

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

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

Bursa Malaysia Securities Berhad (“Bursa Securities”) has not perused the contents of this Statement prior to its issuance as it is an exempt document pursuant to Paragraph 2.1 of the Practice Note 18 of the Main Market Listing Requirements of Bursa Securities.

Bursa Securities takes no responsibility for the contents of this Statement, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Statement.



**LEE SWEE KIAT GROUP BERHAD**  
**[Registration No. 200301005163 (607583-T)]**  
*(Incorporated in Malaysia under the Companies Act, 1965)*

**STATEMENT TO SHAREHOLDERS**

**IN RELATION TO**

**THE PROPOSED RENEWAL OF SHAREHOLDERS’ MANDATE FOR THE  
AUTHORITY TO THE COMPANY TO PURCHASE ITS OWN SHARES OF UP TO  
TEN PER CENTUM (10%) OF THE TOTAL NUMBER OF ISSUED SHARES**

The resolution in respect of the above proposal will be tabled as Special Business at the 20<sup>th</sup> Annual General Meeting (“AGM”) of Lee Swee Kiat Group Berhad, which will be held at Function Room 7, Setia City Convention Centre, No. 1, Jalan Setia Dagang AG U13/AG, Setia Alam, Seksyen 13, 40170 Shah Alam, Selangor Darul Ehsan on Monday, 29 May 2023 at 10.00 a.m or any adjournment thereof. This Statement is available at <http://www.lsk.com.my/investor-relation> together with, amongst others, the 2022 Annual Report, Notice of the 20<sup>th</sup> AGM, Proxy Form and the Administrative Guide for the 20<sup>th</sup> AGM of the Company.

If you are unable to attend and vote at the meeting, you may appoint proxy(ies) by completing the Proxy Form and deposit it at the registered office of the Company at Wisma LSK, Lot 6122, Jalan Haji Abdul Manan, Off Jalan Meru, 41050 Klang, Selangor Darul Ehsan not less than forty-eight (48) hours before the time appointed for holding the meeting or at any adjournment thereof.

You can also have the option to lodge the proxy appointment electronically via TIIH Online at <https://tiah.online> before the Proxy Form lodgement cut off time as mentioned below. For further information on the electronic lodgement of Proxy Form, kindly refer to the Administrative Guide for the 20<sup>th</sup> AGM.

The lodging of the Proxy Form will not preclude you from attending and voting in person at the meeting should you subsequently wish to do so.

Last date and time for lodging the Proxy Form : Saturday, 27 May 2023 at 10.00 a.m  
Date and time of the 20<sup>th</sup> AGM : Monday, 29 May 2023 at 10.00 a.m

This Statement is dated 28 April 2023

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## DEFINITIONS

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

Act	: Companies Act 2016, as amended from time to time and any re-enactment thereof (including the corresponding previous written law)
AGM	: Annual General Meeting
Annual Report 2022	: Annual Report of LSK for the financial year ended 31 December 2022
Board	: Board of Directors of LSK
Bursa Securities	: Bursa Malaysia Securities Berhad
Statement	: Statement to Shareholders of LSK dated 28 April 2023
CMSA	: Capital Markets and Services Act 2007, including any amendments that may be made from time to time
Code	: Malaysian Code on Take-Overs and Mergers 2016, including any amendments that may be made from time to time
Directors	: Has the meaning given in Section 2(1) of the CMSA
EPS	: Earnings per share
Listing Requirements	: Main Market Listing Requirements of Bursa Securities, including any amendments that may be made from time to time
LPD	: 31 March 2023, being the latest practicable date prior to the printing of this Statement
LSK & Sons	: Lee Swee Kiat & Sons Sdn Bhd
LSK or the Company	: Lee Swee Kiat Group Berhad
LSK Group or Group	: Lee Swee Kiat Group Berhad and its subsidiaries, collectively
NA	: Net assets
Person(s) Connected	: In relation to any person (referred to as " <b>said Person</b> ") means such person who falls under any one of the following categories:- <ul style="list-style-type: none"><li>(a) a family member of the said Person;</li><li>(b) a trustee of a trust (other than a trustee for a share scheme for employees or pension scheme) under which the said Person, or a family member of the said Person, is the sole beneficiary;</li><li>(c) a partner of the said Person;</li><li>(d) a person, or where the person is a body corporate, the body corporate or its directors, who is/are accustomed or under an obligation, whether formal or informal, to act in accordance with the directions, instructions or wishes of the said Person;</li><li>(e) a person, or where the person is a body corporate, the body corporate or its directors, in accordance with whose directions, instructions or wishes the said Person is accustomed or is under an obligation, whether formal or informal, to act;</li></ul>

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**DEFINITIONS (Cont'd.)**

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- (f) a body corporate in which the said Person, or persons connected with the said Person are entitled to exercise, or control the exercise of, not less than 20% of the votes attached to voting shares in the body corporate; or
- (g) a body corporate which is a related corporation of the said Person.
- Proposal : The Proposed Renewal of Share Buy-Back Mandate
- Proposed Renewal of Share Buy-Back Mandate : Proposed renewal of shareholders' mandate for the authority to the Company to purchase its own shares of up to ten per centum (10%) of its total number of issued shares
- Proposed Share Buy-Back : Proposed purchase of up to 10% of LSK's total number of issued shares
- Purchased Shares : LSK shares to be purchased by the Company pursuant to the Proposed Renewal of Share Buy-Back Mandate
- RM and sen : Ringgit Malaysia and sen, respectively
- Share Buy-Back : Share buy-back/purchase of the Company's own shares
- SC : Securities Commission Malaysia
- LSK Share(s) or Share(s) : Ordinary share(s) in the Company
- Shareholders : Shareholders of the Company
- Treasury Shares : LSK Shares so purchased and retained in treasury

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

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

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**LEE SWEE KIAT GROUP BERHAD**  
**[Registration No. 200301005163 (607583-T)]**

*(Incorporated in Malaysia under the Companies Act, 1965)*

**Registered Office:**

Wisma LSK, Lot 6122  
Jalan Haji Abdul Manan  
Off Jalan Meru  
41050 Klang  
Selangor Darul Ehsan

28 April 2023

**Board of Directors:**

Lee Ah Bah @ Lee Swee Kiat (*Executive Chairman*)  
Lee Kong Hooi (*Non-Independent Non-Executive Director/Deputy Chairman*)  
Dato' Lee Kong Sim (*Managing Director*)  
Lee Kong Yam (*Executive Director*)  
Wong Yoke San (*Senior Independent Non-Executive Director*)  
Seow Nyoke Yoong (*Independent Non-Executive Director*)  
Ng Fong Fong (*Independent Non-Executive Director*)  
Tan Kuin Luan (*Alternate Director to Lee Ah Bah @ Lee Swee Kiat*)

**To: The Shareholders of LSK**

Dear Sir/Madam,

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

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**1. INTRODUCTION**

At the Nineteenth ("19<sup>th</sup>") AGM of the Company held on 23 May 2022, the Company had obtained the shareholders' mandate for the Proposed Share Buy-Back by LSK of up to 10% of the total number of issued shares of the Company at any point of time through Bursa Securities.

The aforesaid mandate shall lapse at the conclusion of the forthcoming Twentieth ("20<sup>th</sup>") AGM unless the approval for its renewal is obtained from the shareholders at the forthcoming 20<sup>th</sup> AGM.

On 3 April 2023, the Company announced to Bursa Securities that the Company proposes to seek shareholders' approval on the Proposal at the forthcoming 20<sup>th</sup> AGM.

The purpose of this Statement is to provide you with relevant details of the Proposal and to seek your approval for the ordinary resolution pertaining to the Proposed Renewal of Share Buy-Back Mandate to be tabled at the forthcoming 20<sup>th</sup> AGM of the Company, which will be held on 29 May 2023. This Statement is available at <http://www.lsk.com.my/investor-relation> together with, the Annual Report 2022, Notice of 20<sup>th</sup> AGM, Proxy Form and the Administrative Guide for the 20<sup>th</sup> AGM.

**SHAREHOLDERS ARE ADVISED TO READ THE CONTENT OF THIS STATEMENT CAREFULLY BEFORE VOTING ON THE RESOLUTION PERTAINING TO THE PROPOSAL AT THE FORTHCOMING 20<sup>TH</sup> AGM.**

## 2. INFORMATION ON THE PROPOSED RENEWAL OF SHARE BUY-BACK MANDATE

### 2.1 Details of the Proposed Renewal of Share Buy-Back Mandate

The Company had at its 19<sup>th</sup> AGM held on 23 May 2022 obtained the shareholders' mandate for the Company's Proposed Share Buy-Back and the said mandate will lapse at the conclusion of the forthcoming 19<sup>th</sup> AGM of the Company unless the mandate is renewed.

The Company proposes to seek shareholders' approval at the forthcoming 20<sup>th</sup> AGM for the Proposed Renewal of Share Buy-Back Mandate.

The approval from the shareholders would be effective immediately upon the passing of the ordinary resolution for the Proposed Renewal of Share Buy-Back Mandate at the forthcoming 20<sup>th</sup> AGM and shall continue to be in force until:-

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

whichever occurs first.

### 2.2 Maximum Number or Percentage of Shares to be Acquired

The maximum number of LSK Shares which may be purchased by the Company shall not exceed ten per centum (10%) of the total number of issued shares of the Company in compliance with Paragraph 12.09 of the Listing Requirements.

As at the LPD, the maximum number of Shares which may be purchased and/or held by the Company will be as follows:-

	<u>No. of Shares</u>
Total number of issued shares of LSK	<u>167,815,704</u>
10% of the total number of issued shares	16,781,570
Total number of treasury shares held by LSK	(6,403,400)
Maximum number of shares which may be purchased in respect of this Proposed Renewal Share Buy-Back Mandate	<u>10,378,170</u>

The actual number of LSK Shares to be purchased by the Company pursuant to the Proposed Renewal of Share Buy-Back Mandate, the total amount of funds involved for each purchase and the timing of the purchase(s) will depend on inter-alia, the market conditions and sentiments as well as the availability of financial resources and the availability of the retained profits of the Company at the time of the purchase(s).

### 2.3 Maximum Amount of Funds to be Allocated and the Source of Funds

The funding for the Proposed Renewal of Share Buy-Back Mandate will be from internally generated funds or external borrowings or a combination of both, and the maximum amount of funds to be used for the purchase of LSK Shares pursuant to the Proposed Share Buy-Back shall not exceed the retained profits of the Company.

The retained profits of the Company based on the Audited Financial Statements for the financial year ended 31 December 2022 was RM50.516 million.

The Proposed Share Buy-Back, if funded through internally-generated funds, is not expected to have a material impact on the cash flow position of the Company. In the event the Company purchases and holds its own Shares using external borrowings, the Board will ensure that the Company has sufficient funds to repay the external borrowings and the repayment is not expected to have a material effect on the cash flow of the Company. In addition, the Board will ensure that the Company satisfies the solvency test as stated in Section 112(2) of the Act before implementing the Proposed Share Buy-Back.

## **2.4 Treatment of Shares Purchased**

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

- (a) to cancel all or part of the Purchased Shares; or
- (b) to retain all or part of the Purchased Shares as treasury shares as defined in Section 127 of the Act.

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

- (a) distribute all or part of the treasury shares as dividends to our shareholders, such dividends to be known as "share dividends";
- (b) resell all or part of the treasury shares in accordance with the Listing Requirements;
- (c) transfer all or part of the treasury shares for the purposes of or under an employees' share scheme established by the Company and/or its subsidiaries;
- (d) transfer all or part of the treasury shares as purchase consideration;
- (e) cancel all or part of the treasury shares;
- (f) sell, transfer or otherwise use the treasury shares for such other purposes as the Minister charged with the responsibility for companies may by order prescribe; and/or
- (g) deal with the treasury shares in the manners as allowed by the the Act, Listing Requirements, applicable laws, rules, regulations, guidelines, requirements and/or orders of any relevant authorities from time to time being in force.

While the Purchased Shares are held as treasury shares, the treasury shares shall not be taken into account in calculating the number or percentage of shares, or of a class of shares in our Company for any purposes including, without limiting the generality of the provision of Section 127 of the Act, the provisions of any law or the requirements of the Company's Constitution or the Listing Requirements on substantial shareholdings, takeovers, notices, the requisitioning of meetings, the quorum for a meeting and the result of a vote on a resolution at a meeting. An immediate announcement will be made to Bursa Securities in respect of the intention of the Board on the treatments of the Purchased Shares, i.e. notification of purchase, resale or transfer or cancellation of the Purchased Shares as per the Listing Requirements.

As at the date of this Statement, the Board has yet to make any decision with regards to the treatment of the Shares so purchased in the future.

Where the Directors resolve to cancel the Shares so purchased or cancel any treasury shares, the number of the Company's issued shares shall be diminished by the cancellation of the Shares so cancelled. It is pertinent to note that the cancellation of Shares made pursuant to Section 127(15) of the Act shall not be deemed to be a reduction in share capital.

## **2.5 Rationale for the Proposed Share Buy-Back**

The Proposed Share Buy-Back will enable the Company to utilise its surplus financial resources to purchase its own Shares from the open market of Bursa Securities. The Proposed Share Buy-Back, if implemented, may also assist in stabilising the supply and demand as well as the market price of the Shares traded on Bursa Securities.

The Purchased Shares, whether to be held as treasury shares or subsequently cancelled, will effectively reduce the number of Shares carrying voting and participation rights. Therefore, the shareholders of the Company may enjoy an increase in the value of their investment in the Company due to improvement to the consolidated EPS and/or NA per Share, as a result of the decreased share capital base used for the computation of the EPS and NA.

The Purchased Shares can be held as treasury shares and resold on the stock market of Bursa Securities at a higher price with the intention of realising capital gain without affecting the total number of issued shares of the Company. Should any treasury shares be distributed as share dividends, this would serve to reward the shareholders of the Company.

## **2.6 Potential Advantages and Disadvantages of the Proposed Share Buy-Back**

### **(a) Advantages**

- (i) The Proposed Share Buy-Back, if implemented, will enable the Company to stabilise the supply and demand of LSK Shares traded on Bursa Securities which will reduce the volatility of LSK Share prices. The stability of LSK Share prices is important to maintain investors' confidence in order to facilitate future fund-raising exercises of the Company via the equity market;
- (ii) The decrease of share capital base (in respect of Shares so purchased which are held as treasury shares or then cancelled) may improve the consolidated EPS and NA per Share;
- (iii) The Board would have the flexibility to utilise its financial resources not immediately required for other use to purchase LSK Shares. LSK may have the opportunity for potential capital gains if the purchased LSK shares which are retained as treasury shares are resold at prices higher than the purchase prices and such proceeds may be subsequently used for investment opportunities arising in the future, working capital and/or to be distributed as dividends to shareholders; and
- (iv) In the event that the treasury shares are distributed as share dividends by the Company, it may then serve to reward the shareholders of LSK.

### **(b) Disadvantages**

- (i) The Proposed Share Buy-Back, if implemented, will reduce the amount of financial resources available for distribution to the shareholders;
- (ii) If the Proposed Share Buy-Back is funded by bank borrowings, the Company's net cash flow may decline to the extent of the interest costs associated with such borrowings;
- (iii) The funds allocated for the Proposed Share Buy-Back may result in LSK Group foregoing other investment opportunities that may emerge in the future; and
- (iv) The working capital of the Group may also be affected, as any purchase of LSK Shares will reduce the Group's working capital depending on the actual number of shares purchased and the purchase prices.

The Proposed Share Buy-Back, however, is not expected to have any potential material disadvantages to the Company and its shareholders, as it will be implemented only after in-depth consideration of the financial resources of the Company which need to be balanced against investment opportunities and other proposals that can enhance the value to its shareholders. The Board is mindful of the interests of the Company and its shareholders with respect to the above exercise.

## **2.7 Financial Effects to the Proposed Share Buy-Back**

The financial effects of the Proposed Share Buy-Back on the share capital, earnings, NA, working capital, dividends and shareholdings of Directors and Substantial Shareholders of the Company or Group are set out below:-



### 2.7.1 Share Capital

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

In the event the Proposed Share Buy-Back is carried out in full and all the Purchased Shares are cancelled, the present issued share capital of the Company will be reduced by the number of Shares so cancelled as follows:-

	<u>No. of Shares</u>
Existing share capital as at LPD (inclusive of 6,403,400 treasury shares)	167,815,704
Assuming all the Purchased Shares pursuant to the Proposed Share Buy-Back are cancelled	(16,781,570)
Resultant ordinary issued share capital	<u>151,034,134</u>

Conversely, if all the Purchased Shares are retained as treasury shares, the Proposed Share Buy-Back will not have any effect on the issued share capital of LSK. Nevertheless, certain rights attached to the Purchased Shares are suspended while they are held as treasury shares.

### 2.7.2 Earnings

The effect of the Proposed Share Buy-Back on the EPS of the LSK Group is dependent on the number and the purchase price of LSK Shares, the effective funding cost and/or interest income foregone in connection with funding such Purchased Shares.

If the Purchased Shares are retained as treasury shares or cancelled subsequently, the number of shares applied in the computation of the EPS will be reduced and this may improve the consolidated EPS of LSK Group.

### 2.7.3 NA

The effect of the Proposed Share Buy-Back on the NA of the LSK Group is dependent on the number of Purchased Shares, the purchase price of LSK Shares, the effective cost of funding and the treatment of the shares purchased.

The Proposed Share Buy-Back will reduce the NA per Share if the purchase price is more than the NA per Share at the time of purchase. On the contrary, the NA per Share will increase if the purchase price is less than the NA per Share at the time of purchase.

### 2.7.4 Working Capital

The Proposed Share Buy-Back as and when implemented, will result in an outflow of cash and thereby reduce the working capital and cash flow of LSK Group. The quantum of the reduction in working capital is dependent on the purchase prices and the number of LSK Shares purchased.

However, for the LSK Shares so purchased and kept as treasury shares, upon resale at a higher selling price than the initial purchase price, the working capital and cash flow of the Company will increase. The quantum of the increase in the working capital and cash flow will depend on the actual selling price of the treasury shares and the number of treasury shares resold.

### 2.7.5 Dividends

The Proposed Share Buy-Back is not expected to have any impact on the dividend payment as the Board will take into consideration the Company's profit, cash flow and the capital commitments before proposing any dividend payment.

## 2.7.6 Directors' and Substantial Shareholders' Shareholdings

Based on the Register of Directors' Shareholdings and Register of Substantial Shareholders of the Company as at LPD and assuming that the Proposed Share Buy-Back is implemented up to 10% of the total number of issued shares and that the Purchased Shares are from the shareholders other than the Directors and Substantial Shareholders of LSK, the effect of the Proposed Share Buy-Back on the shareholdings of the Directors and Substantial Shareholders of LSK are set out below:-

	Number of Shares held as at LPD*				After Proposed Share Buy-Back^			
	Direct	%	Indirect	%	Direct	%	Indirect	%
<b>Directors</b>								
Lee Ah Bah @ Lee Swee Kiat	3,000,000	1.86	89,978,700 <sup>(1)</sup>	55.74	3,000,000	1.99	89,978,700 <sup>(1)</sup>	59.58
Lee Kong Hooi	-	-	-	-	-	-	-	-
Lee Kong Yam	1,519,700	0.94	89,978,700 <sup>(1)</sup>	55.74	1,519,700	1.01	89,978,700 <sup>(1)</sup>	59.58
Dato' Lee Kong Sim	11,880,000	7.36	89,978,700 <sup>(1)</sup>	55.74	11,880,000	7.87	89,978,700 <sup>(1)</sup>	59.58
Tan Kuin Luan	-	-	89,978,700 <sup>(1)</sup>	55.74	-	-	89,978,700 <sup>(1)</sup>	59.58
Seow Nyoke Yoong	-	-	-	-	-	-	-	-
Wong Yoke San	-	-	-	-	-	-	-	-
Ng Fong Fong	-	-	-	-	-	-	-	-
<b>Substantial Shareholders</b>								
LSK & Sons	89,978,700	55.74	-	-	89,978,700	59.58	-	-
Lee Ah Bah @ Lee Swee Kiat	3,000,000	1.86	89,978,700 <sup>(1)</sup>	55.74	3,000,000	1.99	89,978,700 <sup>(1)</sup>	59.58
Lee Kong Yam	1,519,700	0.94	89,978,700 <sup>(1)</sup>	55.74	1,519,700	1.01	89,978,700 <sup>(1)</sup>	59.58
Dato' Lee Kong Sim	11,880,000	7.36	89,978,700 <sup>(1)</sup>	55.74	11,880,000	7.87	89,978,700 <sup>(1)</sup>	59.58
Tan Kuin Luan	-	-	89,978,700 <sup>(1)</sup>	55.74	-	-	89,978,700 <sup>(1)</sup>	59.58

Notes:-

\* Based on total number of issued shares of the Company (excluding 6,403,400 treasury shares as at LPD).

^ On the assumption that the Proposed Share Buy-Back is implemented in full, i.e. up to 10% of the total number of issued shares of the Company, the Purchased Shares are held as treasury shares and that the Directors and the substantial shareholders' shareholdings in LSK remain unchanged.

<sup>(1)</sup> Deemed interested by virtue of his/her interest in LSK & Sons pursuant to Section 8 of the Act.

## 2.8 Public Shareholding Spread

As at LPD, the public shareholding spread of the Company was 36.57%. The Proposed Share Buy-Back will be carried out in accordance with the prevailing laws at the time of the purchase including compliance with 25% public shareholding spread as required under Paragraph 8.02(1) of the Listing Requirements.

The Board will endeavour to ensure that the Company complies with the public shareholding spread requirements and shall not buy back the Company's Shares if the purchase would result in the public shareholding spread requirements not being met.

## 2.9 Implication of the Code

Based on the Company's Register of Substantial Shareholders as at LPD, LSK & Sons and its parties acting in concert, collectively hold more than 50% of the issued share capital of the Company. As such, the Proposed Renewal of Share Buy-Back Mandate is not expected to have any implication pursuant to the Code.

## 2.10 Interests of Directors, Substantial Shareholders and Persons Connected to Them

None of the Directors and/or Substantial Shareholders and/or Persons Connected to them, has any interest, direct or indirect, in the Proposed Renewal of Share Buy-Back Mandate or the subsequent resale of the Treasury Shares (if any).

## 2.11 Purchase, Resale or Transfer and Cancellation of LSK Shares in the Past Twelve (12) Months

As at LPD, the Company had purchased a total of 6,403,400 of its own Shares and retained as treasury shares in accordance with the provisions of Section 127 of the Act.

As at the date of this Statement, the Company had not resold or transferred any treasury shares on Bursa Securities. No cancellation of Purchased Shares was made in the past twelve (12) months preceding the LPD.

The Company has not made any purchase of its own Shares in the past twelve (12) months preceding the LPD.

## 2.12 Market Price of the Company's Shares

The following table sets out the monthly highest and lowest prices of LSK Shares traded on Bursa Securities for the preceding twelve (12) months from April 2022 to March 2023:-

	<u>Highest (RM)</u>	<u>Lowest (RM)</u>
<b>2022:-</b>		
April	0.800	0.755
May	0.845	0.665
June	0.805	0.705
July	0.715	0.680
August	0.775	0.690
September	0.710	0.610
October	0.685	0.615
November	0.665	0.600
December	0.795	0.630
<b>2023:-</b>		
January	0.790	0.710
February	0.855	0.775
March	0.890	0.750

(Source: <https://www.klscreener.com/v2/stocks/view/8079>)

The last transacted market price of LSK Shares on 31 March 2023 (being the LPD) was RM0.770.

### **3. APPROVAL REQUIRED**

The Proposed Renewal of Share Buy-Back Mandate is solely subject to the approval of the shareholders of the Company at the forthcoming 20<sup>th</sup> AGM to be convened.

### **4. DIRECTORS' STATEMENT AND RECOMMENDATION**

After due consideration of the Proposed Renewal of Share Buy-Back Mandate, the Directors are of the opinion that the Proposed Renewal of Share Buy-Back Mandate is in the best interest of the LSK Group. Accordingly, the Directors recommend that you vote in favour of the ordinary resolution pertaining to the Proposed Renewal of Share Buy-Back Mandate to be tabled at the forthcoming 20<sup>th</sup> AGM.

### **5. AGM**

The ordinary resolution in respect of the Proposed Renewal of Share Buy-Back Mandate will be tabled as Special Business at the forthcoming 20<sup>th</sup> AGM. This Statement is available at <http://www.lsk.com.my/investor-relation> together with, amongst others, the Annual Report 2022, Notice of 20<sup>th</sup> AGM, Proxy Form and the Administrative Guide for the 20<sup>th</sup> AGM.

The 20<sup>th</sup> AGM will be held at Function Room 7, Setia City Convention Centre, No. 1, Jalan Setia Dagang AG U13/AG, Setia Alam, Seksyen 13, 40170 Shah Alam, Selangor Darul Ehsan on Monday, 29 May 2023 at 10.00 a.m, or any adjournment thereof.

If you are unable to attend and vote in person at the AGM, you may appoint proxy(ies) by completing, sign and deposit the Proxy Form in accordance with the instructions therein, to the registered office of the Company at Wisma LSK, Lot 6122, Jalan Haji Abdul Manan, Off Jalan Meru, 41050 Klang, Selangor Darul Ehsan not less than forty-eight (48) hours before the time appointed for holding the 20<sup>th</sup> AGM or at any adjournment thereof. You may also submit the Proxy Form electronically via TIIH Online at <https://tiih.online> before the proxy appointment cut off time as mentioned above. For further information on electronic lodgement of Proxy Form, please refer to the Administrative Guide for the 20<sup>th</sup> AGM.

The completion and return of the Proxy Form does not preclude you from attending and voting in person at the 20<sup>th</sup> AGM should you subsequently wish to do so.

### **6. FURTHER INFORMATION**

Shareholders are advised to refer to the Appendix in this Statement for further information.

Yours faithfully  
For and on behalf of the Board of Directors  
**LEE SWEE KIAT GROUP BERHAD**

**WONG YOKE SAN**  
Senior Independent Non-Executive Director

## **APPENDIX I**

### **FURTHER INFORMATION**

#### **1. RESPONSIBILITY STATEMENT**

The Directors of LSK have seen and approved the contents of this Statement and they collectively and individually accept full responsibility for the accuracy of the information given in this Statement and confirm that, after having made 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 in this Statement misleading.

#### **2. DOCUMENTS AVAILABLE FOR INSPECTION**

Copies of the following documents are available for inspection by members of the Company at the registered office of the Company at Wisma LSK, Lot 6122, Jalan Haji Abdul Manan, Off Jalan Meru, 41050 Klang, Selangor Darul Ehsan during normal business hours from Mondays to Fridays (excluding Public Holidays) from the date of this Statement up to and including the date of the forthcoming AGM:-

- (a) Constitution of LSK; and
- (b) Audited consolidated financial statements of LSK for the past two (2) financial years ended 31 December 2021 and 31 December 2022.

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## APPENDIX II

### ORDINARY RESOLUTION TO BE TABLED AT THE 20<sup>TH</sup> AGM OF LSK IN RELATION TO THE PROPOSED RENEWAL OF SHARE BUY-BACK MANDATE

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#### ORDINARY RESOLUTION

#### PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR THE AUTHORITY TO THE COMPANY TO PURCHASE ITS OWN SHARES OF UP TO TEN PER CENTUM (10%) OF THE TOTAL NUMBER OF ISSUED SHARES

"THAT subject always to the Companies Act 2016 ("the Act"), the Constitution of the Company, the Main Market Listing Requirements ("Listing Requirements") of Bursa Malaysia Securities Berhad ("Bursa Securities") and all other applicable laws, guidelines, rules and regulations, the Company be and is hereby authorised, to the fullest extent permitted by law, to purchase such number of issued shares in the Company as may be determined by the Directors of the Company from time to time through Bursa Securities upon such terms and conditions as the Directors may deem fit and expedient in the interest of the Company provided that:-

- (i) the aggregate number of issued shares in the Company ("Shares") purchased ("Purchased Shares") and/or held as treasury shares pursuant to this ordinary resolution does not exceed ten per centum (10%) of the total number of issued shares of the Company as quoted on Bursa Securities as at point of purchase; and
- (ii) the maximum fund to be allocated by the Company for the purpose of purchasing the shares shall not exceed the aggregate of the retained profits of the Company based on the latest audited financial statements and/or the latest management accounts (where applicable) available at the time of the purchase,

("Proposed Share Buy-Back").

AND THAT the authority to facilitate the Proposed Share Buy-Back will commence immediately upon passing of this ordinary resolution and will continue to be in force until:-

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

whichever occurs first, but shall not prejudice the completion of purchase(s) by the Company of its own Shares before the aforesaid expiry date and, in any event, in accordance with the Listing Requirements and any applicable laws, rules, regulations, orders, guidelines and requirements issued by any relevant authorities.

AND THAT the Directors of the Company be and are hereby authorised, at their discretion, to deal with the Purchased Shares until all the Purchased Shares have been dealt with by the Directors in the following manner as may be permitted by the Act, Listing Requirements, applicable laws, rules, regulations, guidelines, requirements and/or orders of any relevant authorities for the time being in force:-

- (i) To cancel all or part of the Purchased Shares;
- (ii) To retain all or part of the Purchased Shares as treasury shares as defined in Section 127 of the Act;
- (iii) To distribute all or part of the treasury shares as dividends to the shareholders of the Company;
- (iv) To resell all or part of the treasury shares;

- (v) To transfer all or part of the treasury shares for the purposes of or under the employees' share scheme established by the Company and/or its subsidiaries;
- (vi) To transfer all or part of the treasury shares as purchase consideration;
- (vii) To sell, transfer or otherwise use the treasury shares for such other purposes as the Minister charged with responsibility for companies may by order prescribe; and/or
- (viii) To deal with the treasury shares in any other manners as allowed by the Act, Listing Requirements, applicable laws, rules, regulations, guidelines, requirements and/or orders of any relevant authorities for the time being in force.

AND THAT the Directors of the Company be and are authorised to take all such steps as are necessary or expedient [including without limitation, the opening and maintaining of central depository account(s) under Securities Industry (Central Depositories) Act, 1991, and the entering into all other agreements, arrangements and guarantee with any party or parties] to implement, finalise and give full effect to the Proposed Share Buy-Back with full powers to assent to any conditions, modifications, variations and/or amendments (if any) as may be imposed by the relevant authorities.”

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