center;">63,791,327</td> </tr> </tbody> </table> <p>Based on the above, we noted that the number of outstanding Shares traded in the open market will decrease from 1,000,000,000 Shares to 900,000,000 Shares and there will be no effect to the Group's issued share capital.</p> <p>On the assumption that Maybulk purchases a maximum of 10% of its issued share capital pursuant to the Proposed Share Buy-Back Authority and the repurchased Shares are cancelled, the proforma effects on the share capital of Maybulk Group are as follows:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th></th> <th style="text-align: center;">No. of Shares</th> <th style="text-align: center;">RM</th> </tr> </thead> <tbody> <tr> <td>Share capital as at the LPD</td> <td style="text-align: center;">1,000,000,000</td> <td style="text-align: center;">63,791,327</td> </tr> <tr> <td>Less: Repurchased Shares that are cancelled (assuming Maybulk purchases a maximum of 10% of its issued share capital)</td> <td style="text-align: center;">(100,000,000)</td> <td style="text-align: center;">⁽¹⁾(6,379,133)</td> </tr> <tr> <td>Share capital</td> <td style="text-align: center;">900,000,000</td> <td style="text-align: center;">57,412,194</td> </tr> </tbody> </table> <p>Note: ⁽¹⁾ Calculated based the average cost of share capital per Share of RM0.06379133 multiplied by 100,000,000 Shares (i.e. maximum number of Shares to be purchased by Maybulk pursuant to the Proposed Share Buy-Back Authority).</p> <p>Based on the above, we noted that the issued Shares of Maybulk will decrease from 1,000,000,000 Shares to 900,000,000 Shares and the issued share capital of Maybulk will decrease from RM63.79 million to RM57.41 million.</p> <p>(ii) NA and gearing</p> <p>The proforma effects of the Proposed Share Buy-Back Authority on the NA and NA per share of Maybulk Group, assuming Maybulk purchases the maximum number of Shares (i.e. 10% of issued share capital) pursuant to the Proposed Share Buy-Back Authority are as follows:</p>		No. of Shares	RM	Share capital as at the LPD	1,000,000,000	63,791,327	Less: Repurchased Shares that are retained as treasury Shares (assuming Maybulk purchases a maximum of 10% of its issued share capital)	(100,000,000)	-	Share capital	900,000,000	63,791,327		No. of Shares	RM	Share capital as at the LPD	1,000,000,000	63,791,327	Less: Repurchased Shares that are cancelled (assuming Maybulk purchases a maximum of 10% of its issued share capital)	(100,000,000)	⁽¹⁾ (6,379,133)	Share capital	900,000,000	57,412,194
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Less: Repurchased Shares that are retained as treasury Shares (assuming Maybulk purchases a maximum of 10% of its issued share capital)	(100,000,000)	-																							
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Share capital	900,000,000	57,412,194																							

EXECUTIVE SUMMARY

Area of Evaluation	Our Comments	
		Assuming the maximum number of Shares are purchased pursuant to the Proposed Share Buy-Back Authority Audited as at 31 December 2023 RM'000
		RM'000
	Share capital	63,791
	Less: Treasury shares, at cost	-
	Foreign currency translation reserve	59,954
	Retained earnings	398,563
		522,308
		492,398
	No. of Shares in issue ('000)	1,000,000
	NA per Share (RM)	0.522
		900,000
		0.547
	<p>Note:</p> <p>(1) <i>Calculated based on the 5-day VWAP of Maybulk Shares up to and including the LPD of RM0.2991 per Share.</i></p> <p>Based on the above, we noted that the purchase of own Shares by Maybulk at an indicative price of RM0.2991 (being the 5-day VWAP of Maybulk Shares up to and including the LPD) which are retained as treasury Shares would reduce the Group's proforma NA from RM522.31 million (as at 31 December 2023) to RM492.40 million as the acquisition cost of the purchased Shares are required to be carried at cost and would offset against the Group's NA. Nevertheless, the actual decrease in the Group's consolidated NA cannot be determined at this juncture as it is dependent on the actual acquisition cost based on the number of Shares to be purchased. If the treasury Shares are subsequently cancelled or distributed as share dividends, there will be no additional effect on the Group's consolidated NA.</p> <p>Notwithstanding the above, the purchase of own Shares by Maybulk at an indicative price of RM0.2991 (being the 5-day VWAP of Maybulk Shares up to and including the LPD) which are retained as treasury Shares or cancelled, will improve the Group's proforma NA per Share from RM0.522 (as at 31 December 2023) to RM0.547 as the number of outstanding Shares will reduce from 1,000,000,000 Shares to 900,000,000 Shares arising from share buy-back.</p> <p>However, in the event that Maybulk purchases its own Shares at a market price which is higher than the NA per Share of the Group at the point of purchase, the Group's proforma NA per Share will decrease. For illustrative purposes, assuming Maybulk purchases its own Shares at an indicative price of RM0.60 and are retained as treasury Shares or cancelled, the Group's proforma NA per Share will decrease from RM0.522 (as at 31 December 2023) to RM0.514.</p> <p>In the event that the purchased Shares are retained and resold in the open market at prices higher than the purchase prices, there would be a net increase in the Group's NA. On the contrary, in the event the purchased Shares are retained and resold in the open market at prices lower than the purchase prices, there would be a net decrease in the Group's NA.</p>	

EXECUTIVE SUMMARY

Area of Evaluation	Our Comments																																																	
	<p>(iii) Substantial Shareholders' shareholdings</p> <p>As set out in Section 6.6, Part A of the Circular, the proforma effects of the Proposed Share Buy-Back Authority on the substantial Shareholders' shareholdings as at the LPD are as follows:</p>																																																	
	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 30%;"></th> <th colspan="2" style="text-align: center;">As at the LPD</th> <th colspan="2" style="text-align: center;">Assuming the maximum number of Shares are purchased pursuant to the Proposed Share Buy-Back Authority</th> </tr> <tr> <th></th> <th style="text-align: center;">No. of Shares (direct shareholding)</th> <th style="text-align: center;">(1)%</th> <th style="text-align: center;">No. of Shares (direct shareholding)</th> <th style="text-align: center;">(2)%</th> </tr> </thead> <tbody> <tr> <td colspan="5">Substantial Shareholders</td> </tr> <tr> <td>Dato' Goh</td> <td style="text-align: right;">320,000,000</td> <td style="text-align: right;">32.000</td> <td style="text-align: right;">320,000,000</td> <td style="text-align: right;">35.556</td> </tr> <tr> <td>PPB Group Berhad</td> <td style="text-align: right;">140,000,000</td> <td style="text-align: right;">14.000</td> <td style="text-align: right;">140,000,000</td> <td style="text-align: right;">15.556</td> </tr> <tr> <td>Subtotal</td> <td style="text-align: right;">460,000,000</td> <td style="text-align: right;">46.000</td> <td style="text-align: right;">460,000,000</td> <td style="text-align: right;">51.112</td> </tr> <tr> <td colspan="5">PAC of Dato' Goh</td> </tr> <tr> <td>Datin Tan Pak Say</td> <td style="text-align: right;">150,000</td> <td style="text-align: right;">0.015</td> <td style="text-align: right;">150,000</td> <td style="text-align: right;">0.017</td> </tr> <tr> <td>Total</td> <td style="text-align: right;">460,150,000</td> <td style="text-align: right;">46.015</td> <td style="text-align: right;">460,150,000</td> <td style="text-align: right;">51.129</td> </tr> </tbody> </table>						As at the LPD		Assuming the maximum number of Shares are purchased pursuant to the Proposed Share Buy-Back Authority			No. of Shares (direct shareholding)	(1)%	No. of Shares (direct shareholding)	(2)%	Substantial Shareholders					Dato' Goh	320,000,000	32.000	320,000,000	35.556	PPB Group Berhad	140,000,000	14.000	140,000,000	15.556	Subtotal	460,000,000	46.000	460,000,000	51.112	PAC of Dato' Goh					Datin Tan Pak Say	150,000	0.015	150,000	0.017	Total	460,150,000	46.015	460,150,000	51.129
	As at the LPD		Assuming the maximum number of Shares are purchased pursuant to the Proposed Share Buy-Back Authority																																															
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Total	460,150,000	46.015	460,150,000	51.129																																														
	<p>Notes:</p> <p>(1) Based on the issued share capital of 1,000,000,000 Shares as at the LPD.</p> <p>(2) Based on the issued share capital of 900,000,000 Shares (excluding 100,000,000 Shares either held as treasury Shares or cancelled, or a combination of the both) assuming the maximum number of Shares are purchased pursuant to the Proposed Share Buy-Back Authority.</p> <p>Based on the above, in the event Maybulk purchases a maximum of 10% of its issued share capital pursuant to the Proposed Share Buy-Back Authority and on the assumption that none of the substantial Shareholders of Maybulk (i.e. Dato' Goh and PPB Group Berhad) dispose their Shares, the substantial Shareholders' shareholdings in Maybulk will increase in the following manner:</p> <p>(i) the percentage shareholding of Dato' Goh will increase from 32.00% (as at the LPD) to 35.556%; and</p> <p>(ii) the percentage shareholding of the other substantial Shareholder, namely PPB Group Berhad, will increase from 14.00% (as at the LPD) to 15.556%.</p> <p>For avoidance of doubt, the number of Shares held by Maybulk's substantial Shareholders remains unchanged and the increase in their respective percentage shareholdings in Maybulk was due to the reduced number of outstanding Shares (i.e. after excluding Shares that are purchased by Maybulk pursuant to the Proposed Share Buy-Back Authority).</p>																																																	

EXECUTIVE SUMMARY

Area of Evaluation	Our Comments															
	<p>(iv) Maximum potential shareholdings of Dato' Goh and his PAC</p> <p>The number of Shares held by Dato' Goh and his PAC remains unchanged and the increase in their respective percentage shareholdings in Maybulk was due to the reduced number of outstanding Shares (i.e. after excluding Shares that are purchased by Maybulk pursuant to the Proposed Share Buy-Back Authority).</p> <p>In addition, the number of Shares held by non-interested Shareholders will decrease as Maybulk will be purchasing Shares from the non-interested Shareholders in the open market pursuant to the Proposed Share Buy-Back Authority.</p> <p>(v) Earnings and EPS</p> <p>As set out in Section 6.4, Part A of the Circular, the proforma effects of the Proposed Share Buy-Back Authority on the proforma earnings and EPS of Maybulk Group, assuming Maybulk purchases the maximum number of Shares (i.e. 10% of issued share capital of Maybulk) pursuant to the Proposed Share Buy-Back Authority are as follows:</p> <table border="1" data-bbox="507 1025 1337 1249"> <thead> <tr> <th></th> <th style="background-color: #cccccc;">Audited FYE 2023</th> <th style="background-color: #cccccc;">Assuming the Proposed Share Buy-Back Authority is implemented in full</th> </tr> <tr> <th></th> <th style="background-color: #cccccc;">RM'000</th> <th style="background-color: #cccccc;">RM'000</th> </tr> </thead> <tbody> <tr> <td>Profit after tax</td> <td>49,646</td> <td>49,646</td> </tr> <tr> <td>No. of Shares in issue ('000)</td> <td>1,000,000</td> <td>900,000</td> </tr> <tr> <td>EPS (sen)</td> <td>4.96</td> <td>5.52</td> </tr> </tbody> </table> <p>Based on the above, we noted that in Section 6.4, Part A of the Circular that the proforma EPS of the Group will increase from RM0.0496 (for the FYE 2023) to RM0.0552 as the purchases of own Shares Maybulk pursuant to the Proposed Share Buy-Back Authority as the number of outstanding Shares will reduce from 1,000,000,000 Shares to 900,000,000 Shares arising from share buy-back.</p> <p>Moving forward, it should also be noted that the Group's earnings and EPS will depend on any reduction in interest income arising from the surplus cash utilised by the Group for such purchases or interest expense to be incurred by the Group in the event the Group obtains external borrowings to fund for its share buy-back activities.</p> <p>Based on the above, we are of the view that the effects of the implementation of the Proposed Share Buy-Back Authority, taken as a whole with the Proposed Exemption, are justifiable and not detrimental to the non-interested Directors and non-interested Shareholders.</p>		Audited FYE 2023	Assuming the Proposed Share Buy-Back Authority is implemented in full		RM'000	RM'000	Profit after tax	49,646	49,646	No. of Shares in issue ('000)	1,000,000	900,000	EPS (sen)	4.96	5.52
	Audited FYE 2023	Assuming the Proposed Share Buy-Back Authority is implemented in full														
	RM'000	RM'000														
Profit after tax	49,646	49,646														
No. of Shares in issue ('000)	1,000,000	900,000														
EPS (sen)	4.96	5.52														

EXECUTIVE SUMMARY

Area of Evaluation	Our Comments
<p><u>Section 8 of this IAL</u></p> <p>Implications arising from the voting outcome of the Proposed Exemption</p>	<p>If non-interested Shareholders <u>vote in favour</u> of the Proposed Exemption:</p> <p>(i) The application by Dato' Goh and his person(s) acting in concert for the Proposed Exemption can be submitted to the SC.</p> <p>(ii) The approval of the Proposed Exemption would imply that non-interested Shareholders agree to waive their rights and exempt Dato' Goh and his person(s) acting in concert from the obligation to undertake the Mandatory Offer as a result of the implementation of the Proposed Share Buy-Back Authority (which shall be undertaken at a price no lower than the highest price paid by Dato' Goh and his person(s) acting in concert for Maybulk Shares in the past 6 months preceding the commencement of the offer).</p> <p>(iii) You should note that assuming Maybulk purchases a maximum of 10% of its issued share capital pursuant to the Proposed Share Buy-Back Authority, the percentage shareholdings of Dato' Goh and his PAC will increase from 32.02% (as at the LPD) to 35.57%. without having to extend a Mandatory Offer. As such, Dato' Goh's position as Maybulk's major shareholder will be further strengthened in view of the increase of the percentage shareholdings of Dato' Goh and his PAC in Maybulk.</p> <p>If non-interested Shareholders <u>vote against</u> the Proposed Exemption:</p> <p>(i) The application for the Proposed Exemption will not be able to be submitted to the SC as it does not fulfil the requirements under subparagraph 4.15(2) of the Rules. As such, in the event Dato' Goh and his person(s) acting in concert's shareholdings exceed 33.00% as a result of Maybulk purchasing its own Shares pursuant to the Proposed Share Buy-Back Authority, Dato' Goh and his person(s) acting in concert will be obliged to undertake a Mandatory Offer.</p> <p>(ii) It is noted that the Proposed Exemption is conditional upon the Proposed Share Buy-Back Authority but not vice versa. In the event that the Proposed Exemption is not approved, Maybulk will still be able to undertake the Proposed Share Buy-Back Authority. However, Dato' Goh and his person(s) acting in concert will need to observe and comply at all times with the provisions of the Malaysian Code on Take-Overs and Mergers, 2016 and the Rules whenever Maybulk purchases its own Shares pursuant to the Proposed Share Buy-Back Authority.</p>

3. CONCLUSION AND RECOMMENDATION

The non-interested Directors and non-interested Shareholders should carefully consider the advantages and disadvantages of the Proposed Exemption based on all the relevant and pertinent factors including those set out in this IAL as well as those highlighted by the Board in its letter to the Shareholders in relation to the Proposals as set out in **Part A** of the Circular before voting on the ordinary resolution in respect of the Proposed Exemption at the forthcoming EGM.

In arriving at our conclusion and recommendation, we have assessed and evaluated the Proposed Exemption holistically in accordance with Schedule 2: Part III of the Rules, taking into consideration the various factors as discussed in this IAL. In summary, the potential advantages and disadvantages of the Proposed Exemption are as follows:

A) Potential Advantages

The Proposed Exemption will allow Maybulk to effectively implement the Proposed Share Buy-Back Authority and relieve Dato' Goh and his person(s) acting in concert from the obligation to undertake a Mandatory Offer in the event that Maybulk purchases its own Shares pursuant to the Proposed Share Buy-Back Authority. Accordingly, the potential benefits arising from the Proposed Share Buy-Back Authority are as follows:

- 1) The Proposed Share Buy-Back Authority represents an opportunity for Maybulk to have the flexibility to purchase its own Shares below its audited NA per Share of RM0.522 as at 31 December 2023. For information purposes, Maybulk's Shares based on the 5-day VWAP as at the LPD of RM0.2991 are trading at a discount of 42.70% to the audited NA per Share of RM0.522 as at 31 December 2023.
- 2) In the event that the purchased Shares are retained as treasury Shares, Maybulk can have the option to resell the Shares in the open market and benefit from capital gains if the Shares are sold at a higher price as compared to the cost of purchase of the Shares. Accordingly, this can generate additional cashflow for the Group to be used for working capital purposes. Alternatively, Maybulk can also have the option to distribute the purchased Shares (i.e. treasury Shares) as dividends to reward its Shareholders or use the purchased Shares as purchase consideration for any potential acquisition of assets in the future.
- 3) In the event Maybulk purchases its own Shares pursuant to the Proposed Share Buy-Back Authority and assuming nothing else changed, the number of outstanding Maybulk Shares will reduce as the purchased Shares (i.e. treasury Shares) will be deducted from the total issued share capital of Maybulk, hence resulting in a higher EPS computation. A higher EPS would translate to a lower price-to-earnings ratio which may result in Maybulk Shares becoming more attractive to investors.
- 4) In addition, on the assumption that Maybulk purchases its own Shares pursuant to the Proposed Share Buy-Back Authority at a market price which is lower than the NA per Share of Maybulk at any point in time, the reduced number of outstanding Maybulk Shares will result in a higher NA per Share computation.

B) Potential Disadvantages

- 1) The approval of the Proposed Exemption would imply that non-interested Shareholders agree to waive their rights and exempt Dato' Goh and his person(s) acting in concert from the obligation to undertake the Mandatory Offer as a result of the implementation of the Proposed Share Buy-Back Authority. As such, non-interested Shareholders would not have the opportunity to exit Maybulk under a Mandatory Offer.

EXECUTIVE SUMMARY

You should note that assuming Maybulk purchases a maximum of 10% of its issued share capital pursuant to the Proposed Share Buy-Back Authority and on the assumption that Dato' Goh and his PAC do not dispose their Shares, the percentage shareholdings of Dato' Goh and his PAC will increase from 32.02% (as at the LPD) to 35.57%. without having to extend a Mandatory Offer. As such, Dato' Goh's position as Maybulk's major shareholder will be further strengthened in view of the increase of the percentage shareholdings of Dato' Goh and his PAC in Maybulk.

In addition, the shareholdings of the non-interested Shareholders will also decrease from 67.98% (as at the LPD) to 64.43% as Maybulk will be purchasing Shares from the non-interested Shareholders in the open market arising pursuant to the Proposed Share Buy-Back Authority.

- 2) In the event that Maybulk decides to utilise its internally generated funds to finance the purchase of its own Shares, the Group may recognise a lower interest income. Conversely, if Maybulk decides to obtain external borrowings to finance the purchase of its own Shares, the Group will incur interest expenses which will result in cash outflow for the Group.
- 3) The purchase of own Shares by Maybulk pursuant to the Proposed Share Buy-Back Authority will result in a lower number of outstanding Shares traded in the open market and will reduce the trading liquidity of Maybulk Shares accordingly.

Notwithstanding the above, we are of the view that the trading liquidity of Maybulk Shares is dependent on amongst others, the performance of the Company, the supply and demand of Maybulk Shares in the open market and general market sentiment. It should also be noted that Maybulk still maintains a 48.60% public shareholding spread on the assumption that Maybulk purchases a maximum of 10% of its issued share capital pursuant to the Proposed Share Buy-Back Authority.

After taking into consideration the advantages and disadvantages of the Proposed Exemption, we are of the view that the advantages of the Proposed Exemption outweigh its disadvantages. Therefore, we are of the view that the Proposed Exemption is **FAIR and REASONABLE** and **NOT DETRIMENTAL** to the non-interested Directors and non-interested Shareholders.

Accordingly, we:-

- (i) advise the non-interested Directors to recommend the non-interested Shareholders to **VOTE IN FAVOUR** of the ordinary resolution in respect of the Proposed Exemption to be tabled at Maybulk's forthcoming EGM in relation to the Proposals; and
- (ii) recommend that the non-interested Shareholders **VOTE IN FAVOUR** of the ordinary resolution in respect of the Proposed Exemption to be tabled at Maybulk's forthcoming EGM in relation to the Proposals.

YOU ARE ADVISED TO READ AND UNDERSTAND THIS IAL AND THE LETTER FROM THE BOARD TO THE SHAREHOLDERS IN RELATION TO THE PROPOSALS AS SET OUT IN PART A OF THE CIRCULAR TOGETHER WITH THE ACCOMPANYING APPENDICES, AND TO CAREFULLY CONSIDER THE RECOMMENDATIONS CONTAINED IN BOTH THE LETTERS BEFORE VOTING ON THE ORDINARY RESOLUTION IN RESPECT OF THE PROPOSED EXEMPTION TO BE TABLED AT THE FORTHCOMING EGM.



Date: 10 May 2024

To: The non-interested Directors and non-interested Shareholders

Dear Sir / Madam,

MAYBULK BERHAD (“MAYBULK” OR THE “COMPANY”) (FORMERLY KNOWN AS MALAYSIAN BULK CARRIERS BERHAD)

INDEPENDENT ADVICE LETTER TO THE NON-INTERESTED DIRECTORS AND NON-INTERESTED SHAREHOLDERS OF MAYBULK IN RELATION TO THE PROPOSED EXEMPTION

This IAL is prepared for inclusion in the Circular to the Shareholders. All definitions used in this IAL shall have the same meaning as the words and expressions defined in the “Definitions” section of the Circular, except where the context otherwise requires or where otherwise defined in this IAL. All references to “we”, “us” or “our” in this IAL are references to BDOCC, being the Independent Adviser for the Proposed Exemption.

1. INTRODUCTION

On 27 March 2024, Interpac had, on behalf of the Board, announced that the Company proposed to undertake the following:

- (i) Proposed Share Buy-Back Authority; and
- (ii) Proposed Exemption.

The Proposed Exemption is conditional upon the Proposed Share Buy-Back Authority but not vice versa.

As at the LPD, Maybulk has a total issued share capital of 1,000,000,000 Shares and does not have any treasury Shares.

As at the LPD, Dato’ Goh and his PAC hold a total of 320,150,000 Shares, representing approximately 32.02% shareholding in Maybulk.

Pursuant to the Proposed Share Buy-Back Authority, the proforma shareholdings of Dato’ Goh and his PAC as at the LPD and after the implementation of the Proposed Share Buy-Back Authority are as follows:

- (i) **Assuming Maybulk purchases 29,848,485 Shares (i.e. approximately 2.98% of the issued share capital of Maybulk)**

	As at the LPD				Assuming Maybulk purchases 29,848,485 Shares			
	Direct		Indirect		Direct		Indirect	
	No. of Shares	(1)%	No. of Shares	(1)%	No. of Shares	(2)%	No. of Shares	(2)%
Dato’ Goh	320,000,000	32.000	⁽³⁾ 150,000	0.015	320,000,000	32.985	⁽³⁾ 150,000	0.015
Datin Tan Pak Say	150,000	0.015	-	-	150,000	0.015	-	-
Dato’ Goh and his PAC	320,150,000	32.02	-	-	320,150,000	⁽⁴⁾ 33.00	-	-

Notes:

- (1) Based on the issued share capital of 1,000,000,000 Shares as at the LPD.
- (2) Based on the issued share capital of 970,151,515 Shares (excluding 29,848,485 Shares either held as treasury Shares or cancelled, or a combination of the both).



- (3) *Deemed interested by virtue of his spouse's direct shareholding in Maybulk pursuant to Section 8 of the Act.*
- (4) *Represents 33% + 1 Share of the total issued share capital of Maybulk.*

Based on the above, we noted the following:

- a) the individual shareholding of Dato' Goh will increase from 32.00% (as at LPD) to 32.985%. As the individual shareholding of Dato' Goh does not exceed 33%, Dato' Goh will not trigger a Mandatory Offer obligation under subsection 218(2) of the CMSA and subparagraph 4.01(a) of the Rules.
- b) the collective shareholdings of Dato' Goh and his PAC will increase from 32.02% (as at LPD) to 33.00% + 1 Share. As the collective shareholdings of Dato' Goh and his PAC exceeds 33%, Dato' Goh and his PAC will trigger a Mandatory Offer obligation under subsection 218(2) of the CMSA and subparagraph 4.01(a) of the Rules.

(ii) Assuming Maybulk purchases 100,000,000 Shares (i.e. maximum of 10% of the issued share capital of Maybulk)

	As at the LPD				Assuming Maybulk purchases 100,000,000 Shares			
	Direct		Indirect		Direct		Indirect	
	No. of Shares	(1)%	No. of Shares	(1)%	No. of Shares	(2)%	No. of Shares	(2)%
Dato' Goh	320,000,000	32.000	⁽³⁾ 150,000	0.015	320,000,000	35.556	⁽³⁾ 150,000	0.017
Datin Tan Pak Say	150,000	0.015	-	-	150,000	0.017	-	-
Dato' Goh and his PAC	320,150,000	32.02	-	-	320,150,000	35.57	-	-

Notes:

- (1) *Based on the issued share capital of 1,000,000,000 Shares as at the LPD.*
- (2) *Based on the issued share capital of 900,000,000 Shares (excluding 100,000,000 Shares either held as treasury Shares or cancelled, or a combination of the both), assuming the maximum number of Shares are purchased pursuant to the Proposed Share Buy-Back Authority.*
- (3) *Deemed interested by virtue of his spouse's direct shareholding in Maybulk pursuant to Section 8 of the Act.*

Based on the above, we noted the following:

- a) the individual shareholding of Dato' Goh will increase from 32.00% (as at LPD) to 35.556%. As the individual shareholding of Dato' Goh exceeds 33%, Dato' Goh will trigger a Mandatory Offer obligation under subsection 218(2) of the CMSA and subparagraph 4.01(a) of the Rules.
- b) the collective shareholdings of Dato' Goh and his PAC will increase from 32.02% (as at LPD) to 35.57%. As the collective shareholdings of Dato' Goh and his PAC exceed 33%, Dato' Goh and his PAC will trigger a Mandatory Offer obligation under subsection 218(2) of the CMSA and subparagraph 4.01(a) of the Rules.

As it is not the intention of Dato' Goh and his PAC to undertake a Mandatory Offer as a result of Maybulk's purchase of its own Shares pursuant to the Proposed Share Buy-Back Authority, Dato' Goh and his PAC intend to seek the SC's approval for the Proposed Exemption under subparagraph 4.15(1) of the Rules. An application for the Proposed Exemption will be submitted to the SC by Interpac on behalf of Dato' Goh and his PAC after approval of the non-interested Shareholders for the Proposed Exemption has been obtained at the forthcoming EGM to be convened for the Proposals.

In compliance with the Rules, the Board (save for the Interested Directors) had on 27 March 2024 appointed us to act as the Independent Adviser to advise the non-interested Directors and non-interested Shareholders in relation to the Proposed Exemption.

Pursuant to paragraph 3.07 of the Rules, we had on 29 March 2024 declared our independence from any conflict of interest or potential conflict of interest to the SC in relation to our appointment as Independent Adviser for the Proposed Exemption.

Pursuant to subparagraph 4.08(3)(g) of the Rules, the SC had, vide its letter dated 29 April 2024, notified it has no further comments to the contents of this IAL. However, such notification shall not be taken to suggest that the SC agrees with our recommendation or assumes responsibility for the correctness of any statements made or opinions or reports expressed in this IAL.

The purpose of this IAL is to provide you with our independent evaluation on the fairness and reasonableness of the Proposed Exemption on a holistic basis, together with our recommendation on whether you should vote in favour of the resolution pertaining to Proposed Exemption, subject to the scope and limitations specified herein. Nevertheless, you should rely on your own evaluation of the merits and demerits of the Proposed Exemption before making any decision on the course of action to be taken at Maybulk's forthcoming EGM.

THIS IAL IS PREPARED SOLELY FOR YOU TO CONSIDER THE PROPOSED EXEMPTION AND SHOULD NOT BE USED OR RELIED UPON BY ANY OTHER PARTY OR FOR ANY OTHER PURPOSE WHATSOEVER.

YOU ARE ADVISED TO READ AND UNDERSTAND THIS IAL AND THE LETTER FROM THE BOARD TO THE SHAREHOLDERS IN RELATION TO THE PROPOSALS AS SET OUT IN PART A OF THE CIRCULAR TOGETHER WITH THE ACCOMPANYING APPENDICES, AND TO CAREFULLY CONSIDER THE RECOMMENDATIONS CONTAINED IN BOTH LETTERS BEFORE VOTING ON THE ORDINARY RESOLUTION IN RESPECT OF THE PROPOSED EXEMPTION TO BE TABLED AT THE FORTHCOMING EGM IN RELATION TO THE PROPOSALS.

IF YOU HAVE ANY DOUBT AS TO THE COURSE OF ACTION TO BE TAKEN IN RELATION TO THE PROPOSED EXEMPTION, YOU SHOULD CONSULT YOUR STOCKBROKER, SOLICITOR, ACCOUNTANT, BANK MANAGER OR OTHER PROFESSIONAL ADVISERS IMMEDIATELY.

2. SCOPE AND LIMITATIONS TO THE EVALUATION OF THE PROPOSED EXEMPTION

BDOCC was not involved in any formulation of or any deliberations and negotiations on the terms and conditions pertaining to the Proposed Exemption. Our scope as the Independent Adviser is limited to providing comments, opinions, information and recommendation in relation to the Proposed Exemption insofar as the non-interested Shareholders are concerned based on information and document as set out below:-

- (i) Information contained in **Part A** of the Circular and the accompanying appendices;
- (ii) Other relevant information, document, confirmation and representation furnished to us by the Board, management and/or representatives of Maybulk; and
- (iii) Other publicly available information which we deemed to be relevant, including but not limited to announcements, annual reports, audited consolidated financial statements and unaudited consolidated financial statements of Maybulk.

We have relied on the Board and management of Maybulk to take due care to ensure that all information, documents, confirmation and representations provided to us to facilitate our evaluation and which have been used, referred to and/or relied upon in this IAL have been fully disclosed to us and are accurate, valid and complete in all material aspects.

After making all reasonable enquiries, as at the date of this IAL, we are satisfied with the sufficiency of information provided or available to us and have no reason to believe that the aforementioned information available to us is unreliable, incomplete, misleading and/or inaccurate. As such, we are of the view that this IAL constitutes full and true disclosure of all material facts of the Proposed Exemption.

In rendering our advice, we have taken note of the pertinent matters, which we believe are necessary and of importance to an assessment of the implications of the Proposed Exemption and therefore are of general concern to the non-interested Directors and non-interested Shareholders to consider and form their views thereon. Notwithstanding the foregoing, we have not given consideration to any specific investment objectives, financial situation, risk profile or particular needs of any individual non-interested Shareholder or any specific group of non-interested Shareholders. We recommend that any non-interested Shareholder who is in doubt as to the action to be taken in relation to the Proposed Exemption in the context of his individual investment objectives, financial situation, risk profile or particular needs to consult his respective stockbroker, bank manager, accountant, solicitor or other professional advisers immediately.

Our advice should be considered in the context of the entirety of this IAL. Our views expressed in this IAL are based on, amongst others, economic, market and other conditions prevailing, and the information and/or documents available to us as at the LPD or such other period as specified herein. Such conditions may change significantly over a short period of time. In addition, it should be noted that our evaluation and opinion expressed in this IAL do not take into account information, events or conditions arising after the LPD or such other period as specified herein, as the case may be.

We shall immediately disclose to the SC in writing and notify you by way of press notice and announcement through Bursa Securities if, after despatching this IAL, as guided by subparagraph 11.07(1) of the Rules, we become aware that this IAL:

- (i) contains a material statement which is false or misleading;
- (ii) contains a statement from which there is a material omission; or
- (iii) does not contain a statement relating to a material development.

If circumstances require, we shall send a supplementary IAL to the non-interested Shareholders in accordance with subparagraph 11.07(2) of the Rules and the disclosures and announcements of such facts or statements shall be made before 9 a.m. on the next market day, pursuant to subparagraph 11.07(3) of the Rules.

3. DETAILS OF THE PROPOSALS

The details of the Proposals are set out in the following sections in **Part A** of the Circular and should be read in its entirety by the non-interested Directors and non-interested Shareholders of Maybank:

Proposals	Reference to Part A of the Circular
(i) Proposed Share Buy-Back Authority	Section 2
(ii) Proposed Exemption	Section 3

4. INTERESTS OF DIRECTORS, MAJOR SHAREHOLDERS, CHIEF EXECUTIVE AND/OR PERSONS CONNECTED TO THEM

The interests of the directors, major shareholders and/or persons connected with them (together with their course of actions in relation to the Proposed Exemption) are set out in **Section 11, Part A** of the Circular.

5. EVALUATION OF THE PROPOSED EXEMPTION

In arriving at our conclusion and recommendation, we have assessed and evaluated the fairness and reasonableness of the Proposed Exemption on a holistic basis in accordance with Schedule 2: Part III of the Rules.

In our evaluation of the Proposed Exemption, we have considered the following:

Area of Evaluation	Section in this IAL
(i) Rationale of the Proposed Exemption	6
(ii) Effects of the Proposed Exemption	7
(iii) Implications arising from the voting outcome of the Proposed Exemption	8

6. RATIONALE OF THE PROPOSED EXEMPTION

We take cognisance of the rationale of the Proposals as set out in **Section 4, Part A** of the Circular.

We also noted from **Section 4.1, Part A** of the Circular that the Proposed Share Buy-Back Authority will enable Maybulk to purchase its own shares as and when the Board deems fit, during the tenure in which the authority granted is in effect after taking into consideration, amongst others, the following reasons:

- (i) the Shares have been trading below the audited NA per Share of Maybulk as at 31 December 2023 of RM0.522 for the past 2 years prior to the LPD. As such, the Proposed Share Buy-Back Authority would result in an increase in both the NA per Share (assuming the purchase prices of the shares is below NA per Share at any point in time) and EPS due to the decrease in the number of Shares outstanding.

For information, the Company is unaware of any significant events or announcement made which have resulted in Maybulk Shares being traded below the audited NA per Share of Maybulk as at 31 December 2023 of RM0.522 since 9 May 2022;

- (ii) enable Maybulk to utilise part of its surplus financial resources which are not immediately required for use in its business operations. For information, the cash and cash equivalents of the Group as at 31 December 2023 is approximately RM311.21 million. In addition, save for the ongoing corporate exercise which is further elaborated in **Section 10(i), Part A** of this Circular, as at the LPD, the Company does not have any plans which would require the substantial utilisation or investment of its surplus financial resources;
- (iii) the purchased Shares may be retained as treasury shares and resold on Bursa Securities with the opportunity of realising potential capital gains;
- (iv) the purchased Shares retained as treasury shares may be distributed as share dividends to reward Shareholders; and
- (v) the purchased Shares retained as treasury shares may be transferred as purchase consideration for any potential acquisition of assets in the future and will be undertaken in compliance with the applicable securities laws and the requirements as stipulated in the Listing Requirements.

We further noted from **Section 4.2, Part A** of the Circular that Maybulk intends to undertake the Proposed Share Buy-Back Authority in view of the benefits as stated above. However, the purchase of its own Shares may result in Dato' Goh and his person(s) acting in concert having to undertake a Mandatory Offer pursuant to subsection 218(2) of the CMSA and subparagraph 4.01(a) of the Rules. As it is not Dato' Goh's intention to undertake the Mandatory Offer arising from the purchase by Maybulk of its Shares pursuant to its Proposed Share Buy-Back Authority, the Proposed Exemption is sought to:

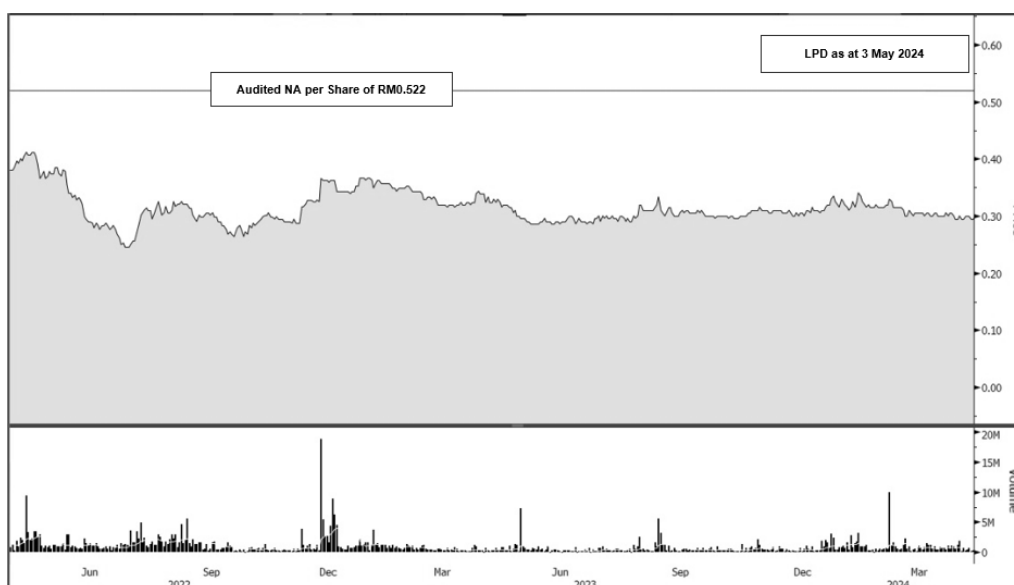
- (i) enable Maybulk to purchase the maximum number of its own Shares as allowed pursuant to the Proposed Share Buy-Back Authority without Dato' Goh and his person(s) acting in concert having to undertake the Mandatory Offer; and
- (ii) to facilitate Dato' Goh and his person(s) acting in concert to obtain an exemption from the obligation to undertake the Mandatory Offer.

Our comments:

We noted that the Proposed Exemption is sought to relieve Dato' Goh and his person(s) acting in concert from the obligation to undertake a Mandatory Offer in the event that Maybulk purchases its own Shares pursuant to the Proposed Share Buy-Back Authority. As such, in evaluating the rationale of the Proposed Exemption we have considered the following:

- (i) **Maybulk Shares have been trading below its audited NA per Share for the past 2 years up to and including the LPD**

We noted that Maybulk has recorded audited NA per Share as at 31 December 2023 of RM0.522 based on its 12-month FYE 2023. In this regards, we have compared the audited NA per Share of Maybulk against the historical closing market prices of Maybulk Shares for the past 2 years up to and including the LPD as follows:



(Source: Bloomberg)

Note:

The above information extracted from Bloomberg has been adjusted for the effects of any dividend and corporate exercise throughout the relevant period.

Based on the above, we noted that Maybulk Shares have been trading below Maybulk's audited NA per Share as at 31 December 2023 of RM0.522 for the past 2 years up to and including the LPD. As such, the Proposed Share Buy-Back Authority represents an opportunity for Maybulk to have the flexibility to purchase its own Shares below its audited NA per Share. For information purposes, Maybulk is unaware of any significant events or announcement made which have resulted in Maybulk Shares being traded below the audited NA since for the past 2 years up to and including the LPD. In addition, Maybulk's Shares based on the 5-day VWAP as at the LPD of RM0.2991 are trading at a discount of 42.70% to the audited NA per Share of RM0.522.

In the event that the purchased Shares are retained as treasury Shares, Maybulk can have the option to resell the Shares in the open market and benefit from capital gains if the Shares are sold at a higher price as compared to the cost of purchase of the Shares. Accordingly, this can generate additional cashflow for the Group to be used for working capital purposes. Alternatively, Maybulk can also have the option to distribute the purchased Shares (i.e. treasury Shares) as dividends to reward its Shareholders or use the purchased Shares as purchase consideration for any potential acquisition of assets in the future.

(ii) **Maybulk's improving financial position and increasing cash and bank balances**

In addition, we have also considered the Group's financial position for the FYE 2020 to 2023, which is summarised below:

Maybulk Group	< ----- Audited ----- >			
	As at 31 December 2020 (RM'000)	As at 31 December 2021 (RM'000)	As at 31 December 2022 (RM'000)	As at 31 December 2023 (RM'000)
Cash and cash equivalents	38,886	207,174	379,299	311,206
Borrowings	237,344	65,908	-	802
Lease liabilities	111,849	74,194	33,111	631
Total borrowings and lease liabilities	349,193	140,102	33,111	1,433
Shareholders' equity	274,253	469,022	487,052	522,308
Gearing ratio (times)	1.27	0.30	0.07	0.003

Based on the above, we noted that the Group's cash and cash equivalents have increased from RM38.89 million as at 31 December 2020 to RM311.21 million as at 31 December 2023, which was mainly due to the sale of vessels during FYE 2021 and FYE 2022 and the Group's gearing ratio has also improved from 1.27 times as at 31 December 2020 to 0.003 times as at 31 December 2023, which was mainly due to the repayment of borrowings and lease liabilities during the FYE 2021 and FYE 2022.

The current cash position and debt level of the Group indicates that the Group has strong cash reserves and minimal debt obligations which allows the Group to have surplus financial resources, which can be utilised to purchase its own Shares pursuant to the Proposed Share Buy-Back Authority.

While the Group had on 29 August 2023 announced its diversification into Industrial Property Business and had obtained Shareholders' approval on 6 December 2023, we noted from the management of Maybulk that the Company will only purchase its own Shares after careful consideration of the Group's financial position, prevailing market price of Maybulk Shares and working capital requirements for its Groups business activities. As at the LPD, the Group has only 1 ongoing development project in Mukim Kapar, Klang, under the Industrial Property Business which will be undertaken by the 60% owned subsidiary company of Maybulk (i.e. MBC Logistic Hub). As disclosed in **Section 11 of Attachment I** of this IAL, the capital commitment for the balance purchase consideration and estimated gross development cost of Kapar Land is estimated to be RM171.41 million. For this purpose, MBC Logistic Hub had on 5 February 2024 secured a banking facility of up to RM275 million to fund for the said capital commitment. As such, the Group has sufficient cash to support the development of Kapar Land and to embark on share buy-back activities pursuant to the Proposed Share Buy-Back Authority. In the event that the Group requires more cash to support its working capital requirements for the Industrial Property Business, the Group can leverage on its low gearing and current financial position to obtain more bank borrowings.

For illustration purposes, in the event that Maybulk purchases 100,000,000 Shares (i.e. based on the maximum of 10% of Maybulk's issued share capital) pursuant to the Proposed Share Buy-Back Authority at an indicative price of RM0.2991 (being the 5-day VWAP of Maybulk Shares up to and including the LPD), Maybulk will incur approximately RM29.91 million. In this regards, the Proposed Share Buy-Back Authority is not expected to result in an adverse effect to the Group's financial position as the cost of purchasing its own Shares represents approximately 9.61% of the Group's cash and bank balances as at 31 December 2023 of RM311.21 million.

(iii) Share buy-back is expected to have a positive impact on the computation of EPS and NA per share of the Group

In the event Maybulk purchases its own Shares pursuant to the Proposed Share Buy-Back Authority and assuming nothing else changed, the number of outstanding Maybulk Shares will reduce as the purchased Shares (i.e. treasury Shares) will be deducted from the total issued share capital of Maybulk, hence resulting in a higher EPS computation. A higher EPS would translate to a lower price-to-earnings ratio which may result in Maybulk Shares becoming more attractive to investors.

In addition, on the assumption that Maybulk purchases its own Shares pursuant to the Proposed Share Buy-Back Authority at a market price which is lower than the NA per Share of Maybulk at any point in time, the reduced number of outstanding Maybulk Shares will result in a higher NA per Share computation.

As set out in **Sections 6.2 and 6.4, Part A** of the Circular, the proforma effects of the Proposed Share Buy-Back Authority on the NA, NA per share, earnings and EPS of Maybulk Group, assuming Maybulk purchases the maximum number of Shares (i.e. 10% of issued share capital) pursuant to the Proposed Share Buy-Back Authority are as follows:

	Assuming the maximum number of Shares are purchased pursuant to the Proposed Share Buy-Back Authority	
	Audited as at 31 December 2023	
Share capital (RM'000)	63,791	63,791
Less: Treasury shares, at cost (RM'000)	-	⁽¹⁾ (29,910)
Foreign currency translation reserve (RM'000)	59,954	59,954
Retained earnings (RM'000)	398,563	398,563
Total Equity (RM'000)	522,308	492,398
Profit after tax (RM'000)	49,646	49,646
No. of Shares in issue ('000)	1,000,000	900,000
NA per Share (RM)	0.522	0.547
EPS (RM)	0.0496	0.0552
Share price of Maybulk Shares ⁽¹⁾	0.2991	0.2991
Price-to-earnings ratio (times)	6.03	5.42

Note:

(1) Calculated based on the 5-day VWAP of Maybulk Shares up to and including the LPD of RM0.2991 per Share.

For further details of the proforma effects of the Proposed Share Buy-Back Authority, please refer to **Section 7** of this IAL.

(iv) **Impact of share buy-back on the trading liquidity of Maybulk Shares**

We noted that any purchase of Maybulk's own Shares pursuant to the Proposed Share Buy-Back Authority will result in a lower number of outstanding Shares traded in the open market and will reduce the trading liquidity of Maybulk Shares accordingly.

We also noted in **Section 2.5, Part A** of the Circular that the Company has a public shareholding spread of 53.74% as at the LPD. On the assumption that Maybulk purchases a maximum of 10% of its issued Shares from the public Shareholders pursuant to the Proposed Share Buy-Back Authority, the public shareholding spread will reduce from 53.74% (as at LPD) to 48.60%.

Notwithstanding the above, we are of the view that the trading liquidity of Maybulk Shares is dependent on amongst others, the performance of the Company, the supply and demand of Maybulk Shares in the open market and general market sentiment. It should also be noted that Maybulk still maintains a 48.60% public shareholding spread on the assumption that Maybulk purchases a maximum of 10% of its issued Shares pursuant to the Proposed Share Buy-Back Authority.

As disclosed in **Section 3, Part A** of the Circular, the Proposed Exemption will relieve Dato' Goh and his person(s) acting in concert from the obligation to undertake a Mandatory Offer in the event that Maybulk purchases its own Shares pursuant to the Proposed Share Buy-Back Authority.

Without the Proposed Exemption, Maybulk will still be able to implement its share buy-back activities to purchase up to 29,848,484 Shares without resulting in Dato' Goh and his person(s) acting in concert's collective shareholdings exceeding 33%. However, this limitation would result in Maybulk not being able to effectively implement its share buy-back activities pursuant to the Proposed Share Buy-Back Authority which is sought to allow Maybulk to purchase a maximum of 100,000,000 Shares (i.e. 10% of issued share capital of Maybulk) without Dato' Goh and his person(s) acting in concert having to undertake a Mandatory Offer.

For information purposes, Dato' Goh has first emerged as a major Shareholder of Maybulk on 29 April 2022 after acquiring 160,000,000 Shares or 16% equity interest in Maybulk from Pacific Carriers Limited (the then substantial Shareholder of Maybulk). On 13 May 2022, Dato' Goh was appointed as an Executive Director of Maybulk. Dato Goh' subsequently increased its shareholdings in Maybulk from 16% to 32% after acquiring 100,000,000 and 60,000,000 Shares from Tunas Capital Sdn Bhd (the then substantial Shareholder of Maybulk) on 13 January 2023 and 16 February 2023 respectively. On 27 February 2023, Dato' Goh was re-designated as the Group Managing Director and currently oversees the overall management of Maybulk Group.

Non-interested Directors and non-interested Shareholders should also take note that the increase in the shareholding percentage of Dato' Goh and his PAC in Maybulk is solely due to the decrease in the total number of outstanding Shares traded on the open market whenever Maybulk purchases its own Shares pursuant to the Proposed Share Buy-Back Authority and is not a result of any direct acquisition of Shares by Dato' Goh and/or his PAC. Accordingly, the number of Shares held by Dato' Goh and his PAC shall remain unchanged in the event that Maybulk purchases its own Shares pursuant to the Proposed Share Buy-Back Authority.

Based on the above, we are of the view that there are merits for the Proposed Exemption.

7. EFFECTS OF THE PROPOSED EXEMPTION

As set out in **Section 6, Part A** of the Circular, the Proposed Exemption on its own will not have any financial effects on the Maybulk Group.

However, as the Proposed Exemption is sought to enable Maybulk to purchase its own Shares pursuant to its Proposed Share Buy-Back Authority and relieve Dato' Goh and his person(s) acting in concert from the obligation to undertake a Mandatory Offer, we have also evaluated the effects of the implementation of the Proposed Share Buy-Back Authority on the assumption that Maybulk purchases a maximum of 10% of its issued share capital.

The proforma effects of the implementation of the Proposed Share Buy-Back Authority are set out below:

7.1 Share Capital

Maybulk Shares that are purchased by Maybulk can either be retained as treasury Shares or cancelled.

On the assumption that Maybulk purchases a maximum of 10% of its issued share capital pursuant to the Proposed Share Buy-Back Authority and the repurchased Shares are retained as treasury Shares, the proforma effects on the share capital of Maybulk Group are as follows:

	No. of Shares	RM
Share capital as at the LPD	1,000,000,000	63,791,327
Less: Repurchased Shares that are retained as treasury Shares (assuming Maybulk purchases a maximum of 10% of its issued share capital)	(100,000,000)	-
Share capital	900,000,000	63,791,327

Based on the above, we noted that the number of outstanding Shares traded in the open market will decrease from 1,000,000,000 Shares to 900,000,000 Shares and there will be no effect to the Group's issued share capital.

On the assumption that Maybulk purchases a maximum of 10% of its issued share capital pursuant to the Proposed Share Buy-Back Authority and the repurchased Shares are cancelled, the proforma effects on the share capital of Maybulk Group are as follows:

	No. of Shares	RM
Share capital as at the LPD	1,000,000,000	63,791,327
Less: Repurchased Shares that are cancelled (assuming Maybulk purchases a maximum of 10% of its issued share capital)	(100,000,000)	⁽¹⁾ (6,379,133)
Share capital	900,000,000	57,412,194

Note:

(1) Calculated based the average cost of share capital per Share of RM0.06379133 multiplied by 100,000,000 Shares (ie. maximum number of Shares to be purchased by Maybulk pursuant to the Proposed Share Buy-Back Authority).

Based on the above, we noted that the issued Shares of Maybulk will decrease from 1,000,000,000 Shares to 900,000,000 Shares and the issued share capital of Maybulk will decrease from RM63.79 million to RM57.41 million.

7.2 NA and gearing

As set out in **Section 6.2, Part A** of the Circular, the proforma effects of the Proposed Share Buy-Back Authority on the NA and NA per share of Maybulk Group, assuming Maybulk purchases the maximum number of Shares (i.e. 10% of issued share capital) pursuant to the Proposed Share Buy-Back Authority are as follows:

	Audited as at 31 December 2023	Assuming the maximum number of Shares are purchased pursuant to the Proposed Share Buy-Back Authority
Share capital (RM'000)	63,791	63,791
Less: Treasury shares, at cost (RM'000)	-	⁽¹⁾ (29,910)
Foreign currency translation reserve (RM'000)	59,954	59,954
Retained earnings (RM'000)	398,563	398,563
Total Equity (RM'000)	522,308	492,398
No. of Shares in issue ('000)	1,000,000	900,000
NA per Share (RM)	0.522	0.547

Note:

(1) Calculated based on the 5-day VWAP of Maybulk Shares up to and including the LPD of RM0.2991 per Share.

Based on the above, we noted that the purchase of own Shares by Maybulk at an indicative price of RM0.2991 (being the 5-day VWAP of Maybulk Shares up to and including the LPD) which are retained as treasury Shares, would reduce the Group's proforma NA from RM522.31 million (as at 31 December 2023) to RM492.40 million as the acquisition cost of the purchased Shares are required to be carried at cost and would offset against the Group's NA. Nevertheless, the actual decrease in the Group's consolidated NA cannot be determined at this juncture as it is dependent on the actual acquisition cost based on the number of Shares to be purchased. If the treasury Shares are subsequently cancelled, there will be no additional effect on the Group's consolidated NA.

Notwithstanding the above, the purchase of own Shares by Maybulk at an indicative price of RM0.2991 (being the 5-day VWAP of Maybulk Shares up to and including the LPD) which are retained as treasury Shares or cancelled, will improve the Group's proforma NA per Share from RM0.522 (as at 31 December 2023) to RM0.547 as the number of outstanding Shares will reduce from 1,000,000,000 Shares to 900,000,000 Shares arising from share buy-back.

However, in the event that Maybulk purchases its own Shares at a market price which is higher than the NA per Share of the Group at the point of purchase, the Group's proforma NA per Share will decrease. For illustrative purposes, assuming Maybulk purchases its own Shares at an indicative price of RM0.60 and are retained as treasury Shares or cancelled, the Group's proforma NA per Share will decrease from RM0.522 (as at 31 December 2023) to RM0.514.

In the event that the purchased Shares are retained and resold in the open market at prices higher than the purchase prices, there would be a net increase in the Group's NA. On the contrary, in the event the purchased Shares are retained and resold in the open market at prices lower than the purchase prices, there would be a net decrease in the Group's NA.



We also noted from **Section 2.2, Part A** of the Circular that the Proposed Share Buy-Back Authority will be funded through internally-generated funds and/or external borrowings. In the event that Maybulk decides to obtain external borrowings amounting to RM29.91 million to purchase 100,000,000 Shares (i.e. based on the maximum of 10% of Maybulk's issued share capital) at an indicative price of RM0.2991 (being the 5-day VWAP of Maybulk Shares up to and including the LPD), the Group's gearing ratio will increase from 0.003 times to 0.060 times.

7.3 Substantial Shareholders' shareholdings

As set out in **Section 6.6, Part A** of the Circular, the proforma effects of the Proposed Share Buy-Back Authority on the substantial Shareholders' shareholdings as at the LPD are as follows:

	As at the LPD				Assuming the maximum number of Shares are purchased pursuant to the Proposed Share Buy-Back Authority			
	Direct		Indirect		Direct		Indirect	
	No. of Shares	(1)%	No. of Shares	(1)%	No. of Shares	(2)%	No. of Shares	(2)%
Substantial Shareholders								
Dato' Goh	320,000,000	32.000	⁽³⁾ 150,000	0.015	320,000,000	35.556	⁽³⁾ 150,000	0.017
PPB Group Berhad	140,000,000	14.000	⁽⁴⁾ 20,000	⁽⁵⁾ -	140,000,000	15.556	⁽⁴⁾ 20,000	⁽⁵⁾ -
Subtotal	460,000,000	46.000			460,000,000	51.112		
PAC of Dato' Goh								
Datin Tan Pak Say	150,000	0.015			150,000	0.017		
Total	460,150,000	46.015			460,150,000	51.129		

Notes:

- (1) Based on the issued share capital of 1,000,000,000 Shares as at the LPD.
- (2) Based on the issued share capital of 900,000,000 Shares (excluding 100,000,000 Shares either held as treasury Shares or cancelled, or a combination of the both) assuming the maximum number of Shares are purchased pursuant to the Proposed Share Buy-Back Authority.
- (3) Deemed interested by virtue of his spouse's direct shareholding in Maybulk pursuant to Section 8 of the Act.
- (4) Deemed interested by virtue of its substantial shareholdings in Cathay Screen Cinemas Sdn Bhd pursuant to Section 8 of the Act.
- (5) Negligible (less than 0.01%).

Based on the above, in the event Maybulk purchases a maximum of 10% of its issued share capital pursuant to the Proposed Share Buy-Back Authority and on the assumption that none of the substantial Shareholders of Maybulk (i.e. Dato' Goh and PPB Group Berhad) dispose their Shares, the substantial Shareholders' shareholdings in Maybulk will increase in the following manner:

- (i) the percentage shareholding of Dato' Goh will increase from 32.00% (as at the LPD) to 35.556%; and
- (ii) the percentage shareholding of the other substantial Shareholder, namely PPB Group Berhad, will increase from 14.00% (as at the LPD) to 15.556%.

For avoidance of doubt, the number of Shares held by Maybulk's substantial Shareholders remains unchanged and the increase in their respective percentage shareholdings in Maybulk was due to the reduced number of outstanding Shares (i.e. after excluding Shares that are purchased by Maybulk pursuant to the Proposed Share Buy-Back Authority).



7.4 Maximum potential shareholdings of Dato' Goh and his PAC

The maximum potential shareholdings of Dato' Goh and his PAC is on the assumption that Maybulk purchases a maximum of 10% of its issued share capital pursuant to the Proposed Share Buy-Back Authority.

For illustrative purposes, the maximum potential shareholdings of Dato' Goh and his PAC are computed as follows:

	As at the LPD				Assuming Maybulk purchases a maximum of 10% of issued share capital pursuant to the Proposed Share Buy-Back Authority			
	Direct No. of Shares	(1)%	Indirect No. of Shares	(1)%	Direct No. of Shares	(2)%	Indirect No. of Shares	(2)%
Dato' Goh	320,000,000	32.000	⁽³⁾ 150,000	0.015	320,000,000	35.556	⁽³⁾ 150,000	0.017
Datin Tan Pak Say	150,000	0.015	-	-	150,000	0.017	-	-
Dato' Goh and his PAC	320,150,000	32.02	-	-	320,150,000	35.57	-	-
Non-interested Shareholders	679,850,000	67.98	-	-	579,850,000	64.43	-	-

Notes:

- (1) Based on the issued share capital of 1,000,000,000 Shares as at the LPD.
- (2) Based on the issued share capital of 900,000,000 Shares (excluding 100,000,000 Shares either held as treasury Shares or cancelled, or a combination of the both) assuming the maximum number of Shares are purchased pursuant to the Proposed Share Buy-Back Authority.
- (3) Deemed interested by virtue of his spouse's direct shareholding in Maybulk pursuant to Section 8 of the Act.

Based on the table above, in the event Maybulk purchases a maximum of 10% of its issued share capital pursuant to the Proposed Share Buy-Back Authority and on the assumption that Dato' Goh and his PAC do not dispose their Shares, we noted that:

- (i) the aggregate shareholdings of Dato' Goh and his PAC will increase from 32.02% (as at the LPD) to 35.57%; and
- (ii) the aggregate shareholdings of the non-interested Shareholders will decrease from 67.98% (as at the LPD) to 64.43%.

For avoidance of doubt, the number of Shares held by Dato' Goh and his PAC remains unchanged and the increase in their respective percentage shareholdings in Maybulk was due to the reduced number of outstanding Shares (i.e. after excluding Shares that are purchased by Maybulk pursuant to the Proposed Share Buy-Back Authority). In addition, the number of Shares held by non-interested Shareholders will decrease as Maybulk will be purchasing Shares from the non-interested Shareholders in the open market pursuant to the Proposed Share Buy-Back Authority.

7.5 Earnings and EPS

As set out in **Section 6.4, Part A** of the Circular, the proforma effects of the Proposed Share Buy-Back Authority on the proforma earnings and EPS of Maybulk Group, assuming Maybulk purchases the maximum number of Shares (i.e. 10% of issued share capital of Maybulk) pursuant to the Proposed Share Buy-Back Authority are as follows:

	Audited FYE 2023	Assuming the Proposed Share Buy-Back Authority is implemented in full
	RM'000	RM'000
Profit after tax	49,646	49,646
No. of Shares in issue ('000)	1,000,000	900,000
EPS (sen)	4.96	5.52

Based on the above, we noted from **Section 6.4, Part A** of the Circular that the proforma EPS of the Group will increase from RM0.0496 (for the FYE 2023) to RM0.0552 as the purchases of own Shares Maybulk pursuant to the Proposed Share Buy-Back Authority as the number of outstanding Shares will reduce from 1,000,000,000 Shares to 900,000,000 Shares arising from share buy-back.

Moving forward, it should also be noted that the Group's earnings and EPS will depend on any reduction in interest income arising from the surplus cash utilised by the Group for such purchases or interest expense to be incurred by the Group in the event the Group obtains external borrowings to fund for its share buy-back activities.

Based on the above, we are of the view that the effects of the implementation of the Proposed Share Buy-Back Authority, taken as a whole with the Proposed Exemption, are justifiable and not detrimental to the non-interested Directors and non-interested Shareholders.

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8. IMPLICATIONS ARISING FROM THE VOTING OUTCOME OF THE PROPOSED EXEMPTION

Pursuant to subparagraph 4.15(1) of the Rules, the SC may consider granting the Proposed Exemption if Dato' Goh and his person(s) acting in concert have satisfied the following conditions:

- (i) there is no acquisition/purchase of voting Shares or voting rights in Maybulk (save for subscriptions for new Shares which have been fully disclosed in Maybulk's whitewash circular) by Dato' Goh and his person(s) acting in concert, between the date on which they knew that the announcement of Proposed Share Buy-Back Authority was imminent and the earlier of:
 - (a) the date on which the authority of the Proposed Share Buy-Back Authority expires; or
 - (b) the date on which Maybulk announces it has bought back such number of Shares as authorised by Shareholders at the latest general meeting or decided to cease buying back its Shares, as the case may be,

if such acquisitions, taken together with the share buy-back would cause them to incur a Mandatory Offer ("**Disqualifying Transaction**"); and

- (ii) approval has been obtained from independent holders of voting Shares or voting rights of Maybulk at a meeting of the holders of the relevant class of voting shares or voting rights to waive their rights to receive the Mandatory Offer from Dato' Goh and his person(s) acting in concert.

Any exemption granted will be invalidated if Dato' Goh and/or his person(s) acting in concert have engaged or engages in a Disqualifying Transaction. For your information, there has been no Disqualifying Transaction by Dato' Goh and his person(s) acting in concert since 27 March 2024 (being the date which they knew that the announcement of the Proposed Share Buy-Back Authority proposal was imminent) up to the LPD.

Pursuant to subparagraph 4.15(3) of the Rules, the Proposed Exemption, if granted, will expire upon:

- (i) date of expiry of the relevant Shareholders' authority under Section 127 of the Act or any relevant governing statute or provision. For information, pursuant to Paragraph 12.07 of the Listing Requirements, the Proposed Share Buy-Back Authority shall continue to be in force until:
 - (a) the conclusion of the next AGM following the forthcoming EGM at which the Proposed Share Buy-Back Authority will be tabled for the approval of the Shareholders;
 - (b) the expiration of the period within which the next AGM is required to be held pursuant to Sections 340(1) and 340(2) of the Act; or
 - (c) revoked or varied by ordinary resolution passed by Maybulk's Shareholders in a general meetingwhichever occurs first;
- (ii) the date on which Maybulk announces it has bought back such number of Shares as authorised under the Proposed Share Buy-Back Authority; or
- (iii) the date on which Maybulk announces it has decided to cease buying back the Shares as authorised under the Proposed Share Buy-Back Authority,

whichever is earlier.

The implication of the non-interested Shareholders' votes on the Proposed Exemption to be tabled at the forthcoming EGM are set out in **Sections 8.1 and 8.2** of this IAL.

8.1 If you VOTE IN FAVOUR of the Proposed Exemption

- (i) The application by Dato' Goh and his person(s) acting in concert for the Proposed Exemption can be submitted to the SC. An approval from the SC for the Proposed Exemption would then exempt Dato' Goh and his person(s) acting in concert from the obligation to undertake the Mandatory Offer in the event that Dato' Goh and his person(s) acting in concert's shareholdings in Maybulk exceed 33.00% as a result of Maybulk purchasing its own Shares pursuant to the Proposed Share Buy-Back Authority.
- (ii) The approval of the Proposed Exemption would imply that non-interested Shareholders agree to waive their rights and exempt Dato' Goh and his person(s) acting in concert from the obligation to undertake the Mandatory Offer as a result of the implementation of the Proposed Share Buy-Back Authority (which shall be undertaken at a price no lower than the highest price paid by Dato' Goh and his person(s) acting in concert for Maybulk Shares in the past 6 months preceding the commencement of the offer).
- (iii) You should note that assuming Maybulk purchases a maximum of 10% of its issued share capital pursuant to the Proposed Share Buy-Back Authority, the percentage shareholdings of Dato' Goh and his PAC will increase from 32.02% (as at the LPD) to 35.57%. without having to extend a Mandatory Offer. As such, Dato' Goh's position as Maybulk's major shareholder will be further strengthened in view of the increase of the percentage shareholdings of Dato' Goh and his PAC in Maybulk.

For avoidance of doubt, the number of Shares held by Dato' Goh and his PAC will remain unchanged and the increase in Dato' Goh and his PAC's percentage shareholdings in Maybulk was due to the reduced number of outstanding Shares as a result of Maybulk purchasing its own Shares pursuant to the Proposed Share Buy-Back Authority.

8.2 If you VOTE AGAINST the Proposed Exemption

- (i) The application for the Proposed Exemption will not be able to be submitted to the SC as it does not fulfil the requirements under subparagraph 4.15(2) of the Rules. As such, in the event Dato' Goh and his person(s) acting in concert's shareholdings exceed 33.00% as a result of Maybulk purchasing its own Shares pursuant to the Proposed Share Buy-Back Authority, Dato' Goh and his person(s) acting in concert will be obliged to undertake a Mandatory Offer.
- (ii) It is noted that the Proposed Exemption is conditional upon the Proposed Share Buy-Back Authority but not vice versa. In the event that the Proposed Exemption is not approved, Maybulk will still be able to undertake the Proposed Share Buy-Back Authority. However, Dato' Goh and his person(s) acting in concert will need to observe and comply at all times with the provisions of the Malaysian Code on Take-Overs and Mergers, 2016 and the Rules whenever Maybulk purchases its own Shares pursuant to the Proposed Share Buy-Back Authority.

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9. DIRECTORS' INTENTION TO VOTE

As at the LPD, save as disclosed below, none of the Directors have any interest (direct and indirect) in Maybulk. Accordingly, their intention to vote in relation to the Proposed Exemption are as follows:

Name	Direct		Indirect		Intention to vote in relation to the Proposed Exemption
	No. of Shares	% ⁽¹⁾	No. of Shares	% ⁽¹⁾	
Dato' Goh	320,000,000	32.00	150,000	0.015	Abstain ⁽²⁾
Lin JunLiang, Troy	-	-	-	-	Abstain ⁽²⁾

Notes:

- (1) Based on the issued share capital of 1,000,000,000 Shares as at the LPD.
- (2) In view that he is an interested party (as set out in **Section 11, Part A** of the Circular), he shall abstain from voting in respect of his direct and/or indirect shareholding in Maybulk on the resolution pertaining to the Proposed Exemption at the forthcoming EGM in relation to the Proposals. In addition, he will undertake to ensure that persons connected with him will abstain from all deliberations and voting at Board meetings pertaining to the Proposed Exemption and voting in respect of his direct and/or indirect shareholdings in Maybulk (if any) on the resolution pertaining to the Proposed Exemption to be tabled at the forthcoming EGM in relation to the Proposals.

10. FUTURE PLANS OF MAYBULK GROUP AND ITS EMPLOYEES

In accordance with paragraph 8, Schedule 2, Part II of the Rules, Dato' Goh and his person(s) acting in concert have confirmed that as at the LPD, they do not intend to effect any major change to the following:

- (i) The continuation of the business of Maybulk Group;
- (ii) The business of Maybulk Group, including any plans to liquidate any of the operational companies within the Group, sell any material assets or re-deploy the fixed assets of the Group or make any other major change in the business of Maybulk Group; and
- (iii) The continued employment of the employees of Maybulk Group,

except where such changes are in the ordinary course of Maybulk Group's business or are necessary to rationalise or improve the Group's operations and/or financial performance and is in the best interest of Maybulk Group.

As at the LPD, Dato' Goh and his person(s) acting in concert has no knowledge or has not entered into any negotiation or arrangement or understanding with any third party in relation to any significant change in the Maybulk Group's business and assets or the shareholding structure of Maybulk.

Dato' Goh and his person(s) acting in concert shall retain the flexibility at any time to consider any options which are in the best interest of Maybulk Group. Dato' Goh and his person(s) acting in concert intend to maintain the listing status of Maybulk on the Main Market of Bursa Securities.

11. RESPONSIBILITY STATEMENT

The Board has seen, reviewed and accepted this IAL. The Board, collectively and individually, accepts full responsibility for the accuracy of the information contained in this IAL (save for the assessment, evaluation and opinion of BDOCC) and confirms, after having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this IAL have been arrived at after due and careful consideration and there are no other facts not contained in this IAL, the omission of which would make any information in this IAL misleading.



The responsibility of the Board in respect of:

- (i) The information relating to Dato' Goh and his person(s) acting in concert (as provided by Dato' Goh and his person(s) acting in concert) is limited to ensuring that such information is accurately reproduced in this IAL; and
- (ii) The independent advice and expression of opinion by BDOCC in relation to the Proposed Exemption are limited to ensuring that accurate information in relation to Maybulk Group was provided to BDOCC for its evaluation of the Proposed Exemption and to ensure that all information in relation to Maybulk Group that are relevant to BDOCC's evaluation of the Proposed Exemption have been completely disclosed to BDOCC and that there is no material fact, the omission of which would make any information provided to BDOCC false or misleading.

12. FURTHER INFORMATION

The non-interested Shareholders are advised to refer to **Part A** of the Circular as well as the attached appendices for further information.

13. CONCLUSION AND RECOMMENDATION

The non-interested Directors and non-interested Shareholders should carefully consider the advantages and disadvantages of the Proposed Exemption based on all the relevant and pertinent factors including those set out in this IAL as well as those highlighted by the Board in its letter to the Shareholders in relation to the Proposals as set out in **Part A** of the Circular before voting on the ordinary resolution in respect of the Proposed Exemption at the forthcoming EGM.

In arriving at our conclusion and recommendation, we have assessed and evaluated the Proposed Exemption holistically in accordance with Schedule 2: Part III of the Rules, taking into consideration the various factors as discussed in this IAL. In summary, the potential advantages and disadvantages of the Proposed Exemption are as follows:

A) Potential Advantages

The Proposed Exemption will allow Maybulk to effectively implement the Proposed Share Buy-Back Authority and relieve Dato' Goh and his person(s) acting in concert from the obligation to undertake a Mandatory Offer in the event that Maybulk purchases its own Shares pursuant to the Proposed Share Buy-Back Authority. Accordingly, the potential benefits arising from the Proposed Share Buy-Back Authority are as follows:

- (1) The Proposed Share Buy-Back Authority represents an opportunity for Maybulk to have the flexibility to purchase its own Shares below its audited NA per Share of RM0.522 as at 31 December 2023. For information purposes, Maybulk's Shares based on the 5-day VWAP as at the LPD of RM0.2991 are trading at a discount of 42.70% to the audited NA per Share of RM0.522 as at 31 December 2023.
- (2) In the event that the purchased Shares are retained as treasury Shares, Maybulk can have the option to resell the Shares in the open market and benefit from capital gains if the Shares are sold at a higher price as compared to the cost of purchase of the Shares. Accordingly, this can generate additional cashflow for the Group to be used for working capital purposes. Alternatively, Maybulk can also have the option to distribute the purchased Shares (i.e. treasury Shares) as dividends to reward its Shareholders or use the purchased Shares as purchase consideration for any potential acquisition of assets in the future.

- (3) In the event Maybulk purchases its own Shares pursuant to the Proposed Share Buy-Back Authority and assuming nothing else changed, the number of outstanding Maybulk Shares will reduce as the purchased Shares (i.e. treasury Shares) will be deducted from the total issued share capital of Maybulk, hence resulting in a higher EPS computation. A higher EPS would translate to a lower price-to-earnings ratio which may result in Maybulk Shares becoming more attractive to investors.
- (4) In addition, on the assumption that Maybulk purchases its own Shares pursuant to the Proposed Share Buy-Back Authority at a market price which is lower than the NA per Share of Maybulk at any point in time, the reduced number of outstanding Maybulk Shares will result in a higher NA per Share computation.

B) Potential Disadvantages

- 1) The approval of the Proposed Exemption would imply that non-interested Shareholders agree to waive their rights and exempt Dato' Goh and his person(s) acting in concert from the obligation to undertake the Mandatory Offer as a result of the implementation of the Proposed Share Buy-Back Authority. As such, non-interested Shareholders would not have the opportunity to exit Maybulk under a Mandatory Offer.

You should note that assuming Maybulk purchases a maximum of 10% of its issued share capital pursuant to the Proposed Share Buy-Back Authority and on the assumption that Dato' Goh and his PAC do not dispose their Shares, the percentage shareholdings of Dato' Goh and his PAC will increase from 32.02% (as at the LPD) to 35.57%. without having to extend a Mandatory Offer. As such, Dato' Goh's position as Maybulk's major shareholder will be further strengthened in view of the increase of the percentage shareholdings of Dato' Goh and his PAC in Maybulk.

In addition, the shareholdings of the non-interested Shareholders will also decrease from 67.98% (as at the LPD) to 64.43% as Maybulk will be purchasing Shares from the non-interested Shareholders in the open market arising from the share buy-back activities pursuant to the Proposed Share Buy-Back Authority.

- 2) In the event that Maybulk decides to utilise its internally generated funds to finance the purchase of its own Shares, the Group may recognise a lower interest income. Conversely, if Maybulk decides to obtain external borrowings to finance the purchase of its own Shares, the Group will incur interest expenses which will result in cash outflow for the Group.
- 3) The purchase of own Shares by Maybulk pursuant to the Proposed Share Buy-Back Authority will result in a lower number of outstanding Shares traded in the open market and will reduce the trading liquidity of Maybulk Shares accordingly.

Notwithstanding the above, we are of the view that the trading liquidity of Maybulk Shares is dependent on amongst others, the performance of the Company, the supply and demand of Maybulk Shares in the open market and general market sentiment. It should also be noted that Maybulk still maintains a 48.60% public shareholding spread on the assumption that Maybulk purchases a maximum of 10% of its issued share capital pursuant to the Proposed Share Buy-Back Authority.



After taking into consideration the advantages and disadvantages of the Proposed Exemption, we are of the view that the advantages of the Proposed Exemption outweigh its disadvantages. Therefore, we are of the view that the Proposed Exemption is **FAIR and REASONABLE** and **NOT DETRIMENTAL** to the non-interested Directors and non-interested Shareholders.

Accordingly, we:-

- (i) advise the non-interested Directors to recommend the non-interested Shareholders to **VOTE IN FAVOUR** of the ordinary resolution in respect of the Proposed Exemption to be tabled at Maybulk's forthcoming EGM in relation to the Proposals; and
- (ii) recommend that the non-interested Shareholders **VOTE IN FAVOUR** of the ordinary resolution in respect of the Proposed Exemption to be tabled at Maybulk's forthcoming EGM in relation to the Proposals.

YOU ARE ADVISED TO READ AND UNDERSTAND THIS IAL AND THE LETTER FROM THE BOARD TO THE SHAREHOLDERS IN RELATION TO THE PROPOSALS AS SET OUT IN PART A OF THE CIRCULAR TOGETHER WITH THE ACCOMPANYING APPENDICES, AND TO CAREFULLY CONSIDER THE RECOMMENDATIONS CONTAINED IN BOTH THE LETTERS BEFORE VOTING ON THE ORDINARY RESOLUTION IN RESPECT OF THE PROPOSED EXEMPTION TO BE TABLED AT THE FORTHCOMING EGM.

Yours faithfully
For and on behalf of
BDO CAPITAL CONSULTANTS SDN BHD

Eng Cha Lun
Executive Director - Advisory

INFORMATION OF MAYBULK

1. HISTORY AND PRINCIPAL ACTIVITIES

Maybulk was incorporated in Malaysia on 19 November 1988 as a private limited company with the name of Kelas Mayang Sdn Bhd and subsequently changed its name to Malaysian Bulk Carriers Sdn Bhd on 24 March 1994. The Company was subsequently converted to a public limited company with the name of Malaysian Bulk Carriers Berhad on 16 June 2003 and was listed on the Main Board of Kuala Lumpur Stock Exchange (now known as Main Market of Bursa Securities) on 2 December 2003. On 13 December 2023, Maybulk changed its name from Malaysian Bulk Carriers Berhad to Maybulk Berhad.

Maybulk is an investment holding company, and the principal activities of its subsidiary companies are set out in **Section 5, Attachment I** of this IAL.

2. SHARE CAPITAL**2.1 Issued share capital**

As at the LPD, the issued share capital of Maybulk is set out below:

	No. of Shares	RM
Issued share capital	1,000,000,000	63,791,327

As at the LPD, there is only 1 class of shares in Maybulk, which is the ordinary shares. All Maybulk Shares rank equally in terms of voting rights and entitlements to any dividends, rights, allotments and/or distributions (including any capital distributions) which may be declared, made or paid to shareholders.

2.2 Changes in the issued share capital

As at the LPD, there has been no change in the issued share capital of Maybulk since the end of FYE 2023 up to the LPD.

2.3 Convertible Securities

As at the LPD, Maybulk does not have any convertible securities.

3. SUBSTANTIAL SHAREHOLDERS

As at the LPD, the substantial shareholders of Maybulk and their shareholdings in Maybulk are set out as below:

Name	Nationality / Country of incorporation	Direct		Indirect	
		No. of Shares	% ⁽¹⁾	No. of Shares	% ⁽¹⁾
Dato' Goh PPB Group Berhad	Malaysian Malaysia	320,000,000	32.00	⁽²⁾ 150,000	0.015
		140,000,000	14.00	⁽³⁾ 20,000	⁽⁴⁾ -

Notes:

- (1) Computed based on the issued share capital of 1,000,000,000 Maybulk Shares as at the LPD.
(2) Deemed interested by virtue of his spouse's direct shareholdings in Maybulk pursuant to Section 8 of the Act.
(3) Deemed interested by virtue of its substantial shareholdings in Cathay Screen Cinemas Sdn Bhd pursuant to Section 8 of the Act.
(4) Negligible (less than 0.01%).

INFORMATION OF MAYBULK

4. DIRECTORS

As at the LPD, the Directors and their respective shareholdings in Maybulk are set out as below:

Name	Nationality	Designation	Address	Direct		Indirect	
				No. of Shares	% ⁽¹⁾	No. of Shares	% ⁽¹⁾
Yeoh Khoon Cheng	Malaysian	Independent Non-Executive Chairman	29 Lengkok Zaaba Taman Tun Dr Ismail 60000 Kuala Lumpur	-	-	-	-
Dato' Goh	Malaysian	Group Managing Director	B-29-05, Pavilion Residences 2, No. 77, Jalan Raja Chulan, 55100 Kuala Lumpur	320,000,000	32.00	⁽²⁾ 150,000	0.015
Ooi Teik Huat	Malaysian	Executive Director and Chief Financial Officer	42, Lintang Delima 13, 11700 Gelugor, Pulau Pinang	-	-	-	-
Lin JunLiang, Troy	Singaporean	Executive Director cum Chief Investment Officer	Block 333, Clementi Avenue 2, #04-92 120333 Singapore	-	-	-	-
Elsie Kok Yin Mei	Malaysian	Independent Non-Executive Director	24, Jalan Desa 8/4, Country Homes, 48000 Rawang, Selangor	-	-	-	-
Mohd. Arif bin Mastol	Malaysian	Independent Non-Executive Director	Lot 5529, Lorong 1B, Sungai Raia, 31300, Kampung Kepayang, Perak	-	-	-	-

Notes:

- (1) Computed based on the issued share capital of 1,000,000,000 Maybulk Shares as at the LPD.
(2) Deemed interested by virtue of his spouse's direct shareholdings in Maybulk pursuant to Section 8 of the Act.

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INFORMATION OF MAYBULK

5. SUBSIDIARY, ASSOCIATE AND JOINT VENTURE COMPANIES

As at the LPD, the subsidiary companies of Maybulk are set out below:

Name	Country of incorporation	Effective equity interest (%)	Principal activities
PSM Perkapalan Sdn Bhd	Malaysia	100	Manager of ship
Pacific Ship-Managers Sdn Bhd (“ PSMSB ”)	Malaysia	100	Ship operator, shipbroker and general shipping
Lightwell Shipping Inc (“ LSI ”)	British Virgin Islands	100	Investment holding
Alam Budi Sdn Bhd	Malaysia	100	Inactive
Maybulk (Singapore) Pte Ltd (formerly known as “Velorum Shipping Pte Ltd”)	Singapore	100	Inactive
MBC Logistic Hub Sdn Bhd (formerly known as “MBC Retail Sdn Bhd”)	Malaysia	60	Business of industrial property development and investment
EMT Systems Sdn. Bhd. (formerly known as “E Metall Systems Sdn Bhd”)	Malaysia	100	Provider of end-to-end racking systems, logistic storage and retail display solutions provider, offering consultancy services, warehouse system design, supply of metal shelving solutions and installation works to both local and international clients
<u>Subsidiary of PSMSB</u>			
Spectrapoint Sdn Bhd	Malaysia	100	Investment holding
<u>Subsidiaries of LSI</u>			
Everspeed Enterprises Limited	British Virgin Islands	100	Inactive
New Johnson Holdings Limited (“ NJHL ”)	British Virgin Islands	100	Investment holding
<u>Subsidiaries of NJHL</u>			
Madu Shipping Pte Ltd ⁽¹⁾	Singapore	100	Inactive
Molek Shipping Pte Ltd ⁽¹⁾	Singapore	100	Inactive
Sejahtera Shipping Pte Ltd ⁽¹⁾	Singapore	100	Inactive

INFORMATION OF MAYBULK

Name	Country of incorporation	Effective equity interest (%)	Principal activities
Kekal Shipping Pte Ltd	Singapore	100	Inactive
Kukuh Shipping Pte Ltd ⁽¹⁾	Singapore	100	Inactive

Note:

(1) Subsidiaries in members' voluntary winding up.

As at the LPD, Maybulk does not have any associate and joint venture companies.

6. PROFIT AND DIVIDEND RECORD

A summary of Maybulk Group's results based on the audited consolidated financial statements for the FYE 2020, FYE 2021, FYE 2022 and FYE 2023 are set out below:

	Audited			
	FYE 2020 (RM'000)	FYE 2021 (RM'000)	FYE 2022 (RM'000)	FYE 2023 (RM'000)
Revenue	175,986	207,044	154,779	128,210
Profit / (loss) before tax	(20,679)	195,381	93,294	52,754
PAT / (LAT)				
- attributable to owners of Maybulk	(20,781)	195,245	93,181	49,646
- attributable to the non-controlling interests of Maybulk	-	-	-	-
Weighted average number of Maybulk Shares ('000)	1,000,000	1,000,000	1,000,000	1,000,000
Basic earnings / (loss) per Share attributable to owners of Maybulk (sen)	(2.08)	19.52	9.32	4.96
Dividend paid per Maybulk Share (sen)	-	-	10.00	1.50

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INFORMATION OF MAYBULK

As at the LPD, there were no other material exceptional items recorded for the past 4 financial years up to FYE 2023, save as disclosed below:

Financial /period	year	Material exceptional items	Amount (RM' million)
FYE 2023	(i)	Gain on disposal of property, plant and equipment	25.34
	(ii)	Gain on liquidation of a subsidiary and a joint venture	9.94
FYE 2022	(i)	Gain on disposal of property, plant and equipment	49.88
	(ii)	Gain on liquidation of a subsidiary and a joint venture	2.00
FYE 2021	(i)	Gain on disposal of property, plant and equipment	98.01
	(ii)	Reversal of impairment loss on vessels and rights-of-use assets ⁽¹⁾	14.83
	(iii)	Loss on liquidation of a subsidiary and a joint venture	(0.54)
	(iv)	Derecognition of a joint venture	6.87
FYE 2020	(i)	Impairment loss on vessels and rights-of-use assets ⁽²⁾	(55.78)
	(ii)	Gain on liquidation of a subsidiary and a joint venture	54.33

Notes:

- (1) *The Group had in FYE 2021 carried out an assessment of the recoverable amounts of its vessels and rights-of-use assets. The recoverable amounts are determined based on the higher of fair value less costs to sell or value-in-use. As a result of the assessment, the Group recognised a reversal of impairment loss on its vessels and rights-of-use assets in FYE 2021.*
- (2) *The Group had in FYE 2020 carried out an assessment of the recoverable amounts of its vessels and rights-of-use assets. The recoverable amounts are determined based on the higher of fair value less costs to sell or value-in-use. As a result of the assessment, the Group recognised an impairment loss on its vessels and rights-of-use assets in FYE 2020.*

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INFORMATION OF MAYBULK

7. STATEMENT OF ASSETS AND LIABILITIES

The statement of assets and liabilities of Maybulk Group based on its audited consolidated financial statements for the FYE 2020, FYE 2021, FYE 2022 and FYE 2023 are set out below:

	Audited as at			
	31 December 2020 (RM'000)	31 December 2021 (RM'000)	31 December 2022 (RM'000)	31 December 2023 (RM'000)
ASSETS				
Non-current assets				
Intangible assets	669	382	111	60,326
Property, plant and equipment	466,617	338,878	230,820	119,711
Right-of-use assets	49,805	55,034	10,921	644
Joint ventures	16,398	-	-	-
Investment properties	-	-	-	5,544
Total non-current assets	533,489	394,294	241,852	186,225
Current assets				
Inventories	5,889	6,999	3,352	7,937
Receivables and other current assets	23,541	11,455	7,421	31,561
Contract assets	84	756	-	-
Short-term deposits	20,329	18,000	321,909	165,549
Cash and bank balances	18,557	189,174	57,390	145,657
Assets held for sale	50,257	6,945	7,342	-
Total current assets	118,657	233,329	397,414	350,704
Total assets	652,146	627,623	639,266	536,929
EQUITY				
Share capital	338,791	338,791	338,791	63,791
Cash flow hedge reserve	(2,579)	48	-	-
Foreign currency translation reserve	121,984	104,744	67,511	59,954
(Accumulated losses) / retained earnings	(183,943)	25,439	80,750	398,563
Total equity	274,253	469,022	487,052	522,308
LIABILITIES				
Non-current liabilities				
Borrowings	150,027	59,102	-	615
Lease liabilities	52,607	30,508	-	309
Derivative financial liabilities	3,016	314	-	-
Deferred tax liabilities	-	-	-	39
Total non-current liabilities	205,650	89,924	-	963
Current liabilities				
Payables and other liabilities	22,184	15,833	18,160	10,318
Dividend payable	-	-	100,000	-
Contract liabilities	3,179	1,808	903	2,330
Borrowings	87,317	6,806	-	187
Lease liabilities	59,242	43,686	33,111	322
Derivative financial liabilities	319	522	-	-
Provision for taxation	2	22	40	501
Total current liabilities	172,243	68,677	152,214	13,658
Total liabilities	377,893	158,601	152,214	14,621
Total equity and liabilities	652,146	627,623	639,266	536,929

INFORMATION OF MAYBULK**8. MATERIAL CHANGE IN FINANCIAL POSITION OF MAYBULK GROUP**

As at the LPD, the Board confirmed that there are no known material changes in the financial position of Maybulk Group subsequent to Maybulk's latest consolidated financial statements for the FYE 2023.

As at the LPD, within the knowledge of Dato' Goh, there are no known material changes in the financial position of Maybulk Group since 31 December 2022 (being the date of the last financial statement laid before the Company in its general meeting held on 15 June 2023).

9. ACCOUNTING POLICIES

Based on the audited financial statements of Maybulk for FYE 2020, FYE 2021, FYE 2022 and FYE 2023, the financial statements have been prepared in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia. There was no audit qualification for Maybulk's financial statements for the respective years under review.

There are no changes in the accounting standards adopted by Maybulk, which would result in a material variation to the comparable figures for the audited consolidated financial statements of Maybulk for the FYE 2020, FYE 2021, FYE 2022 and FYE 2023.

10. BORROWINGS

As at 31 March 2024, which is not more than 3 months preceding the LPD, Maybulk Group has total outstanding borrowings of approximately RM0.76 million, all of which are interest bearing, as follows:

	RM'000
<u>Non-current</u>	
Secured: Term Loan	566
Total non-current borrowings	<u>566</u>
<u>Current</u>	
Secured: Term Loan	191
Total current borrowings	<u>191</u>
Total borrowings	<u><u>757</u></u>

INFORMATION OF MAYBULK

11. MATERIAL COMMITMENTS AND CONTINGENT LIABILITIES

As at the LPD, save as disclosed below, there is no material commitment incurred or known to be incurred by our Company or our Group, which upon becoming enforceable, may have material impact on the financial position of our Group:

	RM'000
Capital expenditure approved and contracted for:	
- Purchase of a piece of freehold land with Lot No. PT85116, Mukim Kapar, Daerah Klang, Negeri Selangor	8,250 [^]
Capital expenditure approved but not contracted for:	
- Estimated gross development cost of the freehold land with Lot No. PT85116, Mukim Kapar, Daerah Klang, Negeri Selangor	163,163
Total	171,413

Note:

[^] The total purchase consideration for the freehold land with Lot No. PT85116, Mukim Kapar, Daerah Klang, Negeri Selangor is RM165.00 million. As at the LPD, a total of RM156.75 million (i.e. 95% of the total purchase consideration) has been paid by the Group. The balance RM8.25 million (i.e. 5% of the total purchase consideration) is expected to be paid by the Group by the third quarter of 2024.

As at the LPD, there is no contingent liability incurred or known to be incurred by our Company or our Group, which upon becoming enforceable, may have a material impact on the financial position of our Company and/or our Group.

12. MATERIAL LITIGATION

As at the LPD, the Group is not engaged in any material litigation, claim and/or arbitration neither as plaintiff or defendant, which may have a material effect on the financial position or business of the Group and the Board confirms that there are no proceedings, pending or threatened, or of any fact likely to give rise to any proceedings which might materially and adversely affect the financial position or business of the Group.

13. MATERIAL CONTRACTS

Save as disclosed below, there are no other material contracts (not being contracts entered into the ordinary course of business) that Maybulk Group have entered into during the 2 years immediately preceding the date of the announcement of the Proposals on 27 March 2024:

- (i) MBC Logistic Hub, a 60% owned subsidiary of Maybulk, entered into a sales and purchase agreement on 29 August 2023 to acquire a piece of freehold land from Kapar Land Sdn Bhd for total cash consideration of RM165 million. The acquisition exercise is pending completion;
- (ii) Maybulk had on 29 August 2023 entered into a conditional subscription and shareholders' agreement with Golden Valley Ventures Sdn Bhd ("**GVVSB**") for the subscription of new ordinary shares in MBC Logistic Hub ("**SSA**"), where Maybulk and GVVSB shall respectively hold 60% and 40% equity interest in MBC Logistic Hub. The agreement shall regulate their rights as the shareholders of MBC Logistic Hub. The subscription of new ordinary shares in MBC Logistic Hub pursuant to the SSA was completed on 15 January 2024;

INFORMATION OF MAYBULK

- (iii) Kekal Shipping Pte Ltd, an indirect wholly owned subsidiary of Maybulk, had on 30 August 2023 entered into a Memorandum of Agreement with Tokyo Century Corporation for the disposal of Alam Kekal for a cash consideration of JPY4,430,000,000 (equivalent to approximately RM140.062 million). The disposal exercise was completed on 16 October 2023.

14. HISTORICAL PRICES

The highest and lowest closing market prices and the closing price at the end of each month of Maybulk Shares for the period commencing from 27 September 2023 (being 6 months before the announcement of the Proposals on 27 March 2024) up to the LPD are set out below:

	Closing market price		
	High	Low	Last trading day of the month
	RM	RM	RM
<u>2023</u>			
September (commencing from 27 September 2023)	0.325	0.320	0.320
October	0.325	0.310	0.315
November	0.325	0.305	0.305
December	0.315	0.300	0.310
<u>2024</u>			
January	0.340	0.310	0.325
February	0.330	0.315	0.315
March	0.315	0.300	0.300
April	0.305	0.295	0.300
May (up to the LPD)	0.300	0.300	0.300
Last traded price immediately preceding the date of the announcement of the Proposals (i.e. 26 March 2024)			0.305
Last traded price as at the LPD			0.300
Closing market prices from 27 September 2023 up to the LPD:			
Highest on 29 January 2024			0.340
Lowest on 15 April 2024, 16 April 2024, 18 April 2024, 19 April 2024, 25 April 2024 and 26 April 2024			0.295

(Source: Bloomberg)

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ATTACHMENT II OF THE IAL

INFORMATION OF DATO' GOH AND HIS PERSON(S) ACTING IN CONCERT

1. INFORMATION ON DATO' GOH AND HIS PERSON(S) ACTING IN CONCERT

As disclosed in **Section 3, Part A** of the Circular, Dato' Goh and his person(s) acting in concert will apply to the SC for an exemption from a mandatory offer obligation after obtaining the approval for the Proposed Exemption from the non-interested Shareholders at the forthcoming EGM of the Company.

Accordingly, the details of Dato' Goh and his person(s) acting in concert are as follows:

Name	Age	Nationality	Nature of relationship
Dato' Goh	64	Malaysian	<ul style="list-style-type: none">• Group Managing Director• Major Shareholder of Maybulk• Spouse of Datin Tan Pak Say
Datin Tan Pak Say	63	Malaysian	<ul style="list-style-type: none">• Shareholder of Maybulk• Spouse of Dato' Goh

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FURTHER INFORMATION

1. DISCLOSURE OF INTERESTS AND DEALINGS IN SHARES**1.1 By Maybulk****(i) Dealing in own securities of Maybulk**

Maybulk has not dealt, directly or indirectly, in its own voting shares or convertible securities of Maybulk during the period beginning 6 months before the date of the announcement of the Proposals on 27 March 2024 and ending on the LPD.

1.2 By the Directors**(i) Disclosure of interest in Maybulk**

As at the LPD, save as disclosed in **Section 4, Attachment I** of this IAL, the Directors of Maybulk do not have any other interest, direct or indirect, in any voting shares or convertible securities of Maybulk.

(ii) Dealings in securities of Maybulk

As at the LPD, the Directors have not dealt, directly or indirectly, in any voting shares or convertible securities of Maybulk during the period beginning 6 months before the announcement of the Proposals on 27 March 2024 and ending on the LPD.

1.3 By Dato' Goh and his person(s) acting in concert**(i) Disclosure of interest in Maybulk**

As at the LPD, save as disclosed below, Dato' Goh and his person(s) acting in concert do not have any other interest, direct or indirect, in any voting shares or convertible securities in Maybulk.

Name	Direct		Indirect	
	No. of Shares	% ⁽¹⁾	No. of Shares	% ⁽¹⁾
Dato' Goh	320,000,000	32.00	150,000	⁽²⁾ 0.015
PAC Datin Tan Pak Say	150,000	0.015	-	-

Notes:

(1) Computed based on the issued share capital of 1,000,000,000 Maybulk Shares as at the LPD.

(2) Deemed interested by virtue of his spouse's direct shareholding in Maybulk pursuant to Section 8 of the Act.

(ii) Dealings in securities of Maybulk

As at the LPD, Dato' Goh and his person(s) acting in concert have not dealt, directly or indirectly, in any voting shares or convertible securities in Maybulk during the period beginning 6 months before the announcement of the Proposals on 27 March 2024 and ending on the LPD.

FURTHER INFORMATION

1.4 By the persons with whom Maybulk or any person(s) acting in concert with it has any arrangement

As at the LPD, there are no persons with whom Maybulk or any person(s) acting in concert with it has entered into any arrangement, including any arrangement involving rights over shares, any indemnity arrangement, and any agreement or understanding, formal or informal, of whatever nature, relating to relevant securities which may be an inducement to deal or to refrain from dealing pursuant to the Proposals.

1.5 By the persons with whom Maybulk or any person(s) acting in concert with it has borrowed or lent

As at the LPD, there are no persons with whom Maybulk or any person(s) acting in concert with it have borrowed or lent any voting shares or convertible securities of Maybulk.

1.6 By BDOCC**(i) Disclosure of interest in Maybulk**

As at the LPD, BDOCC does not have any interest, whether direct or indirect, in any voting shares or convertible securities of Maybulk.

(ii) Disclosure of dealings in securities of Maybulk

BDOCC has not dealt, directly or indirectly, in the Maybulk Shares during the period beginning 6 months before the date of the announcement of the Proposals on 27 March 2024 and ending on the LPD.

(iii) Disclosure of interest in Maybulk by funds whose investments are managed by BDOCC on a discretionary basis

As at the LPD, BDOCC is not involved in the management of funds on a discretionary basis.

1.7 By the persons who have irrevocably committed themselves to vote in favour or against the Proposals

As at the LPD, there are no persons who have irrevocably committed themselves to vote in favour or against the Proposals.

1.8 By the persons with whom Dato' Goh and his PAC or any person(s) acting in concert with them have any arrangement

As at the LPD, there are no persons with whom Dato' Goh and his PAC or any person(s) acting in concert with them have entered into any arrangement, including any arrangement involving rights over shares, any indemnity arrangement, and any agreement or understanding, formal or informal, of whatever nature, relating to relevant securities which may be an inducement to deal or to refrain from dealing pursuant to the Proposals.

1.9 By the persons with whom Dato' Goh and his PAC or any person(s) acting in concert with them have borrowed or lent

As at the LPD, there are no persons with whom Dato' Goh and his PAC or any person(s) acting in concert with them have borrowed or lent any voting shares or convertible securities of Maybulk.

FURTHER INFORMATION

2. ARRANGEMENT AFFECTING DIRECTORS

- (i) As at the LPD, no payments or other benefits will be made or given to any Director as compensation for loss of office or otherwise in connection with the Proposals.
- (ii) As at the LPD, there are no agreements or arrangements between any Director and any other person which is conditional on or dependent upon the outcome of the Proposals or otherwise connected with the outcome of the Proposals.
- (iii) As at the LPD, Dato' Goh and his person(s) acting in concert have not entered into any material contract in which any Director has a material personal interest.
- (iv) As at the LPD, there are no agreements, arrangements or understanding existing between Dato' Goh and his person(s) acting in concert with any of the Directors or recent Directors, holders of voting shares or voting rights or recent holders of voting shares or voting rights of Maybulk having any connection with or dependence upon the Proposals.

Note:

Recent Directors or recent holders of voting shares or voting rights of Maybulk refers to such person who was during the period of 6 months prior to the announcement of the Proposals on 27 March 2024, a Director or holder of voting shares or voting rights of Maybulk.

3. SERVICE CONTRACTS

As at the LPD, neither Maybulk nor its subsidiaries have any service contracts with any Directors or proposed Directors, which have been entered into or amended within 6 months before the date of the announcement of the Proposals on 27 March 2024 or which are fixed term contracts with more than 12 months to run.

For the purpose of this section, the term "service contracts" excludes those expiring or determinable by the employing company without payment of compensation within 12 months from the date of this IAL.

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APPENDIX I – FURTHER INFORMATION

1. DIRECTORS' RESPONSIBILITY STATEMENT

This Circular has been seen and approved by the Board and the Directors collectively and individually accept full responsibility for the completeness and accuracy of the information contained in this Circular and confirm that after making all reasonable enquiries and to the best of their knowledge and belief, there are no false or misleading statements contained in this Circular or other facts, the omission of which would make any statement in this Circular false or misleading.

2. CONSENTS AND CONFLICT OF INTEREST**2.1 Interpac**

Interpac, being the Principal Adviser, has given and has not subsequently withdrawn its written consent to the inclusion of its name and all references thereto in the form and context in which they appear in this Circular.

For information, Interpac was appointed as the Adviser to Maybulk for the disposal of one of its bulk carriers, namely Alam Kekal. The disposal of Alam Kekal was completed on 16 October 2023. Further details on the disposal of Alam Kekal are set out in the circular to Shareholders dated 14 July 2023, which can be downloaded from Bursa Securities' website at www.bursamalaysia.com.

Interpac confirms it is not aware of any conflict of interest which exists or is likely to exist in relation to its role as the Principal Adviser for the Proposals.

2.2 BDOCC

BDOCC, being the Independent Adviser, has given and has not subsequently withdrawn its written consent to the inclusion of its name, the IAL and all references thereto in the form and context in which they appear in this Circular.

For information, BDOCC was appointed as the Independent Adviser by the Board (save for the Interested Directors) to advise the non-interested shareholders in relation to the Acquisition, proposed joint venture between Maybulk and GVVSB to jointly acquire and develop the land and proposed diversification of the existing principal activities of Maybulk and its subsidiaries to include industrial property development and property investment.

BDOCC confirms it is not aware of any conflict of interest which exists or is likely to exist in relation to its role as the Independent Adviser to the non-interested Directors and non-interested Shareholders for the Proposed Exemption.

3. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at the Registered Office of the Company at Suite 8.01, Level 8, Menara Binjai, No 2 Jalan Binjai, 50450 Kuala Lumpur during normal business hours from 9.00 am to 5.00 pm, Monday to Friday (except public holidays) from the date of this Circular up to and including the date of the upcoming EGM for the Proposals:

- (i) the Constitution of the Company;
- (ii) the audited consolidated financial statements of the Company for the FYE 2022 and FYE 2023; and
- (iii) the letters of consent and conflict of interest referred to in Section 2 of this Appendix I.



MAYBULK BERHAD

(Formerly known as Malaysian Bulk Carriers Berhad)
Registration No. 198801008597 (175953-W)
(Incorporated in Malaysia)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT an Extraordinary General Meeting of Maybulk Berhad (“**Maybulk**” or the “**Company**”) will be conducted on a virtual basis through live streaming from the broadcast venue at BO1-A-09-1, Menara 2, KL Eco City, 3 Jalan Bangsar, 59200 Kuala Lumpur, Malaysia on Wednesday, 26 June 2024 at 11.00 a.m. or immediately after the conclusion of the Company’s Thirty-Fifth Annual General Meeting which will be held on the same day at 10.00 a.m., whichever is later, or at any adjournment thereof for the purpose of considering and, if thought fit, passing the following resolutions with or without modifications:

ORDINARY RESOLUTION 1

PROPOSED SHARE BUY-BACK AUTHORITY OF UP TO 10% OF THE TOTAL NUMBER OF ISSUED SHARES OF THE COMPANY (“PROPOSED SHARE BUY-BACK AUTHORITY”)

“**THAT** subject to the Companies Act 2016 (“**Act**”), the provisions of the Constitution of the Company, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“**Bursa Securities**”) and all other applicable laws, rules, and regulations and guidelines from the time being in force and the approvals of all relevant governmental and/or regulatory authority, approval be and is hereby given to the Company, to purchase such number of ordinary shares in the Company 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, necessary and expedient in the best interest of the Company, provided that:

- (a) the maximum aggregate number of ordinary shares which may be purchased and/or held by the Company as treasury shares shall not exceed ten percent (10%) of the total number of issued shares of the Company at any point in time of the said purchase(s); and
- (b) the maximum funds to be allocated by the Company for the purpose of purchasing its ordinary shares shall not exceed the total retained profits of the Company based on the latest audited financial statements and/or the latest unaudited financial statements of the Company (where applicable) available at the time of the purchase(s).

THAT the authority conferred by this resolution will be effective immediately upon the passing of this Ordinary Resolution 1 and shall continue to be in force until:

- (i) the conclusion of the next annual general meeting (“**AGM**”) of the Company at which time the said authority shall lapse; unless by an ordinary resolution passed at that meeting, the authority is renewed, either unconditionally or subject to conditions;
- (ii) the expiration of the period within which the next AGM of the Company is required by law to be held; or
- (iii) revoked or varied by an ordinary resolution passed by the shareholders in a general meeting,

whichever occurs first.

THAT upon completion of the purchase by the Company of its own ordinary shares, the Directors of the Company be and are hereby authorised to deal with the ordinary shares purchased in their absolute discretion in the following manner:

- (a) distribute the shares as share dividends to the shareholders;
- (b) resell the shares or any of the shares on Bursa Securities;
- (c) transfer the shares or any of the shares for the purposes of or under an employees' shares scheme (if any);
- (d) transfer the shares or any of the shares as purchase consideration;
- (e) cancel all the ordinary shares so purchased; and/or
- (f) sell, transfer or otherwise use the shares for such other purposes as allowed by the Act.

AND THAT the Directors of the Company be authorised to take all such steps as are necessary to implement, complete and 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 purchase by the Company of its own shares with full powers to assent to any conditions, modifications, revaluations, variations and/or amendments (if any) as may be imposed by the relevant authorities from time to time or as the Directors may in their discretion deem necessary and to do all such acts and things as the Directors may deem fit and expedient in the best interests of the Company."

ORDINARY RESOLUTION 2

PROPOSED EXEMPTION UNDER SUBPARAGRAPH 4.15(1) OF THE RULES ON TAKE-OVERS, MERGERS AND COMPULSORY ACQUISITION ("RULES") TO DATO' GOH CHENG HUAT ("DATO' GOH") AND PERSON ACTING IN CONCERT WITH HIM FROM THE OBLIGATION TO UNDERTAKE A MANDATORY TAKE-OVER OFFER FOR ALL THE REMAINING ORDINARY SHARES IN MAYBULK ("MAYBULK SHARES" OR "SHARES") NOT ALREADY OWNED BY THEM ARISING FROM THE PURCHASE BY MAYBULK OF ITS OWN SHARES PURSUANT TO THE PROPOSED SHARE BUY-BACK AUTHORITY ("PROPOSED EXEMPTION")

"THAT subject to the passing of Ordinary Resolution 1 and approvals of all relevant authorities and/or parties being obtained, approval be and is hereby given to Dato' Goh and person(s) acting in concert with him to be exempted from the obligation to undertake a mandatory offer for all the remaining Shares not already held by them arising from the exercise of the Company's share buy-back authority to purchase and/or hold up to 10% of the total number of issued shares of the Company.

AND THAT the Board is hereby empowered and authorised to take all such steps and do all acts, deeds and things to enter into any arrangements, transactions, agreements and/or undertakings and to execute, sign and deliver on behalf of the Company, all such documents as may be necessary, expedient and/or appropriate to implement and give full effect to the Proposed Exemption with full powers to assent to any conditions, modifications, variations and/or amendments as the Board may in its absolute discretion deem fit, necessary, expedient, appropriate and/or as may be imposed or permitted by any relevant authorities in connection with the Proposed Exemption and to do all such things as the Board may consider necessary or expedient or in the best interest of the Company."

BY ORDER OF THE BOARD

Tai Yit Chan (MAICSA 7009143) (SSM PC NO.: 202008001023)
Tan Ai Ning (MAICSA 7015852) (SSM PC NO.: 202008000067)
Company Secretaries

10 May 2024
Kuala Lumpur

Notes:

1. The EGM will be conducted on a virtual basis through live streaming and online remote voting using the Remote Participation and Electronic Voting (“RPEV”) facilities to be provided by Company’s Share Registrar, Boardroom Share Registrars Sdn Bhd at <https://meeting.boardroomlimited.my>. Please follow the procedures provided in the Administrative Guide for the EGM in order to register, participate and vote remotely via the RPEV facilities.

Please refer to the Administrative Guide for Shareholders for the EGM on the procedures to register, participate and vote remotely via the RPEV facilities.

2. The Broadcast Venue is strictly for the purpose of complying with Section 327(2) of the Act which requires the Chairman of the Meeting to be present at the main venue of the EGM. Members/proxies/corporate representatives are not allowed to physically present nor admitted at the Broadcast Venue on the day of the EGM.
3. Pursuant to Paragraph 8.29(A) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, voting at the EGM will be conducted by poll rather than a show of hands. Poll Administrator and Independent Scrutineers will be appointed to conduct the polling process and verify the results of the poll respectively.
4. A member of the Company entitled to attend and vote at the EGM is entitled to appoint not more than two (2) proxies to attend and vote instead of him/her. Where a member appoints two (2) proxies to attend the same meeting, the member shall specify the proportion of his/her shareholdings to be represented by each proxy. A proxy may but need not be a member of the Company.
5. Where a member is an authorised nominee, it may appoint at least one proxy in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.
6. Where a member is an exempt authorised nominee which holds shares in the Company for multiple beneficial owners in one securities account (“omnibus account”), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
7. The instrument appointing a proxy shall be in writing under the hand of the appointor or his/her attorney duly authorised and in the case of corporation, shall be either under seal or under the hand of an officer or attorney duly authorised.
8. The Proxy Form or the Power of Attorney or other authority, if any, under which it is signed or a notarially certified copy of that power of authority shall be deposited at the Share Registrar’s office of the Company, Boardroom Share Registrars Sdn Bhd at 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia not less than forty-eight (48) hours before the time for holding the virtual EGM or any adjournment thereof, failing which, the instrument of proxy shall not be treated as valid.

Alternatively, the Proxy Form can be electronically submitted via Boardroom Share Registrars’ website, Boardroom Smart Investor Online Portal at <https://investor.boardroomlimited.com>. Please refer to the Administrative Guide for Shareholders for further information on electronic submission.
9. The appointment of the proxy(ies) will be INVALID if the Proxy Form/e-Proxy Form is not completed correctly in accordance with the instructions stated in the form.
10. In respect of deposited securities, only members whose names appear on the Record of Depositors on 20 June 2024 (General Meeting Record of Depositors) shall be eligible to attend the virtual meeting or appoint proxy(ies) to attend and/or vote on his/her behalf.
11. In view of the constant evolving Covid-19 situation in Malaysia, we may be required to change the arrangements of the EGM at short notice. Kindly check Bursa Malaysia Securities Berhad’s website and the Company’s website at www.maybulk.com.my for the latest updates on the status of the EGM.

Personal Data Privacy

By submitting an instrument appointing proxy(ies) and/or representative(s) to attend, participate and vote at the EGM and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member’s personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the EGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the EGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the “Purposes”), (ii) warrants that where the member discloses the personal data of the member’s proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member’s breach of warranty.



MAYBULK BERHAD
(Formerly known as Malaysia Bulk Carriers Berhad)
Registration No. 198801008597 (175953-W)
(Incorporated in Malaysia)

ADMINISTRATIVE GUIDE FOR SHAREHOLDERS

MEETING	:	EXTRAORDINARY GENERAL MEETING
DATE	:	Wednesday, 26 June 2024
TIME	:	11.00 a.m. or immediately after the conclusion of the Company's Thirty-Fifth Annual General Meeting which will be held on the same day at 10.00 a.m., whichever is later (Malaysia time)
BROADCAST VENUE	:	BO1-A-09-1, Menara 2, KL Eco City, 3 Jalan Bangsar, 59200 Kuala Lumpur, Malaysia
Meeting platform	:	https://meeting.boardroomlimited.my (" Virtual Meeting Portal ")
Mode of communication	:	1) You may type your question(s) in the meeting platform. The Messaging window facility will open concurrently with the Virtual Meeting Portal one (1) hour before the scheduled commencement of the Extraordinary General Meeting (" EGM " or " Meeting "), i.e. from 10.00 a.m. on Wednesday, 26 June 2024 .
	:	2) You may submit questions relating to the agenda items of the EGM in advance via Boardroom's website at https://investor.boardroomlimited.com , commencing from 10 May 2024 and in any event no later than Monday, 24 June 2024 at 11.00 a.m.

For further details on the mode of communication, please refer to note 5 of this Administrative Guide.

1. Virtual EGM

As part of our continuing safety and precautionary measures, the Company ("**Maybulk**") will conduct its EGM entirely via live streaming and online remote voting using remote participation and electronic voting ("**RPEV**") facilities.

The Broadcast Venue is limited to essential individuals required to be physically present at the venue to organise and conduct the virtual EGM of the Company.

Shareholders are invited to participate and vote at the forthcoming EGM via Boardroom Share Registrars Sdn. Bhd.'s meeting platform at <https://meeting.boardroomlimited.my>. **NO SHAREHOLDERS/PROXIES/ CORPORATE REPRESENTATIVES** should be physically present at or admitted to the Broadcast Venue on the day of the EGM.

2. Entitlement to participate and vote at the EGM

Only a depositor whose name appears on the Record of Depositors of the Company as at Thursday, 20 June 2024 shall be eligible to participate in the EGM or appoint proxy(ies) or corporate representative(s) to participate and vote on his/her behalf.

As the EGM is a virtual meeting, a shareholder entitled to attend and vote at the Meeting may appoint the Chairman of the Meeting as his/her proxy to attend and vote in his/her stead and indicate his/her voting instructions in the Proxy Form.

3. Voting Procedure – Poll Voting

- i. Voting at the EGM will be conducted by poll in accordance with Paragraph 8.29A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.
- ii. The Company has appointed Boardroom Share Registrars Sdn. Bhd. (“**Boardroom**”) as poll administrator to conduct the poll by way of electronic voting (“**e-Voting**”), and independent scrutineers (“**Scrutineers**”) will be appointed to verify the results of the poll.
- iii. For the purposes of this EGM, e-Voting may be carried out via personal smart mobile phones, tablets, personal computers or laptops.
- iv. There are two (2) methods for members and proxies who wish to use their personal voting device to vote. The methods are:
 - (a) Use QR Scanner Code given in the email to you; or
 - (b) access via the website URL: <https://meeting.boardroomlimited.my>
- v. Please note that polling will only commence after announcement by the Chairman of poll opening and until such time the Chairman announces closure of the poll. The poll result report will be verified by the Scrutineers, and the results announced thereafter. The Chairman will declare whether the resolutions put to vote are duly passed.
- vi. You must ensure that you are connected to the internet at all times in order to participate and vote remotely when the EGM has commenced. It is therefore your responsibility to ensure that connectivity for the duration of the EGM is maintained. Kindly note that the quality of the connectivity to the Virtual Meeting Portal for the live webcast and remote online voting is dependent on the bandwidth and stability of the internet connection at remote participants’ locations.

4. RPEV facilities

- i. The RPEV facilities are available to **(i) individual shareholders; (ii) corporate shareholders; (iii) authorised nominees; and (iv) exempt authorised nominees.**
- ii. If you wish to participate in the Meeting, you will be able to view a live webcast of the Meeting, ask questions and submit your votes in real time whilst the Meeting is in progress.
- iii. Kindly follow the steps below on how to request for your login ID and password.

Step 1 – Register online with Boardroom Smart Investor Portal (“BSIP”) (for first time registration only)

[Note: If you have already signed up with Boardroom Smart Investor Portal, you are not required to register again. You may proceed to Step 2 – Submit Request for Remote Participation User ID and Password.]

- a. Access the website: <https://investor.boardroomlimited.com>
- b. Click <<**Register**>> to sign up as a user.
- c. Please select the account type i.e. sign up as “Shareholder” or “Corporate Holder”.
- d. Complete registration with all required information and upload a softcopy of your or representative’s MyKad (front and back) (for Malaysian), or passport (for foreigner) in JPEG, PNG or PDF format (as the case may be).
- e. For corporate holder, kindly attach the authorisation letter as well (template available)
- f. Please enter a valid email address, mobile number and password. Click <<**Sign Up**>>.
- g. You will receive an email from Boardroom for email address verification. Click <<**Verify E-mail Address**>> to proceed with the registration.
- h. Once your email address is verified, you will be re-directed to BSIP Online for verification of your mobile number. Click <<**Request OTP Code**>> and an OTP code will be sent to the registered mobile number. Click <<**Enter**>> to enter the OTP code to complete the process.

- i. An email will be sent to you within one (1) business day informing you on the approval of your BSIP account. You can login to the BSIP at <https://investor.boardroomlimited.com> with the email address and password that you have provided during the registration to proceed with the next step.

***Check if your email address is keyed in correctly.**

***Remember the password that you have keyed in.**

Step 2 – Submit Request for Remote Participation User ID and Password

[Note: Registration for remote access will open on 10 May 2024.]

Individual/ Corporate Members

- Login to <https://investor.boardroomlimited.com> using your User ID and Password given above.
- Select <<**MEETING EVENT(S)**>> from the main menu and select the correct Corporate Event <<**MAYBULK BERHAD EXTRAORDINARY GENERAL MEETING**>> from the list of Meeting Events and click <<Enter>>.
- Go to <<**VIRTUAL**>> and click on <<**Register for RPEV**>>.
- Tick << **I wish to register for Remote Participation and Electronic Voting (RPEV) and join the meeting virtually**>> and enter your CDS Account Number.
- Read and agree to the General Terms & Conditions and click <<**Register**>>.

Appointment of Proxy

- Login to <https://investor.boardroomlimited.com> using your User ID and Password given above.
- Select <<**MEETING EVENT(S)**>> from the main menu and select the correct Corporate Event << **MAYBULK BERHAD EXTRAORDINARY GENERAL MEETING**>> from the list of Meeting Events and click <<Enter>>.
- Click on <<**Submit e-Proxy Form**>>.
- For Corporate Shareholder, select the company(ies) you would like to represent
Note: if you wish to appoint more than one (1) company, please click the home button and select “Edit Profile” in order to add the company’s name.
- Enter your CDS Account Number and the number of securities held. Select your proxy - either the Chairperson of the Meeting or individual named proxy(ies).
- Read and accept the terms and conditions by clicking “**Next**”.
- Enter the required particulars of your proxy(ies).
- Indicate your voting instructions - FOR, AGAINST or ABSTAIN, otherwise your proxy(ies) will decide your vote.
- Review and confirm your proxy(ies) appointment.
- Click “Submit”.
- Download or print the e-Proxy form as acknowledgement.

Authorised Nominees and Exempt Authorised Nominees

- Login to <https://investor.boardroomlimited.com> using your User ID and Password given above.
- Select <<**MEETING EVENT(S)**>> from the main menu and select the correct Corporate Event << **MAYBULK BERHAD EXTRAORDINARY GENERAL MEETING**>> from the list of Meeting Events and click <<Enter>>.
- Click on <<**Submit e-Proxy Form**>>.
- Select the company you would like to represent (if more than one).
- Proceed to download the file format for “**Submission of Proxy Form**”.
- Prepare the file for the appointment of proxy(ies) by inserting the required data.
- Proceed to upload the duly completed proxy appointment file.
- Review and confirm your appointment and click “**Submit**”.
- Download or print the e-Proxy form as acknowledgement.

*Note: if you are the authorised representative(s) for more than one (1) authorised nominee / exempt authorised corporate nominee / corporate shareholder, please click the home button and select “**Edit Profile**” in order to add the company’s name.*

Corporate Shareholders/Authorised Nominees/ Exempt Authorised Nominees/Attorneys, you may also write to bsr.helpdesk@boardroomlimited.com and provide the name of the shareholder, CDS account no. and the Certificate of Appointment of Corporate Representative or Proxy Form (as the case may be). A copy of MyKad or passport and a valid email address are required.

*** Check the email address of Proxy or Corporate Representative is written down correctly.**

- a. You will receive a notification(s) from Boardroom that your request has been received and is being verified.
- b. Upon system verification of your registration against the **EGM Record of Depositors as at 20 June 2024**, you will receive an email from Boardroom either approving or rejecting your registration for remote participation.
- c. You will also receive your remote access User ID and Password along with the email from Boardroom if your registration is approved.
- d. If your registration is rejected, a rejection note will be provided to you via email.

*** Please note that the closing date and time to submit your request is by Monday, 24 June 2024 at 11.00 a.m.**

Step 3 – Login to Virtual Meeting Portal

[Note: Please note that the quality of the connectivity to the Virtual Meeting Portal for the live webcast and remote online voting is highly dependent on the bandwidth and stability of the internet connectivity available at remote users' locations.]

- a. The Virtual Meeting Portal will open for login one (1) hour before the scheduled commencement of the EGM, i.e. from **10.00 a.m. on Wednesday, 26 June 2024**.
- b. Please follow the steps given to you in the email along with your remote access User ID and Password to login to the Virtual Meeting Portal (*Refer to Step 2(c) above*).
- c. The steps given will also guide you on how to view the live webcast, submit questions and vote.
- d. The live webcast will end and the Messaging window (for submission of questions) will be disabled once the Chairman announces the closure of the EGM.
- e. You can then logout from the Virtual Meeting Portal.

Note to users of the RPEV facilities:

1. Should your application to join the meeting be approved, Boardroom will facilitate your participation in the live stream meeting and remote voting. Your login to the Virtual Meeting Portal on the day of meeting will indicate your presence at the virtual meeting.
2. If you encounter any issues with login, connecting to the live stream meeting or online voting, please call Boardroom at +603 7890 4700 or send an email to bsr.helpdesk@boardroomlimited.com for assistance.

5. Mode of Communication

Shareholders may submit questions relating to the agenda items of the EGM in advance commencing from 10 May 2024 and in any event no later than 11.00 a.m. on Monday, 24 June 2024 via Boardroom's website at <https://investor.boardroomlimited.com>, and select <<**SUBMIT QUESTION**>> to pose questions ("**Pre-EGM Meeting Questions**").

Alternatively, you may submit any questions for the Chairman/Board during the EGM using the Messaging window facility which will open concurrently with the Virtual Meeting Portal one (1) hour before the scheduled commencement of the EGM, i.e. from **10.00 a.m. on Wednesday, 26 June 2024**.

The Chairman and management will respond to their best endeavours, questions submitted by shareholders which relate to the matters in the agenda of the EGM. Questions that are similar or on the same matter may be consolidated and answered together.

Please note that no recording or photography of the EGM proceedings is allowed without the prior written permission of the Company.

6. Lodgement of Proxy Form

Please deposit your completed Proxy Form at the office of Boardroom Share Registrars Sdn. Bhd. at **11th Floor, Menara Symphony, No. 5 Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia**, not less than forty-eight (48) hours before the time appointed for the holding of the EGM, i.e. not later than **Monday, 24 June 2024 at 11.00 a.m.**

Alternatively, the proxy appointment can also be lodged electronically via the “Boardroom Smart Investor Portal” at <https://investor.boardroomlimited.com> which is available to individual shareholders, not less than forty-eight (48) hours before the time appointed for the holding of the EGM, i.e. **Monday, 24 June 2024 at 11.00 a.m.** For further information, kindly refer to note (4) – “Online Registration Procedure” above.

The lodging of the Proxy Form will not preclude you from personally participating remotely and voting at the EGM should you subsequently wish to do so.

Should you wish to personally participate remotely in the EGM, kindly register your intention to do so via Boardroom’s website at <https://investor.boardroomlimited.com> (*refer to note 4 - Steps 1 to 3 above*). Please note that upon your registration to personally participate remotely in the EGM, any previous proxy appointment will be deemed revoked. Alternatively, please write in to bsr.helpdesk@boardroomlimited.com to revoke your earlier proxy appointment **no later than Monday, 24 June 2024 at 11.00 a.m.**

7. Communication guidance

Shareholders are also reminded to monitor the Company’s website and announcements for any changes to the EGM arrangements.

8. No door gifts/vouchers

No door gifts or e-vouchers will be distributed to shareholders/proxies who participate in the EGM.

9. Enquiries

Should you have any enquiry prior to the EGM or if you wish to request technical assistance to participate the EGM, please contact Boardroom during office hours (8:30 a.m. to 5:30 p.m.) as follows:

Boardroom Share Registrars Sdn. Bhd.

Address : 11th Floor, Menara Symphony
No. 5, Jalan Prof. Khoo Kay Kim
Seksyen 13
46200 Petaling Jaya
Selangor Darul Ehsan

General line : +603 7890 4700
Fax number : +603 7890 4670
Email : bsr.helpdesk@boardroomlimited.com



MAYBULK BERHAD
(Formerly known as Malaysian Bulk Carriers Berhad)
Registration No. 198801008597 (175953-W)
(Incorporated in Malaysia)

PROXY FORM

CDS Account No.
No. of Shares held

I/We, NRIC/Passport/Registration No.:
(Full name in block letters)

of
(Address)

being a member/members of Maybulk Berhad (formerly known as Malaysian Bulk Carriers Berhad), hereby appoint(s):

Full Name (in Block)	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Email Address			
Address			

and / or*

Full Name (in Block)	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Email Address			
Address			

or failing him/her*, the Chairman of the Meeting as my/our* proxy to vote for me/us* on my/our* behalf at the Extraordinary General Meeting ("EGM") of the Company to be conducted on a virtual basis through live streaming from the broadcast venue at BO1-A-09-1, Menara 2, KL Eco City, 3 Jalan Bangsar, 59200 Kuala Lumpur, Malaysia on Wednesday, 26 June 2024 at 11:00 a.m. or immediately after the conclusion of the Company's Thirty-Fifth Annual General Meeting which will be held on the same day at 10:00 a.m., whichever is later, or any adjournment thereof in the manner indicated below:

Item	Agenda	Resolution	FOR	AGAINST
1.	Proposed Share Buy-Back Authority	Ordinary Resolution 1		
2.	Proposed Exemption	Ordinary Resolution 2		

*delete whichever not applicable

Please indicate with an 'X' in the space provided whether you wish your votes to be cast for or against the resolution. In the absence of specific direction, your proxy may vote or abstain as he thinks fit.

Dated this.....day of2024

Signature(s) of member(s)



Notes:

1. *The EGM will be conducted on a virtual basis through live streaming and online remote voting using the Remote Participation and Electronic Voting (“RPEV”) facilities to be provided by Company’s Share Registrar, Boardroom Share Registrars Sdn Bhd at <https://meeting.boardroomlimited.my>. Please follow the procedures provided in the Administrative Guide for the EGM in order to register, participate and vote remotely via the RPEV facilities.*

Please refer to the Administrative Guide for Shareholders for the EGM on the procedures to register, participate and vote remotely via the RPEV facilities.
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4. *A member of the Company entitled to attend and vote at the EGM is entitled to appoint not more than two (2) proxies to attend and vote instead of him/her. Where a member appoints two (2) proxies to attend the same meeting, the member shall specify the proportion of his/her shareholdings to be represented by each proxy. A proxy may but need not be a member of the Company.*
5. *Where a member is an authorised nominee, it may appoint at least one proxy in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.*
6. *Where a member is an exempt authorised nominee which holds shares in the Company for multiple beneficial owners in one securities account (“omnibus account”), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.*
7. *The instrument appointing a proxy shall be in writing under the hand of the appointor or his/her attorney duly authorised and in the case of corporation, shall be either under seal or under the hand of an officer or attorney duly authorised.*
8. *The Proxy Form or the Power of Attorney or other authority, if any, under which it is signed or a notarially certified copy of that power of authority shall be deposited at the Share Registrar’s office of the Company, Boardroom Share Registrars Sdn Bhd at 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia not less than forty-eight (48) hours before the time for holding the virtual EGM or any adjournment thereof, failing which, the instrument of proxy shall not be treated as valid.*

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Personal Data Privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of the EGM dated 10 May 2024.

Fold this flap for sealing

Then fold here

AFFIX
STAMP

**The Share Registrar of
MAYBULK BERHAD
(FORMERLY KNOWN AS MALAYSIAN BULK CARRIERS BERHAD)**
11th Floor, Menara Symphony
No. 5, Jalan Prof. Khoo Kay Kim
Seksyen 13
46200 Petaling Jaya
Selangor

1st fold here

