

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

**IF YOU ARE IN ANY DOUBT AS TO THE COURSE OF ACTION TO BE TAKEN, YOU SHOULD CONSULT YOUR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER PROFESSIONAL ADVISER IMMEDIATELY.**

Bursa Malaysia Securities Berhad (“Bursa Securities”) has not perused the contents of this Circular/Statement pertaining to the Proposed Renewal of Shareholders’ Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature and Proposed Renewal of Share Buy-Back Authority (as defined herein) as Bursa Securities has prescribed it as an exempt circular 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/Statement, 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/Statement.



**KUMPULAN FIMA BERHAD**

Registration No. 197201000167(11817-V)  
(Incorporated in Malaysia)

**PART A**

**CIRCULAR TO SHAREHOLDERS IN RELATION TO THE PROPOSED NEW AND RENEWAL OF SHAREHOLDERS’ MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE**

**PART B**

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

The resolution in respect of the above proposals will be tabled at the Fifty-Second (“52<sup>nd</sup>”) Annual General Meeting (“AGM”) of Kumpulan Fima Berhad to be conducted on a virtual basis via live streaming and online remote voting from the Broadcast Venue at the Training Room, Kumpulan Fima Berhad, Suite 4.1, Level 4, Block C, Plaza Damansara, No. 45, Jalan Medan Setia 1, Bukit Damansara, 50490 Kuala Lumpur on Thursday, 29 August 2024 at 3.00 p.m. or at any adjournment thereof using the Remote Participation and Electronic Voting facilities provided by Boardroom Share Registrars Sdn. Bhd. at <https://meeting.boardroomlimited.my>. Please follow the procedures provided in the Administrative Guide for the 52<sup>nd</sup> AGM in order to register, participate, speak and vote remotely.

The Notice of the 52<sup>nd</sup> AGM together with the Proxy Form are enclosed in the Company’s Annual Report 2024 and can be downloaded at the Company’s website at <https://www.fima.com.my/agm.html> under ‘Investors’ section. The Proxy Form shall be deposited with the Company’s Share Registrar at Boardroom Share Registrars Sdn. Bhd., 11<sup>th</sup> Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan not less than 48 hours before the time set for holding the 52<sup>nd</sup> AGM. Alternatively, the shareholders may deposit the Proxy Form by electronic means through Boardroom Smart Investor Portal. Kindly follow the link at <https://investor.boardroomlimited.com> to login and deposit your Proxy Form electronically, also 48 hours before the meeting.

Last date and time for lodging the Proxy Form:  
Date and time of 52<sup>nd</sup> AGM:

Tuesday, 27 August 2024 at 3.00 p.m.  
Thursday, 29 August 2024 at 3.00 p.m.

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## DEFINITIONS

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The following definitions shall apply throughout this Circular/Statement unless the context requires otherwise:

- |                                    |   |
|------------------------------------|---|
| <b>Act</b>                         | – Companies Act 2016 as amended, supplemented or modified from time to time and any re-enactment thereof  |
| <b>AGM</b>                         | – Annual General Meeting  |
| <b>BHR</b>                         | – BHR Enterprise Sdn. Bhd. [198001011103 (64889-A)]   |
| <b>Board or Board of Directors</b> | – Board of Directors of KFima   |
| <b>Bursa Securities</b>            | – Bursa Malaysia Securities Berhad [200301033577(635998-W)]   |
| <b>Circular</b>                    | – This circular to the shareholders of the Company dated 31 July 2024   |
| <b>CMSA</b>                        | – Capital Market and Services Act 2007, including any amendments made from time to time and any re-enactment thereof  |
| <b>Code</b>                        | – Malaysian Code on Take-Overs and Mergers 2016, including any amendments that may be made from time to time  |
| <b>Director(s)</b>                 | – A natural person who holds a directorship in the Company, whether in an executive or non-executive capacity, within the meaning of Section 2(1) of the CMSA   |
| <b>EPS</b>                         | – Earnings per share  |
| <b>IFC</b>                         | – International Food Corporation Limited (C-1-19260)  |
| <b>KFima or Company</b>            | – Kumpulan Fima Berhad [197201000167 (11817-V)]   |
| <b>KFima Group or our Group</b>    | – Collectively, KFima and its subsidiaries including the companies listed in Appendix I(1) of this Circular and such other new subsidiaries from time to time   |
| <b>FimaCorp</b>                    | – Fima Corporation Berhad [197401004110 (21185-P)], in which KFima holds 62.10% interest (excluding treasury shares) through its wholly-owned subsidiary, Fima Metal Box Holdings Sdn Bhd [198101004811 (70926-X)].     |
| <b>FimaCorp Group</b>              | – Collectively, FimaCorp and its subsidiaries including the companies listed in Appendix I(2) of this Circular and such other new subsidiaries from time to time  |
| <b>Listed Issuer</b>               | – Means any one or more, as the context may require, of the following:<br>(a) a listed corporation, including a SPAC;<br>(b) a listed collective investment scheme; or<br>(c) an issuer of any other listed securities. |
| <b>Listing Requirements</b>        | – Main Market Listing Requirements of Bursa Securities including any amendments thereto that may be made from time to time  |
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## DEFINITIONS

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<b>Management And Support Services</b>	<ul style="list-style-type: none"><li>– Include services such as secretarial and legal, treasury and risk management, internal audit, accounting and tax, human resources management, training, investment, support on corporate social responsibility initiatives, strategic business planning and any other services as may be agreed between the parties from time to time</li></ul>
<b>Major Shareholder(s)</b>	<ul style="list-style-type: none"><li>– A person who has an interest or interests in one or more of voting shares in a corporation and the nominal amount of that share, or the aggregate of the nominal amount of those shares, is:<ul style="list-style-type: none"><li>(a) 10% or more of the total number of voting shares in the Company; or</li><li>(b) 5% or more of the total number of voting shares in the Company where such person is the largest shareholder of the Company.</li></ul></li></ul> <p>For the purpose of this definition, “interest in shares” shall have the meaning given in Section 8 of the Act. A major shareholder includes any person who is or was within the preceding six (6) months of the date on which the terms of the transaction were agreed upon</p>
<b>Market Day(s)</b>	<ul style="list-style-type: none"><li>– A day on which the stock market of Bursa Securities is open for the trading of securities, which may include a surprise holiday</li></ul>
<b>NA</b>	<ul style="list-style-type: none"><li>– Net assets</li></ul>
<b>Person(s) Connected</b>	<ul style="list-style-type: none"><li>– Shall have the same meaning given in Paragraph 1.01 of the Listing Requirements</li></ul>
<b>Proposed Renewal of Share Buy-Back Authority</b>	<ul style="list-style-type: none"><li>– Proposed renewal of authority for the Company to purchase and/or to hold up to ten percent (10%) of the Company’s total number of issued shares at any given point of time</li></ul>
<b>Proposed Share Buy-Back</b>	<ul style="list-style-type: none"><li>– Proposed purchase of up to ten percent (10%) of its issued share capital pursuant to the Proposed Renewal of Share Buy-Back Authority</li></ul>
<b>Proposed Shareholders’ Mandate</b>	<ul style="list-style-type: none"><li>– Proposed new and renewal of the existing shareholders’ mandate for the KFima Group to enter into RRPT of revenue or trading nature</li></ul>
<b>Purchased Shares</b>	<ul style="list-style-type: none"><li>– Shares to be purchased or acquired by the Company pursuant to the Proposed Renewal of Share Buy-Back Authority</li></ul>
<b>Related Party(ies)</b>	<ul style="list-style-type: none"><li>– A Director, Major Shareholder or Person Connected with such Director or Major Shareholder</li></ul>
<b>Related Party Transaction</b>	<ul style="list-style-type: none"><li>– A transaction entered into by KFima or its subsidiaries which involves the interest, direct or indirect, of a Related Party</li></ul>
<b>RRPT</b>	<ul style="list-style-type: none"><li>– Recurrent related party transactions of a revenue or trading nature which are necessary for the day-to-day operations of the Group</li></ul>

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## DEFINITIONS

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<b>RM and sen</b>	– Ringgit Malaysia and sen respectively
<b>SC</b>	– Securities Commission
<b>Share(s)</b>	– Ordinary share(s) of KFima
<b>Substantial Shareholder</b>	– A person who has an interest or interests in one or more voting Shares in the Company and the number or aggregate number of those shares, is not less than 5% of the total number of all the voting Shares in the Company
<b>Validity Period</b>	– Proposed Renewal of Shareholders' Mandate validity period from 52 <sup>nd</sup> AGM to 53 <sup>rd</sup> AGM

**Words denoting the singular shall include, where applicable, the plural and vice versa. Words denoting the masculine gender shall, where applicable, include the feminine and/or neuter genders and vice versa. References to persons shall include corporations unless otherwise specified.**

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**KUMPULAN FIMA BERHAD**  
Registration No. 197201000167(11817-V)  
(Incorporated in Malaysia)

**Registered Office**

Suite 4.1, Level 4, Block C  
Plaza Damansara  
No. 45, Jalan Medan Setia 1  
Bukit Damansara  
50490 Kuala Lumpur

31 July 2024

**Board of Directors**

Dato' Idris Bin Kechot (*Chairman/Independent Non-Executive Director*)  
Dato' Roslan Bin Hamir (*Group Managing Director/Non-Independent Executive Director*)  
Datuk Anuar Bin Ahmad (*Independent Non-Executive Director*)  
Dato' Rosman Bin Abdullah (*Non-Independent Non-Executive Director*)  
Rozana Zeti Binti Basir (*Non-Independent Non-Executive Director*)  
Datin Rozilawati Binti Haji Basir (*Non-Independent Non-Executive Director*)  
Danny Hoe Kam Thong (*Independent Non-Executive Director*)

**To: The Shareholders of Kumpulan Fima Berhad**

Dear Sir/Madam,

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

**1. INTRODUCTION**

The Company had at its 51<sup>st</sup> AGM held on 29 August 2023, obtained a mandate from its shareholders to enter into RRPT with a Related Party ("Existing Mandate"). The Existing Mandate shall lapse at the conclusion of the forthcoming 52<sup>nd</sup> AGM, unless it is renewed at the forthcoming 52<sup>nd</sup> AGM.

The Company had on 27 June 2024, announced its intention to seek shareholders' approval for the proposed new shareholders' mandate and renewal of the Existing Mandate ("Proposed Shareholders' Mandate") at the forthcoming 52<sup>nd</sup> AGM. The Proposed Shareholders' Mandate will take effect from the date of passing the resolution at the forthcoming 52<sup>nd</sup> AGM until the next AGM of the Company in year 2025.

**The purpose of this Circular is to provide you with information on the Proposed Shareholders' Mandate together with your Directors' recommendation and to seek your approval for the resolution to be tabled at the forthcoming 52<sup>nd</sup> AGM. The Notice of the 52<sup>nd</sup> AGM, Administrative Guide and Proxy Form are enclosed together with the Company's Annual Report 2024 and can be downloaded at the Company's website at <https://www.fima.com.my/agm.html>.**

**Shareholders are advised to read the contents of this Circular carefully before voting on the ordinary resolution pertaining to the Proposed Shareholders' Mandate at the forthcoming 52<sup>nd</sup> AGM.**

## **2. DETAILS OF THE PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE**

### **2.1 Shareholders' Mandate**

Pursuant to Paragraph 10.09(2) of the Listing Requirements, the Company may seek its shareholders' mandate in respect of RRPT subject to, *inter-alia*, the following:

- (i) the transactions are in the ordinary course of business and are on terms not more favourable to the Related Parties than those generally available to the public;
- (ii) the shareholders' mandate is subject to annual renewal and disclosure is made in the annual report of the aggregate value of transactions conducted pursuant to the shareholders' mandate during the financial year where the aggregate value is equal to or more than the threshold prescribed under Paragraph 10.09(1) of the Listing Requirements;
- (iii) the circular to shareholders for the shareholders' mandate includes the information as may be prescribed by Bursa Securities;
- (iv) in a meeting to obtain shareholders' mandate, the relevant Related Parties must comply with the requirements set out in Paragraph 10.08(7) of the Listing Requirements; and
- (v) the Company must immediately announce to Bursa Securities when the actual value of the RRPT entered into by KFima Group exceeds the estimated value of the RRPT disclosed in this Circular by 10% or more and must include the information as may be prescribed by Bursa Securities in its announcement.

Accordingly, the Board is seeking shareholders' approval for the Proposed Shareholders' Mandate from the date of the forthcoming 52<sup>nd</sup> AGM to the next AGM. The RRPT is conducted in the ordinary course of business with the Related Parties and are on normal commercial terms which are no more favourable to the Related Parties than those generally available to the public and are not detrimental to the minority shareholders of the Company. The RRPT will also be subject to the review procedures set out in section 2.7 of this Circular.

### **2.2 Validity Period of the Proposed Shareholders' Mandate**

The Proposed Renewal of Shareholders' Mandate, if approved, shall take effect from the date of the forthcoming 52<sup>nd</sup> AGM, be subject to annual renewal and shall continue to be in force until:

- (i) the conclusion of the next AGM of the Company following this 52<sup>nd</sup> AGM, at which time the mandate will lapse, unless by an ordinary resolution passed at general meeting, the mandate is renewed; or
- (ii) the expiration of the period within which the next AGM of the Company after that date is required to be held pursuant to Section 340(2) of the Act (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or
- (iii) revoked or varied by ordinary resolution passed by the shareholders in a general meeting,

whichever is earlier.

Thereafter, approval from shareholders will be sought for the Proposed Shareholders' Mandate at each subsequent AGM, if necessary.

### **2.3 Class of Related Parties**

The principal activities of KFima are those of investment, property holding and trading. Details of KFima's subsidiaries are set out in Appendix I of this Circular.

Shareholders' approval is sought for the Proposed Shareholders' Mandate involving RRPT which are carried out by KFima Group with FimaCorp Group (collectively referred to as "FIMA Group"), and Related Parties including but not limited to those as listed in Appendix I of this Circular.

Details of shareholdings of KFima in FimaCorp is set out in Section 2.10 of this Circular.



## 2.4 Nature of the RRPT and Estimated Values

KFima is seeking approval from the shareholders for KFima Group to enter into RRPT with Related Parties on terms not more favourable to the Related Parties than those generally available to and/or from the public, where applicable, and are not detrimental to the minority shareholders of KFima.

In view of the diversity of the KFima Group's businesses, it is envisaged that in the normal course of business of the KFima Group, transactions in respect of goods and/or services between companies in the KFima Group, FimaCorp Group and other Related Parties will occur with some degree of frequency from time to time and may arise at any time.

The Management and Support Services are part of the shared services of companies within FIMA Group. These shared services are provided in-house in order to align with FIMA Group's corporate objectives and management disciplines and to reduce operating cost and improve efficiency such as through economies of scale, better utilisation and allocation of resources, standardisation of processes and operating procedures and IT. Accordingly, the Board considers it beneficial to enter into transactions in respect of the Management and Support Services. The Management and Support Services are carried out on commercial terms, on terms not more favourable to the Related Parties than those generally available to and/or from the public, where applicable, and which will not be, in the Board's opinion, detrimental to the minority shareholders of the Company.

Details of RRPT carried out/contemplated shall include, but not limited to, those described below:

### 2.4.1 Existing RRPT:

Transaction	Seller/ Provider	Buyer/ Recipient	Related Parties	Estimated Annual Value Disclosed in the Preceding Year's Circular	Actual Value of Transactions from Date of Last AGM on 29 August 2023 to Latest Practicable Date on 24 June 2024	Estimated Value of Transactions During Validity Period
				RM'000	RM'000	RM'000
Sale of frozen fish	KFima <sup>(2)</sup>	IFC <sup>(3)</sup>	<b>Major Shareholders</b> Dr. Roshayati Binti Basir Rozana Zeti Binti Basir BHR  <b>Directors</b> Dato' Roslan Bin Hamir <sup>(4)</sup> Rozana Zeti Binti Basir <sup>(5)</sup> Datin Rozilawati Binti Haji Basir <sup>(6)</sup>  <b>Persons Connected</b> Persons Connected to Major Shareholders (refer to section 2.11)	45,000	10,274	45,000 <sup>(1)</sup>

Notes:

(1) Basis in arriving at the estimated value (may vary and subject to change) is stated in the table below:

Transaction	Estimated RM Value of Transactions During Validity Period (RM'000)
Sale of frozen fish Seller: KFima Buyer: IFC	45,000 (As per IFC's projection for the financial year 2024/2025)

(2) KFima holds 95.57% effective interest in IFC, by virtue of its 77.85% direct investment and 17.72% indirect investment through Endell Pte Ltd (a company incorporated in the Republic of Singapore), an 80.00% owned subsidiary of Fima Overseas Holdings Sdn. Bhd. which in turn is a wholly-owned subsidiary of KFima;

(3) IFC's principal activities are in the manufacturing and distribution of canned fish;

(4) Dato' Roslan Bin Hamir is the Group Managing Director of KFima and Director of IFC. He has direct and indirect shareholdings in KFima;

(5) Rozana Zeti Binti Basir is a Non-Independent Non-Executive Director of KFima, sister to Dr. Roshayati Binti Basir and Datin Rozilawati Binti Haji Basir, a major shareholder of KFima and has direct and indirect shareholdings in KFima; and

(6) Datin Rozilawati Binti Haji Basir is a Non-Independent Non-Executive Director of KFima, sister to Dr. Roshayati Binti Basir and Rozana Zeti Binti Basir and has direct and indirect shareholdings in KFima.

## 2.4.2 New RRPT

The Company is also seeking shareholders' mandate for new RRPT. The new RRPT, if granted, covers transactions entered into by KFima Group with Related Parties in the ordinary course of business as set out below:

Transaction	Seller/ Provider	Buyer/ Recipient	Related Parties	*Estimated aggregate value during the validity period of the Proposed Renewal of Shareholders' Mandate ("Current Estimated Value") (RM'000)
(1) Provision of Management Support Services	KFima	FimaCorp Group	<b>Major Shareholders</b> Dr. Roshayati Binti Basir Rozana Zeti Binti Basir BHR  <b>Directors</b> Dato' Roslan Bin Hamir <sup>(1)</sup> Rozana Zeti Binti Basir <sup>(2)</sup> Datin Rozilawati Binti Haji Basir <sup>(3)</sup>  <b>Persons Connected</b> Persons Connected to Major Shareholders (refer to section 2.11)	2,500
		VSP, AGSB IFC, TLP Feedlot, FFH		
(2) Provision or supply of goods such as raw materials, consumables, machineries and equipments	KFima Group	IFC		1,500
(3) Rental of offices, buildings, spaces and car park	FimaCorp Group	KFima Group		2,000
(4) Provision of advisory services	BHR	KFima Group		500
(5) Provision of services such as building maintenance, Management and Support services (plantation), engineering services, professional services, manpower and security services	FimaCorp Group	KFima Group		2,000
(6) Purchase of goods such as consumables, machineries and equipments	FimaCorp Group	KFima Group	15,000	

### Notes:

- (1) Dato' Roslan Bin Hamir is the Group Managing Director of KFima and Director of IFC. He has direct and indirect shareholdings in KFima;
- (2) Rozana Zeti Binti Basir is a Non-Independent Non-Executive Director of KFima, sister to Dr. Roshayati Binti Basir and Datin Rozilawati Binti Haji Basir, a major shareholder of KFima and has direct and indirect shareholdings in KFima; and
- (3) Datin Rozilawati Binti Haji Basir is a Non-Independent Non-Executive Director of KFima, sister to Dr. Roshayati Binti Basir and Rozana Zeti Binti Basir and has direct and indirect shareholdings in KFima.

The estimated aggregate values for the new RRPT are calculated based on the expected values of the transactions over the course of the Validity Period. Accordingly, the actual value of the transaction may vary from the estimated.

Accordingly, if the Proposed Shareholders' Mandate is approved, disclosure will be made in accordance with the Listing Requirements in the Annual Report of the Company for the financial year ending 31 March 2025 of the aggregate value of transactions conducted pursuant to the Proposed Shareholders' Mandate as approved.

## 2.5 Amount Due and Owing by the Related Parties

The breakdown of the principal sum and interest for the total outstanding amount due under the Existing Mandate referred to in Section 2.4.1, which have exceeded the credit term as at the end of the financial year ended 31 March 2024 are as follows:

Transacting Party	Principal Sum RM'000	Interest Charges (4.5% per annum) RM'000	Amount Owing from Transacting Parties as at 31 March 2024 Exceeding Credit Term (RM)			
			1 year or less RM'000	1 to 3 years RM'000	3 to 5 years RM'000	More than 5 years RM'000
IFC	22,416	10,807	4,799	2,778	22,626	3,020

The Company imposes an interest of 4.5% per annum on the outstanding amount. The management monitors and analyses the outstanding amounts on a regular basis and has and will continue to meet and discuss with IFC for settlement of the outstanding amounts. Notwithstanding the foregoing:

1. Monthly statements are issued to IFC in respect of the said amounts; and
2. Details of the outstanding amounts and the repayments made are also tabled and discussed at the Audit and Risk Committee Meetings.

The Board and the Audit and Risk Committee have reviewed the outstanding amounts and are of the opinion that the same were part of the Group's normal business operations, and are confident that the amount is recoverable as IFC is financially healthy and has had a long-standing business relationship with the Group. The Board, and the Audit and Risk Committee also takes into account the shortage of foreign currency in Papua New Guinea, which has among others, made the process of remitting payments overseas to take much longer.

## 2.6 Rationale and Benefits

The RRPTs to be entered into by our Group are in the ordinary course of our business. They are recurring transactions of a revenue or a trading nature which are likely to occur with some degree of frequency. These RRPTs may be time sensitive by nature, making it impractical to seek your approval on a case-to-case basis before entering into such transactions. As such, our Board is seeking your approval for the Proposed Shareholders' Mandate under Paragraph 10.09 of the Listing Requirements for these RRPTs.

The Proposed Shareholders' Mandate would substantially reduce the time, administrative requirements, inconvenience and expense associated with the convening of general meetings on an ad hoc basis, without compromising our corporate objectives or adversely affecting the business opportunities available therein.

The RRPTs are intended to meet the business needs of our Group at the best possible terms, and allow us to have access to all available markets and explore beneficial business opportunities to our Group. In past dealings with the Related Parties, our Group and the Related Parties have a good understanding of each other's business needs and expectations thus providing a platform where all parties stand to benefit from these transactions.

## 2.7 Review Procedures for the RRPT

To ensure that the RRPT are undertaken on an arm's length basis and on commercial terms consistent with our Group's usual business practices and policies and on terms not more favourable to the Related Parties than those generally available to the public, where applicable, and are not, in the Company's opinion, detrimental to the minority shareholders, our Group adheres to the following procedures and principles:

- (i) the Related Party(ies) will be advised that the RRPT are subject to the annual shareholders' mandate and will also be advised of the review and disclosure policies;

- (ii) our Group will ensure that the RRPT are only entered into after taking into account the pricing, quality and level of service. The transaction prices, terms and conditions shall be determined by market forces, under similar commercial terms, business practices or otherwise in accordance with other applicable industry norms;
- (iii) policies on conflicts of interest which require Directors and employees to act in good faith at all times in the best interest of the companies within our Group;
- (iv) the rental of properties shall be at the prevailing market rates for the same or substantially similar properties and shall be on commercial terms;
- (v) tendering procedures to ensure that competitive bidding principles are observed in the procurement of goods and services. These include the setting up of tender committees, and having a sufficient number of vendors [normally not less than three (3)] to bid where all priced bids received are on a sealed basis and are appropriately documented as well as witnessed upon opening;
- (vi) the RRPT shall be reviewed by the Company's internal auditors and presented to the Audit and Risk Committee on a quarterly basis. The Audit and Risk Committee will also review the internal audit reports pertaining to the RRPT to ascertain that the guidelines and procedures to monitor the RRPT have been complied with; and
- (vii) the Company will also maintain a record of all RRPT carried out pursuant to the Proposed Shareholders' Mandate and will be made available by the management to the external auditors, internal auditors and the Audit and Risk Committee for their review.

Where any Director or Persons Connected has an interest (direct or indirect) in any related party transactions, such Director (or his alternate) shall abstain from voting on the matter. Where any member of the Audit and Risk Committee is interested in any transaction, the said member shall abstain from deliberation and voting on the particular resolution in approving the transaction.

## **2.8 Approval Thresholds**

There are no specific thresholds for approvals of RRPT within our Group. However, all RRPT are subject to the approval of Group Managing Director upon recommendation made by senior management, subject to the provisions in the Listing Requirements and/or the Act, where necessary. Where any Director has interest, direct and/or indirect in a transaction, the said Director shall abstain from deliberation and voting on the particular resolution in approving the transaction.

## **2.9 Statement by the Audit and Risk Committee**

The Audit and Risk Committee is of the view that the stipulated procedures in section 2.7 of this Circular are sufficient to ensure that the RRPT will be transacted on an arm's length basis, on terms not more favourable to the Related Party(ies) than those generally available to and/or from the public, and are not detrimental to the minority shareholders of KFima.

In addition, the Audit and Risk Committee is also of the view that the Company has in place adequate procedures and processes to monitor, track and identify RRPT in a timely and orderly manner and the said procedures and processes are reviewed on quarterly basis or whenever the need arises.

## 2.10 Interests of Directors, Major Shareholders and Persons Connected to Them in the Proposed Shareholders' Mandate

Save as disclosed below, none of the Directors and Major Shareholders or Persons Connected with them has any interest, direct and/or indirect, in the Proposed Shareholders' Mandate:

### KFima

Name	Interest in KFima			
	Direct		Indirect	
	No. of Shares	%	No. of Shares	%
<b>Directors</b>				
Dato' Roslan Bin Hamir	320,000	0.12	<sup>(1)</sup> 1,291,000	0.47
Rozana Zeti Binti Basir	49,415,100	17.94	<sup>(2)(3)</sup> 121,881,700	44.26
Datin Rozilawati Binti Haji Basir	1,000,000	0.36	<sup>(2)(3)</sup> 170,296,800	61.84
<b>Major Shareholders</b>				
Dr. Roshayati Binti Basir	50,084,100	18.19	<sup>(2)(3)</sup> 121,212,700	44.02
Rozana Zeti Binti Basir	49,415,100	17.94	<sup>(2)(3)</sup> 121,881,700	44.26
BHR	47,852,300	17.38	-	-
<b>Related Party/Persons Connected to Directors and/or Major Shareholders of KFima other than disclosed above</b>				
<i>Persons Connected to BHR</i>				
Puan Sri Datin Hamidah Binti Abdul Rahman	365,000	0.13	<sup>(4)</sup> 170,931,800	62.07
Ahmad Riza Bin Basir	-	-	<sup>(2)</sup> 171,296,800	62.20
Zailini Binti Zainal Abidin	-	-	<sup>(5)</sup> 171,296,800	62.20

#### Notes:

- \* Excluding a total of 6,853,200 shares bought back by the Company and retained as treasury shares as at 24 June 2024.
- (1) Dato' Roslan Bin Hamir's ("Dato' Roslan") indirect shareholding in the Company is held under Maybank Nominees (Tempatan) Sdn. Bhd. Dato' Roslan is also the Managing Director of FimaCorp and has indirect shareholding of 601,800 shares in FimaCorp. He is also a director of FimaCorp Group and KFima Group subsidiaries.
  - (2) Deemed interested by virtue of:
    - (i) Puan Sri Datin Hamidah Binti Abdul Rahman ("Puan Sri Datin Hamidah") is the mother of Dr. Roshayati Binti Basir ("Dr. Roshayati"), Datin Rozilawati Binti Haji Basir ("Datin Rozilawati"), Rozana Zeti Binti Basir ("Rozana Zeti") and Ahmad Riza Bin Basir ("Ahmad Riza") and her shareholding of preference shares in BHR which carry veto rights in all the decisions in BHR.
    - (ii) Dr. Roshayati, Datin Rozilawati and Rozana Zeti are sisters and their shareholdings in BHR of more than 20%. Dr. Roshayati and Rozana Zeti are major shareholders of KFima.
    - (iii) Rozana Zeti's direct shareholding in RZB Holdings Sdn. Bhd. ("RZB") pursuant to Section 8 of the Act. RZB holds 102,000 ordinary shares (or 0.04%) in the Company.
    - (iv) Children of Dr. Roshayati and Rozana Zeti's direct shareholdings of 180,300 ordinary shares (or 0.07%) and 1,200 ordinary shares (or 0.00%), respectively in KFima.
    - (v) Ahmad Riza is the son of Puan Sri Datin Hamidah and brother of Dr. Roshayati, Datin Rozilawati and Rozana Zeti and:
      - (a) his indirect shareholdings in the Company which are held through M & A Nominee (Tempatan) Sdn. Bhd. of 360,000 ordinary shares (or 0.13%) and Subur Rahmat Sdn. Bhd. ("SRSB") pursuant to Section 8 of the Act. SRSB holds 11,509,200 ordinary shares (or 4.18%) and 7,700,000 ordinary shares (or 2.80%) direct and indirect, respectively in KFima;
      - (b) his wife, Zailini Binti Zainal Abidin's ("Zailini") shareholding in SRSB pursuant to Section 8 of the Act and her indirect shareholding in KFima; and
      - (c) his children's shareholdings of 361,200 ordinary shares (or 0.13%) in KFima.
  - (3) Datin Rozilawati's indirect shareholdings in the Company are held under Maybank Nominees (Tempatan) Sdn. Bhd. of 747,700 ordinary shares (or 0.27%), M & A Nominee (Tempatan) Sdn. Bhd. of 461,000 ordinary shares (or 0.17%) and Affin Hwang Nominees (Tempatan) Sdn. Bhd. of 200,000 ordinary shares (or 0.07%).
  - (4) Puan Sri Datin Hamidah is the mother of Dr. Roshayati, Datin Rozilawati, Rozana Zeti and Ahmad Riza, and a grandmother of children of Dr. Roshayati, Rozana Zeti and Ahmad Riza. Deemed interested by virtue of her shareholding of preference shares in BHR which carry veto rights in all the decisions in BHR.
  - (5) Zailini is deemed interested by virtue of her shareholding in SRSB pursuant to Section 8 of the Act, a wife of Ahmad Riza and her children's shareholdings in KFima.

Name	Interest in FimaCorp			
	Direct		Indirect	
	No. of Shares	%	No. of Shares	%
<b>Directors of FimaCorp</b>				
Dato' Roslan Bin Hamir	-	-	<sup>(1)</sup> 601,800	0.25
Dr. Roshayati Binti Basir	175,600	0.07	<sup>(2)</sup> 150,413,658	63.44
<b>Major Shareholder</b>				
Fima Metal Box Holdings Sdn. Bhd. ("Fima Metal Box")	<sup>(2)</sup> 147,245,358	62.10	-	-
<b>Related Party/Persons Connected</b>				
KFima*	-	-	<sup>(3)</sup> 147,245,358	62.10
Puan Sri Datin Hamidah Binti Abdul Rahman	1,816,800	0.77	<sup>(4)</sup> 148,772,458	62.73
Datin Rozilawati Binti Haji Basir	-	-	<sup>(5)</sup> 150,589,258	63.50
Rozana Zeti Binti Basir	-	-	<sup>(6)</sup> 150,589,258	63.50

## Notes:

- \* Excluding a total of 8,210,800 shares bought back by FimaCorp and retained as treasury shares as at 24 June 2024.
- (1) Dato' Roslan's indirect shareholdings in FimaCorp is held under Maybank Nominees (Tempatan) Sdn. Bhd. Dato' Roslan is also the Group Managing Director of KFima and director of FimaCorp Group and KFima Group subsidiaries.
- (2) Deemed interested by virtue of:
- (i) Fima Metal Box's direct shareholdings in FimaCorp. Fima Metal Box is a major shareholder of FimaCorp and is a wholly-owned subsidiary of KFima.
- (ii) Puan Sri Datin Hamidah and Datin Rozilawati's direct and indirect shareholdings in FimaCorp, respectively.
- (iii) Zailini's indirect shareholding of 30,000 ordinary shares (or 0.01%) in FimaCorp which is held under M & A Nominee (Tempatan) Sdn. Bhd. Zailini is the sister-in-law of Dr. Roshayati.
- (3) Fima Metal Box is a major shareholder of FimaCorp and is a wholly-owned subsidiary of KFima.
- (4) Deemed interested by virtue of:
- (i) Fima Metal Box's direct shareholdings in FimaCorp. Fima Metal Box is a major shareholder of FimaCorp and is a wholly-owned subsidiary of KFima.
- (ii) Dr. Roshayati and Datin Rozilawati's direct and indirect shareholdings in FimaCorp, respectively.
- (iii) Zailini's indirect shareholding of 30,000 ordinary shares (or 0.01%) in FimaCorp which is held under M & A Nominee (Tempatan) Sdn. Bhd. Zailini is the daughter-in-law of Puan Sri Datin Hamidah.
- (5) Deemed interested by virtue of:
- (i) Datin Rozilawati's indirect shareholding in FimaCorp is held under Maybank Nominees (Tempatan) Sdn. Bhd. Datin Rozilawati is also a director and shareholder of KFima as well as a director and major shareholder of RII Holdings Sdn Bhd.
- (ii) Fima Metal Box's direct shareholdings in FimaCorp. Fima Metal Box is a major shareholder of FimaCorp and is a wholly-owned subsidiary of KFima.
- (iii) Puan Sri Datin Hamidah and Dr. Roshayati's direct shareholdings in FimaCorp.
- (iv) Zailini's indirect shareholding of 30,000 ordinary shares (or 0.01%) in FimaCorp which is held under M & A Nominee (Tempatan) Sdn. Bhd. Zailini is the sister-in-law of Datin Rozilawati.
- (6) Deemed interested by virtue of:
- (i) Fima Metal Box's direct shareholdings in FimaCorp. Fima Metal Box is a major shareholder of FimaCorp and is a wholly-owned subsidiary of KFima.
- (ii) Puan Sri Datin Hamidah, Dr. Roshayati and Datin Rozilawati's direct and indirect shareholdings in FimaCorp.
- (iii) Zailini's indirect shareholding of 30,000 ordinary shares (or 0.01%) in FimaCorp which is held under M & A Nominee (Tempatan) Sdn. Bhd. Zailini is the sister-in-law of Rozana Zeti Binti Basir.

The abovementioned interested Directors, interested Major Shareholders namely, BHR, Dr. Roshayati Binti Basir, Rozana Zeti Binti Basir and Persons Connected with them will abstain from voting in respect of their direct and/or indirect shareholdings in KFima on the ordinary resolution pertaining to the Proposed Shareholders' Mandate and that they have undertaken to ensure that Persons Connected with them will also abstain from voting on the resolution at the forthcoming 52<sup>nd</sup> AGM. Dato' Roslan Bin Hamir, Rozana Zeti Binti Basir and Datin Rozilawati Binti Haji Basir, being interested Directors, where applicable, have abstained and will continue to abstain from deliberating and voting on the ordinary resolution in respect of the Proposed Renewal of Shareholders' Mandate at the relevant Board meetings.

### 3. EFFECTS OF THE PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE

The Proposed Shareholders' Mandate is not expected:

- (i) to have any effect on KFima's issued share capital and shareholding of its substantial shareholders; and
- (ii) to have any material effect on net assets or earnings for the financial year ending 31 March 2025.

#### 4. APPROVALS REQUIRED

The Proposed Shareholders' Mandate is subject to approval being obtained from the shareholders of KFima at the forthcoming 52<sup>nd</sup> AGM.

#### 5. DIRECTORS' RECOMMENDATION

The Board (save for the interested Directors, namely, Dato' Roslan Bin Hamir, Rozana Zeti Binti Basir and Datin Rozilawati Binti Haji Basir who have abstained from expressing any opinion and voting in view of their interests), having considered all aspects of the Proposed Shareholders' Mandate, is of the opinion that the Proposed Shareholders' Mandate is in the best interest of the Company.

Accordingly, the Board (save for the aforementioned interested Directors), recommends that you vote in favour of the ordinary resolution pertaining to the Proposed Shareholders' Mandate to be tabled at the forthcoming 52<sup>nd</sup> AGM.

#### 6. SPECIAL BUSINESS AT AGM

The 52<sup>nd</sup> AGM, the notice of which is set out in the Company's Annual Report 2024, will be conducted on a virtual basis via live streaming and online remote voting from the Broadcast Venue at the Training Room, Kumpulan Fima Berhad, Suite 4.1, Level 4, Block C, Plaza Damansara, No. 45, Jalan Medan Setia 1, Bukit Damansara, 50490 Kuala Lumpur on Thursday, 29 August 2024 at 3.00 p.m. or at any adjournment thereof using Remote Participation and Electronic Voting ("RPEV") facilities provided by Boardroom Share Registrars Sdn. Bhd. at <https://meeting.boardroomlimited.my>.

You are entitled to participate and vote at the 52<sup>nd</sup> AGM via RPEV facilities or appoint proxy(ies) to participate in your place. In such event, you are required to complete, sign and return the Proxy Form in accordance with the instructions printed thereon as soon as possible so as to reach our Share Registrar's office at Boardroom Share Registrars Sdn. Bhd., 11<sup>th</sup> Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan not less than 48 hours before the time set for holding the 52<sup>nd</sup> AGM. Alternatively, the shareholders may deposit the Proxy Form by electronic means through Boardroom Smart Investor Portal at <https://investor.boardroomlimited.com> to login and deposit your Proxy Form electronically, also 48 hours before the meeting.

#### 7. FURTHER INFORMATION

Shareholders are requested to refer to the Appendix II for further information.

Yours faithfully,  
for and on behalf of the Board of  
**KUMPULAN FIMA BERHAD**

**DATO' IDRIS BIN KECHOT**  
*Chairman*



## STATEMENT IN RELATION TO THE PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY

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### 1. INTRODUCTION

The shareholders of the Company had on 29 August 2023 approved, *inter-alia*, the authority for the Company to purchase such number of Shares of up to ten percent (10%) of the prevailing total number of issued shares of the Company. In accordance with the Listing Requirements, the said authority will expire at the conclusion of the forthcoming 52<sup>nd</sup> AGM of the Company unless authority for its renewal is obtained from shareholders of the Company. Accordingly, on 27 June 2024, the Company announced to Bursa Securities its intention to seek shareholders' approval for the Proposed Renewal of Share Buy-Back Authority at the forthcoming 52<sup>nd</sup> AGM of the Company.

The purpose of this Statement is to provide you with information on the Proposed Renewal of Share Buy-Back Authority together with your Directors' recommendation and to seek your approval for the resolution to be tabled at the forthcoming 52<sup>nd</sup> AGM. The Notice and the Proxy Form are enclosed in the Company's Annual Report 2024.

**Shareholders are advised to read contents of this Statement carefully before voting on the ordinary resolution pertaining to the Proposed Renewal of Share Buy-Back Authority at the forthcoming 52<sup>nd</sup> AGM.**

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

The Board proposes to seek the approval from the shareholders of the Company for the renewal of authority to purchase/or hold its own Shares of up to maximum of ten percent (10%) of the total number of issued shares, subject to compliance with Section 127 of the Act, the Listing Requirements and any prevailing laws, guidelines, orders, rules and regulations issued by the relevant authority at the time of purchase.

The authority from shareholders, if renewed, shall be effective immediately upon the passing of the ordinary resolution relating to the Proposed Renewal of Share Buy-Back Authority at the forthcoming 52<sup>nd</sup> AGM and shall be valid until:

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

whichever occurs first.

The approval of the shareholders on the Proposed Renewal of Share Buy-Back Authority does not impose an obligation on the Company to purchase its own shares. However, it will allow the Board to exercise the power of the Company to purchase its own shares at any time within the abovementioned time period.



## 2.1 Quantum

The maximum aggregate number of Shares, which may be purchased by the Company, shall not exceed ten percent (10%) of the issued shares at any point in time. The actual number of Shares to be purchased will depend on, among others, market conditions and sentiments of Bursa Securities as well as the retained earnings and financial resources available to the Company as at the point of purchase.

As at 24 June 2024, the Company has issued 282,231,600 Shares. Hence, the maximum number of KFima Shares that can be purchased and/or held by the Company pursuant to the Proposed Share Buy-Back is 28,223,160 KFima Shares, representing ten percent (10%) of the issued shares of the Company.

## 2.2 Funding

The Proposed Share Buy-Back pursuant to the Proposed Renewal of Share Buy-Back Authority may be funded through internally generated funds and/or external bank borrowings and the amount allocated for the Proposed Share Buy-Back will not exceed the aggregate amount of the Company's retained earnings. All Purchased Shares may be cancelled or retained as treasury shares or a combination of both. Treasury shares may be distributed as share dividends, resold on Bursa Securities and/or cancelled.

The actual amount of funds to be utilised for the Proposed Share Buy-Back will only be determined later depending on the actual number of Shares to be purchased, the availability of funds as at the point of purchase and other relevant cost factors.

The Proposed Share Buy-Back, if funded via internally generated funds, is not expected to have a material impact on the Company's financial position. In the event the Proposed Share Buy-Back is funded through external bank borrowings, the Board will ensure that the Company has sufficient funds to repay such borrowings and that the repayment thereof would not have any material effect on the Company's cash flow position. In addition, the Board will also ensure that the Company satisfies the solvency test as stated in Section 112(2) of the Act before implementing the Proposed Renewal of Share Buy-Back Authority. As at 31 March 2024, the Company's audited retained profits stood at RM32,660,029.38.

## 2.3 Pricing

Pursuant to the Listing Requirements, the Company may only purchase its own shares at a price which is not more than fifteen percent (15%) above the weighted average market price ("WAMP") of KFima Shares for the past five (5) Market Days immediately preceding the date of the purchase(s) and the Company may only resell the purchased KFima Shares held as treasury shares on Bursa Securities at:

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

KFima will make the relevant announcement in the event of each purchase or resale of such KFima Shares.

## 2.4 Treatment of Purchased Shares

In accordance with Section 127(4) of the Act, the Directors may deal with the Purchased Shares in the following manner:

- (i) cancel the Shares so purchased; or
- (ii) retain the Purchased Shares as treasury shares for distribution as share dividends to the shareholders of the Company and/or resell through the stock market of Bursa Securities in accordance with the relevant rules of Bursa Securities; or
- (iii) retain part of the Purchased Shares as treasury shares and cancel the remainder.

Accordingly, based on Section 127(7) of the Act, where such Shares are held as treasury shares, the Directors may, at their discretion:

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

The actual number of KFima Shares to be purchased, the total amount of funds involved for each purchase and the timing of each purchase will depend on the market conditions and sentiments of the stock market and the financial resources available to the Company.

As at the date of this Statement, the Board has yet to make a decision with regard to the treatment of the Purchased Shares and will take into consideration the effect of such treatment to KFima Group in arriving at its decision. In addition, an immediate announcement will be made to Bursa Securities upon each purchase, cancellation and/or resell of the Purchased Shares.

### **3. RATIONALE FOR THE PROPOSED SHARE BUY-BACK**

The Proposed Share Buy-Back has the following potential benefits for the Company and its shareholders:

- (i) the Company may be able to stabilise the supply and demand of KFima Shares traded on the Bursa Securities and thereby support its fundamental value;
- (ii) if the KFima Shares bought back by the Company are cancelled, shareholders are likely to enjoy an increase in the value of their investment in the Company as the net earnings per share of the Company will increase;
- (iii) if the KFima Shares bought back are kept as treasury shares, it will give the Board an option to sell the KFima Shares so purchased at a higher price and therefore make an exceptional gain for the Company; and
- (iv) KFima Shares so purchased may be distributed to shareholders as dividends and serve as reward to the shareholders of the Company.

The Proposed Share Buy-Back will, however, utilise the financial resources of KFima and may need to be balanced against investment opportunities and other shareholders’ value proposals. The Directors in exercising any decision on the Proposed Share Buy-Back will be mindful of the interest of the Company and its shareholders.

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

The potential advantages of the Proposed Share Buy-Back are outlined in section 3 of Part B of this Statement.

The potential disadvantages of the Proposed Share Buy-Back, if implemented, are as follows:

- (i) the Proposed Share Buy-Back will reduce the financial resources of the Company and might result in the Group foregoing other alternative investment opportunities which may emerge in the future; and

- (ii) as the Proposed Share Buy-Back is subject to the retained profits of the Company, it may result in the reduction of financial resources available for distribution as dividends or bonus issues to the shareholders of the Company in the immediate future.

The Board is mindful of the interests of the Company and that of its shareholders in undertaking the Proposed Share Buy-Back. The Proposed Share Buy-Back is not expected to cause any potential material disadvantage to the Company and its shareholders as any share buy-back exercise shall be undertaken after an in-depth consideration of the financial resources and resultant impacts on the Group.

In any event, the Board will ensure that the Company satisfies the solvency test as stated in Section 112(2) of the Act before implementing the Proposed Share Buy-Back.

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

The financial effects of the Proposed Share Buy-Back are as follows:

### 5.1 Share Capital

The Proposed Share Buy-Back is not expected to have any effect on the share capital of the Company if the Purchased Shares are retained as treasury shares. Nevertheless, certain rights attached to the treasury shares in relation to voting, dividends and participation in other distributions or otherwise will be suspended. The Act prohibits such treasury shares to be taken in calculating the number or percentage of shares in the Company for any purpose whatsoever on substantial shareholdings, takeovers, notices, requisitioning of meetings, quorum for a meeting and results of a vote on a resolution at a meeting.

However, in the event that the Proposed Share Buy-Back is carried out in full and all the shares acquired are cancelled, the share capital of the Company will be reduced as follows:

	<u>No. of Shares</u>
<b>Share capital as at 24 June 2024 (including the existing treasury shares)</b>	<b>282,231,600</b>
<b>Less: Cancellation of KFima Shares bought back (up to 10% of the existing share capital)</b>	<b>(28,223,160)</b>
<b>Share capital upon completion of the Proposed Share Buy-Back</b>	<b>254,008,440</b>

### 5.2 Net Assets

The effect of the Proposed Renewal of Share Buy-Back Authority on the NA per KFima Share will depend on the purchase price of KFima Shares, the effective funding cost to KFima to finance the purchase of the KFima Shares and/or any loss of interest income to the Company and whether the KFima Shares are cancelled, retained as treasury shares or resold on Bursa Securities.

If all the KFima Shares purchased are cancelled and the purchase price exceeds the NA per KFima Share at the time of purchase, the Proposed Share Buy-Back will reduce the NA per KFima Share. Conversely, the NA per KFima Share will increase if purchase price is less than the NA per KFima Share at the time of purchase.

If the treasury shares are resold on Bursa Securities, the NA per KFima Share will increase if the Company realises a gain from the resale, and vice versa. If the treasury shares are distributed as share dividends, the NA per KFima Share will increase by the cost of the treasury shares.

### 5.3 Working Capital

The Proposed Share Buy-Back will reduce the working capital of the KFima Group, the quantum of which would depend on the purchase price of the KFima Shares, the number of KFima Shares purchased and the effective funding cost and/or loss of interest income of the Company.

However, the financial resources of the KFima Group may be restored upon the resale of the Purchased Shares which are held as treasury shares.

### 5.4 Earnings

Whether the KFima Shares to be purchased under the Proposed Share Buy-Back are maintained as treasury shares or cancelled, will result in lower number of KFima Shares being used for the purpose of computing the EPS of the Company.

The extent of the effects of the Proposed Share Buy-Back on the EPS of the KFima Group will depend on the actual number of KFima Shares bought back, the purchase prices of KFima Shares and the effective cost of funding or any loss in interest income to the Group. Assuming that the KFima Shares purchased are retained as treasury shares and resold, the effects on the earnings of the KFima Group will depend on the actual selling price, the number of treasury shares resold and the effective gain or interest savings arising from the exercise.

If the KFima Shares so purchased are cancelled, the Proposed Share Buy-Back will increase the EPS of the KFima Group provided the income foregone and/or interest expense incurred on the KFima Shares purchased is less than the EPS before the share buy-back.

## 6. DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' SHAREHOLDINGS

Assuming the Proposed Share Buy-Back is carried out in full by the Company, the proforma effects of the Proposed Share Buy-Back on KFima's substantial shareholders and Directors as at 24 June 2024 are as follows:

Name(s)	Number of Shares Held as at 24 June 2024				Number of Shares Held After Proposed Renewal of Share Buy-Back Authority			
	Direct	*%	Indirect	*%	Direct	%	Indirect	%
<b>Substantial/ Major Shareholders</b>								
Dr. Roshayati Binti Basir	50,084,100	18.19	<sup>(1)(5)</sup> 121,212,700	44.02	50,084,100	19.70	<sup>(1)(5)</sup> 121,212,700	47.72
Rozana Zeti Binti Basir	49,415,100	17.94	<sup>(1)(5)</sup> 121,881,700	44.26	49,415,100	19.45	<sup>(1)(5)</sup> 121,881,700	47.98
BHR	47,852,300	17.38	-	-	47,852,300	18.84	-	-
Subur Rahmat Sdn. Bhd.	11,509,200	4.18	<sup>(3)</sup> 9,375,200	3.40	11,509,200	4.53	<sup>(3)</sup> 9,375,200	3.69
<b>Persons Connected</b>								
Puan Sri Datin Hamidah Binti Abdul Rahman	365,000	0.13	<sup>(4)</sup> 170,931,800	62.07	365,000	0.14	<sup>(4)</sup> 170,931,800	67.29
Datin Rozilawati Binti Haji Basir	1,000,000	0.36	<sup>(1)(5)</sup> 170,296,800	61.84	1,000,000	0.39	<sup>(1)(5)</sup> 170,296,800	67.04
Ahmad Riza Bin Basir	-	-	<sup>(1)</sup> 171,296,800	62.20	-	-	<sup>(1)</sup> 171,296,800	67.44

Name(s)	Number of Shares Held as at 24 June 2024				Number of Shares Held After Proposed Renewal of Share Buy-Back Authority			
	Direct	*%	Indirect	*%	Direct	*%	Indirect	*%
Zailini Binti Zainal Abidin	-	-	<sup>(6)</sup> 171,296,800	62.20	-	-	<sup>(6)</sup> 171,296,800	67.44
<b>Directors</b>								
Dato' Idris Bin Kechot	10,000	0.00	-	-	10,000	0.004	-	-
Dato' Roslan Bin Hamir	320,000	0.12	<sup>(7)</sup> 1,291,000	0.47	320,000	0.13	<sup>(7)</sup> 1,291,000	0.51
Rozana Zeti Binti Basir	49,415,100	17.94	<sup>(1)(5)</sup> 121,881,700	44.26	49,415,100	19.45	<sup>(1)(5)</sup> 121,881,700	47.98
Datin Rozilawati Binti Haji Basir	1,000,000	0.36	<sup>(1)(5)</sup> 170,296,800	61.84	1,000,000	0.39	<sup>(1)(5)</sup> 170,296,800	67.04

**Notes:**

\* Excluding a total of 6,853,200 shares bought back by the Company and retained as treasury shares as at 24 June 2024.

(1) Deemed interested by virtue of:

- (i) Puan Sri Datin Hamidah Binti Abdul Rahman ("Puan Sri Datin Hamidah") is the mother of Dr. Roshayati Binti Basir ("Dr. Roshayati"), Datin Rozilawati Binti Haji Basir ("Datin Rozilawati"), Rozana Zeti Binti Basir ("Rozana Zeti") and Ahmad Riza Bin Basir ("Ahmad Riza") and her shareholding of preference shares in BHR which carry veto rights in all the decisions in BHR.
- (ii) Dr. Roshayati, Datin Rozilawati and Rozana Zeti are sisters and their shareholdings in BHR of more than 20%. Dr. Roshayati and Rozana Zeti are major shareholders of KFima.
- (iii) Rozana Zeti's direct shareholding in RZB Holdings Sdn. Bhd. ("RZB") pursuant to Section 8 of the Act. RZB holds 102,000 ordinary shares (or 0.04%) in the Company.
- (iv) Ahmad Riza is the son of Puan Sri Datin Hamidah and brother of Dr. Roshayati, Datin Rozilawati and Rozana Zeti and:
  - (a) his indirect shareholdings in the Company which are held through M & A Nominee (Tempatan) Sdn. Bhd. of 360,000 ordinary shares (or 0.13%) and Subur Rahmat Sdn. Bhd. ("SRSB") pursuant to Section 8 of the Act. SRSB holds 11,509,200 ordinary shares (or 4.18%) and 7,700,000 ordinary shares (or 2.80%) direct and indirect, respectively in KFima;
  - (b) his wife, Zailini Binti Zainal Abidin's ("Zailini") shareholding in SRSB pursuant to Section 8 of the Act and her indirect shareholding in KFima; and
  - (c) his children's shareholdings of 406,200 ordinary shares (or 0.15%) in KFima.
- (2) Puan Sri Datin Hamidah's direct shareholdings in KFima. Dr. Roshayati, Datin Rozilawati and Rozana Zeti's direct and indirect shareholdings in KFima. Deemed interested by virtue of their shareholdings in BHR of more than 20%.
- (3) SRSB's indirect shareholdings in the Company are held through M & A Nominee (Tempatan) Sdn. Bhd., Ahmad Riza, Zailini and their children. Ahmad Riza and his wife, Zailini are deemed interested by virtue of their interest in SRSB pursuant to Section 8 of the Act.
- (4) Puan Sri Datin Hamidah is the mother of Dr. Roshayati, Datin Rozilawati, Rozana Zeti and Ahmad Riza, and a grandmother of children of Dr. Roshayati, Rozana Zeti and Ahmad Riza. Deemed interested by virtue of her shareholding of preference shares in BHR which carry veto rights in all the decisions in BHR.
- (5) Datin Rozilawati's indirect shareholdings in the Company are held under Maybank Nominees (Tempatan) Sdn. Bhd. of 747,700 ordinary shares (or 0.27%), M & A Nominee (Tempatan) Sdn. Bhd. of 461,000 ordinary shares (or 0.17%) and Affin Hwang Nominees (Tempatan) Sdn. Bhd. of 200,000 ordinary shares (or 0.07%).
- (6) Zailini is deemed interested by virtue of her shareholding in SRSB pursuant to Section 8 of the Act, a wife of Ahmad Riza and her children's shareholdings in KFima.
- (7) Dato' Roslan Bin Hamir's indirect shareholding in the Company is held under Maybank Nominees (Tempatan) Sdn. Bhd.

## 7. PUBLIC SHAREHOLDING SPREAD

As at 24 June 2024, the public shareholding spread of the Company was 45.35%. The public shareholding spread is expected to reduce to 38.05% assuming the Proposed Share Buy-Back is implemented in full and all the KFima Shares so purchased are cancelled.

The Board is mindful of the requirement that any purchase of KFima Shares by the Company must not result in a public shareholding spread of less than 25% of its total listed shares.

## 8. IMPLICATIONS ON THE CODE

As it is not intended for the Proposed Renewal of Share Buy-Back Authority to trigger the obligation to undertake a mandatory offer under the Code by any of the Company's substantial shareholders and/or persons acting in concert with them, the Board will ensure that such number of Shares are purchased, retained as treasury shares, cancelled and/or distributed pursuant to the Proposed Share Buy-Back would not result in the triggering of any mandatory offer obligation on the part of the Company's substantial shareholders and/or persons acting in concert with them. In this connection, the Board is mindful of the requirements when making any purchase of KFima Shares pursuant to the Proposed Renewal of Share Buy-Back Authority.

## 9. PURCHASE OF KFIMA SHARES IN THE PREVIOUS 12 MONTH

During the financial year ended 31 March 2024, the Company purchased 15,000 of KFima Shares, all of which are retained as treasury shares.

Further details on the KFima Shares purchased by the Company are set out in Note 28 to the Financial Statements contained in the Annual Report 2024.

## 10. SHARE PRICES

The monthly highest and lowest prices of the Shares traded on Bursa Securities for the preceding twelve (12) months are as follows:

	High (RM)	Low (RM)
<u>2023</u>		
April	2.12	2.04
May	2.13	2.04
June	2.05	1.95
July	2.00	1.90
August	2.00	1.89
September	1.89	1.80
October	1.79	1.75
November	1.84	1.75
December	1.85	1.77
<u>2024</u>		
January	1.88	1.80
February	1.92	1.86
March	2.04	1.90
April	2.09	2.00
May	2.29	2.08
June	2.21	2.13

(Source: Investing.com)

The last transacted price of KFima Shares as at 24 June 2024 was RM 2.19 per Share.

## 11. APPROVALS REQUIRED

The Proposed Renewal of Share Buy-Back Authority is conditional upon the approval of the shareholders of KFima at the forthcoming 52<sup>nd</sup> AGM.

## 12. INTEREST OF THE DIRECTORS, MAJOR SHAREHOLDERS AND/OR PERSONS CONNECTED TO THEM

None of the Directors, Major Shareholders and/or Persons Connected to the Directors has any interest, direct or indirect, in the Proposed Renewal of Share Buy-Back Authority or resale of the treasury shares, if any.

## 13. DIRECTORS' RECOMMENDATION

The Board, after having considered and deliberated on the Proposed Renewal of Share Buy-Back Authority is of the view that the Proposed Renewal of Share Buy-Back Authority is in the best interest of the Company and shareholders. Accordingly, the Board recommends that you vote in favour of the ordinary resolution pertaining to the Proposed Renewal of Share Buy-Back Authority to be tabled at the Company's forthcoming 52<sup>nd</sup> AGM.

#### **14. ANNUAL GENERAL MEETING**

The 52<sup>nd</sup> AGM, the notice of which is set out in the Company's Annual Report 2024, will be conducted on a virtual basis via live streaming and online remote voting from the Broadcast Venue at the Training Room, Kumpulan Fima Berhad, Suite 4.1, Level 4, Block C, Plaza Damansara, No. 45, Jalan Medan Setia 1, Bukit Damansara, 50490 Kuala Lumpur on Thursday, 29 August 2024 at 3.00 p.m. or at any adjournment thereof using the Remote Participation and Electronic Voting ("RPEV") facilities provided by Boardroom Share Registrars Sdn. Bhd. at <https://meeting.boardroomlimited.my>.

You are entitled to participate and vote at the 52<sup>nd</sup> AGM via RPEV facilities or appoint proxy(ies) to participate in your place. In such event, you are required to complete, sign and return the Proxy Form in accordance with the instructions printed thereon as soon as possible so as to reach our Share Registrar's office at Boardroom Share Registrars Sdn. Bhd., 11<sup>th</sup> Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan not less than 48 hours before the time set for holding the 52<sup>nd</sup> AGM. Alternatively, the shareholders may deposit the Proxy Form by electronic means through Boardroom Smart Investor Portal at <https://investor.boardroomlimited.com> to login and deposit your Proxy Form electronically, also 48 hours before the meeting.

#### **15. FURTHER INFORMATION**

Shareholders are advised to refer to the attached Appendix II for further information.

Yours faithfully,  
for and on behalf of the Board of  
**KUMPULAN FIMA BERHAD**

**DATO' IDRIS BIN KECHOT**  
*Chairman*

## (1) KFima Group Subsidiaries as at 24 June 2024

Company	Interest of KFima as at 24 June 2024 (%)	Nature of business/ Principal Activity
Fima Biodiesel Sdn. Bhd. (200501033681) (715822-K)	100.00	Manufacturing of biodiesel and trading of its related products
Fima Bulking Services Berhad (197901008826) (53110-X)	100.00	Providing bulk handling, storage of liquid and semi-liquid products and investment holding
Fima Butterworth Installation Sdn. Bhd. (198201001762) (81508-K)	100.00	Bulk handling of oil palm and edible oils
Fima Freight Forwarders Sdn. Bhd. (199101013538) (223850-P)	100.00	Provision of warehousing, transportation and forwarding services
Fima Instanco Sdn. Bhd. (197401002015) (19196-T)	100.00	Packaging of food products
Fima Liquid Bulking Sdn. Bhd. (198901005599) (182904-W)	100.00	Providing bulk storage of latex and palm oleo based products
Fima Logistics Sdn. Bhd. (199401003213) (288891-A)	100.00	Providing bulk handling, storage of liquid products and warehousing (inactive)
Fima Metal Box Holdings Sdn. Bhd. (198101004811) (70926-X)	100.00	Investment holding
Fima Overseas Holdings Sdn. Bhd. (197701005326) (36334-P)	100.00	Investment holding
Fima Palmbulk Services Sdn. Bhd. (198001007675) (61459-M)	100.00	Bulk handling of liquid and semi-liquid products
Fimachem Sdn. Bhd. (198601002740) (151893-X)	100.00	Providing bulk storage of liquid and semi-liquid hazardous products
Fima-Mr. Juicy Sdn. Bhd. (197501001262) (22947-D)	100.00	Processing and sales of fruit juices (inactive)
IFC Marketing & Distribution Limited (C-1-19261)	100.00	Manufacturing and distribution of canned fish, and the production and sale of frozen fish products and fishmeal (inactive)
KF Commodities Sdn. Bhd. (199201009457) (240960-H)	100.00	General trading and provision of general contract services (inactive)
Ladang Fima Sdn. Bhd. (197201001036) (12652-H)	100.00	Oil palm cultivation and sales of local fruits (inactive)
Malaysian Transnational Trading (MATTRA) Corporation Bhd (198201005210) (84962-V)	100.00	International trading house and investment holding
Mattra Premier Sdn. Bhd. (199401003214) (288892-P)	100.00	General trading (inactive)



<b>Company</b>	<b>Interest of KFima as at 24 June 2024 (%)</b>	<b>Nature of business/ Principal Activity</b>
Pineapple Cannery of Malaysia Sendirian Berhad (196401000036) (5367-U)	100.00	Oil palm cultivation, sales of local fruits, investment property holding and cattle farming
Amgreen Gain Sdn. Bhd. ("AGSB") (200401016733) (655236-V)	65.00	Oil palm cultivation
Endell Pte Ltd (199206825E)	80.00	Investment holding
Fima Fraser's Hill Sdn. Bhd. ("FFH") (197601000140) (26087-U)	60.00	Management of fruits and flowers plantation and marketing of its products (inactive)
Fima-TLP Feedlot Sdn. Bhd. ("TLP Feedlot") (197701000427) (31385-U)	85.00	Cattle farming (inactive)
International Food Corporation Limited ("IFC") (C-1-19260)	78.00	Manufacturing and distribution of canned fish, and the production and sale of frozen fish products and fishmeal
Victoria Square Plantation Sdn. Bhd. ("VSP") (200601013547) (733298-K)	80.00	Investment holding

**(2) Fimacorp Group Subsidiaries as at 24 June 2024**

<b>Company</b>	<b>Interest of FimaCorp as at 24 June 2024 (%)</b>	<b>Nature of business/ Principal Activity</b>
Cendana Laksana Sdn. Bhd. (201201039689) (1024167-W)	100.00	Oil palm plantation
Etika Gangsa Sdn. Bhd. (200601035188) (754947-D)	100.00	Oil palm plantation
FCB Eastern Plantations Sdn. Bhd. (199101000385) (210695-H)	100.00	Investment holding
FCB Plantation Holdings Sdn. Bhd. (199301015919) (270659-U)	100.00	Investment holding, and the provision of plantation management and advisory services
Fima Technology Sdn. Bhd. (199301010009) (264746-K)	100.00	Providing property management services and engineering consultation services
Gabungan Warisan Sdn. Bhd. (199401042148) (327836-P)	100.00	Oil palm plantation
Next Oasis Sdn. Bhd. (201401033412) (1109497-D)	100.00	Investment holding

<b>Company</b>	<b>Interest of FimaCorp as at 24 June 2024 (%)</b>	<b>Nature of business/ Principal Activity</b>
Percetakan Keselamatan Nasional Sdn. Bhd. (198701007433) (166151-T)	100.00	Production and trading of security and confidential documents
Security Printers (M) Sdn. Bhd. (197701003239) (34025-W)	100.00	Trading of security and confidential documents
Taka Worldwide Trading Sdn. Bhd. (200501032715) (714855-P)	100.00	Oil palm plantation
Fima Sg. Siput Estate Sdn. Bhd. (201301038071) (1067900-V)	70.00	Oil palm plantation
Ladang Bunga Tanjong Sdn. Bhd. (199601017476) (389827-K)	80.00	Oil palm plantation
PT Nunukan Jaya Lestari (NPWP 02.033.898.4-723.000)	80.00	Oil palm plantation, processing and trading of palm oil products

**(3) Related Parties**

<b>Related Party</b>	<b>Nature of business/ Principal Activity</b>
BHR	Investment Holding

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**FURTHER INFORMATION**

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**1. RESPONSIBILITY STATEMENT**

This Circular/Statement has been seen and approved by the Board who collectively and individually accept full responsibility for the accuracy of the information given and confirm that after having taken due care and making all reasonable inquiries, to the best of their knowledge and belief, there are no other facts, the omission of which would make any statement herein misleading.

**2. MATERIAL CONTRACT**

KFima and its subsidiaries have not entered into any material contract outside the ordinary course of business, during the two (2) years preceding the date of this Circular/Statement.

**3. MATERIAL LITIGATION, CLAIM OR ARBITRATION**

KFima and its subsidiaries are not engaged in any material litigations, claim or arbitration either as plaintiff or defendant and the Board does not have any knowledge of any proceedings pending or threatened against KFima Group or of any facts likely to give rise to any proceedings which might materially affect the financial position or business of the KFima Group, during the two (2) years preceding the date of this Circular/Statement.

**4. DOCUMENTS FOR INSPECTION**

Copies of the following documents are available for inspection at the registered office of KFima at Suite 4.1, Level 4, Block C, Plaza Damansara, No. 45, Jalan Medan Setia 1, Bukit Damansara, 50490 Kuala Lumpur, following the date of this Circular/Statement from Mondays to Fridays (except Public Holidays) during business hours up to and including the date of the 52<sup>nd</sup> AGM:

- (i) the Constitution of KFima;
- (ii) the Audited Financial Statements of the KFima Group for the past two (2) financial years ended 31 March 2023 and 2024; and
- (iii) the unaudited financial results for the period ended 30 June 2024.

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