

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

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

Bursa Malaysia Securities Berhad (“Bursa Securities”) has not perused the Share Buy-Back Statement prior to its issuance as it is an exempt statement. Bursa Securities takes no responsibility for the contents of this share buy-back 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 share buy-back statement.



**ILB GROUP BERHAD**

Company No: 199101019353(229690-K)  
(Incorporated in Malaysia)

**SHARE BUY-BACK STATEMENT**

in relation to the

**PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY**

and

**NOTICE OF ANNUAL GENERAL MEETING**

The resolution pertaining to the above proposal is set out in the Notice of the Thirty-Second (32<sup>nd</sup>) Annual General Meeting (“AGM”) of ILB Group Berhad (“the Company”). The Thirty-Second (32<sup>nd</sup>) AGM of the Company will be held via live streaming and online remote voting from the Broadcast Venue at Level 12, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia on **17 May 2024** at 10.00 a.m. or at any adjournment thereof (as the case may be), together with the Form of Proxy, are enclosed in the Notice of the Thirty-Second (32<sup>nd</sup>) AGM is sent together with this Circular.

The Company will be conducting its AGM fully virtual and online voting. Please follow the procedures provided in the Administrative Guide for the Thirty-Second (32<sup>nd</sup>) AGM in order to register, participate and vote remotely via the Virtue Meeting Facilities.

Last date and time for lodging Proxy Form : Thursday, 16 May 2024 at 10:00 a.m.

Date and time of AGM : Friday, 17 May 2024 at 10:00 a.m.

This Statement is dated **18 April 2024**

## DEFINITIONS

**Except where the context otherwise requires, the following definitions shall apply throughout this Statement:-**

“ACT”	-	Companies Act 2016 as amended from time to time and any re-enactment thereof
“AGM”	-	Annual General Meeting
“Bursa Depository”	-	Bursa Malaysia Depository Sdn. Bhd <i>[Company No. 198701006854 (165570-W)]</i>
“Bursa Securities”	-	Bursa Malaysia Securities Berhad <i>[Company No. 200301033577 (635998-W)]</i>
“Code”	-	Malaysian Code on Take-overs and Mergers 2016, as amended from time to time
“Directors”	-	Directors of ILB Group Berhad
“EPS”	-	Earnings per share
“ILB / Company”	-	ILB Group Berhad
“ILB Group/Group”	-	ILB and its subsidiary and associated companies
“LPD”	-	29 March 2024, being the latest practicable date prior to the printing of this Statement
“Main Market Listing Requirements”	-	Main Market Listing Requirements of Bursa Securities including any amendment thereto that may be made from time to time
“NA”	-	Net Assets
“Proposal”	-	Proposed Renewal of Share Buy-back Authority
“Proposed Renewal of Share ten per centum Buy Back Authority”	-	Proposed renewal of authorization for the purchase of up to (10%) of the total number of issued Shares of the Company approved by the shareholders on 28 April 2023 at the AGM of the Company as enumerated in Section 2
“Rules”	-	Rules of the Bursa Depository
“RM” and “Sen”	-	Ringgit Malaysia and sen respectively
“Share(s)”	-	Ordinary Shares of the Company

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**ILB GROUP BERHAD**  
Company No: 199101019353 (229690-K)  
(Incorporated in Malaysia)

**Registered Office:**  
No. 6, Jalan Sungai Buloh 27/101A  
Seksyen 27  
40400 Shah Alam  
Selangor Darul Ehsan  
Malaysia

**18 April 2024**

Directors:

Tang Ming Yng (*Executive Chairman*)  
Tang Weihann (*Chief Executive Officer*)  
Tee Tuan Sem (*Non-Independent Non-Executive Director*)  
Wan Azfar bin Dato' Wan Annuar (*Independent Non-Executive Director*)  
Dato' Wan Hashim Bin Wan Jusoh (*Independent Non-Executive Director*)  
Soh Eng Hooi (*Independent Non-Executive Director*)  
Jamilah binti Kamal (*Independent Non-Executive Director*)

To: Shareholders of ILB Group Berhad

Dear Sir/Madam,

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

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**1. INTRODUCTION**

- 1.1 At the Company's 31<sup>st</sup> AGM held on 28 April 2023, the shareholders of ILB approved, inter alia, the renewal of the authorization for the Company to purchase up to ten per centum (10%) of the total number of issued shares of the Company. The said authorization shall, in accordance with the Main Market Listing Requirements, expire at the conclusion of the forthcoming 32<sup>nd</sup> AGM of the Company.
- 1.2 On 15 April 2024, the Board of Directors of the Company announced the Company's intention to seek a renewal of its shareholders' authorization for the Proposed Share Buy-Back at the forthcoming AGM of the Company.

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

**2.1 Shareholders' Authority**

Your Directors seek shareholders' approval for the renewal of authority for the Company to purchase and/or hold from time to time and at any time up to ten per cent (10%) of the total number of issued shares of the Company for the time being quoted on Bursa Securities through stockbrokers (pursuant to Paragraph 12.15 of the Main Market Listing Requirements).

As at LPD, the total issued shares of the Company, before adjusting for the treasury shares is 195,025,503 ordinary shares. The maximum number of shares which may be purchased and/or held as treasury shares by the Company will be ten per centum (10%) of the total issued shares of ILB.

The authority to purchase the Company's own shares will be effective immediately from the passing of the Ordinary Resolution in relation to the Proposed Renewal of Share Buy-back Authority until:

- (i) the conclusion of the next AGM following the AGM at which such resolution was passed at which time the authority would lapse unless renewed by ordinary resolution, either unconditionally or conditionally; or
- (ii) the passing of the date on which the next AGM 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 a general meeting,

whichever occurs first.

## 2.2 **Maximum Amount of Funds to be Allocated and the Source of Funds**

The maximum amount of funds to be allocated for the Proposed Share Buy-Back will be subject to the Retained Profits Account of the Company. Based on the latest audited accounts for the financial year ended 31 December 2023, at company level, ILB's retained losses was RM35,021,002.

The Proposed Renewal of Share Buy-back Authority will be funded through internally-generated funds and/or bank borrowings. In the event the Company decides to utilise bank borrowings to finance the Proposed Renewal of Share Buy-back Authority, it will ensure that it has sufficient funds to repay the bank borrowings and that the repayment will not have a material effect on the Company's cashflow.

The actual number of Shares to be purchased, the total funds involved in each purchase, and the timing of each purchase will depend on market conditions and sentiments of the share market as well as the available financial resources of ILB at the time of the purchase.

## 2.3 **Treatment of Shares Purchased**

The Proposed Renewal of Share Buy-back Authority to be undertaken will be in compliance with Section 127 of the Act. The Directors will deal with the Shares purchased in the following manner:-

- (i) to cancel the Shares so purchased; or
- (ii) to retain the Shares so purchased as treasury shares for distribution as dividend to the shareholders of the Company and/or re-sell on Bursa Securities in accordance with the Main Market Listing Requirements and/or cancellation subsequently; or
- (iii) to retain part of the Shares so purchased as treasury shares and cancel the remainder.

The Board's decision to choose any of the above options will depend on the maximum benefit accruing to the Company and to the Company's shareholders.

The Directors may decide to cancel the Shares so purchased if the cancellation is expected to enhance the consolidated EPS of the ILB group as a result of the reduction in the total number issued shares in the Company and has a positive impact on the market price of the Shares in the long term.

If the purchased Shares are held as treasury shares, they may be distributed as share dividends to the shareholders or resold on Bursa Securities. If resold, the proceeds may be utilised for potential investment opportunities arising in the future or as working capital.

The rights attached to the treasury shares in relation to voting, dividends and participation in other distributions shall be suspended and the treasury shares shall not be taken into account in calculating the number or percentage of shares or of a class of shares in the Company for any purpose including substantial shareholdings, takeovers, notices, requisitioning of meetings, quorum for meetings and the results of votes on resolutions at meetings.

An appropriate announcement will be made to Bursa Securities of any purchase of its own Shares, any resale of its treasury shares or any cancellation of its purchased shares or treasury shares on the day the purchase, the resale or the cancellation is made.

#### **2.4 Purchase/Resale Price**

Pursuant to the Main Market Listing Requirements, ILB may purchase its Shares at a price which is not more than fifteen percent (15%) above the weighted average market price of the Shares for the past five (5) market days immediately preceding the date of the purchase(s).

The Company may resell treasury shares at:-

- (i) a price which is not less than the weighted average market price for the Shares for the five (5) market days immediately prior to the resale, or
- (ii) a discounted price of not more than 5% to the weighted average market price for the Shares for the five (5) market days immediately prior to the resale provided that the resale takes place no earlier than 30 days from the date of purchase and the resale price is not less than the cost of purchase of the Shares being resold.

#### **2.5 Purchases or Resale of Treasury Shares from the date of the last AGM up to LPD**

During the period from the date of the last AGM up to the LPD, the Company has not purchased any of its issued shares from the open market.

As at 29 March 2024 being the latest practicable date prior to the printing of this Statement, there are 6,125,175 Shares held as Treasury Shares. There was no resale or cancellation of treasury shares during the same period. The current total issued Shares of the Company, before adjusting for the treasury shares, is 195,025,503 Shares.

### **3. RATIONALE**

The Proposed Renewal of Share Buy-back Authority if exercised, is expected to potentially benefit the Company and its shareholders as follows:-

- Where the Directors resolve to cancel the Shares so purchased, the EPS of the ILB Group is expected to be enhanced as a result of the reduction in the total number of issued Shares of the Company as described in Section 5.0 “Effects of the Proposed Renewal of Share Buy-Back Authority”, thereby enabling long term and genuine investors to enjoy any potential corresponding increase in the value of their investments in the Company.
- If the Shares bought back are kept as treasury shares, it will give the Directors an option to sell the Shares so purchased at a higher price and therefore make an exceptional gain for the Company. Alternatively, the Shares so purchased can be distributed as share dividend to shareholders; and
- The Company may be able to stabilise the supply and demand of its Shares in the open market, thereby supporting the fundamental value of its Shares especially in times of irrational share market movement.

The Proposed Renewal of Share Buy-back Authority is not expected to have any potential material disadvantage to the Company and its shareholders as it will be exercised only after in-depth consideration of the financial resources of the ILB Group and of the resultant impact on its shareholders. The Directors in exercising any decision on the Proposed Renewal of Share Buy-back Authority will be mindful of the interests of the Company and its shareholders.

#### **4. POTENTIAL DISADVANTAGE OF THE PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY**

The Proposed Renewal of Share Buy-back Authority will, however, reduce the financial resources of the Group and may result in the Group foregoing better investment opportunities that may emerge in the future. It may also result in a lower amount of cash reserves available for dividends to be declared to shareholders as funds are utilised to purchase Shares.

#### **5. EFFECTS OF THE PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY**

On the assumption that the Proposed Renewal of Share Buy-back Authority is carried out in full, the effects of the Proposed Renewal of Share Buy-back Authority on the Total Number of Issued Shares, NA, working capital and earnings of ILB are :-

##### **5.1 Total Number of Issued Shares**

The effect of the Proposed Renewal of Share Buy-back Authority on the total number of issued shares of the Company will depend on the treatment of the purchased shares.

The effect of the Proposed Renewal of Share Buy-back Authority on the total issued shares of the Company assuming that the maximum number of Shares (up to 10% of the total issued shares of the Company) authorised under Proposed Renewal of Share Buy-back Authority are purchased and cancelled, is set out below:-

	<b>Number of shares</b>
Total Number of Issued Shares as at 29.03.2024	195,025,503
Assuming the Shares purchased are cancelled (up to 10% of the total issued shares of the company)	(19,502,550)
Total Number of issued Shares after cancellation of Shares under the Proposed Renewal of Share Buy-back Authority	175,522,953

##### **5.2 Net Assets (“NA”)**

The effect of the Proposed Renewal of Share Buy-back Authority on the consolidated NA per Share will depend on the number of Shares purchased, the purchase price of the Shares at the time of purchase and the treatment of the Shares so purchased.

Where the purchased Shares are cancelled, and if the purchase price per Share exceeds the NA per Share at the time of purchase, the NA of the ILB Group will be reduced.

If the purchased Shares are retained as treasury shares, the NA per Share of the Company would decrease (due to the requirement for treasury shares to be carried at cost and be offset against equity) unless the cost per share of the Shares purchased is below the NA per Share at the time of purchase.

However, if the treasury shares are subsequently resold on Bursa Securities, the NA per Share will increase if the Company enjoys resale gains, and vice-versa. If the treasury shares are distributed as share dividends, the NA per Share will decrease accordingly by the cost of the treasury shares.

### 5.3. Working Capital

The Proposed Renewal of Share Buy-back Authority will reduce the working capital of the Group, the quantum of which depends on, amongst others, the number of Shares eventually purchased and the purchase prices of the Shares. The impact on the cashflow of the Company and Group will be dependent on the number of Shares eventually purchased and the purchase prices of the Shares.

For Shares so purchased which are kept as treasury shares, upon its resale, the working capital of the Company will increase assuming that a gain has been realised. Again, the quantum of the increase in the working capital will depend on the actual selling price of the treasury shares and the number of treasury shares resold.

### 5.4. Earnings

The effect of the Proposed Renewal of Share Buy-back Authority on the EPS of ILB Group will depend on the purchase price of the Shares, the number of Shares purchased and the opportunity cost arising from the funds utilised for the Proposed Renewal of Share Buy-back Authority.

Any cancellation of purchased Shares is expected to give rise to increased EPS provided the income foregone and/or interest expense incurred on the Shares purchased is less than the EPS prior to the Proposed Renewal of Share Buy-back Authority.

Assuming the Shares purchased are retained as treasury shares and resold, the effects on the earnings of the ILB 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.

## 6. DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' SHAREHOLDINGS

Assuming that Shares purchased pursuant to the Proposed Renewal of Share Buy-back Authority are from the open market and not from the directors and substantial shareholders, the Proposed Renewal of Share Buy-back Authority is carried out in full and the Shares bought back are cancelled, the proforma effects of the Proposed Renewal of Share Buy-back Authority on the shareholdings of the directors and substantial shareholders as at 29 March 2024 will be as follows:-

Directors	As at 29 March 2024				After Proposed Renewal of Share Buy-Back Authority			
	Direct		Indirect		Direct		Indirect	
	No. of shares	%	No. of shares	%	No. of shares	%	No. of shares	%
Tang Ming Yng	-	-	-	-	-	-	-	-
Tee Tuan Sem	14,682,675 <sup>1</sup>	7.53	381,931 <sup>2</sup>	0.20	14,682,675 <sup>1</sup>	8.37	381,931 <sup>2</sup>	0.22
Wan Azfar bin Dato' Wan Annuar	-	-	-	-	-	-	-	-
Dato' Wan Hashim bin Wan Jusoh	-	-	-	-	-	-	-	-
Soh Eng Hooi	-	-	-	-	-	-	-	-
Jamilah binti Kamal	10,000 <sup>3</sup>	0.005	-	-	10,000 <sup>3</sup>	0.006	-	-

Notes :

1. Held directly and through Kenanga Nominees (Tempatan) Sdn Bhd
2. Deemed interest by virtue of the shareholdings of his wife, Yang Chiew Bi, which are held directly.
3. Held directly.



Substantial shareholders	As at 29 March 2024				After Proposed Renewal of Share Buy-Back Authority			
	Direct		Indirect		Direct		Indirect	
	No. of shares	%	No. of shares	%	No. of shares	%	No. of shares	%
Agrobulk Holdings Sdn Bhd	34,956,698 <sup>1</sup>	17.92	-	-	34,956,698 <sup>1</sup>	19.92	-	-
Fohen Holdings Sdn Bhd	23,172,990 <sup>2</sup>	11.88	-	-	23,172,990 <sup>2</sup>	13.20	-	-
BT Investment Capital Limited	21,154,700 <sup>3</sup>	10.85	-	-	21,154,700 <sup>3</sup>	12.05	-	-
Tee Tuan Sem	14,682,675 <sup>4</sup>	7.53	381,931 <sup>5</sup>	0.20	14,682,675 <sup>4</sup>	8.37	381,931 <sup>5</sup>	0.22

Notes :

1. Held through Kenanga Nominees (Tempatan) Sdn Bhd
2. Held through Amsec Nominees (Tempatan) Sdn Bhd
3. Held directly
4. Held directly and through Kenanga Nominees (Tempatan) Sdn Bhd
5. Deemed interest by virtue of the shareholdings of his wife, Yang Chiew Bi, which are held directly

## 7. PUBLIC SHAREHOLDING SPREAD

As at 29 March 2024, the Company's public shareholding spread was 50.24%. The Company will ensure that prior to any share buy-back exercise, the public shareholding spread of at least 25% is maintained.

## 8. IMPLICATION ON THE CODE

There is no implication with regard to the Code on the Company and its substantial shareholders arising from the Proposed Renewal of Share Buy-back Authority.

## 9. SHARE PRICES

The monthly high and low prices of ILB Shares as traded on Bursa Securities for the last twelve (12) months from April 2023 to March 2024 are as follows:

	High RM	Low RM
<b>2023</b>		
April	0.480	0.440
May	0.475	0.430
June	0.455	0.410
July	0.460	0.405
August	0.665	0.460
September	0.755	0.620
October	0.720	0.560
November	0.720	0.565
December	0.785	0.655
<b>2024</b>		
January	0.790	0.665
February	0.715	0.655
March	0.690	0.580

Last transacted market price of ILB shares on 29 March 2024 was RM0.615 (being the last practicable date prior to the printing of this Circular).

*(Source, <https://finance.yahoo.com/quote/5614.KL/history>)*

**10. SUBSTANTIAL SHAREHOLDERS' AND DIRECTORS' INTERESTS**

None of the Directors and Substantial Shareholders nor persons connected with the Directors and Substantial Shareholders of the Company have any interest, direct or indirect, in the Proposed Renewal of Share Buy-back Authority and in the resale of treasury shares.

**11. CONDITIONS OF THE PROPOSALS**

The Proposal is subject to the approval being obtained from the shareholders at the forthcoming AGM of the Company.

**12. DIRECTORS' RECOMMENDATION**

Your Directors are of the opinion that the Proposal is in the best interests of the Company. Accordingly, your Directors recommend that you vote in favour of the ordinary resolution pertaining to the Proposal to be tabled at the forthcoming AGM.

**13. ANNUAL GENERAL MEETING**

The Notice convening the AGM to vote on the resolution is set out in the Annual Report 2023. The AGM will be held on 17 May 2024 at 10.00 a.m. to be held via live streaming and online remote voting from the Broadcast Venue at Level 12, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia for the purpose of considering and if thought fit, passing the resolution so as to give effect to the Proposal.

The Company will be conducting its AGM fully virtual and online voting. Please follow the procedures provided in the Administrative Guide for the Thirty-Second (32<sup>nd</sup>) AGM in order to register, participate and vote remotely via the Virtue Meeting Facilities.

**14. FURTHER INFORMATION**

Shareholders are requested to refer to Appendix I for further information.

Yours faithfully  
For and on behalf of the Board

Wong Youn Kim (MAICSA 7018778) (SSM PC No. 201908000410)  
Ching Chun Keong (MAICA 7073630) (SSM PC No. 202308000092)  
Company Secretaries  
18 April 2024

**FURTHER INFORMATION**

1. **Directors' responsibility**

This Circular has been seen and approved by the Directors of ILB and they collectively and individually accept full responsibility for the accuracy of the information given and confirm that, after having made all reasonable enquiries, 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 Litigation**

As at LPD, ILB Group are not engaged in any litigation, claims or arbitration, either as plaintiff or defendant, which has a material and adverse effect on the financial position or business of the Group and, to the best of the Board's knowledge and belief, the Board is not aware of any proceedings pending or threatened against ILB Group or of any facts likely to give rise to any proceedings which might materially and adversely affect the financial position or business of ILB Group preceding the date of this Statement.

3. **Material Contracts**

There are no material contracts, not being contracts entered into in the ordinary course of business, which have been entered into by ILB Group during the two (2) years preceding the date of this Statement.

4. **Documents available for inspection**

Copies of the following documents will be available for inspection at the Company's Registered Office at No. 6, Jalan Sungai Buloh 27/101A, Seksyen 27, 40400 Shah Alam, Selangor Darul Ehsan, Malaysia, during normal business hours and on Mondays to Fridays (except public holidays) for the period from the date of this Circular to the date of the AGM:

- (i) the Constitution of ILB.
- (ii) the audited consolidated financial statements of ILB for the two financial years ended 31 December 2022 and 31 December 2023.