

THIS CIRCULAR 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 ADVISERS IMMEDIATELY.

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Central Global Berhad

[Registration No.: 201801036114 (1298143-T)]
(Incorporated in Malaysia)

CIRCULAR TO SHAREHOLDERS IN RELATION TO THE

- (I) PROPOSED SHARE SPLIT INVOLVING THE SUBDIVISION OF EVERY 1 EXISTING ORDINARY SHARE IN CENTRAL GLOBAL BERHAD (“CGB” OR “COMPANY”) (“CGB SHARE(S)” OR “SHARE(S)”) HELD BY SHAREHOLDERS WHOSE NAMES APPEAR IN THE RECORD OF DEPOSITORS OF THE COMPANY ON AN ENTITLEMENT DATE TO BE DETERMINED BY THE BOARD AND ANNOUNCED BY THE COMPANY AT A LATER DATE INTO 4 SUBDIVIDED CGB SHARES (“SPLIT SHARE(S)”) (“PROPOSED SHARE SPLIT”); AND**
- (II) PROPOSED ISSUANCE OF UP TO 275,165,870 FREE WARRANTS B IN CGB (“WARRANT(S) B”) ON THE BASIS OF 1 FREE WARRANT B FOR EVERY 3 SPLIT SHARES HELD BY SHAREHOLDERS WHOSE NAMES APPEAR IN THE RECORD OF DEPOSITORS OF THE COMPANY ON AN ENTITLEMENT DATE TO BE DETERMINED BY THE BOARD AND ANNOUNCED BY THE COMPANY AT A LATER DATE AFTER THE COMPLETION OF THE PROPOSED SHARE SPLIT (“PROPOSED FREE ISSUE OF WARRANTS B”)**

(COLLECTIVELY REFERRED TO AS THE “PROPOSALS”)

AND

NOTICE OF EXTRAORDINARY GENERAL MEETING

Principal Adviser

 **HongLeong Investment Bank**

Hong Leong Investment Bank Berhad
(Registration No. 197001000928 (10209-W))

(A Participating Organisation of Bursa Malaysia Securities Berhad)
(A Trading Participant of Bursa Malaysia Derivatives Berhad)

The Extraordinary General Meeting (“**EGM**”) of CGB will be conducted on a virtual basis at the Broadcast Venue at A5-06 Block A, Plaza Dwi Tasik, Jalan 5/106, Bandar Sri Permaisuri, 56000 Kuala Lumpur on **Tuesday, 20 February 2024 at 10:30 a.m.**, or at any adjournment thereof. The Notice of EGM and Form of Proxy are enclosed in this Circular. Online registration: <https://vps.megacorp.com.my/rtqgT4>. Please refer to the Administrative Notes.

You are entitled to attend and vote at the EGM or appoint a proxy or proxies to attend and vote on your behalf. If you wish to do so, you may deposit the Form of Proxy at CGB’s Registered Office at Level 15-2, Bangunan Faber Imperial Court, Jalan Sultan Ismail, 50250 Kuala Lumpur, Wilayah Persekutuan, Malaysia or email to EGM-support.CGB@megacorp.com.my not less than 48 hours before the time for holding the meeting or any adjournment thereof.

The lodgement of the Form of Proxy shall not preclude you from attending and voting at the EGM should you subsequently wish to do so and, in such event, your Form of Proxy shall be deemed to have been revoked.

Last day, date and time for lodging the Form of Proxy : Sunday, 18 February 2024 at 10:30 a.m.

Date and time of the EGM : Tuesday, 20 February 2024 at 10:30 a.m.

The Circular is dated 29 January 2024

DEFINITIONS

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

| | |
|---------------------------|--|
| Act | : Companies Act 2016 |
| Board | : Board of Directors of CGB |
| Bursa Securities | : Bursa Malaysia Securities Berhad |
| By-Laws | : provisions of the bylaws of our Company's LTIS which comprises the share option scheme and the SGS |
| CGB or Company | : Central Global Berhad |
| CGB Group or Group | : CGB and its subsidiaries, collectively |
| CGB Share(s) or Share(s) | : Ordinary shares in CGB |
| CICB | : Central Industrial Corporation Berhad |
| Circular | : This circular to our shareholders dated 29 January 2024 in relation to the Proposals |
| CIDB | : Construction Industry Development Board |
| Deed Poll A | : The deed poll dated 5 July 2022 constituting the Warrants A |
| Deed Poll B | : The draft deed poll to be executed by our Company constituting the Warrants B (to be issued pursuant to the Proposed Free Issue of Warrants B), as may be supplemented from time to time |
| Director(s) | : The director(s) of CGB and shall have the meaning given in Section 2(1) of the Act and Section 2(1) of the Capital Markets and Services Act 2007 |
| EGM | : Extraordinary General Meeting |
| EPS | : Earnings per share |
| HLIB or Principal Adviser | : Hong Leong Investment Bank Berhad |
| Listing Requirements | : Main Market Listing Requirements |
| LPD | : 15 January 2024, being the latest practicable date prior to the printing of this Circular |
| LTIS | : The long-term incentive scheme of up to 15% of the total number of issued Shares of our Company (excluding treasury shares, if any) at any one time throughout the duration of the LTIS, which comprises the share option scheme and SGS |
| NA | : Net assets |
| PBSB | : Proventus Bina Sdn Bhd |
| Proposals | : The Proposed Share Split and Proposed Free Issue of Warrants B, collectively |

DEFINITIONS (CONT'D)

| | | |
|-----------------------------------|---|---|
| Proposed Share Split | : | Proposed share split involving the subdivision of every 1 CGB Share held by the Share Split Entitled Shareholders into 4 Split Shares |
| Proposed Free Issue of Warrants B | : | Proposed issuance of Warrants B on the basis of 1 free Warrant B for every 3 Split Shares held by the Warrants B Entitled Shareholders |
| RYRT International | : | RYRT International Sdn Bhd |
| SGS | : | The share grant scheme for the granting of share awards to the employee(s), executive director(s) and non-executive director(s) of CGB Group (excluding dormant subsidiaries) who fulfil the eligibility criteria for participation in the LTIS in accordance with the By-Laws |
| Share Split Entitled Shareholders | : | Shareholders whose name appear in the Record of Depositors of our Company on the Share Split Entitlement Date |
| Share Split Entitlement Date | : | An entitlement date to be determined and announced later by our Board, on which the names of the shareholders of our Company must appear in the Record of Depositors of our Company as at 5:00 p.m. in order to participate in the Proposed Share Split |
| Share Split Minimum Scenario | : | <ul style="list-style-type: none">▪ Assuming none of the outstanding 25,765,300 Warrants A and outstanding 148,639 share awards are exercised into new CGB Shares; and▪ Assuming our Company's enlarged number of issued Shares is 721,841,856 after the completion of the Proposed Share Split. |
| Share Split Maximum Scenario | : | <ul style="list-style-type: none">▪ Assuming all of the outstanding 25,765,300 Warrants A and outstanding 148,639 share awards are exercised into new CGB Shares; and▪ Assuming our Company's enlarged number of issued Shares is 825,497,612 after the completion of the Proposed Share Split. |
| Split Share(s) | : | Ordinary share(s) in CGB after the Proposed Share Split |
| TESP | : | Theoretical ex-split price |
| VWAMP | : | Volume weighted average market price |
| Warrant(s) A | : | An outstanding of 25,765,300 units of Warrants A in our Company as at the LPD, constituted by the Deed Poll A |
| Warrant(s) B | : | An issuance of up to 275,165,870 free warrants B in CGB to be issued pursuant to the Proposed Free Issue of Warrants B |
| Warrants B Entitled Shareholders | : | Shareholders whose names appear in the Record of Depositors of our Company on the Warrants B Entitlement Date |

DEFINITIONS (CONT'D)

Warrants B Entitlement Date : An entitlement date, which will be after the Share Split Entitlement Date, to be determined and announced later by our Board, on which the names of the shareholders of our Company must appear in the Record of Depositors of our Company as at 5:00 p.m. in order to participate in the Proposed Free Issue of Warrants B

Warrants B Minimum Scenario :

- Assuming none of the outstanding 25,765,300 Warrants A and outstanding 148,639 share awards are exercised into new CGB Shares; and
- Assuming our Company's enlarged number of issued Shares is 721,841,856 after the completion of the Proposed Share Split.

Based on the above, a total of 240,613,952 Warrants B will be issued pursuant to the Proposed Free Issue of Warrants B and assuming all of these Warrants B are exercised into 240,613,952 new CGB Shares, the enlarged number of issued Shares will be 962,455,808

Warrants B Maximum Scenario :

- Assuming all of the outstanding 25,765,300 Warrants A and outstanding 148,639 share awards are exercised into new CGB Shares; and
- Assuming our Company's enlarged number of issued Shares is 825,497,612 after the completion of the Proposed Share Split.

Based on the above, a total of 275,165,870 Warrants B will be issued pursuant to the Proposed Free Issue of Warrants B and assuming all of these Warrants B are exercised into 275,165,870 new CGB Shares, the enlarged number of issued Shares will be 1,100,663,482

CURRENCIES

RM and sen : Ringgit Malaysia and sen, respectively

References to “**we**”, “**us**”, “**our**” and “**ourselves**” are to our Company, and where the context requires, shall include our subsidiaries. References to “**you**” in this Circular are to our shareholders.

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

All references to an enactment in this Circular are references to that enactment as for the time being amended or re-enacted. Any reference to a time of day in this Circular shall be a reference to Malaysian time, unless otherwise specified. Certain amounts and percentage figures included herein have been subject to rounding adjustments.

This Circular includes forward-looking statements which are subject to uncertainties and contingencies. All statements other than statements of historical facts included in this Circular, including, without limitation, those regarding our prospects are forward-looking statements. There is no assurance that such forward-looking statements will materialise, be fulfilled or achieved.

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EXECUTIVE SUMMARY

THIS EXECUTIVE SUMMARY REPRESENTS A SUMMARY OF THE PERTINENT INFORMATION ON THE PROPOSALS AS SET OUT IN THIS CIRCULAR. YOU ARE ADVISED TO READ AND CAREFULLY CONSIDER THE CONTENTS OF THIS CIRCULAR, INCLUDING THE APPENDICES, AND NOT RELY SOLELY ON THIS EXECUTIVE SUMMARY IN FORMING A DECISION ON THE PROPOSALS BEFORE VOTING ON THE RESOLUTIONS PERTAINING TO THE PROPOSALS TO BE TABLED AT OUR FORTHCOMING EGM.

| Key information | Description | Reference to Circular |
|---|--|------------------------------|
| Summary of the Proposals | <u>Proposed Share Split</u> | Section 2.1 |
| | The Proposed Share Split entails the subdivision of every 1 existing CGB Share held by the Share Split Entitled Shareholders on the Share Split Entitlement Date, into 4 Split Shares. | |
| | <u>Proposed Free Issue of Warrants B</u> | Section 3.1 |
| | The Proposed Free Issue of Warrants B entails the issuance of up to 275,165,870 free Warrants B on the basis of 1 free Warrant B for every 3 Split Shares held by the Warrants B Entitled Shareholders on the Warrants B Entitlement Date, which will be after the Share Split Entitlement Date. | |
| Rationale and justifications for the Proposals | <u>Proposed Share Split</u> | Section 4.1 |
| | (i) To increase the number of CGB Shares held by our Company's shareholders at no cost to be incurred by our shareholders, while maintaining their percentage of equity shareholding held in our Company; | |
| | (ii) To potentially result in improved trading liquidity of CGB Shares by increasing the number of Shares in issue; and | |
| | (iii) To result in CGB Shares being more affordable without affecting the market capitalisation of our Company, which may encourage greater participation by a wider group of public shareholders and investors. | |
| | <u>Proposed Free Issue of Warrants B</u> | Section 4.2 |
| | (i) To reward our shareholders for their continuous support by enabling them to participate in the equity of our Company without incurring any costs; | |
| | (ii) To provide our shareholders an opportunity to further increase their equity participation in our Company by exercising the Warrants B at a pre-determined price over the tenure of the Warrants B. Our shareholders may also benefit from potential capital gain in the event of share price appreciation through the exercise of the Warrants B; | |
| | (iii) To strengthen our Company's capital base and shareholders' funds, as and when the Warrants B are exercised; and | |
| | (iv) To provide our Company with additional working capital as and when the Warrants B are exercised without incurring interest costs as compared to conventional bank borrowings. | |

EXECUTIVE SUMMARY (CONT'D)

| Key information | Description | Reference to Circular |
|--------------------------------|---|------------------------------|
| | <p>Although our Company completed the free issuance of Warrants A on 29 July 2022 (which will expire by 26 July 2025), the objective to undertake the Proposed Free Issue of Warrants B is to enable our Group to raise additional working capital to fund our construction projects as and when the Warrants B are exercised into new CGB Shares, having considered that as at the LPD, our Group's construction segment has a tender book of approximately RM4.44 billion.</p> <p>We intend to reward our existing shareholders via the Proposals instead of declaring dividend in view that our Group recorded accumulated losses as at 31 December 2022 and 30 September 2023 of approximately RM8.50 million and RM5.81 million respectively.</p> | |
| Utilisation of proceeds | <p>The amount of proceeds to be raised from the exercise of Warrants B would depend on the actual number of Warrants B exercised during the exercise period of the Warrants B and the exercise price of the Warrants B, which is to be determined at a later date. As such, the exact quantum and timeframe for utilisation of the proceeds to be raised cannot be determined at this juncture.</p> <p>For illustrative purposes, the gross proceeds to be raised assuming all the Warrants B are exercised at the illustrative exercise price of RM0.73 per Warrant B under the Warrants B Maximum Scenario is RM200.87 million.</p> <p>Our Company intends to utilise the proceeds arising from the exercise of the Warrants B for the working capital of our Group. The working capital to be raised from the exercise of the Warrants B will be used for our Group's working capital requirements such as payment to trade creditors and operating expenses. The allocation of proceeds to be utilised for each component of working capital shall be subjected to our Group's operational requirements at the time of utilisation. As such, the detailed allocation can only be determined by our Board at a later date.</p> | Section 3.6 |
| Approvals required | <p>The Proposals are subject to the following approvals being obtained:</p> <ul style="list-style-type: none">(i) Bursa Securities, which was obtained on 22 January 2024, for the following:<ul style="list-style-type: none">(a) the Proposed Share Split;(b) listing and quotation of up to 80,337,660 additional Warrants A arising from the adjustment made pursuant to the Proposed Share Split;(c) listing and quotation of up to 80,337,660 new CGB Shares to be issued pursuant to the exercise of the additional Warrants A;(d) admission to the Official List and listing and quotation of up to 275,165,870 Warrants B to be issued pursuant to the Proposed Free Issue of Warrants B; and(e) listing and quotation of up to 275,165,870 new CGB Shares to be issued pursuant to the exercise of Warrants B; and(ii) Our shareholders for the Proposals at our forthcoming EGM. | Section 9 |

EXECUTIVE SUMMARY (CONT'D)

| Key information | Description | Reference to Circular |
|--|--|------------------------------|
| Directors' statement and recommendation | <p>Our Board, having considered all aspects of the Proposals, including but not limited to, the rationale and justification as well as the pro forma effects of the Proposals, is of the opinion that the Proposals are in the best interests of our Company.</p> <p>Accordingly, our Board recommends that you vote in favour of the resolutions pertaining to the Proposals at the EGM.</p> | Section 13 |

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Central Global Berhad

[Registration No.: 201801036114 (1298143-T)]
(Incorporated in Malaysia)

Registered Office

Level 15-2
Bangunan Faber Imperial Court
Jalan Sultan Ismail
50250 Kuala Lumpur
Wilayah Persekutuan
Malaysia

29 January 2024

Board of Directors:

Dato' Faisal Zelman bin Datuk Abdul Malik (*Non-Independent Non-Executive Chairman*)
Chew Hian Tat (*Group Managing Director*)
Lee Chee Vui (*Executive Director*)
Lee Swee Meng (*Independent Non-Executive Director*)
Sahari bin Ahmad (*Independent Non-Executive Director*)
Tan Suat Hoon (*Independent Non-Executive Director*)

To: Our shareholders

Dear Sir / Madam,

- (I) **PROPOSED SHARE SPLIT; AND**
- (II) **PROPOSED FREE ISSUE OF WARRANTS B**

1. INTRODUCTION

On 8 December 2023, HLIB, on behalf of our Board, announced that our Company proposes to undertake the following:

- (i) proposed share split involving the subdivision of every 1 CGB Share held by the Share Split Entitled Shareholders on the Share Split Entitlement Date, into 4 Split Shares; and
- (ii) proposed free issuance of up to 275,165,870 free Warrants B on the basis of 1 free Warrant B for every 3 Split Shares held by the Warrants B Entitled Shareholders on the Warrants B Entitlement Date.

It is the intention of our Board to implement the Proposed Free Issue of Warrants B after the completion of the Proposed Share Split.

On 22 January 2024, on behalf of our Board, HLIB announced that Bursa Securities had, vide its letter dated 22 January 2024, resolved to approve the following:

- (a) the Proposed Share Split;
- (b) listing and quotation of up to 80,337,660 additional Warrants A arising from the adjustment made pursuant to the Proposed Share Split;
- (c) listing and quotation of up to 80,337,660 new CGB Shares to be issued pursuant to the exercise of the additional Warrants A;
- (d) admission to the Official List and listing and quotation of up to 275,165,870 Warrants B to be issued pursuant to the Proposed Free Issue of Warrants B; and
- (e) listing and quotation of up to 275,165,870 new CGB Shares to be issued pursuant to the exercise of Warrants B,

subject to the conditions disclosed in **Section 9** of this Circular.

For shareholders' information, details on the adjustments to the Warrants A pursuant to the Proposed Share Split are set out in **Section 7.5.1** of this Circular.

THE PURPOSE OF THIS CIRCULAR IS TO PROVIDE YOU WITH THE RELEVANT INFORMATION ON THE PROPOSALS AS WELL AS TO SEEK YOUR APPROVAL FOR THE RESOLUTIONS PERTAINING TO THE PROPOSALS TO BE TABLED AT THE EGM. THE NOTICE OF EGM AND THE FORM OF PROXY ARE ENCLOSED TOGETHER WITH THIS CIRCULAR.

YOU ARE ADVISED TO READ AND CONSIDER CAREFULLY THE CONTENTS OF THIS CIRCULAR TOGETHER WITH THE APPENDICES CONTAINED HEREIN BEFORE VOTING ON THE RESOLUTIONS PERTAINING TO THE PROPOSALS TO BE TABLED AT THE EGM.

2. PROPOSED SHARE SPLIT

2.1 Basis and number of Split Shares

The Proposed Share Split entails the subdivision of every 1 existing CGB Share held by the Share Split Entitled Shareholders on the Share Split Entitlement Date, into 4 Split Shares. Our Board confirms that the Proposed Share Split is allowed by way of passing a special resolution in accordance with the Constitution of our Company.

As at the LPD, the issued share capital of CGB is approximately RM140,628,813.61 comprising 180,460,464 CGB Shares. In addition, our Company has the following outstanding convertible securities:

- (i) an outstanding of 25,765,300 units of Warrant A as at the LPD. The Warrants A are constituted by the Deed Poll A and each Warrant A carries the rights to subscribe for 1 new CGB Share from 27 July 2022 to 26 July 2025 at an exercise price of RM0.80 per Warrant A; and
- (ii) an outstanding of 148,639 share awards which were granted but not yet exercised as at the LPD under the SGS. The outstanding 148,639 share awards carry the rights to subscribe for 1 new CGB Share at a subscription price of RM0.9635 and RM1.5240 respectively. Our Company has undertaken not to offer any further share awards until the completion of the Proposals.

As at the LPD, our Company does not have any treasury shares.

For illustration purposes, the effects of the Proposed Share Split shall be based on the following scenarios:

- Minimum Scenario** :
- Assuming none of the outstanding 25,765,300 Warrants A and outstanding 148,639 share awards are exercised into new CGB Shares; and
 - Assuming our Company's enlarged number of issued Shares is 721,841,856 after the completion of the Proposed Share Split.
- Maximum Scenario** :
- Assuming all of the outstanding 25,765,300 Warrants A and outstanding 148,639 share awards are exercised into new CGB Shares; and
 - Assuming our Company's enlarged number of issued Shares is 825,497,612 after the completion of the Proposed Share Split.

The actual number of Split Shares to be issued under the Proposed Share Split will be determined based on the number of CGB Shares in issued on the Share Split Entitlement Date.

Fractional entitlements arising from the Proposed Share Split, if any, shall be dealt with in such manner as our Board in its absolute discretion deems fit and expedient and in the best interest of our Company.

The Proposed Share Split will not be implemented on a staggered basis.

Upon completion of the Proposed Share Split, the RM value of the issued share capital of our Company shall remain unchanged before and after the Proposed Share Split.

For illustration purposes, the number of CGB Shares before and after the Proposed Share Split is as follows:

| | Minimum Scenario | | Maximum Scenario | |
|----------------------|--|---------------------------------------|--|---------------------------------------|
| | Before the Proposed Share Split as at the LPD | After the Proposed Share Split | Before the Proposed Share Split assuming full exercise of all outstanding Warrants A and share awards | After the Proposed Share Split |
| Number of CGB Shares | 180,460,464 | 721,841,856 | 206,374,403 | 825,497,612 |

2.2 Reference price to the Split Shares

The Proposed Share Split will result in an adjustment to the reference share price of CGB Shares listed and quoted on the Bursa Securities.

For illustration purposes, the TESP based on the closing market price of CGB Shares as at the LPD of RM3.20, is set out below:

| | Assumed No. of CGB Shares | Closing market price / TESP per CGB Share | ⁽²⁾Total value |
|--|----------------------------------|--|----------------------------------|
| | | RM | RM |
| As at the LPD | 100 | 3.20 | 320 |
| After the completion of the Proposed Share Split | 400 | ⁽¹⁾ 0.80 | 320 |

Notes:

- (1) For illustration purposes, the TESP based on the closing market price of CGB Shares as at the LPD is calculated based on the following formula:

$$\begin{aligned} \text{TESP} &= \text{Closing market price of CGB Shares} \times \frac{\text{Assumed number of Shares before the Proposed Share Split}}{\text{Number of Split Shares after the Proposed Share Split}} \\ &= \text{RM3.20} \times \frac{100}{400} \\ &= \text{RM0.80} \end{aligned}$$

- (2) The total value is calculated by multiplying the number of CGB Shares and the closing market price/TESP per CGB Share.

For illustrative purposes, based on the 5-day VWAMP of CGB Shares up to the LPD, 3-month VWAMP of CGB Shares up to 3 January 2024, being the application date for the Proposals and the lowest daily VWAMP of CGB Shares during 3-month period up to and including the LPD, the TESP of CGB Shares pursuant to the Proposed Share Split are as follows:

| | <u>Before the Proposed Share Split</u> | <u>After the Proposed Share Split</u> |
|--|--|---|
| | <u>Market price per CGB Share</u> | <u>TESP per CGB Share</u> |
| | RM | RM |
| 5-day VWAMP up to the LPD | 3.2147 | 0.8037 |
| Lowest daily VWAMP during the 3-month period up to the LPD | 2.7015 | 0.6754 |
| 3-month VWAMP up to 3 January 2024, being the application date for the Proposals | 2.9391 | 0.7348 |

Based on the above, the Proposed Share Split complies with Paragraph 6.30(1A) of the Listing Requirements which requires the adjusted share price to be not less than RM0.50 based on the daily VWAMP of the Shares during the 3-month period up to and including the last trading date immediately preceding the submission of the application to Bursa Securities in relation to the Proposed Share Split.

Based on the above illustration, the Proposed Share Split will adjust the reference price of CGB Shares without affecting the total market value of these Shares held by our shareholders.

2.3 Ranking of the Split Shares

The Split Shares will, upon allotment and issuance, rank equally in all respects with each other, save and except that the Split Shares will not be entitled to any dividends, rights, allotments and/or any other forms of distribution that may be declared, made or paid before the Share Split Entitlement Date.

As the Warrants B Entitlement Date will be after the Share Split Entitlement Date, as such, the Split Shares will be entitled to the Warrants B.

2.4 Listing and quotation of the Split Shares, additional Warrants A arising from the adjustments pursuant to the Proposed Share Split and new CGB Shares arising from the exercise of the additional Warrants A

No suspension will be imposed on the trading of CGB Shares and Warrants A on the Main Market of Bursa Securities for the purpose of implementing the Proposed Share Split as the Proposed Share Split is prescribed as a specified subdivision pursuant to Paragraph 13.04(3) of the Listing Requirements.

Bursa Securities had, vide its letter dated 22 January 2024, approved the Proposed Share Split as well as the listing and quotation of up to 80,337,660 additional Warrants A arising from the adjustment made pursuant to the Proposed Share Split and listing an quotation of up to 80,337,660 new CGB Shares to be issued pursuant to the exercise of the additional Warrants A.

The details on the adjustments to the Warrants A pursuant to the Proposed Share Split are set out in **Section 7.5.1** of this Circular.

The Split Shares shall be listed and quoted on the Main Market of Bursa Securities on the next market day after the Share Split Entitlement Date.

3. PROPOSED FREE ISSUE OF WARRANTS B

3.1 Basis and number of Warrants B

The Proposed Free Issue of Warrants B entails the issuance of up to 275,165,870 Warrants B on the basis of 1 Warrant B for every 3 Split Shares held by the Warrants B Entitled Shareholders on the Warrants B Entitlement Date, which will be after the Share Split Entitlement Date.

As at the LPD, the issued share capital of CGB is approximately RM140,628,813.61 comprising 180,460,464 CGB Shares. In addition, CGB has 25,765,300 outstanding Warrants A and 148,639 outstanding share awards as at the LPD, details of which is described in **Section 2.1** of this Circular.

As at the LPD, our Company does not have any treasury shares.

For illustration purposes, the effects of the Proposed Free Issue of Warrants B shall be based on the following scenarios:

- Minimum Scenario** :
 - Assuming none of the outstanding 25,765,300 Warrants A and outstanding 148,639 share awards are exercised into new CGB Shares; and
 - Assuming our Company's enlarged number of issued Shares is 721,841,856 after the completion of the Proposed Share Split.

Based on the above, a total of 240,613,952 Warrants B will be issued pursuant to the Proposed Free Issue of Warrants B and assuming all of these Warrants B are exercised into 240,613,952 new CGB Shares, the enlarged number of issued Shares will be 962,455,808

- Maximum Scenario** :
 - Assuming all of the outstanding 25,765,300 Warrants A and outstanding 148,639 share awards are exercised into new CGB Shares; and
 - Assuming our Company's enlarged number of issued Shares is 825,497,612 after the completion of the Proposed Share Split.

Based on the above, a total of 275,165,870 Warrants B will be issued pursuant to the Proposed Free Issue of Warrants B and assuming all of these Warrants B are exercised into 275,165,870 new CGB Shares, the enlarged number of issued Shares will be 1,100,663,482.

The actual number of Warrants B to be issued under the Proposed Free Issue of Warrants B will depend on the number of CGB Shares in issued on the Warrants B Entitlement Date.

The entitlement basis for the Proposed Free Issue of Warrants B was determined after taking into consideration the following:

- (i) the amount of proceeds our Company could potentially raise as and when the Warrants B are exercised during the exercise period of the Warrants B;
- (ii) dilutive effects arising from the full exercise of Warrants B on the consolidated EPS of our Company. For illustration purposes, the proforma dilutive effects arising from the full exercise of the Warrants B on the consolidated EPS based on Minimum and Maximum scenarios are as follows:

| | Audited for the FYE 31 December 2022 | Minimum Scenario | | Maximum Scenario | |
|---------------------------|---|--------------------------------------|--|--------------------------------------|--|
| | | After the Proposed Share Split | Assuming full exercise of Warrants B | After the Proposed Share Split | Assuming full exercise of Warrants B |
| | | (sen) | (sen) | (sen) | (sen) |
| Consolidated basic EPS | (a)6.27 | (b)1.03 | (c)0.78 | (d)0.90 | (e)0.68 |

Notes:

- (a) Calculated based on the PAT for the FYE 31 December 2022 of RM7,466,689 divided by 119,033,564 CGB Shares as at 31 December 2022.
 - (b) Calculated based on the PAT for the FYE 31 December 2022 of RM7,466,689 divided by 721,841,856 Split Shares after taking into consideration 180,460,464 CGB Shares as at the LPD.
 - (c) Calculated based on the PAT for the FYE 31 December 2022 of RM7,466,689 divided by the enlarged number of 962,455,808 CGB Shares, assuming full exercise of 240,613,952 Warrants B into new CGB Shares.
 - (d) Calculated based on the PAT for the FYE 31 December 2022 of RM7,466,689 divided by 825,497,612 Split Shares after taking into consideration the enlarged number of 206,374,403 CGB Shares, assuming all 25,765,300 Warrants A and 148,639 share awards are exercised into new CGB Shares.
 - (e) Calculated based on the PAT for the FYE 31 December 2022 of RM7,466,689 divided by 1,100,663,482 Split Shares, assuming full exercise of 275,165,870 Warrants B into new CGB Shares.
- (iii) compliance with Paragraph 6.50 of the Listing Requirements, which states that the number of new CGB Shares arising from the exercise of all outstanding convertible equity securities, shall not exceed 50% of the total number of issued Shares (excluding treasury shares and before the exercise of the convertible equity securities) at all times.

In determining the entitlements under the Proposed Free Issue of Warrants B, fractional entitlements, if any, shall be disregarded and dealt with in such manner as our Board in its absolute discretion deems fit and expedient, and in the best interest of our Company.

The Proposed Free Issue of Warrants B is not intended to be implemented in stages over a period of time.

3.2 Indicative salient terms of the Warrants B

The Warrants B will be issued in registered form and constituted by the provision of the Deed Poll B to be executed by our Company. The indicative salient terms of the Warrants B are set out in **Appendix I** of this Circular.

3.3 Basis and justification of determining the issue price and exercise price of Warrants B

The Warrants B will be issued at no cost to the Warrants B Entitled Shareholders and the exercise price of the Warrants B will be determined by our Board and announced by our Company at a later date after receiving all relevant approvals.

The exercise price of the Warrants B will be determined and fixed by our Board after taking into consideration, amongst others, the following:

- (i) the historical price movement of CGB Shares;
- (ii) the TESP based on the 5-day VWAMP of CGB Shares immediately preceding the price-fixing date.

Our Board intends to fix the exercise price of the Warrants B at a discount of not more than 10% to the TESP of CGB Shares based on the 5-day VWAMP of CGB Shares immediately preceding the price fixing date. The discount will allow our Board to fix the exercise price of the Warrants B at a sufficiently attractive price to incentivise Warrant B holders to exercise the Warrants B and increase their equity participation in our Company, while also allowing our Board the necessary flexibility to accommodate for potential fluctuations in prevailing market conditions and prices.

For illustrative purposes, assuming the exercise price of the Warrants B is RM0.73, it represents a discount of approximately 9.17% to the TESP of CGB Shares of RM0.8037, based on the 5-day VWAMP of CGB Shares up to and including the LPD of RM3.2147 per CGB Share; and

- (iii) the future working capital requirements of our Group.

Our Board wishes to emphasise that the illustrative exercise price of Warrants B of RM0.73 each should not be taken as an indication of or reference to the actual exercise price of the Warrants B, which will be determined and announced on the price-fixing date.

3.4 Ranking of the Warrants B and new CGB shares to be issued arising from the exercise of Warrants B

The Warrant B holders will not be entitled to any voting rights or right to participate in any form of distribution and/or offer of further securities in CGB (save as disclosed in the Deed Poll B) until and unless such Warrant B holders exercise their Warrants B into new Shares.

The new CGB Shares to be issued pursuant to the exercise of the Warrants B will, upon allotment and issuance, rank equally in all respects with the existing CGB Shares, save and except that the new CGB Shares will not be entitled to any dividends, rights, allotments and/or any other forms of distribution where the entitlement date precedes the relevant date of allotment and issuance of the new CGB Shares.

3.5 Listing and quotation of the Warrants B and new CGB Shares to be issued arising from the exercise of the Warrants B

Bursa Securities had, vide its letter dated 22 January 2024, approved the admission of the Warrants B to the Main Market of Bursa Securities and the listing and quotation of up to 275,165,870 Warrants B and up to 275,165,870 new CGB Shares to be issued pursuant to the exercise of up to 275,165,870 Warrants B on the Main Market of Bursa Securities.

3.6 Utilisation of proceeds

The Proposed Free Issue of Warrants B will not raise any immediate funds for our Company as the Warrants B will be issued at no cost to the Warrants B Entitled Shareholders.

The amount of proceeds to be raised from the exercise of Warrants B would depend on the actual number of Warrants B exercised during the exercise period of the Warrants B and the exercise price of the Warrants B, which is to be determined at a later date. As such, the exact quantum and timeframe for utilisation of the proceeds to be raised cannot be determined at this juncture.

For illustrative purposes, the gross proceeds to be raised assuming all the Warrants B are exercised at the illustrative exercise price of RM0.73 per Warrant B are set out below:

| | <u>No. of Warrants B exercised</u> | <u>Gross proceeds to be raised</u> |
|-------------------------|------------------------------------|------------------------------------|
| | | RM |
| Minimum Scenario | 240,613,952 | 175,648,185 |
| Maximum Scenario | 275,165,870 | 200,871,085 |

Our Company intends to utilise the proceeds arising from the exercise of the Warrants B for the working capital of our Group. The working capital to be raised from the exercise of the Warrants B will be used for our Group's working capital requirements such as payment to trade creditors and operating expenses. The allocation of proceeds to be utilised for each component of working capital shall be subjected to our Group's operational requirements at the time of utilisation. As such, the detailed allocation can only be determined by our Board at a later date.

The proceeds that are not immediately used will be placed in interest-bearing deposits with licensed financial institutions and/or short-term money market financial instruments as our Board may deem fit. Any interest income earned from such deposits and/or instruments will also be used for the working capital requirements of our Group.

4. RATIONALE AND JUSTIFICATIONS FOR THE PROPOSALS

4.1 Proposed Share Split

Our Board intends to undertake the Proposed Share Split to reward the existing shareholders of our Company as the Proposed Share Split serves to:

- (i) increase the number of CGB Shares held by our Company's shareholders at no cost to be incurred by our shareholders, while maintaining their percentage of equity shareholding held in our Company;
- (ii) potentially result in improved trading liquidity of CGB Shares by increasing the number of Shares in issue; and
- (iii) result in CGB Shares being more affordable without affecting the market capitalisation of our Company, which may encourage greater participation by a wider group of public shareholders and investors.

4.2 Proposed Free Issue of Warrants B

Our Board intends to undertake the Proposed Free Issue of Warrants B to reward the existing shareholders of our Company as the Proposed Free Issue of Warrants B serves to:

- (i) reward our shareholders for their continuous support by enabling them to participate in the equity of our Company without incurring any costs;
- (ii) provide our shareholders an opportunity to further increase their equity participation in our Company by exercising the Warrants B at a pre-determined price over the tenure of the Warrants B. Our shareholders may also benefit from potential capital gain in the event of share price appreciation through the exercise of the Warrants B;
- (iii) strengthen our Company's capital base and shareholders' funds, as and when the Warrants B are exercised; and
- (iv) provide our Company with additional working capital as and when the Warrants B are exercised without incurring interest costs as compared to conventional bank borrowings.

Although our Company completed the free issuance of Warrants A on 29 July 2022 (which will expire by 26 July 2025), the objective to undertake the Proposed Free Issue of Warrants B is to enable our Group to raise additional working capital to fund our construction projects as and when the Warrants B are exercised into new CGB Shares, having considered that as at the LPD, our Group's construction segment has a tender book of approximately RM4.44 billion.

We intend to reward our existing shareholders via the Proposals instead of declaring dividend in view that our Group recorded accumulated losses as at 31 December 2022 and 30 September 2023 of approximately RM8.50 million and RM5.81 million respectively.

5. OTHER EQUITY FUND RAISING EXERCISES IN THE PAST 12 MONTHS

Our Company has not undertaken any other equity fund raising exercise in the past 12 months up to the date of this Circular.

6. INDUSTRY OUTLOOK AND FUTURE PROSPECTS OF OUR GROUP

6.1 Overview and outlook of the Malaysia economy

(i) Overview

The Malaysian economy expanded by 3.3% in the third quarter of 2023 (2Q 2023: 2.9%). Growth was anchored by resilient domestic demand. Household spending remained supported by continued growth in employment and wages. Meanwhile, investment activity was underpinned by the progress of multi-year projects and capacity expansion by firms. Exports remained soft amid prolonged weakness in external demand. This, however, was partially offset by the recovery in inbound tourism. On the supply side, the services, construction and agriculture sectors remained supportive of growth. This was partly offset by the decline in production in the manufacturing sector given the weakness in demand for electrical and electronic (E&E) products and lower production of refined petroleum products. On a quarter-to-quarter seasonally adjusted basis, the economy grew by 2.6% (2Q 2023: 1.5%). Overall, the Malaysian economy expanded by 3.9% in the first three quarters of 2023.

(Source: Economic and Financial Developments in Malaysia in the Third Quarter of 2023, Bank Negara Malaysia)

(ii) Outlook

Going forward, growth of the Malaysian economy will be driven largely by resilient domestic expenditure, with some support from E&E exports recovery. Household spending will be supported by steady growth in employment and wage growth. Tourist arrivals and spending are expected to improve further. Additionally, continued progress of multi-year infrastructure projects and implementation of catalytic initiatives will support investment activity. Budget 2024 measures will also provide additional impetus to economic activity. Meanwhile, domestic financial conditions remain conducive to sustain credit growth, as financial institutions continue to operate with strong capital and liquidity buffers.

The growth outlook is subject to downside risks from weaker-than-expected external demand, and larger and protracted declines in commodity production. Nevertheless, stronger-than-expected tourism activity, a strong recovery from the E&E down cycle, and faster implementation of projects provide upside to Malaysia's economic outlook.

(Source: BNM Quarterly Bulletin Vol 38 No.3, 3rd Quarter of 2023, Bank Negara Malaysia)

6.2 Outlook of Malaysian manufacturing sector

The manufacturing sector is forecast to grow by 1.2% in the second half of 2023 with domestic-oriented industries remain as the mainstay of growth. All segments are projected to expand particularly food and beverages, as well as transport equipment. These segments will benefit from the strengthening of tourism activities and increasing demand for passenger cars and related motor parts and accessories. In addition, anticipated acceleration and realisation of projects in the construction sector will increase the demand for metal-related segments. Meanwhile, within the export-oriented industries, the E&E segment is expected to pivot away from the downcycle trend, in line with gradual improvements in global demand especially for computing devices, electronics and semiconductors as well as growing domestic demand for industrial electronics, electric vehicles (EV) and medical technology devices. Furthermore, the demand for chemicals segment is expected to increase in line with the bottom out of E&E downcycle. Hence, the manufacturing sector is anticipated to register a modest growth of 1.4% in 2023.

The manufacturing sector is forecast to expand by 4.2% in 2024 driven by better performance in both export- and domestic-oriented industries. The export-oriented industries are expected to benefit from the recovery of external demand with E&E segment projected to surge, primarily driven by memory products. This is in line with the rebound in demand for technologically advanced products. Similarly, domestic-oriented industries are anticipated to grow steadily backed by higher output in transport- and construction-related segments, in tandem with better consumer spending and business activities. In addition, the implementation of initiatives under the Chemical Industry Roadmap 2030, National Energy Transition Roadmap (NETR) and New Industrial Master Plan 2030 (NIMP 2030) will further strengthen the sector's growth.

6.3 Outlook of Malaysian construction sector

The construction sector is forecast to expand by 5.9% in the second half of 2023 supported by growth in all subsectors. The residential buildings subsector is anticipated to remain encouraging on the back of Government's initiatives such as i-MILIKI and Housing Credit Guarantee Scheme in assisting first-time home buyers, spurring demand for home ownership. Similar, the non-residential buildings subsector is envisaged to increase, particularly with the realisation of approved private investments. The continuous implementation of strategic infrastructure and utilities projects will further support the civil engineering subsector. For the year, performance of the sector is expected to remain steady and grow by 6.3%.

The construction sector is forecast to increase by 6.8% in 2024 following better performance in all subsectors. Civil engineering subsector continues to be bolstered by strategic infrastructure and utilities projects which include ongoing projects such as the Central Spine Road (CSR), the Pan Borneo Sabah Highway and acceleration of projects under the Twelfth Malaysia Plan, 2021 - 2025 (Twelfth Plan). Furthermore, a new solar power plant project under the Corporate Green

Power Programme will support the subsector's growth. The implementation of NIMP 2030 is expected to further strengthen the performance of non-residential buildings subsector as the plan will provide a platform to attract more investments into the country. In addition, the residential buildings subsector is projected to improve further in line with the Government's effort to increase more affordable houses as outlined under the Mid-Term Review of the Twelfth Plan and the MADANI Neighbourhood scheme, as well as new launchings by the private sector.

(Source: Economic Outlook 2024, Ministry of Finance)

6.4 Prospects and future plans of our Group

Our Group is currently involved in:

- **Manufacturing and trading segment**

Our Group's manufacturing division which is undertaken by CICB focuses on manufacturing and sales of self-adhesive label stocks and tapes of its own brand and of others. Our Group's existing manufacturing plant is located in Mukim Sungai Pasir, Kuala Muda, Kedah on a factory land area measuring approximately 7.99 acres (or approximately 347,836 square feet).

The intense competition in the tape and adhesive products have continued to adversely affect our Group's manufacturing and trading segment resulting in decreased sales and eroded profit margins. However, there is a positive progress in the export market whereby the sales have recorded a meaningful improvement. Our Group will continue its efforts to improve plant efficiency in terms of costing and quality in order to maintain and improve its competitiveness. With the new masking tape coater production line expected to commence production by early year 2025, our Group is expected to achieve costs efficiency with the greater volume of productions and lower wastages under the manufacturing and trading segment.

- **Construction segment**

Our Group's construction segment operates by PBSB and RYRT International. Both PBSB and RYRT International are contractors with Category G7 registered with the CIDB. With the G7 categorisation, PBSB and RYRT International are qualified to tender and carry out all categories of private construction contracts. Our Group's construction segment is focused on providing the full spectrum of construction works, construction related activities such as residential and commercial developments, infrastructure constructions and trading of building materials in Malaysia.

Currently, our Group focus to further consolidate its position in the infrastructure construction sector and accelerate the work progress for the following ongoing projects:

- (i) Project Lahad Datu Phase 1, which involves subcontract work to supply labour, material, machinery and equipment for the construction and completion of civil works, mechanical and electrical works as well as upgrading work of water supply system in Lahad Datu; and
- (ii) Project Jalan Semawang ke Tanjung Kuala Gum-Gum, which involves environmental protection, traffic management and control, demolition and site clearance, earthworks, geo-technical works, precast reinforced panel wall and pile embarkment, drainage work, road and paving, internal bridge, lighting, access road for Eastern Sabah Security Command (ESSCOM) and any provisional work as may be instructed by Jabatan Kerja Raya Sabah.

As at the LPD, our Group's construction segment has a tender book of approximately RM4.44 billion and our Group is hopeful that these tenders will translate into tangible results to support the sustainability of our Group's construction segment. Based on our Group's construction segment's unbilled order book of RM212.64 million as at the LPD and the positive prospects of the construction sector in Sabah, our Group's construction segment is expected to contribute positively to our Group moving forward.

(Source: Management of CGB)

6.4.1 Value creation and impact of the Proposals to our Group and our shareholders

The Proposed Share Split is intended to reward our existing shareholders in terms of the potential improvement of the trading liquidity of CGB Shares by way of subdivide the number of Shares held by our shareholders while maintaining their proportion of equity shareholding held in our Company. As set out in **Section 4.1** of this Circular, the Proposed Share Split will also result in CGB Shares being more affordable without affecting our market capitalisation, which may encourage greater participation by a wider group of public shareholders and investors.

The Proposed Free Issue of Warrants B is expected to strengthen our Company's capital base and shareholders' funds as well as to raise proceeds as and when the Warrants B are exercised. The proceeds to be raised will allow our Group to fund for future working capital requirements without relying solely on internally generated funds and/or bank borrowings. Such utilisation is expected to provide flexibility to our Group in respect of financial allocation for our operational requirements, which may enable our Group to operate more efficiently.

The Proposed Free Issue of Warrants B also serves to reward our existing shareholders which will enable them to participate in a convertible security of our Company, which would be tradable on Main Market of Bursa Securities, without incurring any costs. In addition, the Proposed Free Issue of Warrants B provides our shareholders with an opportunity to increase their equity participation in our Company by exercising their Warrants B at a pre-determined price over the tenure of the Warrants B. In the event our shareholders exercise their Warrants B into new CGB Shares, our shareholders may also benefit from potential capital gain in the event of our Company's share price appreciates.

6.4.2 Adequacy of the Proposals in addressing the financial requirements of our Group

After having considered the rationale and proforma effects on the financial information as set out in **Section 4** and **Section 7** of this Circular, as well as the prospects of our Group's construction segment, our Board is of the view that the Proposals are adequate to address our Group's current financial requirements. We will continuously assess our financial position and financial requirements at the relevant points in time in order to secure more construction projects to support the sustainability of our Group's construction segment.

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7. EFFECTS OF THE PROPOSALS

7.1 Issued share capital

The pro forma effects of the Proposals on the issued share capital of our Company are set out below:

| | Minimum Scenario | | Maximum Scenario | |
|--|----------------------|----------------------------|----------------------|----------------------------|
| | No. of Shares | RM | No. of Shares | RM |
| Issued share capital as at the LPD | 180,460,464 | *137,445,160 | 180,460,464 | *137,445,160 |
| Number of new Shares to be issued assuming full exercise of Warrants A | - | - | 25,765,300 | ⁽¹⁾ 20,612,240 |
| Number of new Shares to be issued assuming full exercise of the share awards under the SGS | - | - | 148,639 | ⁽²⁾ 189,567 |
| Enlarged issued share capital | 180,460,464 | 137,445,160 | 206,374,403 | 158,246,967 |
| Issued share capital after the Proposed Share Split | 721,841,856 | 137,445,160 | 825,497,612 | 158,246,967 |
| Number of new Shares to be issued assuming full exercise of Warrants B | 240,613,952 | ⁽³⁾ 175,648,185 | 275,165,870 | ⁽⁴⁾ 200,871,085 |
| Enlarged issued share capital after the full exercise of Warrants B | 962,455,808 | 313,093,345 | 1,100,663,482 | 359,118,052 |
| Number of new Shares to be issued assuming full exercise of outstanding Warrants A which include the additional Warrants A issued pursuant to the Proposed Share Split | 103,061,200 | ⁽⁵⁾ 20,612,240 | - | - |
| Number of new Shares to be issued assuming full exercise of outstanding share awards which include the additional share awards issued pursuant to the Proposed Share Split | 594,556 | ⁽⁶⁾ 189,567 | - | - |
| Enlarged issued share capital | 1,066,111,564 | 333,895,152 | 1,100,663,482 | 359,118,052 |

Notes:

- * Adjusted after taking into consideration the fair value of CGB Shares at the completion of the acquisition of 70% equity interest in RYRT International by CIC Construction Sdn Bhd, a wholly-owned subsidiary of CGB, where 28,942,308 CGB Shares were issued as settlement.
- (1) Assuming full exercise of 25,765,300 Warrants A at the exercise price of RM0.80 each before the Proposed Share Split under the Maximum Scenario.
- (2) Under the Maximum Scenario, assuming full exercise of 148,639 share awards at the following subscription prices before the Proposed Share Split:
- (a) 65,939 share awards at RM0.9635 each; and
- (b) 82,700 share awards at RM1.5240 each.
- (3) Assuming full exercise of 240,613,952 Warrants B at the indicative exercise price of RM0.73 each under the Minimum Scenario.
- (4) Assuming full exercise of 275,165,870 Warrants B at the indicative exercise price of RM0.73 each under the Maximum Scenario.
- (5) Assuming 103,061,200 Warrants A are exercised into new CGB Shares at the adjusted exercise price of RM0.20 each after the Proposed Share Split under the Minimum Scenario.
- (6) Under the Minimum Scenario, assuming 594,556 share awards under the SGS are exercised into new CGB Shares at the following adjusted subscription prices after the Proposed Share Split:
- (a) 263,756 share awards at RM0.2409; and
- (b) 330,800 share awards at RM0.3810.

7.2 NA and gearing ratio

Based on the latest audited consolidated statements of financial position of our Company as at 31 December 2022, the pro forma effects of the Proposals on the NA per Share and gearing ratio are as follows:

Minimum Scenario

| | | (I) | (II) | (III) |
|---|--------------------------------|---|--------------------------------|---|
| | Audited as at 31 December 2022 | Adjusted after subsequent events ⁽¹⁾ | After the Proposed Share Split | After (I) the Proposed Free Issue of Warrants B |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| Share capital | 100,111 | 137,445 | 137,445 | (⁽³⁾ 313,093) |
| Translation reserve | 389 | 389 | 389 | 389 |
| Accumulated losses | (8,496) | (⁽²⁾ (17,866)) | (17,866) | (⁽²⁾ (18,370)) |
| NA attributable to owners of our Company | 92,004 | 119,968 | 119,968 | 295,112 |
| No. of Shares in issue ('000) | 141,760 | 180,460 | 721,842 | 962,456 |
| NA per Share (RM)* | 0.65 | 0.66 | 0.17 | 0.17 |
| Total borrowings (RM) | 11,251 | 11,251 | 11,251 | 11,251 |
| Gearing ratio (times) [#] | 0.12 | 0.09 | 0.09 | 0.09 |

Notes:

- (1) After taking into consideration of the following events:
- (i) the issuance of 10,200,000 new Shares ("Consideration Share(s)") at the issue price of RM1.30 per Consideration Share pursuant to the acquisition of the remaining 30% equity interest in RYRT International for a purchase consideration of RM13.26 million ("Acquisition").
- (ii) the issuance of 25,672,520 new Shares arising from the exercise of 25,672,520 Warrants A at the exercise price of RM0.80 per Warrant A.
- (iii) the issuance of new Shares arising from the exercise of the following share awards under the SGS at the following subscription prices:
- (a) 631,920 share awards exercised into new Shares at RM0.9635;
- (b) 945,340 share awards exercised into new Shares at RM1.1085;
- (c) 333,170 share awards exercised into new Shares at RM1.4434; and
- (d) 917,300 share awards exercised into new Shares at RM1.5240

(2) After taking into consideration of the following:

| | <u>RM'000</u> |
|---|-------------------------------|
| Accumulated losses as at 31 December 2022 | (8,496) |
| Issuance of new Shares arising from the exercise of the share awards under the SGS | (3,535) |
| Change in ownership interests on the equity attributable to owners of CGB after the Acquisition | ⁽ⁱ⁾ (5,305) |
| Estimated expenses for the Acquisition | (530) |
| Adjusted accumulated losses after the subsequent events | <u>(17,866)</u> |
| Estimated expenses for the Proposals | (504) |
| Adjusted accumulated losses after the Proposed Free Issue of Warrants B | <u><u>(18,370)</u></u> |

Note:

- (i) After taking into consideration the completion of the Acquisition on 5 October 2023, which give rise to the change in ownership interests on the equity attributable to owners of CGB after adjusting for the amount attributable to the non-controlling interests of approximately RM7.96 million and the purchase consideration for the remaining 30% equity interest in RYRT International of RM13.26 million.
- (3) Assuming full exercise of 240,613,952 Warrants B into new Shares at the illustrative exercise price of RM0.73 each.
- * Calculated based on NA attributable to owners of our Company divided by total number of Shares in issue.
- # Calculated based on total interest-bearing borrowings divided by NA attributable to owners of our Company.

Maximum Scenario

| | (I) | (II) | (III) | (IV) |
|---|--|--|---|---|
| Audited as at 31 December 2022 | Assuming the full exercise of the outstanding Warrants A and share awards ⁽³⁾ | After (I) the Proposed Share Split | After (II) and the Proposed Free Issue of Warrants B | After (III) and assuming full exercise of Warrants B |
| RM'000 | RM'000 | RM'000 | RM'000 | RM'000 |
| Share capital | 100,111 | 158,247 | 158,247 | (4)359,118 |
| Translation reserve | 389 | 389 | 389 | 389 |
| Accumulated losses | (8,496) | (18,056) | (18,560) | (18,560) |
| NA attributable to owners of our Company | 92,004 | 140,580 | 140,076 | 340,947 |
| No. of Shares in issue ('000) | 141,760 | 180,460 | 825,498 | 1,100,663 |
| NA per Share (RM)* | 0.65 | 0.66 | 0.17 | 0.31 |
| Total borrowings (RM) | 11,251 | 11,251 | 11,251 | 11,251 |
| Gearing ratio (times)# | 0.12 | 0.09 | 0.08 | 0.03 |

Notes:

- (1) After taking into consideration of the following events:
- (i) the issuance of 10,200,000 Consideration Shares at the issue price of RM1.30 per Consideration Share pursuant to the Acquisition.
- (ii) the issuance of 25,672,520 new Shares arising from the exercise of 25,672,520 Warrants A at the exercise price of RM0.80 per Warrant A.
- (iii) the issuance of new Shares arising from the exercise of the following share awards under the SGS at the following subscription prices:
- (a) 631,920 share awards exercised into new Shares at RM0.9635;
- (b) 945,340 share awards exercised into new Shares at RM1.1085;
- (c) 333,170 share awards exercised into new Shares at RM1.4434; and
- (d) 917,300 share awards exercised into new Shares at RM1.5240

(2) After taking into consideration of the following:

| | <u>RM'000</u> |
|--|------------------------|
| Accumulated losses as at 31 December 2022 | (8,496) |
| Issuance of new Shares arising from the exercise of the share awards under the SGS | (3,535) |
| Change in ownership interests on the equity attributable to owners of CGB after the Acquisition | ⁽ⁱ⁾ (5,305) |
| Estimated expenses for the Acquisition | (530) |
| Adjusted accumulated losses after the subsequent events | <u>(17,866)</u> |
| Assuming the outstanding share awards under the SGS are exercised into new CGB Shares | (190) |
| Adjusted accumulated losses after assuming the full exercise of the outstanding Warrants A and share awards | <u>(18,056)</u> |
| Estimated expenses for the Proposals | (504) |
| Adjusted accumulated losses after the Proposed Free Issue of Warrants B | <u>(18,560)</u> |

Note:

- (1) After taking into consideration the completion of the Acquisition 5 October 2023, which give rise to the change in ownership interests on the equity attributable to owners of CGB after adjusting for the amount attributable to the non-controlling interests of approximately RM7.96 million and the purchase consideration for the remaining 30% equity interest in RYRT International of RM13.26 million.
- (3) After taking into consideration the following:
- (i) assuming all 25,765,300 outstanding Warrants A are exercised into new Shares at the exercise price of RM0.80 each;
 - (ii) assuming the outstanding 65,939 share awards are exercised into new Shares at the subscription price of RM0.9635 each; and
 - (iii) assuming the outstanding 82,700 share awards are exercised into new Shares at the subscription price of RM1.5240.
- (4) Assuming full exercise of 275,165,870 Warrants B into new Shares at the illustrative exercise price of RM0.73 each.
- * Calculated based on NA attributable to owners of our Company divided by total number of Shares in issue.
- # Calculated based on total interest-bearing borrowings divided by NA attributable to owners of our Company.

Notes:

- (1) Calculated based on the issued share capital of 180,460,464 CGB Shares as at the LPD.
- (2) Deemed interested by virtue of his substantial shareholdings in HJT Technology (M) Sdn Bhd and HJT International Group (M) Sdn Bhd pursuant to Section 8 of the Act.
- (3) Deemed interested by virtue of their substantial shareholdings in RYRT Holdings Sdn Bhd pursuant to Section 8 of the Act.
- (4) Calculated based on the enlarged issued share capital of 721,841,856 CGB Shares after the Proposed Share Split.
- (5) Calculated based on the enlarged issued share capital of 962,455,808 CGB Shares assuming the full exercise of 240,613,952 Warrants B into new CGB Shares.

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Maximum Scenario

| Substantial shareholders | (I) | | | | (II) | | | | | | | |
|--|-----------------------------------|----------|---------------|-------|---|----------|---------------|-------|---------|----------|---------------|-------|
| | As at the LPD | | | | Assuming full exercise of outstanding Warrants A and share awards | | | | | | | |
| | Direct | Indirect | No. of Shares | (1)% | Direct | Indirect | No. of Shares | (4)% | Direct | Indirect | No. of Shares | (5)% |
| Chew Hian Tat | 47,954 | 26.57 | '000 | 3.57 | 62,753 | 30.41 | '000 | 3.98 | 251,012 | 30.41 | '000 | 3.98 |
| RYRT Holdings Sdn Bhd | 20,168 | 11.18 | - | - | 22,994 | 11.14 | (2)8,218 | - | 91,976 | 11.14 | (2)32,870 | - |
| Lee Chee Vui | 2,329 | 1.29 | (3)20,168 | 11.18 | 2,329 | 1.13 | (3)22,994 | 11.14 | 9,314 | 1.13 | (3)91,976 | 11.14 |
| Soo Yu Chai | 196 | 0.11 | (3)20,168 | 11.18 | 196 | 0.09 | (3)22,994 | 11.14 | 783 | 0.09 | (3)91,976 | 11.14 |
| Geneva Insurance Group (Barbados) Inc. | 13,000 | 7.20 | - | - | 13,000 | 6.30 | - | - | 52,000 | 6.30 | - | - |
| | | | | | | | | | | | | |
| Substantial shareholders | (III) | | | | (IV) | | | | | | | |
| | Proposed Free Issue of Warrants B | | | | After (III) and assuming full exercise of the Warrants B | | | | | | | |
| | Direct | Indirect | No. of Shares | (5)% | Direct | Indirect | No. of Shares | (6)% | Direct | Indirect | No. of Shares | (6)% |
| Chew Hian Tat | 251,012 | 30.41 | '000 | 3.98 | 334,683 | 30.41 | '000 | 3.98 | 334,683 | 30.41 | (2)43,827 | 3.98 |
| RYRT Holdings Sdn Bhd | 91,976 | 11.14 | - | - | 122,634 | 11.14 | - | - | 122,634 | 11.14 | - | - |
| Lee Chee Vui | 9,314 | 1.13 | (3)91,976 | 11.14 | 12,419 | 1.13 | (3)122,634 | 11.14 | 12,419 | 1.13 | (3)122,634 | 11.14 |
| Soo Yu Chai | 783 | 0.09 | (3)91,976 | 11.14 | 1,044 | 0.09 | (3)122,634 | 11.14 | 1,044 | 0.09 | (3)122,634 | 11.14 |
| Geneva Insurance Group (Barbados) Inc. | 52,000 | 6.30 | - | - | 69,333 | 6.30 | - | - | 69,333 | 6.30 | - | - |

Notes:

- (1) *Calculated based on the issued share capital of 180,460,464 CGB Shares as at the LPD.*
- (2) *Deemed interested by virtue of his substantial shareholdings in HJT Technology (M) Sdn Bhd and HJT International Group (M) Sdn Bhd pursuant to Section 8 of the Act.*
- (3) *Deemed interested by virtue of their substantial shareholdings in RYRT Holdings Sdn Bhd pursuant to Section 8 of the Act.*
- (4) *Calculated based on the enlarged issued share capital of 206,374,403 CGB Shares assuming full exercise of all the outstanding Warrants A and share awards into new CGB Shares.*
- (5) *Calculated based on the enlarged issued share capital of 825,497,612 CGB Shares after the Proposed Share Split.*
- (6) *Calculated based on the enlarged issued share capital of 1,100,663,482 CGB Shares assuming full exercise of 275,165,870 Warrants B into new CGB Shares.*

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7.4 Earnings and EPS

The Proposals are not expected to have a material effect on the earnings of our Group for the financial year ending 31 December 2024. However, the EPS of our Company will be correspondingly diluted as a result of the increase in the number of Shares to be issued pursuant to the Proposed Share Split, and as and when the Warrants B are exercised into new CGB Shares.

The dilution effects arising from the exercise of the Warrants B on the future earnings of our Group and EPS of our Company will also depend on, amongst others, the number of Warrants B exercised at any point in time and the benefits to be accrued to our Group from the utilisation of proceeds raised from the exercise of the Warrants B.

7.5 Convertible securities

As at the LPD, save for the 25,765,300 outstanding Warrants A and 148,639 outstanding share awards, our Company do not have any other outstanding convertible securities.

7.5.1 Proposed Share Split

(i) Adjustments to the outstanding Warrants A

The Proposed Share Split will give rise to adjustments to the exercise price and number of outstanding Warrants A in accordance with the provisions of the Deed Poll A. Any adjustments to the exercise price and number of outstanding Warrants A will be determined by our Board in consultation with an approved adviser and/or the external auditors of our Company and certified by the external auditors of our Company at a later date. A notice will be despatched to the holders of Warrants A in the event of any adjustment to the exercise price and/or number of outstanding Warrants A within 30 days of such adjustment in accordance with the provisions of the Deed Poll A.

For illustrative purposes, assuming 25,765,300 outstanding Warrants A as at the LPD are not exercised into new CGB Shares prior to the Share Split Entitlement Date, the adjustments to the outstanding Warrants A pursuant to the Proposed Share Split are as follows:

| | | | | | |
|-------------------------|---|---|---|---|------------------------------------|
| Adjusted exercise price | = | Existing exercise price | x | Aggregate number of Shares in issue immediately prior to the Proposed Share Split | |
| | | Aggregate number of Split Shares after the Proposed Share Split | | | |
| | = | RM0.80 | x | $\frac{180,460,464}{721,841,856}$ | |
| | = | <u>RM0.20</u> | | | |
| Additional Warrants A | = | Number of outstanding Warrants A | x | $\frac{\text{Aggregate number of Split Shares after the Proposed Share Split}}{\text{Aggregate number of Shares in issue immediately prior to the Proposed Share Split}}$ | - Number of outstanding Warrants A |
| | = | 25,765,300 | x | $\frac{721,841,856}{180,460,464}$ | - 25,765,300 |
| | = | <u>77,295,900</u> | | | |

Ranking of the additional Warrants A and new CGB Shares to be issued pursuant to the exercise of the additional Warrants A

The Warrant A holders will not be entitled to any voting rights or right to participate in any form of distribution and/or offer of further securities in CGB (save as disclosed in the Deed Poll A) until and unless such Warrant A holders exercise their additional Warrants A into new Shares. The additional Warrants A to be issued arising from the adjustment made pursuant to the Proposed Share Split will, upon allotment and issuance, rank equally in all respect with the existing Warrants A.

The new CGB Shares to be issued pursuant to the exercise of the additional Warrants A will, upon allotment and issuance, rank equally in all respects with the existing CGB Shares, save and except that the new CGB Shares will not be entitled to any dividends, rights, allotments and/or any other forms of distribution where the entitlement date precedes the relevant date of allotment and issuance of the new CGB Shares.

(ii) Adjustments to the outstanding share awards

The Proposed Share Split will give rise to adjustments to the exercise price and number of outstanding share awards in accordance with the provisions of the By-Laws. Any adjustments to the exercise price and number of outstanding share awards will be determined by the LTIS committee at a later date and be confirmed in writing to be fair and reasonable by the external auditors of our Company and/or an approved adviser (acting as expert and not as arbitrator) in accordance with the provisions of the By-Laws. Upon any adjustment to the outstanding share awards pursuant to the Proposed Share Split, the LTIS committee shall notify the holders of the outstanding share awards in writing of such adjustment within 14 market days of the listing date of the Split Shares.

For illustrative purposes, assuming 148,639 outstanding share awards as at the LPD are not exercised prior to the Share Split Entitlement Date, the adjustments to the outstanding share awards pursuant to the Proposed Share Split are as follows:

Share awards granted and offered on 18 January 2023

| | | | | | |
|----------------------------|---|---|---|---|---|
| New share award price | = | Existing exercise price | x | $\frac{\text{Total number of issued Shares immediately preceding the Proposed Share Split}}{\text{Total number of issued Shares after the Proposed Share Split}}$ | |
| | = | RM0.9635 | x | $\frac{180,460,464}{721,841,856}$ | |
| | = | <u>RM0.2409</u> | | | |
| | | | | | |
| Additional share awards | = | Number of outstanding share awards | x | $\frac{\text{Total number of issued Shares after the Proposed Share Split}}{\text{Total number of issued Shares immediately preceding the Proposed Share Split}}$ | - |
| | = | 65,939 | x | $\frac{721,841,856}{180,460,464}$ | - |
| | = | <u>197,817</u> | | | - |
| | = | <u>197,817</u> | | | |

Share awards granted and offered on 30 June 2023

| | | | | | |
|-------------------------|---|------------------------------------|---|---|--------|
| New share award price | = | Existing exercise price | x | $\frac{\text{Total number of issued Shares immediately preceding the Proposed Share Split}}{\text{Total number of issued Shares after the Proposed Share Split}}$ | |
| | = | RM1.524 | x | $\frac{180,460,464}{721,841,856}$ | |
| | = | <u>RM0.3810</u> | | | |
| Additional share awards | = | Number of outstanding share awards | x | $\frac{\text{Total number of issued Shares after the Proposed Share Split}}{\text{Total number of issued Shares immediately preceding the Proposed Share Split}}$ | - |
| | = | 82,700 | x | $\frac{721,841,856}{180,460,464}$ | - |
| | = | <u>248,100</u> | | | 82,700 |

7.5.2 Proposed Free Issue of Warrants B

The Proposed Free Issue of Warrants B will not give rise to any adjustments to the exercise price and number of outstanding Warrants A and share awards pursuant to the provisions of the Deed Poll A and By-Laws respectively.

8. HISTORICAL SHARE PRICES

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

| | <u>High</u> | <u>Low</u> |
|--------------------|-------------|------------|
| | RM | RM |
| <u>2023</u> | | |
| January | 1.080 | 0.895 |
| February | 1.070 | 1.020 |
| March | 1.110 | 0.915 |
| April | 1.150 | 1.060 |
| May | 1.350 | 1.080 |
| June | 1.640 | 1.320 |
| July | 1.910 | 1.490 |
| August | 2.370 | 1.860 |
| September | 2.540 | 2.210 |
| October | 3.120 | 2.470 |
| November | 3.070 | 2.850 |
| December | 3.150 | 2.870 |

The last transacted market price of CGB Shares on 7 December 2023, being the last market day immediately prior to the announcement of the Proposals

RM3.04

The last transacted market price of CGB Shares as at the LPD

RM3.20

(Source: Bloomberg)

9. APPROVALS REQUIRED AND CONDITIONALITY

The Proposals are subject to the following approvals being obtained:

- (i) Bursa Securities, for the following:
 - (a) the Proposed Share Split;
 - (b) listing and quotation of up to 80,337,660 additional Warrants A arising from the adjustment made pursuant to the Proposed Share Split;
 - (c) listing and quotation of up to 80,337,660 new CGB Shares to be issued pursuant to the exercise of the additional Warrants A;
 - (d) admission to the Official List and listing and quotation of up to 275,165,870 Warrants B to be issued pursuant to the Proposed Free Issue of Warrants B; and
 - (e) listing and quotation of up to 275,165,870 new CGB Shares to be issued pursuant to the exercise of Warrants B,

the approval of which has been obtained vide Bursa Securities' letter dated 22 January 2024 subject to the following conditions:

| No. | Conditions | Status of compliance |
|------------|--|-----------------------------|
| (i) | CGB and HLIB must fully comply with the relevant provisions under the Listing Requirements at all times pertaining to the implementation of the Proposals; | Noted |
| (ii) | HLIB to inform Bursa Securities upon completion of the Proposals; | To be complied |
| (iii) | HLIB to furnish to Bursa Securities with a written confirmation of its compliance with the terms and conditions of Bursa Securities' approval once the Proposals are completed; | To be complied |
| (iv) | CGB / HLIB to make the relevant announcements pursuant to Paragraphs 6.35(2)(a) and (b), 6.35(4), and 6.56(2)(ii) and (iii) of the Listing Requirements; | To be complied |
| (v) | CGB to furnish to Bursa Securities with a certified true copy of the resolutions passed by shareholders at EGM for the Proposals; and | To be complied |
| (vi) | CGB to furnish Bursa Securities on a quarterly basis a summary of the total number of shares listed pursuant to the exercise of the Warrants B as at the end of each quarter together with a detailed computation of the listing fees payable. | To be complied |

(ii) our shareholders at our forthcoming EGM for the Proposals; and

(iii) any other relevant authorities, if required.

The Proposals are not inter-conditional upon each other.

The Proposals are not conditional upon any other proposals undertaken or to be undertaken by our Company.

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

None of our Directors, major shareholders, chief executive and/or persons connected to them have any interest, whether direct or indirect, in the Proposals, save for their respective entitlements as shareholders of our Company under the Proposals, which are also available to all other entitled shareholders of our Company.

11. TIMEFRAME FOR COMPLETION/IMPLEMENTATION

Barring any unforeseen circumstances and subject to all required approvals being obtained, the Proposals are expected to be completed by the second quarter of 2024.

The tentative timetable for the implementation of the Proposals is as follows:

| <u>Date</u> | <u>Events</u> |
|-------------------------|---|
| 20 February 2024 | EGM |
| End February 2024 | <ul style="list-style-type: none">▪ Announcement of the Share Split Entitlement Date▪ Announcement of the exercise price of the Warrants B▪ Announcement of the Warrants B Entitlement Date |
| Early to Mid-March 2024 | <ul style="list-style-type: none">▪ Share Split Entitlement Date▪ Listing of and quotation for the Split Shares on the Main Market of Bursa Securities pursuant to the Proposed Share Split▪ Completion of the Proposed Share Split▪ Warrants B Entitlement Date |
| Mid-March 2024 | <ul style="list-style-type: none">▪ Listing of and quotation for the Warrants B on the Main Market of Bursa Securities pursuant to the Proposed Free Issue of Warrants B▪ Completion of the Proposed Free Issue of Warrants B |

12. PROPOSALS ANNOUNCED BUT PENDING COMPLETION

Save for the Proposals (which are the subject matter of this Circular), our Board is not aware of any other outstanding proposals which have been announced but not yet completed as at the LPD.

13. DIRECTORS' STATEMENT AND RECOMMENDATION

Our Board, having considered all aspects of the Proposals, including but not limited to, the rationale and justification as well as the pro forma effects of the Proposals, is of the opinion that the Proposals are in the best interests of our Company.

Accordingly, our Board recommends that you **vote in favour** of the resolutions pertaining to the Proposals at the EGM.

14. EGM

The EGM, the notice which is set out in this Circular, will be conducted on a virtual basis at the Broadcast Venue at A5-06 Block A, Plaza Dwi Tasik, Jalan 5/106, Bandar Sri Permaisuri, 56000 Kuala Lumpur on **Tuesday, 20 February 2024 at 10:30 a.m.** or at any adjournment thereof for the purpose of considering and if thought fit, passing with or without modifications, the resolutions to give effect to the Proposals. Online registration: <https://vps.megacorp.com.my/rtggT4>. Please refer to the Administrative Notes.

You are entitled to attend and vote at our EGM or appoint a proxy or proxies to attend and vote on your behalf. If you wish to do so, you may deposit the Form of Proxy at our Company's registered office at Level 15-2, Bangunan Faber Imperial Court, Jalan Sultan Ismail, 50250 Kuala Lumpur, Wilayah Persekutuan, Malaysia or email to *EGM-support.CGB@megacorp.com.my* not less than 48 hours before the time for holding the meeting or any adjournment thereof. The lodgement of the Form of Proxy shall not preclude you from attending and voting at our EGM should you subsequently wish to do so and, in such event, your Form of Proxy shall be deemed to have been revoked.

15. FURTHER INFORMATION

You are advised to refer to the attached appendices for further information.

Yours faithfully,
For and on behalf of the Board of
CENTRAL GLOBAL BERHAD

DATO' FAISAL ZELMAN BIN DATUK ABDUL MALIK
Non-Independent Non-Executive Chairman

INDICATIVE SALIENT TERMS OF THE WARRANTS B

The indicative salient terms of the Warrants B are set out as follows:

| Terms | Details |
|---|---|
| Issue size | Up to 275,165,870 Warrants B. |
| Form and constitution | The Warrants B will be issued in registered form and constituted by the Deed Poll B to be executed by the Company. |
| Tenure | 3 years commencing from and including of the date of issuance of the Warrants B (" Issue Date "). |
| Expiry date | The day preceding the third (3 rd) anniversary of the Issue Date and if such date is not a Market Day, then it shall be the Market Day immediately preceding the said non-Market Day (" Expiry Date "). |
| Exercise price | The exercise price of the Warrants B (" Exercise Price ") will be determined at a later date, after taking into consideration the TESP of CGB Shares at a price fixing date to be determined later. |
| Exercise period | The period commencing on and including the Issue Date and ending at 5.00 p.m. on the Expiry Date (" Exercise Period "). Any Warrant B not exercised by the Expiry Date (as defined herein) will thereafter lapse and cease to be valid for any purpose. |
| Mode of exercise | A Warrant B holder is required to lodge an exercise form with the Company's share registrar which is duly completed, signed and stamped together with payment by way of banker's draft or cashier's order or money order or postal order drawn on a bank or post office operating in Malaysia or by way of interbank transfer for the credit of an account maintained by the Company for the amount equal to the Exercise Price payable when exercising their Warrants B to subscribe for new Shares. The payment of such fee must be made in Ringgit Malaysia. |
| Exercise rights | Each Warrant B shall entitle the Warrant B holder to subscribe for 1 new Share at any time during the Exercise Period at the Exercise Price, subject to adjustments in accordance with the provisions of the Deed Poll B. |
| Board lot | For the purposes of trading on Bursa Securities, a board lot for the Warrants B shall be 100 Warrants or such other denominations as permitted by any relevant authorities. |
| Adjustment in the exercise price and/or number of Warrants B | The Exercise Price and/or number of Warrants B may be adjusted by the Board in consultation with an approved adviser appointed by the Company or the auditors of the Company in the event of any alteration in the share capital of the Company at any time during the tenure of the Warrants B, whether by way of capitalisation issue, rights issue, bonus issue, consolidation of shares, subdivision of shares or reduction of capital, in accordance with the terms and conditions of the Deed Poll B. |
| Ranking of the Warrants B arising from the exercise or conversion | <p>The holders of the Warrants B will not be entitled to any voting rights or participation in any form of dividends, distributions and/or offer of securities in CGB until and unless such holders of the Warrants B exercise their Warrants B into new CGB Shares.</p> <p>The new Shares to be issued arising from the exercise of the Warrants B shall, upon allotment and issuance, carry the same rights with the existing CGB Shares. However, such new Shares will not be entitled to any dividends, rights, allotment and/or any other distributions which may be declared, made or paid to the Company's shareholders unless such new Shares were allotted and issued on or before the entitlement date of such rights, allotments and/or other distributions.</p> |

INDICATIVE SALIENT TERMS OF THE WARRANTS B (CONT'D)

| Terms | Details |
|--|---|
| Rights of the Warrant B Holders in the event of winding-up, liquidation, compromise or arrangement | <p>Where a resolution has been passed for a members' voluntary winding-up of the Company, or there is a compromise or arrangement, whether or not for the purpose of or in connection with a scheme for the reconstruction of the Company or the amalgamation of the Company with one or more companies, then:</p> <ul style="list-style-type: none"> (i) for the purposes of such a winding-up, compromise or arrangement (other than a consolidation, amalgamation or merger in which the Company is the continuing corporation) to which the Warrant B holders, or some persons designated by them for such purposes by a special resolution of the Warrants B holders, shall be a party, the terms of such winding-up, compromise or arrangement shall be binding on all the Warrant B holders; and (ii) in the event a notice is given by the Company to its shareholders to convene a general meeting for the purpose of considering, and if thought fit, approving a resolution to voluntarily wind up the Company, and in any other case and subject always to the provisions of Deed Poll B, every Warrant B holder shall thereupon be entitled to exercise his Warrants B at any time within 6 weeks after the passing of such resolution for a members' voluntary winding up of the Company or within 6 weeks after the granting of the court order approving the winding-up, compromise or arrangement, whereupon the Company shall allot the relevant new Shares to the Warrant B holder credited as fully paid subject to the prevailing laws, and such Warrant B holder shall be entitled to receive out of the assets of the Company which would be available in liquidation if the Warrant B holder had on such date been the holder of the new Shares to which the Warrant B holder would have become entitled pursuant to such exercise and the liquidator of the Company shall give effect to such election accordingly. Upon the expiry of the aforesaid 6 weeks, all exercise rights shall lapse and cease to be valid for any purpose. |
| Modifications of rights of the Warrants B holders | <p>Subject to the provisions of the Deed Poll B, no amendment or addition may be made to the provisions of Deed Poll without the sanction of a special resolution of the Warrants B holders unless the amendments or additions are required to correct any manifest errors or are required to comply with any provisions of the prevailing laws or regulations of Malaysia or in the opinion of the Company, will not be materially prejudicial to the interests of the Warrant B holders.</p> |
| Proposed utilisation of proceeds arising from the exercise or conversion of Warrants B | <p>The Company intends to utilise the proceeds arising from the exercise of the Warrants, if any, for the working capital of the Group. The working capital raised from the exercise of the Warrants will be utilised to finance the Group's day-to-day operations, including the payment to contractors and suppliers for its construction projects as well as defrayment of operational and administrative expenses (e.g., staff costs, utilities, marketing expenses). The allocation of proceeds to be utilised for each component of working capital shall be subjected to the Group's operational requirements at the time of utilisation. As such, the detailed allocation can only be determined by the Board at a later date.</p> <p>Pending utilisation of the proceeds to be raised as and when the Warrants B are exercised, the proceeds may be placed in deposits with licensed financial institutions and/or short-term money market instruments. The interest income derived from the deposits with licensed financial institutions and/or any gains arising from the short-term money market instruments will be used as additional funds for the working capital requirements of the Group.</p> |
| Transferability | <p>The Warrants B shall be transferable in the manner provided under the Securities Industry (Central Depositories) Act, 1991 and the Rules of Bursa Malaysia Depository Sdn Bhd.</p> |
| Listing | <p>The Warrants B will be listed on the Main Market of Bursa Securities.</p> |
| Governing law | <p>The laws of Malaysia.</p> |

FURTHER INFORMATION

1. DIRECTORS' RESPONSIBILITY STATEMENT

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

2. CONSENT AND CONFLICT OF INTERESTS

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

HLIB has given its written confirmation that as at the date of this Circular, there is no situation of conflict of interests that exists or is likely to exist in relation to its role as the Principal Adviser to CGB for the Proposals.

3. MATERIAL LITIGATION, CLAIMS OR ARBITRATION

Save as disclosed below, as at the LPD, our Board is not engaged in any material litigation, claims or arbitration, either as plaintiff or defendant, and our Board is not aware and does not have any knowledge of any proceedings pending or threatened against our Group, or of any facts likely to give rise to any proceedings which has or would have a material and adverse effect on the financial position of our Group:

(a) Trade Empire Sdn Bhd v Proventus Bina Sdn Bhd & Kong Teck Fong v Aspen Vision Builders Sdn Bhd (High Court No.: WA-22NCC-684-09/2023)

PBSB had on 5 April 2023 been served Writ of Summon and Statement of Claim dated 29 March 2023 by Trade Empire Sdn. Bhd. ("**Plaintiff**"). The suit was filed in the Penang High Court bearing the suit number PA-22NCC-15-03/2023. The Plaintiff claims against PBSB for the outstanding sum of RM2,330,875.16 on the construction materials provided by the Plaintiff with interest and costs. The Plaintiff also named PBSB's former director, Kong Tek Fong as 2nd Defendant. The Plaintiff is claiming for the following:

- (i) a principal sum of RM1,175,084;
- (ii) late payment interests of RM1,155,791.16 as at 28 February 2023;
- (iii) late payment interest on the sum of RM1,175,084 at the rate of 1.5% per month from March 2023 until full and final statement;
- (iv) interest on the sum of RM1,175,084 at the rate of 5% per annum from 29 March 2023 until full and final statement;
- (v) interest on the sum of RM1,155,791.16 at the rate of 5% per annum from 29 March 2023 until full and final statement;
- (vi) costs; and
- (vii) any further details and/or other order the Court deems fit.

PBSB has filed the Defence and Counterclaims on 15 May 2023. PBSB further obtained a court order dated 23 June 2023 to add Aspen Vision Builders Sdn Bhd as the third party to this suit. The matter has been transferred from Penang High Court to Kuala Lumpur High Court on 29 August 2023 bearing current suit number. The Plaintiff had made an application to enter summary judgment against PBSB on 7 November 2023. On 7 November 2023, Aspen Vision Builders Sdn Bhd had also made an application to strike out the Third Party Notice filed by PBSB. Both the summary judgement application and the application to strike out the Third Party Notice will be heard on 18 March 2024. The solicitor in charge for this litigation is of the view that PBSB has a good chance of succeeding in its defence against Plaintiff's claim.

FURTHER INFORMATION (CONT'D)

(b) Aspen Vision Builders Sdn Bhd v Proventus Bina Sdn Bhd (High Court No.: WA-24NCC-378-07/2023)

On 16 June 2023, PBSB has issued a Statutory Notice under s466 Companies Act 2016 to Aspen Vision Builders Sdn Bhd to claim for the sum of RM1,685,893.04, failing which PBSB will proceed to file a winding-up petition against Aspen Vision Builders Sdn Bhd.

Aspen Vision Builders Sdn Bhd then filed an originating summons in Kuala Lumpur High Court on 12 July 2023 to restrain the presentation of the winding-up petition by PBSB. Aspen Vision Builders Sdn Bhd is claiming for the following:

- (i) A declaration that the Statutory Notice dated 16 June 2023 for the sum of RM1,695,893.04 issued by PBSB's solicitors under s466 Companies Act 2016 to be null and void;
- (ii) A permanent injunction to restrain PBSB whether by themselves, their agents or representatives or servants or otherwise, from presenting any winding-up petition against Aspen Vision Builders Sdn Bhd pursuant to the Statutory Notice dated 16 June 2023;
- (iii) A permanent injunction to restrain PBSB whether by themselves, their agents or representatives or servants or otherwise, from advertising any winding-up petition against Aspen Vision Builders Sdn Bhd pursuant to the Statutory Notice dated 16 June 2023;
- (iv) Cost of this application to be borne by PBSB to Aspen Vision Builders Sdn Bhd on indemnity basis; and
- (v) Other order or relief which the Court deemed satisfied.

The hearing was heard on 7 November 2023 and will be continued on 8 February 2024. The solicitor in charge for this litigation is of the view that PBSB has a good chance of succeeding in its defence against Plaintiff's claim.

(c) Proventus Bina Sdn Bhd v Prisma Bumiraya Sdn Bhd (Adjudication No.: AIAC/D/ADJ-5083-2023)

PBSB had on 13 October 2023 served a payment claim amounting to RM7,161,923.48 ("**Payment Claim**") to Prisma Bumiraya Sdn Bhd. Prisma Bumiraya Sdn Bhd had on 26 October 2023 submitted a payment to PBSB amongst others disputing the amount claimed in the Payment Claim. PBSB then commenced an adjudication proceeding against Prisma Bumiraya Sdn Bhd seeking for the following:

- (i) RM7,161,923.48, being the outstanding certified sums for works carried out by PBSB as Prisma Bumiraya Sdn Bhd's sub-contractor in relation to the following project:

"Cadangan Untuk Mendirikan 1 Blok Pangsapuri 34 Tingkat Yang Mengandungi: (i) 24 Tingkat Pangsapuri - 282 Unit (Tingkat 10 - 33), (ii) 1 Tingkat Kemudahan Masyarakat - Podium (Tingkat 9), (iii) 1 Tingkat Lif Lobi (Tingkat G), (iv) 8 Tingkat Tempat Letak Kenderaan (Tingkat 1 - Tingkat 8) di atas Lot 542, 543 dan 544, Gerbang Bukit Kecil 2, Mukim 12, Daerah Barat Daya, Pulau Pinang Untuk Tetuan Prisma Bumiraya Sdn Bhd"
- (ii) RM463,572.23, being the total interest as at 13 October 2023;
- (iii) Interest, at the rate of 5% per annum on the sum of RM7,161,923.48, calculated from 14 October 2023 until full and final payment;
- (iv) Costs; and
- (v) Such further or other relief as the Adjudicator deems fit.

FURTHER INFORMATION (CONT'D)

The parties are in the midst of exchanging adjudication papers. The solicitor in charge for this adjudication is of the view that PBSB has a good arguable case to succeed in its claims against Prisma Bumiraya Sdn Bhd.

(d) Proventus Bina Sdn Bhd v Simbol Era Sdn Bhd (Adjudication No.: AIAC/D/ADJ-5083-2023)

PBSB had on 7 September 2023 served a payment claim amounting to RM7,406,114.52 (plus interest and costs) ("**Payment Claim**") to Simbol Era Sdn Bhd but received no reply to the Payment Claim. PBSB then commenced an adjudication proceeding against Simbol Era Sdn Bhd seeking for the following:

- (i) RM6,329,697.95, being the outstanding certified sums for works carried out by PBSB as Simbol Era Sdn Bhd's subcontractor in relation to the following project:

"Cadangan Untuk Mendirikan 1 Blok Pangsapuri 34 Tingkat Yang Mengandungi: (i) 24 Tingkat Pangsapuri - 282 Unit (Tingkat 10 - 33), (ii) 1 Tingkat Kemudahan Masyarakat - Podium (Tingkat 9), (iii) 1 Tingkat Lif Lobi (Tingkat G), (iv) 8 Tingkat Tempat Letak Kenderaan (Tingkat 1 - Tingkat 8) di atas Lot 542, 543 dan 544, Gerbang Bukit Kecil 2, Mukim 12, Daerah Barat Daya, Pulau Pinang Untuk Tetuan Prisma Bumiraya Sdn Bhd"

- (ii) RM1,076,416.57 being the retention sum currently held by Simbol Era Sdn Bhd,
- (iii) RM911,588.07 being the total interest as at 28 August 2023;
- (iv) Interest, at the rate of 5% per annum calculated on the sum of RM7,406,114.52 from 29 August 2023 until full and final payment;
- (v) Costs; and
- (vi) Such further or other relief as the Adjudicator deems fit.

The solicitor in charge for this adjudication is of the view that PBSB has a good arguable case to succeed in its claims against Simbol Era Sdn Bhd. The adjudication decision is delivered on 8 January 2024 whereby the Adjudicator had decided in favour of PBSB.

(e) Proventus Bina Sdn Bhd v Jonah Bina Sdn Bhd (Adjudication No.: AIAC/D/ADJ-5117-2023)

PBSB had on 18 October 2023 served a payment claim amounting to RM3,016,099.14 ("Payment Claim") to Jonah Bina Sdn Bhd but received no reply to the Payment Claim. PBSB then commenced an adjudication proceeding against Jonah Bina Sdn Bhd seeking for the following:

- (i) RM3,016,099.14, being the outstanding certified sums for works carried out by PBSB as Jonah Bina Sdn Bhd's subcontractor in relation to the following project:

"Cadangan Mendirikan 1 Blok Rumah Pangsa Mampu Milik 16-Tingkat (378 Unit) Termasuk Tempat Letak Kenderaan, Kemudahan Masyarakat Dan 1 Tingkat Separa Bawah Tanah Di Atas Lot-Lot 94,95 & Petak A (Sebahagian Lot 378 & 380), Jalan Sungai Pinang, Mukim E, Daerah Barat Daya, Pulau Pinang Untuk Tetuan Prisma Bumiraya Sdn Bhd"

- (ii) RM59,344.45, being the total interest as at 13 October 2023;
- (iii) Interest, at the rate of 5% per annum on the sum of RM3,016,099.14, calculated from 14 October 2023 until full and final payment;
- (iv) Costs; and
- (v) Such further or other relief as the Adjudicator deems fit.

FURTHER INFORMATION (CONT'D)

The parties are in the midst of exchanging adjudication papers. The solicitor in charge for this adjudication is of the view that PBSB has a good arguable case to succeed in its claims against Jonah Bina Sdn Bhd.

(f) Proventus Bina Sdn Bhd v Tang Kae Shih (High Court No.: PA-22C-7-09/2023)

PBSB had commenced a civil suit against Tang Kae Shih by filling the Writ of Summon and Statement of Claim dated 20 September 2023. Pursuant to a Personal Guarantee dated 28 April 2021 which has been executed by Tang Kae Shih. Tang Kae Shih has among others, irrevocably and unconditionally undertaken to pay PBSB (as principal debtor and not merely as surety) for any debt due and payable by the Simbol Era Sdn Bhd to PBSB for the works performed by PBSB. PBSB is claiming for the following:

- (i) RM7,225,590.93 for the outstanding sum due and owing by Simbol Era Sdn Bhd to Proventus which the Guarantor has guaranteed to pay as principal debtor pursuant to the Personal Guarantee dated 28 April 2021;
- (ii) Interest at the rate of 10% per annum on the amount of RM7,225,590.93 calculated from the due date until the date of full payment;
- (iii) Costs on indemnity basis;
- (iv) Any and other reliefs that the Honourable Court deems fit.

PBSB has filed a notice of application for summary judgment against Tang Kae Shih (“**Summary Judgment Application**”). Parties are in the midst of exchanging affidavits in relation to the Summary Judgment Application. The solicitor in charge for this litigation is of the view that PBSB has a good arguable case to succeed in its claims against Tang Kae Shih.

4. MATERIAL COMMITMENTS

Save as disclosed below, as at the LPD, our Board confirmed that there are not material commitments incurred or known to be incurred by our Group that have not been provided for, which upon becoming due or enforceable, may have a material impact on the financial position or financial performance of our Group:

| Material commitments | RM'000 |
|-------------------------------------|---------------|
| Amount approved and contracted for: | |
| - Property, plant and equipment | 3,031 |
| - Right-of-use assets | 1,657 |

5. CONTINGENT LIABILITIES

Save as disclosed below, as at the LPD, our Board confirmed that there are no contingent liabilities incurred or known to be incurred by our Group which, upon becoming due or enforceable, may have a material impact on the financial position or financial performance of our Group:

| Contingent liabilities | RM'000 |
|---|---------------|
| Corporate guarantees issued to: | |
| - Our subsidiaries' suppliers | 18,147 |
| - Financial institutions for our subsidiaries' banking facilities | 74,604 |

FURTHER INFORMATION (CONT'D)

6. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at our Registered Office at Level 15-2, Bangunan Faber Imperial Court, Jalan Sultan Ismail, 50250 Kuala Lumpur during normal business hours from 9:00 a.m. to 6:00 p.m. Mondays to Fridays (except public holidays) from the date of this Circular up to and including the date of the forthcoming EGM:

- (i) our constitution;
- (ii) the audited financial statements of our Group for the FYE 31 December 2021 and FYE 31 December 2022;
- (iii) the latest quarterly financial results for the 9-month FPE 30 September 2023;
- (iv) the letter of consent and conflict of interest as referred to in **Section 2** above;
- (v) the relevant cause papers in respect of the material litigations as referred to in **Section 3** above;
- (vi) the Deed Poll A;
- (vii) the By-Laws; and
- (viii) the draft Deed Poll B in relation to the Proposed Free Issue of Warrants B.



Central Global Berhad

[Registration No.: 201801036114 (1298143-T)]
(Incorporated in Malaysia)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting (“**EGM**”) of Central Global Berhad (“**CGB**” or “**Company**”) will be conducted on a virtual basis at the Broadcast Venue at A5-06 Block A, Plaza Dwi Tasik, Jalan 5/106, Bandar Sri Permaisuri, 56000 Kuala Lumpur on **Tuesday, 20 February 2024 at 10:30 a.m.**, or at any adjournment thereof, for the purpose of considering and if thought fit, passing the resolutions below with or without modification:

SPECIAL RESOLUTION

PROPOSED SHARE SPLIT INVOLVING THE SUBDIVISION OF EVERY 1 EXISTING ORDINARY SHARE IN CGB (“CGB SHARE(S)” OR “SHARE(S)”) HELD BY SHAREHOLDERS WHOSE NAMES APPEAR IN THE RECORD OF DEPOSITORS OF THE COMPANY ON AN ENTITLEMENT DATE TO BE DETERMINED BY THE BOARD AND ANNOUNCED BY THE COMPANY AT A LATER DATE (“SHARE SPLIT ENTITLEMENT DATE”) (“SHARE SPLIT ENTITLED SHAREHOLDERS”) INTO 4 SUBDIVIDED CGB SHARES (“SPLIT SHARE(S)”) (“PROPOSED SHARE SPLIT”)

"**THAT** subject to the approvals of all relevant authorities and/or parties (where applicable), authority be and is hereby given to the Board to subdivide every 1 existing Share held by the Share Split Entitled Shareholders at the close of business on the Share Split Entitlement Date into 4 Split Shares;

THAT fractional entitlements arising from the Proposed Share Split, if any, shall be dealt with in such manner as the Board in its absolute discretion deems fit and expedient and in the best interest of the Company;

THAT the Split Shares will, upon allotment and issuance, rank equally in all respects with each other, save and except that the Split Shares will not be entitled to any dividends, rights, allotments and/or any other forms of distribution that may be declared, made or paid before the Share Split Entitlement Date;

AND THAT the Board be and is hereby authorised to sign and execute all documents, do all acts, deeds and things as may be required to give effect to and to complete the Proposed Share Split with full power to assent to any conditions, variations, modifications and/or amendments in any manner as may be required or permitted by any relevant authorities and to deal with all matters relating thereto and to take all such steps and do all acts, deeds and things for and on behalf of the Company in any manner as they may deem fit or necessary or expedient to implement, finalise and give full effect to the Proposed Share Split."

ORDINARY RESOLUTION

PROPOSED ISSUANCE OF UP TO 275,165,870 FREE WARRANTS B IN CGB (“WARRANT(S) B”) ON THE BASIS OF 1 FREE WARRANT B FOR EVERY 3 SPLIT SHARES HELD BY SHAREHOLDERS WHOSE NAMES APPEAR IN THE RECORD OF DEPOSITORS OF THE COMPANY ON AN ENTITLEMENT DATE TO BE DETERMINED BY THE BOARD AND ANNOUNCED BY THE COMPANY AT A LATER DATE AFTER THE COMPLETION OF THE PROPOSED SHARE SPLIT (“WARRANTS B ENTITLEMENT DATE”) (“WARRANTS B ENTITLED SHAREHOLDERS”) (“PROPOSED FREE ISSUE OF WARRANTS B”)

"**THAT** subject to the passing of Special Resolution and the approvals of all relevant authorities and/or parties (where applicable), authority be and is hereby given to the Board to issue and allot up to 275,165,870 Warrants B to the Warrants B Entitled Shareholders as at the close of business on the Warrants Entitlement Date on the basis of 1 Warrant B for every 3 Split Shares held;

THAT the Board be and is hereby authorised to enter into and execute the deed poll constituting the Warrants B (“**Deed Poll B**”) with full powers to assent to any condition, modification, variation and/or amendment in any manner as may be required or imposed by the relevant authorities or as the Board may deem necessary or expedient in the best interest of the Company, and with full powers for the Board to implement, finalise and give full effect to the Deed Poll B;

THAT the Board be and is hereby authorised to issue and allot such appropriate number of Warrants B in accordance with the provisions of the Deed Poll B and where required, to adjust the exercise price and/or the number of Warrants B to be issued (including, without limitation, any additional Warrants B as may be required or permitted to be issued) in consequence of the adjustments pursuant to the provisions of the Deed Poll B;

THAT the Board be and is hereby authorised to issue and allot such appropriate number of new Shares pursuant to the exercise of the Warrants B by the holders of the Warrants B in accordance with the provisions of the Deed Poll B;

THAT in determining the entitlements under the Proposed Free Issue of Warrants B, fractional entitlements, if any, shall be disregarded and dealt with in such manner as the Board in its absolute discretion deems fit and expedient, and in the best interest of the Company;

THAT the new CGB Shares to be issued pursuant to the exercise of the Warrants B will, upon allotment and issuance, rank equally in all respects with the existing CGB Shares, save and except that the new CGB Shares will not be entitled to any dividends, rights, allotments and/or any other forms of distribution where the entitlement date precedes the relevant date of allotment and issuance of the new CGB Shares;

THAT the Board be and is hereby authorised to use the proceeds to be raised from the exercise of the Warrants B for such purposes and in such manner as set out in **Section 3.6** of the circular to shareholders of the Company dated 29 January 2024, and the Board be authorised with full powers to vary the manner and/or purpose of the use of such proceeds in such manner as the Board may deem fit, necessary and/or expedient or in the best interest of the Company, subject to the approval of the relevant authorities (where required);

AND THAT the Board be and is hereby authorised to sign and execute all documents, do all acts, deeds and things as may be required to give effect to and to complete the Proposed Free Issue of Warrants B with full power to assent to any conditions, variations, modifications and/or amendments in any manner as may be required or permitted by any relevant authorities and to deal with all matters relating thereto and to take all such steps and do all acts, deeds and things for and on behalf of the Company in any manner as they may deem fit or necessary or expedient to implement, finalise and give full effect to the Proposed Free Issue of Warrants B."

By Order of the Board

Lim Seck Wah (MAICSA 0799845) (SSM Practising Certificate No. 202008000054)
Kong Mei Kee (MAICSA 7039391) (SSM Practising Certificate No. 202008002882)

Company Secretaries

Kuala Lumpur
29 January 2024

Notes:

- (i) *The broadcast venue is strictly for the purpose of complying with Section 327(2) of the Companies Act 2016 which requires the Chairman of the Meeting to be at the main venue. No shareholders/ proxies from the public will be physically present at the meeting venue. Shareholders who wish to participate the meeting will therefore have to register via the link <https://vps.megacorp.com.my/rtqgT4>. Kindly refer to the annexure of the Administrative Notes for further information.*
- (ii) *Only depositors whose names appear in the Record of Depositors as at 13 February 2024 shall be entitled to attend the meeting or appoint a proxy to attend, speak and vote on his behalf. All voting will be conducted by way of poll.*

- (iii) A member of the Company entitled to attend, speak and vote at this meeting is entitled to appoint a proxy to attend, speak and vote in his stead. A member may appoint up to two (2) proxies to attend at the same meeting. Where a member appoints two (2) proxies, he shall specify the proportion of his shareholdings to be represented by each proxy.
- (iv) (a) Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, it may appoint at least one (1) proxy in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.
- (b) Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("**omnibus account**"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
- (v) The instrument appointing a proxy shall be in writing under the hand of the appointor or his attorney duly authorised in writing or if such appointor is a corporation under its Common Seal or the hand of its attorney.
- (vi) Except for body corporate, you have the option to register directly at <https://vps.megacorp.com.my/rtggT4> to submit the proxy appointment electronically **not later than 18 February 2024 at 10:30 a.m.** Kindly refer to the annexure of the Administrative Notes for further information.
- (vii) All Form of Proxy must be deposited at the Company's Registered Office at Level 15-2, Bangunan Faber Imperial Court, Jalan Sultan Ismail, 50250 Kuala Lumpur, Wilayah Persekutuan, Malaysia or email to EGM-support.CGB@megacorp.com.my not less than forty-eight (48) hours before the time for holding the EGM or any adjournment thereof.

(viii) **PERSONAL DATA NOTICE**

By submitting the duly executed Form of Proxy, a member and his/her proxy consent to the Company (and/or its agents/service providers) collecting, using and disclosing the personal data therein in accordance with the Personal Data Protection Act 2010 for the purpose of this meeting and at any adjournment thereof.

Voting by Poll

Pursuant to Paragraph 8.29A(1) of Bursa Malaysia Securities Berhad's Main Market Listing Requirements, the resolutions set out in this Notice are to be voted by poll.



FORM OF PROXY

Central Global Berhad
(Registration No. 201801036114 (1298143-T))

| | | |
|--------------------|---|--|
| No. of Shares Held | : | |
| CDS Account No. | : | |

I / We _____ (NRIC / Passport / Registration No. _____)

of (full address) _____

being a member / members of CENTRAL GLOBAL BERHAD, hereby appoint the following person(s):

| Full Name (in Block) | NRIC / Passport No. | Proportion in Shareholdings | |
|----------------------|---------------------|-----------------------------|---|
| | | No. of Shares | % |
| | | | |
| Address: | | | |
| Email Address: | | | |
| Mobile Phone No.: | | | |

and/or*

| Full Name (in Block) | NRIC / Passport No. | Proportion in Shareholdings | |
|----------------------|---------------------|-----------------------------|---|
| | | No. of Shares | % |
| | | | |
| Address: | | | |
| Email Address: | | | |
| Mobile Phone No.: | | | |

or failing him/her, the Chairman of the Meeting as *my/our proxy/proxies to attend and vote for *me/us and on my/our behalf at the Extraordinary General Meeting of the Company will be conducted on a virtual basis at the Broadcast Venue at A5-06 Block A, Plaza Dwi Tasik, Jalan 5/106, Bandar Sri Permaisuri, 56000 Kuala Lumpur on **Tuesday, 20 February 2024 at 10:30 a.m.** or any adjournment thereof.

My / our proxy / proxies is(are) to vote as indicated below:

| Special Resolution | First Proxy | | Second Proxy | |
|----------------------|-------------|---------|--------------|---------|
| | For | Against | For | Against |
| Proposed Share Split | | | | |

| Ordinary Resolution | First Proxy | | Second Proxy | |
|-----------------------------------|-------------|---------|--------------|---------|
| | For | Against | For | Against |
| Proposed Free Issue of Warrants B | | | | |

Please indicate with an "X" in the space provided above on how you wish your vote to be cast. If you do not indicate how you wish to vote on any resolutions, the proxy(ies) will vote or abstain from voting at his/her/their discretion(s).

Dated this _____ day of _____ 2024

.....
Signature / Common Seal

* Strike out whichever is not desired.

Notes:

- (i) *The broadcast venue is strictly for the purpose of complying with Section 327(2) of the Companies Act 2016 which requires the Chairman of the Meeting to be at the main venue. No shareholders/ proxies from the public will be physically present at the meeting venue. Shareholders who wish to participate the meeting will therefore have to register via the link <https://vps.megacorp.com.my/rtqgT4>. Kindly refer to the annexure of the Administrative Notes for further information.*
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AFFIX
STAMP

The Company Secretaries
CENTRAL GLOBAL BERHAD
Level 15-2
Bangunan Faber Imperial Court
Jalan Sultan Ismail
50250, Kuala Lumpur
Wilayah Persekutuan
Malaysia

2nd fold here

Fold this flap for sealing
