

**THIS CIRCULAR 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 advisers immediately.

Bursa Malaysia Securities Berhad ("Bursa Securities") takes no responsibility for the contents of this Circular, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Circular. Bursa Securities has not perused Part A and Part B (on the contents of the proposed renewal of existing shareholders' mandate for recurrent related party transactions of a revenue or trading nature) of the Circular prior to the issuance of the Circular. Bursa Securities has only perused through Part B of the Circular in respect of the new shareholders' mandate for additional recurrent related party transactions on a limited review basis pursuant to the provisions of the Practice Note 18 of Bursa Securities Main Market Listing Requirements. You should rely on your own evaluation to assess the merits and risks of the Proposed Renewal of Shareholders' Mandate and the Proposed New Shareholders' Mandate (as defined herein).



**CAB CAKARAN CORPORATION BERHAD**

(200201015998)(583661-W)  
(Incorporated in Malaysia)

**CIRCULAR TO SHAREHOLDERS**

in relation to

**PART A**

**PROPOSED RENEWAL OF THE AUTHORITY FOR THE PURCHASE OF THE COMPANY'S OWN ORDINARY SHARES OF UP TO TEN PER CENTUM (10%) OF THE COMPANY'S TOTAL NUMBER OF ISSUED SHARES ("PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY")**

**PART B**

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

The Notice of the Nineteenth Annual General Meeting of CAB Cakaran Corporation Berhad, which will be held at the Conference Room, Third Floor, CAB Cakaran Corporation Berhad, Plot 21, Lorong Jelawat 4, Seberang Jaya Industrial Park, Seberang Jaya, 13700 Perai, Penang on Thursday, 25 March 2021 at 10.30 a.m. or any adjournment thereof, is enclosed together with the Form of Proxy in CAB Cakaran Corporation Berhad's Annual Report 2020.

The Form of Proxy should be lodged at the Registered Office of the Company at Suite A, Level 9, Wawasan Open University, 54, Jalan Sultan Ahmad Shah, 10050 Georgetown, Penang not later than forty-eight (48) hours before the time appointed for holding the meeting, as indicated below. You may also submit the proxy appointment electronically via TIH Online at <https://tih.online> (applicable to individual shareholders only) before the proxy form submission cut-off time as indicated below. The lodgement of the Form of Proxy will not preclude you from attending, participating, speaking and voting in person at the meeting should you subsequently wish to do so.

Last date and time for lodging the Form of Proxy ..... : Tuesday, 23 March 2021 at 10.30 a.m.

Date and time of the AGM .....: Thursday, 25 March 2021 at 10.30 a.m.

This Circular is dated 27 January 2021

## DEFINITIONS

For the purpose of this Circular, except where the context otherwise requires, the following definitions shall apply throughout this Circular:-

"Act"	:	The Companies Act 2016, as amended from time to time and any re-enactment thereof
"AGM"	:	Annual General Meeting
"AKSB"	:	Antik Kualiti Sdn. Bhd.
"AKFI"	:	Ayam Kempas Food Industries Sdn. Bhd.
"BHP"	:	Ban Hong Poultry Pte. Ltd.
"Board"	:	Board of Directors of CAB
"Bursa Securities"	:	Bursa Malaysia Securities Berhad
"CAB" or "the Company"	:	CAB Cakaran Corporation Berhad
"CAB Group" or "the Group"	:	CAB and its subsidiaries
"CABBF"	:	CAB Cakaran Breeding Farm Sdn. Bhd.
"CABC"	:	CAB Cakaran Sdn. Bhd.
"CABE"	:	CAB Econation Renewable Energy Sdn. Bhd.
"CABG"	:	CAB Amesist Biomass Generation Sdn. Bhd.
"CABINDO"	:	Cabindo Poultry Sdn. Bhd.
"CABI"	:	CAB International Trade Pte. Ltd.
"CABL"	:	CAB Cakaran (Langkawi) Sdn. Bhd.
"CABM"	:	CAB Marine Resources Sdn. Bhd.
"CABS"	:	CAB Cakaran Southern Sdn. Bhd.
"CABT"	:	CAB Cakaran (Timur) Sdn. Bhd.
"C&BP"	:	C & B Poultry Sdn. Bhd.
"CPGPS"	:	Cabin Premier GPS Farm Sdn. Bhd.
"Code"	:	Malaysian Code on Take-overs and Mergers 2010, as amended from time to time
"Directors"	:	Shall have the meaning given in Section 2 of the Act and includes any person who is or was within the preceding 6 months of the date on which the terms of the transaction were agreed upon, a Director of CAB or any other company which is its subsidiary or a Chief Executive Officer of CAB or its subsidiaries
"TH LIKES"	:	TH Likes Pte. Ltd.

## DEFINITIONS

"EGM"	:	Extraordinary General Meeting
"EPS"	:	Earnings per share
"FBFI"	:	Farm's Best Food Industries Sdn. Bhd.
"GCPL"	:	Gourmet Chefs Pte. Ltd.
"HKFM"	:	HK Foods (M) Sdn. Bhd.
"HMFF"	:	Home Mart Fresh & Frozen Sdn. Bhd.
"JJSB"	:	Jimat Jaya Sdn. Bhd.
"JGFSB"	:	Jaya Gading Farm Sdn. Bhd.
"KKSBB"	:	Kyros Kebab Sdn. Bhd.
"KFI"	:	Kyros Food Industries Sdn. Bhd.
"KIM FA"	:	Kim Fa Foodstuffs Pte. Ltd.
"KISB"	:	Kyros International Sdn. Bhd.
"KMP Private"	:	KMP Private Ltd.
"KMP Investments"	:	KMP Investments Pte. Ltd.
"LMSB"	:	Likes Marketing Sdn. Bhd.
"LPD"	:	31 December 2020, being the latest practicable date prior to the issuance of this Circular
"MMLR"	:	Main Market Listing Requirements of Bursa Securities (as amended from time to time and any re-enactment thereof)
"Major Shareholder"	:	<p>A person who has an interest or interests in one or more voting shares in a corporation and the number or aggregate number of those shares is:-</p> <p>(a) 10% or more of the total number of voting shares in the corporation; or</p> <p>(b) 5% or more of the total number of voting shares in the corporation where such person is the largest shareholder of the corporation.</p> <p>For the purpose of this definition, "interest in shares" shall have the meaning given in Section 8 of the Act.</p>
"Market day"	:	A day on which the stock market of Bursa Securities is open for trading in securities as defined in the MMLR
"Mariton"	:	Mariton International Limited
"NA"	:	Net assets
"OTK"	:	OTK Farm Equipment Sdn. Bhd.

## DEFINITIONS

"PJGSB"	: Pasaraya Jaya Gading Sdn. Bhd.
"PPL"	: Protheme Pte. Ltd.
"Person(s) Connected"	: A person connected in relation to any person (referred to as "said Person") means such person who falls under any one of the following categories: <ul style="list-style-type: none"><li>(i) a family member of the said Person (family member means such person who falls within any one of the following categories:<ul style="list-style-type: none"><li>(a) spouse;</li><li>(b) parent;</li><li>(c) child including an adopted child and step-child;</li><li>(d) brother or sister; and</li><li>(e) spouse of the person referred to in subparagraphs (c) and (d) above</li></ul></li><li>(ii) 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>(iii) a partner of the said Person;</li><li>(iv) 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>(v) 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><li>(vi) 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</li><li>(vii) a body corporate which is a related corporation of the said Person.</li></ul>
"Plant Wealth"	Plant Wealth Holdings Limited
"Proposed Renewal of Share Buy-Back Authority"	: Proposed renewal of the authority to enable the Company to purchase CAB Shares up to a maximum of ten per centum (10%) of the Company's total number of issued shares
"Proposed Renewal of Shareholders' Mandate"	Proposed shareholders' mandate for the Company and/or its subsidiary companies to enter into recurrent related party transactions of a revenue or trading nature in the ordinary course of business which are necessary for the CAB Group's day-to-day operations and which approval from the shareholders is being sought at the forthcoming AGM
"Proposed New Shareholders' Mandate"	: Proposed new shareholders' mandate which approval from the shareholders is being sought at the forthcoming AGM
"Purchased CAB Shares"	: Shares purchased pursuant to the Proposed Renewal of Share Buy-back Authority
"Related Party(ies)"	: A Director, Major Shareholder of CAB or its subsidiaries or a person connected with such Director or Major Shareholder
"RM"	Ringgit Malaysia

## DEFINITIONS

- "RRPT" or "RRPTs" : Related Party Transactions involving recurrent transactions of a revenue or trading nature which are necessary for the Group's day-to-day operations and are in the ordinary course of business of the Group
- "Share(s)" : Ordinary share(s) in CAB
- "SHBF" : Shin Hong Breeding Farm Sdn. Bhd.
- "SPAC" : A corporation which has no operations or income generating business at the point of initial public offering and has yet to complete a qualifying acquisition with the proceeds of such offering
- "Substantial Shareholder" : A person who has an interest or interests in one or more voting shares in the company and the number or the aggregate number of such shares is not less than 5% of the total number of all the voting shares included in the Company
- "THPP" : Tong Huat Poultry Processing Factory Pte. Ltd.

All references to "you" in this Circular are to the shareholders of the Company.

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

Any reference in this Circular to any enactment is a reference 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.

Any discrepancy in the tables included in this Circular between the amount listed, actual figures and the totals thereof are due to rounding.

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**PART A**

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



## **CAB CAKARAN CORPORATION BERHAD**

(200201015998)(583661-W)  
(Incorporated in Malaysia)

### **Registered Office**

Suite A, Level 9  
Wawasan Open University  
54, Jalan Sultan Ahmad Shah  
10050 Georgetown, Penang

27 January 2021

### **Board of Directors**

Chuah Ah Bee (*Executive Chairman*)  
Chuah Hoon Phong (*Group Managing Director*)  
Chan Kim Keow (*Executive Director*)  
Chew Chee Khong (*Executive Director*)  
Loo Choo Gee (*Executive Director*)  
Haji Ahmad Fazil Bin Haji Hashim (*Independent Non-Executive Director*)  
Y.B. Goh Choon Aik (*Independent Non-Executive Director*)  
Lim Ghim Chai (*Independent Non-Executive Director*)  
Wijanti Tjendera (*Non-Independent Non-Executive Director*)

### **To: The Shareholders of CAB Cakaran Corporation Berhad**

Dear Sir / Madam,

### **PROPOSED RENEWAL OF THE AUTHORITY FOR THE PURCHASE OF THE COMPANY'S OWN ORDINARY SHARES OF UP TO TEN PER CENTUM (10%) OF THE COMPANY'S TOTAL NUMBER OF ISSUED SHARES ("PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY")**

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#### **1. INTRODUCTION**

On 28 December 2020, the Company announced its proposal to seek a renewal of an existing authorisation from its shareholders to purchase shares of the Company up to ten per centum (10%) of the total number of issued shares of CAB through the Bursa Securities pursuant to Section 127 of the Act and any prevailing laws and regulations issued by the relevant authorities at the time of purchase.

At the Postponed 18th AGM held on 9 June 2020, the Company had obtained from its shareholders, the authorisation for the Company to purchase up to ten per centum (10%) of the total number of issued shares of CAB. The authority obtained shall lapse at the conclusion of the forthcoming 19th AGM unless a renewal of the authority of share buy-back is obtained from shareholders of CAB. In view thereof, a renewal of the authority for the purchase of its own shares is sought from shareholders for the Proposed Renewal of Share Buy-Back Authority by way of an ordinary resolution.

The purpose of Part A of this Circular is to provide you with details of the Proposed Renewal of Share Buy-Back Authority, to set out the recommendation of the Board and to seek your approval for the ordinary resolution to be tabled at the 19th AGM. The Notice of the 19th AGM and the Form of Proxy are enclosed in the Annual Report for the financial year ended 30 September 2020.



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

### **2.1 Quantum and Funding**

As at LPD, the total number of issued shares of the Company stood at RM140,679,293.31 comprising 690,508,742 Shares. The maximum number of shares that may be bought-back of up to ten percent (10%) of the total number of issued shares of CAB will include all shares which have been previously bought-back and retained as treasury shares.

The authority from shareholders, if renewed, shall be effective upon the passing of the Ordinary Resolution for the Proposed Renewal of Share Buy-Back Authority at the 19th AGM and will continue to be in force until:-

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

whichever occurs first.

Paragraph 12.10(1) of the MMLR stipulates that the Proposed Renewal of Share Buy-Back Authority must be made wholly out of retained profits of the listed company. The maximum amount of funds to be allocated for the Proposed Share Buy-Back will be subject to the retained profits of the Company. The actual number of Shares which may be purchased and the timing of the purchase(s) will depend on, inter-alia, the market conditions, the availability of retained earnings and financial resources of the Company as well as the Bursa Securities requirement to maintain the necessary shareholding spread and minimum issued share capital.

Based on the latest audited financial statements of CAB as at 30 September 2020, the Company's retained earnings was RM6,277,128.

The funding of the Proposed Renewal of Share Buy-Back Authority will be through internally generated funds and/or bank borrowings, the proportion of which will depend on the quantum of purchase consideration as well as the availability of any internally generated funds and borrowings and repayment capabilities of CAB Group at the time of purchase(s). As such, the funding is not expected to have a negative bearing on the cash flow position of CAB Group.

The amount of funds to be utilised for the Proposed Renewal of Share Buy-Back Authority will only be determined later depending on the actual number of CAB Shares to be purchased, the availability of funds at the time of purchase(s) and other relevant cost factors.

### **2.2 Treatment of Shares Purchased**

Pursuant to the provisions of Section 127(4) of the Act, the Directors may deal with the Shares in the following manner:-

- (i) cancel the Shares so purchased;
- (ii) retain the Shares so purchased in treasury, which may be distributed as share dividends to the shareholders and/or be resold on the market of Bursa Securities in accordance with the relevant rules of Bursa Securities and/or be transferred for the purposes of an employees' share scheme and/or be transferred as purchase

consideration and/or be cancelled subsequently and/or be sold, transferred or otherwise be used for such purposes of the Minister may by order prescribe; or

(iii) retain part of the Shares so purchased as treasury shares and cancel the remainder.

While the Purchased CAB Shares are held as treasury shares, the rights attached to them as to attending meetings, voting, receiving dividends and participation in other distributions whether cash or otherwise shall not be conferred to the holder of such treasury shares and the treasury shares shall not be taken into account in calculating the number or percentage of shares or of a class of shares in CAB for any purpose including substantial shareholdings, take-overs, 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 your Directors' decision on the treatment of shares purchased.

### **2.3 Pricing**

Under the provisions of Paragraph 12.17 of the MMLR, the Company may only purchase its own Shares on Bursa Securities at a price which is not more than 15% above the weighted average market price for the Shares for the five (5) market days immediately before the date of the purchase. Under the provisions of Paragraph 12.18 of the MMLR, the Company may only resell the Purchased CAB Shares held as treasury shares on Bursa Securities at:-

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

### **2.4 Public Shareholding Spread**

As at LPD, the public shareholding spread of the Company was approximately 33.33%. The public shareholding spread is expected to be reduced to approximately 25.99% assuming the Proposed Renewal of Share Buy-Back Authority is implemented in full and all the Shares so purchased and cancelled. In this regard, the Board undertakes that the purchase of Shares will be conducted in compliance with the 25% public shareholding spread as required by the MMLR.

### **2.5 Implication relating to the Code**

Under the Code, a director and any person acting in concert with him or a relevant shareholder will be required to make a mandatory general offer for the remaining ordinary shares of the Company not already owned by him/them if his/their stake in the Company is increased to beyond 33% or if his/their existing shareholdings is between 33% and 50% and increases by another 2% in any subsequent 6 months' period.

Notwithstanding the above, such person and any person acting in concert may make an application to the Securities Commission for an exemption from a mandatory general offer under Paragraph 24.1 of Practice Note 9 of the Code.

As at the date of this Circular, the Company has yet to decide on the percentage of its own shares to be purchased pursuant to the Proposed Renewal of Share Buy-Back Authority. In any case, it is not the intention of the Company to cause any shareholder to trigger an obligation to undertake a mandatory general offer under the Code and the Company will be mindful of the above implications of the Code in making any purchase of its own shares under the Proposed Renewal of Share Buy-Back Authority.

## 2.6 Advantages and Disadvantages

The potential advantages of the Proposed Renewal of Share Buy-Back Authority to the Company and its shareholders are outlined in Section 3 of this Statement.

The potential disadvantages of the Proposed Renewal of Share Buy-Back Authority to the Company or its shareholders are as follows:-

- (i) the Proposed Renewal of Share Buy-Back Authority, if implemented, would reduce the financial resources of the Group and may result in the Group foregoing better investment opportunities that may emerge in future; and
- (ii) the Proposed Renewal of Share Buy-Back Authority may also reduce the amount of resources available for the payment of cash dividends to shareholders of CAB.

However, the financial resources of the Group may increase pursuant to the resale of the Purchased CAB Shares held as treasury shares at prices higher than the purchase price. In that regard, the Company would buy back the Shares only after your Directors have given due consideration to the potential impact on the Group's earnings and financial position and your Directors are of the opinion that it would be in the interests of the Company and the minority shareholders to do so.

## 2.7 Purchase of its own shares in the preceding twelve (12) months

The Company has not made any purchase of its own Shares in the previous twelve (12) months proceeding to the date of this Circular. The total number of shares bought back and held as treasury shares as at LPD was 545,500. The Company has not resold, cancelled and/or distributed any treasury shares as dividends in the same period.

## 2.8 Historical Share Prices

The monthly highest and lowest transacted prices of the Shares on the Bursa Securities for the past twelve (12) months from January 2020 to December 2020 are as follows:

Month	High RM	Low RM
January 2020	0.425	0.365
February 2020	0.400	0.330
March 2020	0.350	0.205
April 2020	0.325	0.250
May 2020	0.340	0.285
June 2020	0.405	0.290
July 2020	0.490	0.385
August 2020	0.455	0.385
September 2020	0.420	0.330
October 2020	0.370	0.320
November 2020	0.450	0.320
December 2020	0.565	0.390

(Source : Bursa Securities)

The last transacted price of CAB Shares on 13 January 2021 being the date prior to the printing of this Circular, was 0.51.

## 3. RATIONALE FOR THE PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY

The Proposed Renewal of Share Buy-Back Authority will help stabilise the market price as well as the supply and demand of the Company's shares and this is expected to enhance investors' confidence in the performance and the price of the Company's shares traded. All things being equal, the Proposed Renewal of Share Buy-Back Authority, whether the Company's shares to be purchased are maintained as treasury shares or cancelled, will improve the Earnings Per Share ("EPS") of the Company due to the reduction in the number of shares used for the purpose of computing EPS. This in turn, may have a positive impact on the market price of shares. If the

purchased shares are held as treasury shares, they could be resold with the intention of realising a potential gain and/or distributed as share dividends to reward the shareholders of the Company.

In the event the treasury shares are distributed as share dividends to shareholders, it will serve as a reward to shareholders of the Company.

The Proposed Renewal of Share Buy-Back Authority is not expected to have any potential material disadvantage to the Company and shareholders as it will be exercised only after considering the financial resources of the Group and resultant impact on Shareholders.

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

##### **4.1 Share Capital**

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

In the event the Proposed Renewal of Share Buy-Back Authority is implemented in full and all the Purchased CAB Shares are subsequently cancelled, the proforma effects on the total number of issued shares of CAB as LPD, are as follows:-

	<b>Number of Shares</b>
Existing number of issued shares as at LPD	690,508,742*
Cancellation of Purchased CAB Shares	69,050,874
Resultant number of issued shares upon completion of the Proposed Renewal of Share Buy-Back Authority and cancellation	621,457,868

*(Note: \*This is inclusive of 545,500 CAB Shares held as treasury shares as at LPD)*

However, the Proposed Renewal of Share Buy-Back Authority will have no effect on the number of issued shares of the Company if all the Purchased CAB Shares are to be retained as treasury shares, resold or distributed to the shareholders.

##### **4.2 NA per Share**

The Proposed Renewal of Share Buy-Back Authority may result in an increase or decrease in the NA per Share depending on the purchase price(s) of the Shares bought back. The NA per Share will increase if the purchase price is less than the NA per Share and will decrease if the purchase price exceeds the NA per Share at the time when the Shares are purchased.

In the event that the Purchased CAB Shares which are retained as treasury shares are resold, the NA of the CAB Group will increase or decrease depending on whether a gain or a loss is realised upon the resale. The quantum of the increase or decrease in NA will depend on the actual disposal price and the number of the Purchased CAB Shares, retained as treasury shares, which are resold.

##### **4.3 Working Capital**

The Proposed Renewal of Share Buy-Back Authority will reduce the working capital of the CAB Group, the quantum of which depends on the actual purchase price and number of Shares purchased. However, it is not expected to have a material adverse effect on the working capital of the Group. If Purchased CAB Shares are treated as treasury shares and subsequently resold on Bursa Securities, the working capital of the Group will increase if the Company realizes a gain from the resale.

#### 4.4 EPS

The effect of the Proposed Renewal of Share Buy-Back Authority on the EPS of the Company is dependent on, inter-alia, the actual number of the Shares bought back and the purchase price(s) of the Shares and the effective funding cost to the Company.

Assuming that the Purchased CAB Shares are retained as treasury shares and resold, the EPS will increase if the selling price is higher than the cost of the Purchased CAB Shares and the interest foregone or interest expense incurred on the Purchased CAB Shares. If the Purchased CAB Shares are cancelled, the EPS will increase provided that the income foregone and interest expense incurred on the Purchased CAB Shares is less than the EPS before the Proposed Renewal of Share Buy-Back Authority.

The effective reduction in the number of shares in the computation of the consolidated EPS pursuant to the Proposed Renewal of Share Buy-Back Authority may generally, all other things remaining equal, have a positive impact on the consolidated EPS of the Company for the financial year in which the shares are purchased.

#### 4.5 Dividends

The Proposed Renewal of Share Buy-Back Authority may reduce the amount of distributable reserves available for payment of dividend in the immediate future.

### 5. DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' INTERESTS

The effects of the Proposed Renewal of Share Buy-Back Authority on the shareholdings of the directors and substantial shareholders based on the CAB's Registers of Directors' Shareholdings and Substantial Shareholders as at LPD will be as follows:-

#### (i) Directors

Name of Directors	Before the Proposed Renewal of Share Buy-Back Authority Taking into account Shares purchased and held as treasury shares				After the Proposed Renewal of Share Buy-Back Authority Assuming 10% of the share capital is purchased and cancelled			
	Direct		Indirect		Direct		Indirect	
	No. of shares	%	No. of shares	%	No. of shares	%	No. of shares	%
Chuah Ah Bee	192,578,564	27.91	25,809,375	3.74 <sup>*1</sup>	192,578,564	30.99	25,809,375	4.15 <sup>*1</sup>
Chan Kim Keow	97,106,248	14.07	25,809,375	3.74 <sup>*1</sup>	97,106,248	15.63	25,809,375	4.15 <sup>*1</sup>
Loo Choo Gee	10,576,170	1.53	-	-	10,576,170	1.70	-	-
Chuah Hoon Phong	14,344,061	2.08	170,312	0.02 <sup>*2</sup>	14,344,061	2.31	170,312	0.03 <sup>*2</sup>
Haji Ahmad Fazil	23,437	_*4	-	-	23,437	_*4	-	-
Bin Haji Hashim	-	-	-	-	-	-	-	-
Chew Chee Khong	-	-	-	-	-	-	-	-
Goh Choon Aik	2,577	_*4	-	-	2,577	_*4	-	-
Lim Ghim Chai	-	-	-	-	-	-	-	-
Wijanti Tjendera	-	-	-	-	-	-	-	-

## (ii) Substantial Shareholders

Name of Substantial Shareholders	Before the Proposed Renewal of Share Buy-Back Authority Taking into account Shares purchased and held as treasury shares				After the Proposed Renewal of Share Buy-Back Authority Assuming 10% of the share capital is purchased and cancelled			
	Direct		Indirect		Direct		Indirect	
	No. of shares	%	No. of shares	%	No. of shares	%	No. of shares	%
Chuah Ah Bee	192,578,564	27.91	25,809,375	3.74 <sup>*1</sup>	192,578,564	30.99	25,809,375	4.15 <sup>*1</sup>
Chan Kim Keow	97,106,248	14.07	25,809,375	3.74 <sup>*1</sup>	97,106,248	15.63	25,809,375	4.15 <sup>*1</sup>
Plant Wealth	106,595,625	15.45	-	-	106,595,625	17.15	-	-
KMP Private	-	-	106,595,625	15.45 <sup>*3</sup>	-	-	106,595,625	17.15 <sup>*3</sup>
KMP Investments	-	-	106,595,625	15.45 <sup>*3</sup>	-	-	106,595,625	17.15 <sup>*3</sup>
Mariton	-	-	106,595,625	15.45 <sup>*3</sup>	-	-	106,595,625	17.15 <sup>*3</sup>
Anthoni Salim	-	-	106,595,625	15.45 <sup>*3</sup>	-	-	106,595,625	17.15 <sup>*3</sup>
Tan Hang Huat	-	-	106,595,625	15.45 <sup>*3</sup>	-	-	106,595,625	17.15 <sup>*3</sup>

### Notes:-

<sup>\*1</sup>Deemed interested under Section 59(11)(c) of the Act by virtue of their children's shareholdings in CAB.

<sup>\*2</sup>Deemed interested under Section 59(11)(c) of the Act by virtue of his spouse's shareholdings in CAB.

<sup>\*3</sup>Deemed interested under Section 8 of the Act by virtue of Plant Wealth's shareholdings in CAB.

<sup>\*4</sup>Negligible.

Save for the changes in percentage of shareholdings and/or voting of the Shareholders resulting from the Proposed Renewal of Share Buy-Back Authority, none of the Directors and Substantial Shareholders has any interest, direct or indirect, in the Proposed Renewal of Share Buy-Back Authority and, if any, the resale of treasury shares. In addition, in so far as the Directors are aware, none of the persons connected to the Directors and Substantial Shareholders has any interest, direct or indirect, in the Proposed Renewal of Share Buy-Back Authority and, if any, in the resale of treasury shares.

## 6. DIRECTORS' RECOMMENDATION

Your Directors, having considered all aspects of the Proposed Renewal of Share Buy-Back Authority, are of the opinion that the Proposed Renewal of Share Buy-Back Authority is in the best interest of the Company. Accordingly, your Directors recommend that you vote in favour of the Ordinary Resolution pertaining to the Proposed Renewal of Share Buy-Back Authority to be tabled at the forthcoming AGM.

## 7. APPROVALS REQUIRED

The Proposed Renewal of Share Buy-Back Authority is subject to the approval of the shareholders of the Company, which will be sought at the forthcoming AGM.

## 8. ANNUAL GENERAL MEETING

The ordinary resolution to approve the Proposed Renewal of Share Buy-Back Authority is set out as Special Business in the Notice of the 19th AGM in the Company's 2020 Annual Report. The AGM will be held at the Conference Room, Third Floor, Plot 21, Lorong Jelawat 4, Seberang Jaya Industrial Park, Seberang Jaya, 13700 Perai, Penang on Thursday, 25 March 2021 at 10.30 a.m.

If you are unable to attend the 19th AGM in person, kindly complete and return the Proxy Form enclosed in the 2020 Annual Report in accordance with the instructions printed therein to the Registered Office of CAB at Suite A, Level 9, Wawasan Open University, 54, Jalan Sultan Ahmad Shah, 10050 Georgetown, Penang, Malaysia not less than forty-eight (48) hours before the time set for the AGM. You may also submit the proxy appointment electronically via TIIH Online at <https://tiih.online> (applicable to individual shareholders only) before the proxy form submission cut-off time. The completion, signing and return of the Proxy Form will not, however, preclude you from attending and voting at the AGM should you find that you are subsequently able to do so.

## **9. FURTHER INFORMATION**

Shareholders are requested to refer to Appendices II and III for further information.

Yours faithfully  
For and on behalf of the Board of  
**CAB CAKARAN CORPORATION BERHAD**

**CHUAH AH BEE**  
Executive Chairman

**PART B**

**LETTER TO THE SHAREHOLDERS OF CAB IN RELATION TO**

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

**AND**

**PROPOSED NEW SHAREHOLDERS' MANDATE FOR ADDITIONAL RECURRENT  
RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE**





## **CAB CAKARAN CORPORATION BERHAD**

(200201015998)(583661-W)  
(Incorporated in Malaysia)

### **Registered Office**

Suite A, Level 9  
Wawasan Open University  
54, Jalan Sultan Ahmad Shah  
10050 Georgetown, Penang

27 January 2021

### **Board of Directors**

Chuah Ah Bee (*Executive Chairman*)  
Chuah Hoon Phong (*Group Managing Director*)  
Chan Kim Keow (*Executive Director*)  
Chew Chee Khong (*Executive Director*)  
Loo Choo Gee (*Executive Director*)  
Haji Ahmad Fazil Bin Haji Hashim (*Independent Non-Executive Director*)  
Y.B. Goh Choon Aik (*Independent Non-Executive Director*)  
Lim Ghim Chai (*Independent Non-Executive Director*)  
Wijanti Tjendera (*Non-Independent Non-Executive Director*)

### **To: The Shareholders of CAB Cakaran Corporation Berhad**

Dear Sir / Madam,

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

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#### **1. INTRODUCTION**

At the Company's Postponed 18th AGM held on 9 June 2020, the Company had obtained a mandate from its shareholders for CAB Group to enter into recurrent related party transactions of a revenue or trading nature, which are necessary for the day-to-day operations of CAB Group, with certain classes of related parties as disclosed therein.

The Existing Shareholders' Mandate shall, in accordance with the Listing Requirements, expire at the conclusion of the forthcoming AGM unless it is renewed.

On 28 December 2020, the Company announced to Bursa Securities of the Company's intention to seek shareholders' approval for the Proposed Renewal of Shareholders' Mandate and the Proposed New Shareholders' Mandate at the forthcoming AGM to be convened on Thursday, 25 March 2021.

The purpose of Part B of this Circular is to provide you with details of the Proposed Renewal of Shareholders' Mandate and the Proposed New Shareholders' Mandate and to seek your approval for the ordinary resolution to be tabled at the AGM to be convened on Thursday, 25 March 2021, a notice of which is set out in the Annual Report of the Company.

## 2. DETAILS OF THE PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE AND THE PROPOSED NEW SHAREHOLDERS' MANDATE

### 2.1 Provisions under the Listing Requirements

Pursuant to Paragraph 10.09 of Chapter 10 of the Listing Requirements, a listed issuer may seek shareholders' mandate subject to the following:-

- the transactions are in the ordinary course of business and are on terms not more favourable to the related party than those generally available to the public;
- the shareholders' mandate is subject to annual renewal and disclosure is made in the annual report of the aggregate value of transactions conducted pursuant to the shareholders' mandate during the financial year where:-
  - (i) the consideration, value of the assets, capital outlay or costs of the RRPT is equal to or exceeds RM1 million; or
  - (ii) the percentage ratio of such RRPT is equal to or exceeds 1%,whichever is the higher.
- the issuance of a circular to shareholders by the listed issuer for the shareholders' mandate, the contents of which shall include information as set out in the Listing Requirements;
- in a meeting to obtain shareholders' mandate, the relevant related party must comply with the requirements set out in Paragraph 10.08(7) of the Listing Requirements:-
  - (i) a related party with any interest, direct or indirect ("interested related party") must not vote on the resolution in respect of the related party transaction;
  - (ii) an interested related party must ensure that the persons connected with them abstain from voting on the resolution in respect of the related party transaction; and
  - (iii) the person connected with the interested related party must not vote on the resolution in respect of the related party transaction.
- the listed issuer immediately announces to Bursa Securities when the actual value of a RRPT entered into by the listed issuer, exceeds the estimated value of the RRPT disclosed in the circular by 10% or more and must include the information as may be prescribed by the Bursa Securities in its announcement.

Where a listed issuer has procured the shareholders' mandate pursuant to the above, the provision of Paragraph 10.08 of the Listing Requirements shall not apply with regard to transactions as detailed in this section.

Accordingly, the Company proposes to seek the Proposed Renewal of Shareholders' Mandate and the Proposed New Shareholders' Mandate from its shareholders for CAB Group to enter into transactions with Related Parties which are of a revenue or trading nature and necessary for the day-to-day operations of CAB Group as disclosed in Section 2.4 below, on terms not more favourable to the related parties than those generally available to and / or from the public and are not detrimental to the minority shareholders.

If approved at the forthcoming AGM, the Proposed Renewal of Shareholders' Mandate and the Proposed New Shareholders' Mandate will take effect from and including 25 March 2021 being the date of the passing of the ordinary resolution relating thereto tabled at the forthcoming AGM, and will continue to be in force until:-

- (a) the conclusion of the next AGM of the Company; or
  - (b) the expiration of the period within which the next AGM of the Company, after the date it is required to be held pursuant to Section 340(2) of the Act (*but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Act*); or
  - (c) revoked or varied by ordinary resolution passed by the shareholders in general meeting,
- whichever is the earlier.

Disclosures have been made in CAB's Annual Report 2020 of the actual breakdown of the aggregate value of RRPTs made pursuant to the existing shareholders' mandate during the financial year ended 30 September 2020.

## 2.2 The Principal Activities of CAB Group

CAB is principally an investment holding company and provides management services to its subsidiaries whilst the principal activities of its subsidiaries as at LPD are as follows:-

<b>Name of Subsidiaries</b>	<b>Effective Equity Interest (%)</b>	<b>Principal Activities</b>
CABC	100.00	Breeding of broiler chicken and trading of broiler chicken, poultry feeds and other farm consumables
CABINDO	100.00	Dormant
KISB	100.00	Investment holding and fast food franchising business
KFI	100.00	Processing of meat products and trading
CABM	100.00	Dormant.
HKFM	100.00	Processing, exporting, wholesaling and distributing of frozen marine and value added products
HMFF	100.00	Trading of supermarket products
LMSB	100.00	Distributing and marketing of food products
CABG	100.00	Dormant
THPP	51.00	Investment holding and operating of poultry slaughter house and supplier of slaughtered poultry and provision of marinating and other services
FBFI	53.04	Poultry hatcheries, contract farming, poultry processing, marketing and distribution of poultry products
<b><i>Subsidiaries of CABC</i></b>		
JJSB	100.00	Processing and marketing of chicken
CABBF	100.00	Breeding of parent stocks to produce broiler eggs and chicks
CABS	51.00	Breeding of black chicken and colour birds and trading of chicken, poultry feeds and other farm consumables
CABL	100.00	Marketing of chicken and frozen foods
JGFSB	58.02	Poultry farming, trading in poultry and other related business
CPGPS	67.94	Breeding of grand-parent stocks to produce breeder chicks
SHBF	50.00	Renting of property, plant and equipment to generate rental income
OTK	55.00	Manufacturers and trading of farm equipment
C&BP	30.40	Breeding of parent stock of black chicken and colour birds to produce hatching eggs and chicks

<b>Name of Subsidiaries</b>	<b>Effective Equity Interest (%)</b>	<b>Principal Activities</b>
<b><i>Subsidiaries of KISB</i></b>		
KKSB	100.00	Fast food restaurants operators and trading
<b><i>Subsidiaries of JJSB</i></b>		
AKSB	100.00	Processing and marketing of chicken
<b><i>Subsidiaries of JGFSB</i></b>		
CABT	58.02	Trading of poultry and other related products with poultry contract farmers
PJGSB	58.02	Trading of supermarket products
<b><i>Subsidiary of CABS</i></b>		
PPL	30.60	Wholesale of livestock, meat and poultry products
AKFI	58.23	Processing and marketing of chicken, trading of poultry feed and other farm consumables
<b><i>Subsidiary of THPP</i></b>		
BHP	51.00	Importing and marketing of poultry products
GCPL	30.60	Manufacturing of value added food products
TH LIKES	51.00	Wholesale of food products
KIM FA	30.60	Supply and distribution of all kinds of sauces and foodstuffs
CABI	45.90	Dormant
<b><i>Subsidiaries of CABG</i></b>		
CABE	100.00	Dormant

### **2.3 The Principal Activities of the other related transacting parties**

The principal activities of the other related transacting parties which are not part of CAB Group that are involved in the RRPT with CAB Group are set out below:-

<b>Other Related Transacting Parties</b>	<b>Principal Activities</b>
YWT Contract Farming (“YWT”)	Breeding chicken and selling vegetables
Maju Jaya Farm (“MJF”)	Breeding chicken
Chuah Ah Bee Sdn. Bhd. (“CABS”)	Investment holding and to carry on the business of food court
Chyuan Heng Farming Sdn. Bhd. (“CHF”)	Breeders of chicken and poultry farmers
Chuah Ah Chui	Trading in chicken

<b>Other Related Transacting Parties</b>	<b>Principal Activities</b>
Fah Leong Sdn. Bhd. ("FLSB")	Letting of properties
Unisetali Sdn. Bhd. ("USB")	General trading agencies and other merchandise, prawn rearing horticulture, fish and vegetables
Kim Hock Food Trading Pte. Ltd. ("KHFT")	(1) Food caterers (wholesaling of food) (2) General wholesale trade (including general importers and exporters (food manufacturing)
Toh Chai Hock	Operating a market stall and sale of chicken and chicken parts
Toh York Mue	Operating a market stall and sale of chicken and chicken parts
Ni-On Marketing System Sdn. Bhd. ("NMS")	Trading of farming equipment and evaporative cooling pads
OTO Agriculture Marketing Sdn. Bhd. ("OTO")	Trading of farming equipment and evaporative cooling pads
Intelmatrix Sdn. Bhd. ("Intelmatrix")	General Trading
Sinmah Poultry Processing (S) Pte. Ltd. ("SPPS")	Slaughtering of poultry and refrigerated warehousing and storage
Aqina Farming Sdn. Bhd.	Poultry farming
Toh Chai Hoe	Operating a market stall and sale of chicken and chicken parts
DS Poultry Sdn. Bhd.	Poultry farming and trading of poultry products
Sinmah Food Services (S) Pte Ltd ("Sinmah Food")	Processing and preserving of meat and meat products and wholesale of food, beverages and tobacco (including dried or canned)

## **2.4 Proposed Shareholders' Mandate**

The details of the nature and estimated annual value of the RRPT in respect of which the Company is seeking renewal of mandate and a fresh mandate from its shareholders as contemplated under the Proposed Renewal of Shareholders' Mandate and Proposed New Shareholder' Mandate are set out in Appendix I of this Circular.

## **3. GUIDELINES, METHODS AND PROCEDURES IN RELATION TO RRPT**

CAB Group has established and implemented the following guidelines, methods and procedures to ensure that recurrent related party transactions are not to the detriment of the minority shareholders and are undertaken at arm's length and are on normal commercial terms which are not more favourable to the related party than those extended to the public:-

- (a) The scope and definition of arm's length and normal commercial terms are clearly stated and the procedures and guidelines in determining the pricing, quality, reasonability, fairness and so forth for CAB Group's best interest together with the class of related parties and nature of transactions be laid out in a list and regularly updated from time to time to be circulated within CAB Group to all Executive Directors and relevant Department Heads with notification that all recurrent related party transactions are to be

undertaken at arm's length and are on normal commercial terms which are not more favourable to the Related Party than those extended to the public.

- (b) The transaction prices and the terms and conditions are determined by current market forces under similar commercial terms and normal trade practices for transactions with third parties.
- (c) All recurrent related party transactions shall be tabled at the Audit Committee Meeting for review on quarterly basis. The Audit Committee shall have the right to engage independent advisers or experts, if required, for the purpose of performing an independent and balanced assessment, evaluation and comparison of transaction price, terms and conditions pertaining to the recurrent related party transactions.
- (d) The Board and the Audit Committee shall approve the guidelines, methods and procedures with authority to delegate to the Company's Internal Auditors to review the procedures and to give their recommendations.
- (e) The Group Finance Director shall maintain a record of all recurrent related party transactions which have been approved by shareholders. The purpose of the said record is to ensure that all relevant approvals have been obtained and procedures have been complied with.
- (f) The Internal Audit Manager shall review all recurrent related party transactions to ensure that they comply with the guidelines and procedures set up and to report on its findings to the Audit Committee.
- (g) If during the quarterly review, the Audit Committee should be of the view that the guidelines and review procedures are no longer appropriate or adequate to ensure recurrent related party transactions are carried out on normal commercial terms or be prejudicial to shareholders, the Company will seek a fresh mandate from shareholders based on new guidelines and review procedures.

#### **Sales of chicks, feed and farm consumables, live and processed chicken and provision of slaughtering services**

Where practical and/or feasible, at least two (2) other contemporaneous transactions with unrelated third parties for similar products and/or quantities will be used as comparison for determining the price and terms offered by/to the Related Parties are fair and reasonable as compared with those offered by unrelated third parties.

For provision of slaughtering services, market slaughtering charge rate, as may be obtainable, will be used for assessment.

In the event that quotation or comparative pricing from unrelated third parties cannot be obtained, the transaction prices will be reviewed by the Executive Directors provided they are not parties to the transactions to ensure that the RRPTs are not detrimental to CAB Group.

#### **Tenancy**

The determination of rental payable on factory building is already based on the prevailing market rental rates and hence, no other comparative pricing was made. As regards to the rental of poultry farms, the rate will be based on similar commercial terms for transactions with third parties, business practices and policies and on terms which are generally in line with industry norms.

The terms of the pricing of the above RRPTs are always consistent with the CAB Group's usual business pricing practices and policies. Hence, the pricing is not more favourable to the transacting parties than to the public and not to the detriment of the minority shareholders of CAB.

#### 4. STATEMENT BY AUDIT COMMITTEE

The Audit Committee of the Company has seen and reviewed the procedures mentioned in Section 3 above and is of the view that the said procedures are sufficient to ensure that the RRPTs are not more favourable to the Related Parties than those generally available to the public and are not detrimental to the minority shareholders.

The Audit Committee is also of the view that the CAB Group has in place adequate procedures and processes to monitor, track and identify RRPTs in a timely and orderly manner. The Audit Committee has reviewed these procedures and processes on a quarterly basis.

#### 5. RATIONALE AND BENEFITS FOR THE PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE AND THE PROPOSED NEW SHAREHOLDERS' MANDATE

The rationale for and benefits of the Proposed Renewal of Shareholders' Mandate and the Proposed New Shareholders' Mandate to CAB Group are as follows:

- (a) The Proposed Renewal of Shareholders' Mandate and the Proposed New Shareholders' Mandate will facilitate transactions with Related Parties which are carried out in the ordinary course of business of CAB Group and are made on an arm's length basis and on terms not more favourable to the Related Parties than those generally available to the public and not in the Company's opinion detrimental to the minority shareholders.
- (b) The Proposed Renewal of Shareholders' Mandate and the Proposed New Shareholders' Mandate will enhance the CAB Group's ability to pursue business opportunities, which may be of time-sensitive in nature and it may not be practical to seek shareholders' approval on a case-by-case basis before entering into such transactions.
- (c) The transactions between the Related Parties allow the CAB Group more efficient utilisation of existing resources, prompt delivery and better bargaining power from reliable suppliers.
- (d) The Proposed Renewal of Shareholders' Mandate and the Proposed New Shareholders' Mandate will eliminate the need to make regular announcements or convene separate general meetings from time to time to seek shareholders' mandate approval as and when potential RRPT with a mandated Related Parties arise, thereby reducing the administrative time and expenses in convening such meetings, without compromising the corporate objectives and adversely affecting the business opportunities available to the Group.

#### 6. INTEREST OF INTERESTED DIRECTORS, MAJOR SHAREHOLDERS AND PERSONS CONNECTED WITH A DIRECTOR OR A MAJOR SHAREHOLDER

As at LPD, the direct and indirect shareholdings of the interested Directors and Major Shareholders in CAB in respect of the Proposed Renewal of Shareholders' Mandate and the Proposed New Shareholders' Mandate are as follows:-

	No. of Shares held in CAB			
	Direct	%	Indirect	%
<b>Interested Directors and/or Major Shareholders</b>				
Chuah Ah Bee	192,578,564	27.91	25,809,375	3.74
Chan Kim Keow	97,106,248	14.07	25,809,375	3.74
Chuah Hoon Phong	14,344,061	2.08	170,312	0.02

The abovenamed Directors, being the Directors who are interested in the Proposed Renewal of Shareholders' Mandate and the Proposed New Shareholders' Mandate have abstained and will

continue to abstain from all deliberations and voting on the RRPT involving them, as comprised in the Proposed Renewal of Shareholders' Mandate and the Proposed New Shareholders' Mandate at the relevant Board meetings. They will also abstain from voting in respect of their direct and indirect shareholding at the forthcoming AGM, on the ordinary resolution approving the RRPT involving them. The Major Shareholders will also abstain from voting in respect of their direct and indirect shareholdings in CAB at the forthcoming AGM, on the ordinary resolution approving the RRPT involving their interests, which are comprised in the Proposed Renewal of Shareholders' Mandate and the Proposed New Shareholders' Mandate.

As at LPD, the direct and indirect shareholding of the Persons Connected with a Director and/or Major Shareholder who are interested in the Proposed Renewal of Shareholders' Mandate and the Proposed New Shareholders' Mandate are set out below:-

Persons Connected with a Director and / or a Major Shareholder	No. of Shares held in CAB			
	Direct	%	Indirect	%
Chuah Hoon Hong	12,996,875	1.88	-	-
Chuah Hoon Teng	12,812,500	1.86	-	-
Ng Honk Ling	170,312	0.02	-	-
Chuah Ah Chui	28,125	-*	-	-
Chuah Teh Chai	5,253,515	0.76	-	-
Yap Kim Hwah	-	-	-	-
Leong Youk Leen	-	-	-	-
Yap Soon Chyuan	-	-	-	-
Tiew Chee Wei	-	-	-	-
Ong Khoon Chuah	756,200	0.11	-	-
Chua Geok Lan	-	-	-	-
Too Siew Din	302	-*	-	-
Toh Chye Lam	-	-	-	-
Toh Chai Hock	-	-	-	-
Toh Chai Hoe	832,500	0.12	-	-
Toe Heng Choon	1,659,100	0.24	-	-
Toh York Mue	-	-	-	-
Ong Chuan Seng	2,035,000	0.29	-	-
Khor Yu Beng	1,050,000	0.15	-	-
Chiew Kin Huat	-	-	-	-
Alex Tan Kuan Hon	-	-	-	-
Tan Chin Long	-	-	-	-
Teo Siew Giok	-	-	-	-
Sia Hui Chen	320,000	0.05	-	-
Chiew Hock You	-	-	-	-

\* - negligible



The abovenamed Persons Connected will abstain from voting in respect of his/her direct and indirect shareholding in the Company, if any, at the forthcoming AGM, on the ordinary resolution approving the RRPTs involving his/her interests, which are comprised in the Proposed Renewal of Shareholders' Mandate and the Proposed New Shareholders' Mandate.

The abovenamed Directors and/or Major Shareholders, who are interested in the Proposed Renewal of Shareholders' Mandate and the Proposed New Shareholders' Mandate, have undertaken to ensure that the Persons Connected to them will abstain from voting in respect of their direct and indirect shareholdings in the Company, if any, at the forthcoming AGM, on the ordinary resolution approving the RRPT involving their interests, which are comprised in the Proposed Renewal of Shareholders' Mandate and the Proposed New Shareholders' Mandate.

Save for the Directors and/or Major Shareholders and Persons Connected to them, as set out above, none of the Directors or Major Shareholders and Persons Connected to them have any interest, direct or indirect, in the Proposed Renewal of Shareholders' Mandate and the Proposed New Shareholders' Mandate. Where the Persons Connected with a Director and/or Major Shareholder of CAB Group has any interest, direct or indirect, in the Proposed Renewal of Shareholders' Mandate and the Proposed New Shareholders' Mandate, the Director and/or Major Shareholders concerned will also abstain from voting in respect of their direct or indirect shareholdings in the Company at the forthcoming AGM, on the resolution deliberating or approving the RRPTs involving the relevant Director and/or major shareholder or persons connected to them in the Proposed Renewal of Shareholders' Mandate and the Proposed New Shareholders' Mandate.

## **7. THRESHOLDS FOR APPROVAL OF RRPTS WITHIN CAB GROUP**

There are no thresholds for the approval of RRPTs within CAB Group and all related party transactions will be subject to periodic reviews by the Audit Committee to ensure that they have been transacted on arm's length basis and on commercial terms not detrimental to CAB Group and that proper disclosures will be made in the annual report of CAB in respect of the aggregate value of transactions conducted pursuant to the Proposed Renewal of Shareholders' Mandate and the Proposed New Shareholders' Mandate during the financial year.

If it is determined that the guidelines and/or procedures stated in Section 3 of this Circular are inadequate and to ensure that:-

- (i) the RRPTs will be conducted at arm's length and on normal commercial terms which are not more favourable to the Related Parties than those generally available to the public; and
- (ii) such transactions are not to the detriment of the minority shareholders of the Company or prejudicial to the interests of the shareholders.

The Company will obtain a fresh shareholders' mandate based on new guidelines and procedures. The Audit Committee shall also have the discretion to request for limits to be imposed or for additional procedures to be followed if it considers such a request to be appropriate. In that event, such limits or procedures may be implemented without the approval of shareholders, provided that they are more stringent than the existing limits or procedures.

## **8. EFFECTS OF THE PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE AND PROPOSED NEW SHAREHOLDERS' MANDATE**

The Proposed Renewal of Shareholders' Mandate and Proposed New Shareholders' Mandate are not expected to have any material effect on the issued share capital, consolidated NA, consolidated earnings, gearing and Major Shareholders' shareholdings of CAB.

## 9. AMOUNT DUE AND OWING TO CAB GROUP BY RELATED PARTIES

The total outstanding amount as at financial year ended 30 September 2020 was RM5,741,479. The total amount due and owing to CAB Group which exceeded the credit term given arising from the RRPTs as per Section 9 of this Circular amounted to RM1,733,225 is shown as follows :-

Principal Sum (RM)	Late Payment Interest (RM)	Amount due which exceeded the credit term ("Overdue Sum") (RM)			
		≤ 1 year	> 1 year to 3 years	> 3 years to 5 years	> 5 years
RM5,741,479	-	RM1,670,896	RM62,329	-	-

The outstanding amount which exceeded the credit term was trade in nature. No late payment charges or interest were imposed on the overdue amount less than one year. However, a late payment interest of 7% per annum is being charge on the amount due which exceeded the credit term of more than one (1) year with effect from October 2020.

Out of the total amount of RM1,733,225 due to the Group, RM1,676,286 had been settled as at the LPD. The Management will continue to monitor and pursue for early settlement of the remaining outstanding amount. The Board is optimistic that the overdue amount is recoverable.

## 10. DIRECTORS' RECOMMENDATION

The Directors (save for Chuah Ah Bee, Chan Kim Keow and Chuah Hoon Phong, who are interested and deemed interested in the Proposed Renewal of Shareholders' Mandate and Proposed New Shareholders' Mandate) are of the opinion that the Proposed Renewal of Shareholders' Mandate and the Proposed New Shareholders' Mandate are in the best interest of the Company.

Accordingly, the Directors (save for Chuah Ah Bee, Chan Kim Keow and Chuah Hoon Phong, who are interested and deemed interested in the Proposed Renewal of Shareholders' Mandate and Proposed New Shareholders' Mandate) recommend that you vote in favour of the ordinary resolution to be tabled at the AGM.

## 11. APPROVALS REQUIRED

The Proposed Renewal of Shareholders' Mandate and the Proposed New Shareholders' Mandate are subject to the approval of the shareholders of the Company, which will be sought at the forthcoming AGM.

## 12. ANNUAL GENERAL MEETING

The ordinary resolution pertaining to the Proposed Renewal of Shareholders' Mandate and the Proposed New Shareholders' Mandate have been incorporated in the Notice of AGM, which is enclosed in CAB's Annual Report 2020. The AGM will be held at the Conference Room, Third Floor, Plot 21, Lorong Jelawat 4, Seberang Jaya Industrial Park, Seberang Jaya, 13700 Perai, Penang on Thursday, 25 March 2021 at 10.30 a.m. or any adjournment thereof.

If you are unable to attend and vote in person at the AGM of the Company and wish to appoint a proxy instead, you are requested to complete, sign and return the Proxy Form enclosed in CAB's Annual Report 2020, in accordance with the instructions printed therein. The Proxy Form must be lodged at the registered office of the Company at Suite A, Level 9, Wawasan Open University, 54, Jalan Sultan Ahmad Shah, 10050 Georgetown, Penang, not less than forty-eight (48) hours before the time fixed for the AGM or any adjournment thereof. You may also submit the proxy appointment electronically via TIIH Online at <https://tjih.online> (applicable to individual shareholders only) before the proxy form submission cut-off time. The completion, signing and

return of the Proxy Form will not preclude you from attending and voting in person, should you subsequently decide to do so.

**13. FURTHER INFORMATION**

Shareholders are requested to refer to the attached Appendices II and III for further information.

Yours faithfully  
For and on behalf of the Board of  
**CAB CAKARAN CORPORATION BERHAD**

**LIM GHIM CHAI**  
Independent Non-Executive Director

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## PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE

The details of the nature and estimated annual value of the RRPT in respect of which the Company is seeking **renewal of mandate** from its shareholders as contemplated under the Proposed Renewal of Shareholders' Mandate are as follows :-

Nature of Transaction	Company in CAB Group	Related Party with whom the Group is transacting	Estimated Value of Transaction from the date of the AGM to the date of AGM in 2022* (RM)	Interested Related Party^	Relationships	Actual Value transacted from the date of the Postpone AGM on 9 June 2020 to LPD (RM) ☒	Estimated Value of Transaction as disclosed in the preceding year's Circular to Shareholders (RM) ☒
Sales of broilers by YWT	JGFSB	YWT	65,000,000	<b>Interested Director &amp; Major Shareholder of JGFSB</b> Mr. Yap Kim Hwah  <b>Interested Director</b> Mdm. Leong Youk Leen  <b>Interested Person Connected</b> Mr. Yap Soon Chyuan	Mr. Yap Soon Chyuan, the sole proprietor of YWT, is the son of Mr. Yap Kim Hwah.  Mr. Yap Soon Chyuan is the nephew of Mdm. Leong Youk Leen.	20,960,552	60,000,000
Sales of chicks, farm consumables and feed by JGFSB	JGFSB	YWT	55,000,000	<b>Interested Director &amp; Major Shareholder of JGFSB</b> Mr. Yap Kim Hwah  <b>Interested Director</b> Mdm. Leong Youk Leen  <b>Interested Person Connected</b> Mr. Yap Soon Chyuan	Mr. Yap Soon Chyuan, the sole proprietor of YWT, is the son of Mr. Yap Kim Hwah.  Mr. Yap Soon Chyuan is the nephew of Mdm. Leong Youk Leen.	17,362,949	50,000,000

**Proposed Renewal of Shareholders' Mandate (cont'd)**

<b>Nature of Transaction</b>	<b>Company in CAB Group</b>	<b>Related Party with whom the Group is transacting</b>	<b>Estimated Value of Transaction from the date of the AGM to the date of AGM in 2022* (RM)</b>	<b>Interested Related Party<sup>^</sup></b>	<b>Relationships</b>	<b>Actual Value transacted from the date of the Postponed AGM on 9 June 2020 to LPD (RM) <sup>¤</sup></b>	<b>Estimated Value of Transaction as disclosed in the preceding year's Circular to Shareholders (RM) <sup>¤</sup></b>
Renting of poultry farms by YWT (Note #)	JGFSB	YWT	1,600,000	<b>Interested Director &amp; Major Shareholder of JGFSB</b> Mr. Yap Kim Hwah  <b>Interested Director</b> Mdm. Leong Youk Leen  <b>Interested Person Connected</b> Mr. Yap Soon Chyuan	Mr. Yap Soon Chyuan, the sole proprietor of YWT, is the son of Mr. Yap Kim Hwah.  Mr. Yap Soon Chyuan is the nephew of Mdm. Leong Youk Leen.	592,453	1,600,000
Sales of chicks, feed and farm consumables by JGFSB	JGFSB	MJF	15,000,000	<b>Interested Director &amp; Major Shareholder of JGFSB</b> Mr. Yap Kim Hwah  <b>Interested Director</b> Mdm. Leong Youk Leen  <b>Interested Person Connected</b> Mr. Tiew Chee Wei	Mr. Tiew Chee Wei, the sole proprietor of MJF, is the son-in-law of Mr. Yap Kim Hwah.  Mr. Tiew Chee Wei is the nephew-in-law of Mdm. Leong Youk Leen.	4,005,223	10,000,000

Note # : The poultry farms are currently located at the properties known as follows:-

- (i) Lot 103, GRN 4803, Mukim of Hulu Jabor, District of Kemaman, Terengganu (JG1 & 2);
- (ii) PT 1725, GM 3350, Mukim of Sg Karang, District of Kuantan, Pahang (JG 3);
- (iii) PT 1721, GM 3367, Mukim of Sg Karang, District of Kuantan, Pahang (JG 5);
- (iv) PT 1731, GM 1475, Mukim of Sg Karang, District of Kuantan, Pahang ((JG 6);
- (v) Lot 3205, GM 3252, Mukim of Kuala Kuantan, District of Kuantan, Pahang (JG 12);
- (vi) Lot 3351, GRN 6567, Mukim of Kuala Kuantan, District of Kuantan, Pahang (JG 13);
- (vii) Lot 1671, GM 3324, Mukim Sg Karang, District of Sungai Karang, Kuantan, Pahang (JG 10);  
and
- (viii) Lot 1669, GM 3345, Mukim Sg Karang, District of Sungai Karang, Kuantan, Pahang (JG 7).

**Proposed Renewal of Shareholders' Mandate (cont'd)**

<b>Nature of Transaction</b>	<b>Company in CAB Group</b>	<b>Related Party with whom the Group is transacting</b>	<b>Estimated Value of Transaction from the date of the AGM to the date of AGM in 2022* (RM)</b>	<b>Interested Related Party^</b>	<b>Relationships</b>	<b>Actual Value transacted from the date of the Postponed AGM on 9 June 2020 to LPD (RM) ¢</b>	<b>Estimated Value of Transaction as disclosed in the preceding year's Circular to Shareholders (RM) ¢</b>
Renting of farms by MJF (Note #)	JGFSB	MJF	500,000	<b>Interested Director &amp; Major Shareholder of JGFSB</b> Mr. Yap Kim Hwah  <b>Interested Director</b> Mdm. Leong Youk Leen  <b>Interested Person Connected</b> Mr. Tiew Chee Wei	Mr. Tiew Chee Wei, the sole proprietor of MJF, is the son-in-law of Mr. Yap Kim Hwah.  Mr. Tiew Chee Wei is the nephew-in-law of Mdm. Leong Youk Leen.	191,100	400,000
Sales of broilers by MJF	JGFSB	MJF	18,000,000	<b>Interested Director &amp; Major Shareholder of JGFSB</b> Mr. Yap Kim Hwah  <b>Interested Director</b> Mdm. Leong Youk Leen  <b>Interested Person Connected</b> Mr. Tiew Chee Wei	Mr. Tiew Chee Wei, the sole proprietor of MJF, is the son-in-law of Mr. Yap Kim Hwah.  Mr. Tiew Chee Wei is the nephew-in-law of Mdm. Leong Youk Leen.	3,572,448	12,000,000

Note # : The poultry farms are currently located at the properties known as follows:-

- (i) Lot 1870, GM339, Mukim Hulu Jabur, District of Kemamam, Terengganu (JG 11); and
- (ii) Lot PT5 HS(M) 1218 & Lot 2004 PM 171, Lubok Puteri, Mukim Lepar, Daerah Pekan, Pahang (JG 15).

Proposed Renewal of Shareholders' Mandate (cont'd)

Nature of Transaction	Company in CAB Group	Related Party with whom the Group is transacting	Estimated Value of Transaction from the date of the AGM to the date of AGM in 2022* (RM)	Interested Related Party^	Relationships	Actual Value transacted from the date of the Postponed AGM on 9 June 2020 to LPD (RM) ¢	Estimated Value of Transaction as disclosed in the preceding year's Circular to Shareholders (RM) ¢
Sales of chicks, feed and farm consumables by JGFSB	JGFSB	CHFSB	10,000,000	<b>Interested Director &amp; Major Shareholder of JGFSB</b> Mr. Yap Kim Hwah  <b>Interested Director</b> Mdm. Leong Youk Leen  <b>Interested Person Connected</b> Mr. Yap Soon Chyuan	Mr. Yap Soon Chyuan, one of the Directors of CHFSB, is the son of Mr. Yap Kim Hwah.  Mr. Yap Soon Chyuan is the nephew of Mdm. Leong Youk Leen.	2,015,965	6,000,000
Sales of broilers by CHFSB	JGFSB	CHFSB	10,000,000	<b>Interested Director &amp; Major Shareholder of JGFSB</b> Mr. Yap Kim Hwah  <b>Interested Director</b> Mdm. Leong Youk Leen  <b>Interested Person Connected</b> Mr. Yap Soon Chyuan	Mr. Yap Soon Chyuan, one of the Directors of CHFSB, is the son of Mr. Yap Kim Hwah.  Mr. Yap Soon Chyuan is the nephew of Mdm. Leong Youk Leen.	2,484,422	7,000,000

Proposed Renewal of Shareholders' Mandate (cont'd)

Nature of Transaction	Company in CAB Group	Related Party with whom the Group is transacting	Estimated Value of Transaction from the date of the AGM to the date of AGM in 2022* (RM)	Interested Related Party^	Relationships	Actual Value transacted from the date of the Postponed AGM on 9 June 2020 to LPD (RM) ☒	Estimated Value of Transaction as disclosed in the preceding year's Circular to Shareholders (RM) ☒
Rental of land & building located at Lot 54, Kawasan Perindustrian Semambu, 25300 Kuantan, Pahang by PJGSB **	PJGSB	FLSB	300,000	<b>Interested Directors of PJGSB</b> Mr. Yap Kim Hwah Mdm. Leong Youk Leen	Mr. Yap Kim Hwah is the appointed Director in FLSB for the 20% shareholding of JGFSB in FLSB.  Mdm. Leong Youk Leen is the sister-in-law of Mr. Yap Kim Hwah.	77,000	300,000
Rental of shop located at Lot No. 215 & 217 Bukit Goh by PJGSB **	PJGSB	FLSB	150,000	<b>Interested Directors of PJGSB</b> Mr. Yap Kim Hwah Mdm. Leong Youk Leen	Mr. Yap Kim Hwah is the appointed Director in FLSB for the 20% shareholding of JGFSB in FLSB.  Mdm. Leong Youk Leen is the sister-in-law of Mr. Yap Kim Hwah.	56,000	150,000



**Proposed Renewal of Shareholders' Mandate (cont'd)**

<b>Nature of Transaction</b>	<b>Company in CAB Group</b>	<b>Related Party with whom the Group is transacting</b>	<b>Estimated Value of Transaction from the date of the AGM to the date of AGM in 2022* (RM)</b>	<b>Interested Related Party<sup>^</sup></b>	<b>Relationships</b>	<b>Actual Value transacted from the date of the Postponed AGM on 9 June 2020 to LPD (RM) <sup>¤</sup></b>	<b>Estimated Value of Transaction as disclosed in the preceding year's Circular to Shareholders (RM) <sup>¤</sup></b>
Sales of fish, vegetables and fruits by USB	PJGSB	USB	4,000,000	<b>Interested Director of PJGSB</b> Mr. Yap Kim Hwah  <b>Interested Person Connected</b> Mdm. Leong Youk Leen	Mr. Yap Kim Hwah is the Director and Substantial Shareholder of USB.  Mdm. Leong Youk Leen is the sister-in-law of Mr Yap Kim Hwah.	1,160,995	3,000,000
Sales of chicks, feed and farm consumables by CABT	CABT	YWT	5,000,000	<b>Interested Director &amp; Major Shareholder of CABT</b> Mr. Yap Kim Hwah  <b>Interested Person Connected</b> Mr. Yap Soon Chyuan	Mr. Yap Soon Chyuan, the sole proprietor of YWT, is the son of Mr. Yap Kim Hwah.	0	5,000,000
Sales of broilers by YWT	CABT	YWT	6,000,000	<b>Interested Director &amp; Major Shareholder of CABT</b> Mr. Yap Kim Hwah  <b>Interested Person Connected</b> Mr. Yap Soon Chyuan	Mr. Yap Soon Chyuan, the sole proprietor of YWT, is the son of Mr. Yap Kim Hwah.	0	6,000,000

**Proposed Renewal of Shareholders' Mandate (cont'd)**

<b>Nature of Transaction</b>	<b>Company in CAB Group</b>	<b>Related Party with whom the Group is transacting</b>	<b>Estimated Value of Transaction from the date of the AGM to the date of AGM in 2022* (RM)</b>	<b>Interested Related Party^</b>	<b>Relationships</b>	<b>Actual Value transacted from the date of the Postponed AGM on 9 June 2020 to LPD (RM) ☒</b>	<b>Estimated Value of Transaction as disclosed in the preceding year's Circular to Shareholders (RM) ☒</b>
Rental of vegetable farms by USB (Note #)	JGFSB	USB	100,000	<b>Interested Director of JGFSB</b> Mr. Yap Kim Hwah  <b>Interested Person Connected</b> Mdm. Leong Youk Leen	Mr. Yap Kim Hwah is the Director and Substantial Shareholder of USB.  Mdm. Leong Youk Leen is the sister-in-law of Mr Yap Kim Hwah.	0	100,000

Note # : The farms are located at the properties known as follows:-

- (i) Lot 2495, No. Hakmilik 3374, Daerah Kuantan, Mukim Sungai Karang, Alor Batu, Pahang (VG1);
- (ii) PT 816, H.S.(M) 637, Daerah Kuantan, Mukim Sungai Karang, Alor Batu, Pahang (VG 2);
- (iii) Lot 8390, No. Hakmilik 12888, Daerah Kuantan, Mukim Kuala Kuantan, Jaya Gading, Pahang (VG 3);
- (iv) PT 545, H.S.(M) 21841, Daerah Kuantan, Mukim Kuala Kuantan, Jaya Gading, Pahang (VG 3);
- (v) GM 3726 Lot 1731 of Mukim Sungai Karang, Daerah Kuantan, Negeri Pahang (VG 4); and
- (vi) Lot 1735, No. Hakmilik 3356, Mukim Sungai Karang, Daerah Kuantan, Tempal Alor Batu, Negeri Pahang (VG 5).

Proposed Renewal of Shareholders' Mandate (cont'd)

Nature of Transaction	Company in CAB Group	Related Party with whom the Group is transacting	Estimated Value of Transaction from the date of the AGM to the date of AGM in 2022* (RM)	Interested Related Party^	Relationships	Actual Value transacted from the date of the Postponed AGM on 9 June 2020 to LPD (RM) ¢	Estimated Value of Transaction as disclosed in the preceding year's Circular to Shareholders (RM) ¢
Sales of processed chicken by AKSB	AKSB	Chuah Ah Chui	550,000	<p><b>Interested Directors of AKSB</b> Mr. Chuah Ah Bee Mdm. Chan Kim Keow</p> <p><b>Interested Persons Connected</b> Mr. Chuah Hoon Phong Mr. Chuah Hoon Hong Mr. Chuah Hoon Teng Ms. Ng Honk Ling Mr. Chuah Teh Chai</p>	<p>Mr. Chuah Ah Chui is sibling of Mr. Chuah Ah Bee and brother-in-law of Mdm. Chan Kim Keow.</p> <p>Mr. Chuah Hoon Phong, Mr. Chuah Hoon Hong and Mr. Chuah Hoon Teng, who are the children of Mr. Chuah Ah Bee and Mdm. Chan Kim Keow, are the nephews of Mr. Chuah Ah Chui.</p> <p>Ms. Ng Honk Ling is the nephew-in-law of Mr. Chuah Ah Chui.</p> <p>Mr. Chuah Teh Chai is the father of Mr. Chuah Ah Chui.</p>	181,643	550,000

Proposed Renewal of Shareholders' Mandate (cont'd)

Nature of Transaction	Company in CAB Group	Related Party with whom the Group is transacting	Estimated Value of Transaction from the date of the AGM to the date of AGM in 2022* (RM)	Interested Related Party^	Relationships	Actual Value transacted from the date of the Postponed AGM on 9 June 2020 to LPD (RM) ¢	Estimated Value of Transaction as disclosed in the preceding year's Circular to Shareholders (RM) ¢
Rental of farm located at Lot 4761, (formerly known as Lot 2018), Mukim 12, Seberang Prai Utara, Penang by CABC	CABC	Chuah Ah Bee	100,000	<p><b>Interested Directors of CABC</b>                      Mr. Chuah Ah Bee                      Mdm. Chan Kim Keow                      Mr. Chuah Hoon Phong</p> <p><b>Interested Persons Connected</b>                      Mr. Chuah Hoon Hong                      Mr. Chuah Hoon Teng                      Ms. Ng Honk Ling                      Mr. Chuah Ah Chui                      Mr. Chuah Teh Chai</p>	<p>Mdm. Chan Kim Keow is the spouse of Mr. Chuah Ah Bee.</p> <p>Mr. Chuah Hoon Phong, Mr. Chuah Hoon Hong and Mr. Chuah Hoon Teng are the children of Mr. Chuah Ah Bee.</p> <p>Ms. Ng Honk Ling is the spouse of Mr. Chuah Hoon Phong and daughter-in-law of Mr. Chuah Ah Bee and Mdm. Chan Kim Keow.</p> <p>Mr. Chuah Ah Chui is sibling of Mr. Chuah Ah Bee.</p> <p>Mr. Chuah Teh Chai is the father of Mr. Chuah Ah Bee.</p>	35,350	100,000

Proposed Renewal of Shareholders' Mandate (cont'd)

Nature of Transaction	Company in CAB Group	Related Party with whom the Group is transacting	Estimated Value of Transaction from the date of the AGM to the date of AGM in 2022* (RM)	Interested Related Party^	Relationships	Actual Value transacted from the date of the Postponed AGM on 9 June 2020 to LPD (RM) ¢	Estimated Value of Transaction as disclosed in the preceding year's Circular to Shareholders (RM) ¢
Renting of two (2) pieces of Land known as Lot Nos. 2018 and 385, both of Mukim 16, Daerah Seberang Perai Tengah Negeri Pulau Pinang under No. Hakmilik 49115 and 873 respectively from CABSBS**	CABC	CABSBS	156,000	<p><b>Interested Directors of CABC</b> Mr. Chuah Ah Bee Mdm. Chan Kim Keow Mr. Chuah Hoon Phong</p> <p><b>Interested Persons Connected</b> Mr. Chuah Hoon Hong Mr. Chuah Hoon Teng Ms. Ng Honk Ling Mr. Chuah Ah Chui Mr. Chuah Teh Chai</p>	<p>Mr. Chuah Ah Bee and Mdm. Chan Kim Keow are the Directors and Major Shareholders of CABSBS.</p> <p>Mr. Chuah Hoon Phong, Mr. Chuah Hoon Hong and Mr. Chuah Hoon Teng are the Directors of CABSBS and children of Mr. Chuah Ah Bee and Mdm. Chan Kim Keow.</p> <p>Ms. Ng Honk Ling is the spouse of Mr. Chuah Hoon Phong and daughter-in-law of Mr. Chuah Ah Bee and Mdm. Chan Kim Keow.</p> <p>Mr. Chuah Ah Chui is sibling of Mr. Chuah Ah Bee.</p> <p>Mr. Chuah Teh Chai is the father of Mr. Chuah Ah Bee.</p>	0	156,000

Proposed Renewal of Shareholders' Mandate (cont'd)

Nature of Transaction	Company in CAB Group	Related Party with whom the Group is transacting	Estimated Value of Transaction from the date of the AGM to the date of AGM in 2022* (RM)	Interested Related Party^	Relationships	Actual Value transacted from the date of the Postponed AGM on 9 June 2020 to LPD (RM) ☒	Estimated Value of Transaction as disclosed in the preceding year's Circular to Shareholders (RM) ☒
Sales of food products by KHFT	GCPL	KHFT	2,000,000	<b>Interested Director of GCPL</b> Mr. Ong Khoon Chuah  <b>Interested Person Connected</b> Mdm. Chua Geok Lan	Mr. Ong Khoon Chuah, one of the Directors of GCPL, is also a Director of KHFT.  Mdm. Chua Geok Lan, a Director and Major Shareholder of KHFT, is the mother of Mr. Ong Khoon Chuah.	50,975	2,000,000
Sales commission for sales of chicken paid by THPP	THPP	Mr. Toh Chai Hock	350,000	<b>Interested Directors of THPP</b> Mr. Too Siew Din Mr. Toh Chye Lam  <b>Interested Person Connected</b> Mr. Toh Chai Hock	Mr. Too Siew Din is one of the Directors of THPP. He is a cousin of Mr. Toh Chai Hock.  Mr. Toh Chye Lam is a Director and Substantial Shareholder of THPP. He is also a brother of Mr. Toh Chai Hock.  Mr. Toh Chai Hock is a shareholder of THPP. He is also a cousin of Mr. Too Siew Din and brother of Mr. Toh Chye Lam.	110,494	350,000

Proposed Renewal of Shareholders' Mandate (cont'd)

Nature of Transaction	Company in CAB Group	Related Party with whom the Group is transacting	Estimated Value of Transaction from the date of the AGM to the date of AGM in 2022* (RM)	Interested Related Party^	Relationships	Actual Value transacted from the date of the Postponed AGM on 9 June 2020 to LPD (RM) ☒	Estimated Value of Transaction as disclosed in the preceding year's Circular to Shareholders (RM) ☒
Sales of chicken and chicken part by THPP	THPP	Mdm. Toh York Mue	3,000,000	<b>Interested Directors of THPP</b> Mr. Too Siew Din Mr. Toh Chye Lam  <b>Interested Person Connected</b> Mdm. Toh York Mue	Mr. Too Siew Din is a Director and shareholder of THPP. He is also a cousin of Mdm. Toh York Mue.  Mr. Toh Chye Lam is a Director and Substantial Shareholder of THPP. He is also a brother of Mdm. Toh York Mue.	719,610	4,000,000
Sales of farming equipment and evaporative cooling pads by OTK (Note ##)	OTK	NMS	0	<b>Interested Director of OTK</b> Mr. Khor Yu Beng	Mr. Khor Yu Beng, one of the Directors of OTK, is also a Director and Major Shareholder of NMS.	0	20,000,000
Sales of farming equipment and evaporative cooling pads by OTK (Note ##)	OTK	OTO	0	<b>Interested Director of OTK</b> Mr. Ong Chuan Seng	Mr. Ong Chuan Seng, one of the Directors of OTK, is also a Director and Major Shareholder of OTO.	447,743	10,000,000
Purchase of farming equipment by OTK	OTK	NMS	1,000,000	<b>Interested Director of OTK</b> Mr. Khor Yu Beng	Mr. Khor Yu Beng, one of the Directors of OTK, is also a Director and Major Shareholder of NMS.	0	1,000,000

Note ##: The Company will not be seeking for Shareholders' Mandate for the current year.

**Proposed Renewal of Shareholders' Mandate (cont'd)**

<b>Nature of Transaction</b>	<b>Company in CAB Group</b>	<b>Related Party with whom the Group is transacting</b>	<b>Estimated Value of Transaction from the date of the AGM to the date of AGM in 2022* (RM)</b>	<b>Interested Related Party^</b>	<b>Relationships</b>	<b>Actual Value transacted from the date of the Postponed AGM on 9 June 2020 to LPD (RM) ¢</b>	<b>Estimated Value of Transaction as disclosed in the preceding year's Circular to Shareholders (RM) ¢</b>
Purchase of farming equipment by OTK	OTK	OTO	5,000,000	<b>Interested Director of OTK</b> Mr. Ong Chuan Seng	Mr. Ong Chuan Seng, one of the Directors of OTK, is also a Director and Major Shareholder of OTO.	295,360	5,000,000
Sales of colour bird day-old-chicks by C&BP	C&BP	Aqina Farming Sdn. Bhd.	8,000,000	<b>Interested Director and Major Shareholder of C&amp;BP</b> Mr. Alex Tan Kuan Hon  <b>Interested Person Connected</b> Mr. Tan Chin Long Madam Teo Siew Giok	Mr. Tan Chin Long and Madam Teo Siew Giok who are the Directors and Major Shareholders of Aqina Farming Sdn. Bhd. are the parents of Mr. Alex Tan Kuan Hon.	1,997,613	5,000,000
Sales of chicken and chicken parts by AKFI®	AKFI	Intelmatrix	5,000,000	<b>Interested Director &amp; Major Shareholder of AKFI</b> Mr. Sia Hui Chen	Mr. Sia Hui Chen is a Director and Major Shareholder of AKFI. He is also a Director and Major Shareholder of Intelmatrix.	6,300	5,000,000

Note ® : When Intelmatrix cannot meet its own customers' demand due to insufficient supply from its own farms, Intelmatrix will buy chicken from AKFI and thereafter sell the chicken to its own customers. This will be the same when AKFI cannot meet its own customers' demand due to shortfall in its supply. AKFI will buy chicken from Intelmatrix and thereafter sell the chicken to its customers.



**Proposed Renewal of Shareholders' Mandate (cont'd)**

<b>Nature of Transaction</b>	<b>Company in CAB Group</b>	<b>Related Party with whom the Group is transacting</b>	<b>Estimated Value of Transaction from the date of the AGM to the date of AGM in 2022* (RM)</b>	<b>Interested Related Party^</b>	<b>Relationships</b>	<b>Actual Value transacted from the date of the AGM on 9 June 2020 to LPD (RM) ☒</b>	<b>Estimated Value of Transaction as disclosed in the preceding year's Circular to Shareholders (RM) ☒</b>
Provision of transportation services by AKFI <sup>@</sup>	AKFI	Intelmatrix	400,000	<b>Interested Director &amp; Major Shareholder of AKFI</b> Mr. Sia Hui Chen	Mr. Sia Hui Chen is a Director and Major Shareholder of AKFI. He is also a Director and Major Shareholder of Intelmatrix.	0	400,000
Sales of chicken and chicken parts by Intelmatrix <sup>@</sup>	AKFI	Intelmatrix	5,000,000	<b>Interested Director &amp; Major Shareholder of AKFI</b> Mr. Sia Hui Chen	Mr. Sia Hui Chen is a Director and Major Shareholder of AKFI. He is also a Director and Major Shareholder of Intelmatrix.	0	5,000,000
Provision of transportation services by Intelmatrix <sup>@</sup>	AKFI	Intelmatrix	1,000,000	<b>Interested Director &amp; Major Shareholder of AKFI</b> Mr. Sia Hui Chen	Mr. Sia Hui Chen is a Director and Major Shareholder of AKFI. He is also a Director and Major Shareholder of Intelmatrix.	432,501	400,000

Note <sup>@</sup> : When Intelmatrix cannot meet its own customers' demand due to insufficient supply from its own farms, Intelmatrix will buy chicken from AKFI and thereafter sell the chicken to its own customers. This will be the same when AKFI cannot meet its own customers' demand due to shortfall in its supply. AKFI will buy chicken from Intelmatrix and thereafter sell the chicken to its customers.

**Proposed Renewal of Shareholders' Mandate (cont'd)**

<b>Nature of Transaction</b>	<b>Company in CAB Group</b>	<b>Related Party with whom the Group is transacting</b>	<b>Estimated Value of Transaction from the date of the AGM to the date of AGM in 2022* (RM)</b>	<b>Interested Related Party^</b>	<b>Relationships</b>	<b>Actual Value transacted from the date of the Postponed AGM on 9 June 2020 to LPD (RM) ☐</b>	<b>Estimated Value of Transaction as disclosed in the preceding year's Circular to Shareholders (RM) ☐</b>
Sales of colour birds by PPL	PPL	SPPS	7,000,000	<b>Interested Director &amp; Major Shareholder of PPL</b> Mr. Chiew Kin Huat	Mr. Chiew Kin Huat is a Director and Major Shareholder of PPL. He is also a Director and Major Shareholder of SPPS.	3,552,917	7,000,000
Sales of chicken and chicken parts by THPP	THPP	Mr. Toh Chai Hoe	4,000,000	<b>Interested Directors of THPP</b> Mr. Too Siew Din Mr. Toh Chye Lam  <b>Interested Person Connected</b> Mr. Toh Chai Hoe	Mr. Too Siew Din is a Director and shareholder of THPP. He is also a cousin of Mr. Toh Chai Hoe.  Mr. Toh Chye Lam is a Director and Substantial Shareholder of THPP. He is also a brother of Mr. Toh Chai Hoe.	929,053	4,000,000

**Proposed Renewal of Shareholders' Mandate (cont'd)**

<b>Nature of Transaction</b>	<b>Company in CAB Group</b>	<b>Related Party with whom the Group is transacting</b>	<b>Estimated Value of Transaction from the date of the AGM to the date of AGM in 2022* (RM)</b>	<b>Interested Related Party^</b>	<b>Relationships</b>	<b>Actual Value transacted from the date of the Postponed AGM on 9 June 2020 to LPD (RM) ¢</b>	<b>Estimated Value of Transaction as disclosed in the preceding year's Circular to Shareholders (RM) ¢</b>
Sales of chicks, feed and farm consumables by CABT	CABT	MJF	7,000,000	<b>Interested Director &amp; Major Shareholder of CABT</b> Mr. Yap Kim Hwah  <b>Interested Person Connected</b> Mr. Tiew Chee Wei	Mr. Tiew Chee Wei, the sole proprietor of MJF, is the son-in-law of Mr. Yap Kim Hwah.	9,593	7,000,000
Sales of broilers by MJF	CABT	MJF	8,000,000	<b>Interested Director &amp; Major Shareholder of CABT</b> Mr. Yap Kim Hwah  <b>Interested Person Connected</b> Mr. Tiew Chee Wei	Mr. Tiew Chee Wei, the sole proprietor of MJF, is the son-in-law of Mr. Yap Kim Hwah.	650,317	8,000,000
Sales of farming equipment and evaporative cooling pads by OTK (Note ##)	OTK	DS Poultry Sdn. Bhd.	0	<b>Interested Director of OTK</b> Mr. Khor Yu Beng	Mr. Khor Yu Beng, one of the Directors of OTK, is also a Director of DS Poultry Sdn. Bhd.	0	1,000,000

Note ##: The Company will not be seeking for Shareholders' Mandate for the current year.

Proposed Renewal of Shareholders' Mandate (cont'd)

Nature of Transaction	Company in CAB Group	Related Party with whom the Group is transacting	Estimated Value of Transaction from the date of the AGM to the date of AGM in 2022* (RM)	Interested Related Party^	Relationships	Actual Value transacted from the date of the Postponed AGM on 9 June 2020 to LPD (RM) ☒	Estimated Value of Transaction as disclosed in the preceding year's Circular to Shareholders (RM) ☒
Rental of one (1) unit of double storey shopoffice cum godown bearing assessment address No. 1, Jalan Berkat, Taman Berkat, 09400 Padang Serai, Kedah by HMFF **	HMFF	CABSB	255,000	<p><b>Interested Directors of HMFF</b> Mr. Chuah Ah Bee Mr. Chuah Hoon Phong</p> <p><b>Interested Persons Connected</b> Mdm. Chan Kim Keow Mr. Chuah Hoon Hong Mr. Chuah Hoon Teng Ms. Ng Honk Ling Mr. Chuah Ah Chui Mr. Chuah Teh Chai</p>	<p>Mr. Chuah Ah Bee and Mdm. Chan Kim Keow are the Directors and Major Shareholders of CABSB.</p> <p>Mr. Chuah Hoon Phong, Mr. Chuah Hoon Hong and Mr. Chuah Hoon Teng are the Directors of CABSB and children of Mr. Chuah Ah Bee and Mdm. Chan Kim Keow.</p> <p>Ms. Ng Honk Ling is the spouse of Mr. Chuah Hoon Phong and daughter-in-law of Mr. Chuah Ah Bee and Mdm. Chan Kim Keow.</p> <p>Mr. Chuah Ah Chui is sibling of Mr. Chuah Ah Bee.</p> <p>Mr. Chuah Teh Chai is the father of Mr. Chuah Ah Bee.</p>	114,613	238,000

Proposed Renewal of Shareholders' Mandate (cont'd)

Nature of Transaction	Company in CAB Group	Related Party with whom the Group is transacting	Estimated Value of Transaction from the date of the AGM to the date of AGM in 2022* (RM)	Interested Related Party^	Relationships	Actual Value transacted from the date of the Postponed AGM on 9 June 2020 to LPD (RM) ☒	Estimated Value of Transaction as disclosed in the preceding year's Circular to Shareholders (RM) ☒
Renting of one (1) single storey factory building located at No. 1818, Jalan Rozhan, Alma, 14000 Bukit Mertajam by HMFF**	HMFF	CABSB	150,000	<p><b>Interested Directors of HMFF</b> Mr. Chuah Ah Bee Mr. Chuah Hoon Phong</p> <p><b>Interested Persons Connected</b> Mdm. Chan Kim Keow Mr. Chuah Hoon Hong Mr. Chuah Hoon Teng Ms. Ng Honk Ling Mr. Chuah Ah Chui Mr. Chuah Teh Chai</p>	<p>Mr. Chuah Ah Bee and Mdm. Chan Kim Keow are the Directors and Major Shareholders of CABSB.</p> <p>Mr. Chuah Hoon Phong, Mr. Chuah Hoon Hong and Mr. Chuah Hoon Teng are the Directors of CABSB and children of Mr. Chuah Ah Bee and Mdm. Chan Kim Keow.</p> <p>Ms. Ng Honk Ling is the spouse of Mr. Chuah Hoon Phong and daughter-in-law of Mr. Chuah Ah Bee and Mdm. Chan Kim Keow.</p> <p>Mr. Chuah Ah Chui is sibling of Mr. Chuah Ah Bee.</p> <p>Mr. Chuah Teh Chai is the father of Mr. Chuah Ah Bee.</p>	67,333	140,000

**Proposed Renewal of Shareholders' Mandate (cont'd)**

<b>Nature of Transaction</b>	<b>Company in CAB Group</b>	<b>Related Party with whom the Group is transacting</b>	<b>Estimated Value of Transaction from the date of the AGM to the date of AGM in 2022* (RM)</b>	<b>Interested Related Party^</b>	<b>Relationships</b>	<b>Actual Value transacted from the date of the Postponed AGM on 9 June 2020 to LPD (RM) ¢</b>	<b>Estimated Value of Transaction as disclosed in the preceding year's Circular to Shareholders (RM) ¢</b>
Sales of poultry goods by FBFI	FBFI	SPPS	500,000	<b>Interested Director &amp; Major Shareholder of FBFI</b> Mr. Chiew Hock You	Mr. Chiew Hock You is a Director and Major Shareholder of FBFI. He is also a Director and Major Shareholder of SPPS.	0	500,000
Sales of poultry goods by FBFI	FBFI	Sinmah Food	1,000,000	<b>Interested Director &amp; Major Shareholder of FBFI</b> Mr. Chiew Hock You	Mr. Chiew Hock You is a Director and Major Shareholder of FBFI. He is also a Director and Major Shareholder of SPPS, which in turn is a Major Shareholder of Sinmah Food.	388,124	1,000,000
Sales of colour bird day-old-chicks by Aqina Farming Sdn. Bhd.	C&BP	Aqina Farming Sdn. Bhd.	500,000	<b>Interested Director and Major Shareholder of C&amp;BP</b> Mr. Alex Tan Kuan Hon  <b>Interested Person Connected</b> Mr. Tan Chin Long Madam Teo Siew Giok	Mr. Tan Chin Long and Madam Teo Siew Giok who are the Directors and Major Shareholders of Aqina Farming Sdn. Bhd. are the parents of Mr. Alex Tan Kuan Hon.	0	500,000

## PROPOSED NEW SHAREHOLDERS' MANDATE

The details of the nature and estimated annual value of the additional RRPT in respect of which the Company is seeking **a fresh mandate** from its shareholders as contemplated under the Proposed New Shareholders' Mandate are as follows :-

Nature of Transaction	Company in CAB Group	Related Party with whom the Group is transacting	Estimated Value of Transaction from the date of the AGM to the date of AGM in 2022* (RM)	Interested Related Party^	Relationships
Sales of farming equipment, evaporative cooling pads and electrical appliances (including installation works) by OTK	OTK	NMS	20,000,000	<b>Interested Director of OTK</b> Mr. Khor Yu Beng	Mr. Khor Yu Beng, one of the Directors of OTK, is also a Director and Major Shareholder of NMS.
Sales of farming equipment, evaporative cooling pads and electrical appliances (including installation works) by OTK	OTK	OTO	10,000,000	<b>Interested Director of OTK</b> Mr. Ong Chuan Seng	Mr. Ong Chuan Seng, one of the Directors of OTK, is also a Director and Major Shareholder of OTO.
Sales of farming equipment, evaporative cooling pads and electrical appliances (including installation works) by OTK	OTK	DS Poultry Sdn. Bhd.	1,000,000	<b>Interested Director of OTK</b> Mr. Khor Yu Beng	Mr. Khor Yu Beng, one of the Directors of OTK, is also a Director of DS Poultry Sdn. Bhd.

Notes :-

- \* *The estimated value of the transactions for the period from the date of forthcoming AGM to the date of the next AGM is based on past transactions and/or management estimates and on the assumption that current levels of operations will continue and all external conditions remain constant. Due to the nature of the transactions, the actual value of the transactions may vary from the estimated value disclosed above.*
- \*\* *The tenancy of the premises is for a period less than three (3) years and subject to renewal. The rental payable will be on a monthly basis.*
- ^ *The direct and indirect shareholdings of these interested related parties (if any) are set out in Section 6. Accordingly, these interested related parties will abstain from voting in respect of their direct or indirect shareholdings in CAB at the forthcoming AGM on the Proposed Renewal of Shareholders' Mandate and the Proposed New Shareholders' Mandate.*
- ▣ *None of the actual value transacted exceeded the estimated value as disclosed to the shareholders in the preceding year's Circular to Shareholders, except for the transaction on the provision of transportation services by Intelmatrix to AKFI as disclosed in page 33. However, the deviation did not exceed 10% of the estimated value of transaction disclosed in the preceding year's Circular to Shareholders.*

## FURTHER INFORMATION

### 1. DIRECTORS' RESPONSIBILITY STATEMENT

This Circular has been seen and approved by the Directors of CAB who collectively and individually accept full responsibility for the accuracy of the information given in this Circular and confirm that after having made all reasonable enquiries, to the best of their knowledge, information and belief, there are no other facts, the omission of which would make any statement herein misleading.

### 2. MATERIAL CONTRACTS

Save as disclosed below, neither CAB nor any of its subsidiaries have entered into any material contracts (not being contracts entered into in the ordinary course of business) within the two (2) years preceding the date of this Circular:-

- 2.1 On 7 June 2017, CABG, a wholly-owned subsidiary of CAB had entered into a Memorandum of Understanding ("MOU-Panasonic") with Panasonic Eco Solutions Malaysia Sdn. Bhd. to carry out a feasibility study for establishing a joint solar farm project known as ECONATION II PROJECT in Kedah, Malaysia, and to jointly prepare and submit Request For Proposal of Large Scale Solar photovoltaic plant to the Energy Commission in Peninsular Malaysia. The MOU-Panasonic is valid for 24 months from the date of signing of the MOU-Panasonic.

On 7 June 2019, both parties have mutually agreed not to extend the MOU and hence the MOU is considered lapse since 6 June 2019.

- 2.2 On 20 September 2018, AKFI, a 58.23%-owned sub-subsidiary company of CAB, had entered into three (3) Sale and Purchase Agreements and two (2) Supplemental Agreements in relation to the acquisition of properties with the following vendors:-
- i. the Sale and Purchase Agreement dated 20 September 2018 entered into between AKFI as the Purchaser and Ayam Kempas Sdn. Bhd. ("AKSB") as the vendor ("SPA 1") for the acquisition of all that piece of land known as GM 302, Lot 429, Mukim Tebrau, Daerah Johor Bahru, Negeri Johor, measuring approximately 1.9653 hectares, together with a single storey detached chicken slaughtering factory known as Lot 429, Jalan Seelong Jaya 13, 81400 Senai, Johor, with a built-up area of 43,800 square feet ("the Property 1"), for a total purchase consideration of RM14.3 million to be satisfied by way of combination of cash and issuance of ordinary shares in AKFI ("the Acquisition 1");
  - ii. the Supplemental Agreement dated 20 September 2018 entered into between AKFI as the Purchaser and AKSB as the vendor ("Supplemental SPA 1") for the acquisition of all the plant and machinery situated in the Property 1 and the vehicles belonging to AKSB, for a total purchase consideration of RM12.351 million to be satisfied via cash ("the Acquisition 2");
  - iii. the Sale and Purchase Agreement dated 20 September 2018 entered into between AKFI as the Purchaser and Goh Sing Leng as the vendor ("SPA 2") for the acquisition of all that piece of agricultural land known as GM 55, Lot 490, Mukim Serkat, Daerah Pontian, Negeri Johor measuring approximately 1.3809 hectares ("Lot 490") together with fowl houses erected on Lot 490 (collectively referred to as "the Property 2"), for a total purchase consideration of RM1.19 million to be satisfied entirely via cash ("the Acquisition 3");
  - iv. the Supplemental Agreement dated 20 September 2018 entered into between AKFI as the Purchaser and Hon Fu Farming Sdn. Bhd. ("HFF") as the vendor ("Supplemental SPA 2") for the acquisition of all the vehicles situated in the Property 2 belonging to HFF, for a total purchase consideration of RM0.223 million to be satisfied entirely via cash ("the Acquisition 4");
  - v. the Sale and Purchase Agreement dated 20 September 2018 entered into between AKFI as the Purchaser and Goh Sing Leng and Wong Siew Nyun as the vendors ("SPA 3") for the



acquisition of all that piece of land known as Geran 237249, Lot 35256, Mukim Kulai, Daerah Kulai, Negeri Johor measuring approximately 153 square meters together with an immediate lot three storey terrace shophouse known as No. 50, Jalan Enau 15, Taman Teratai, 81300 Johor Bahru, Johor with a built-up area of 4,863 square feet, for a total purchase consideration of RM0.8 million to be satisfied entirely via cash ("the Acquisition 5").

2.3 On 11 July 2019, AKFI had served a notice of termination on SPA 2, SPA 3 and Supplemental SPA 2 to Mr Goh Sing Leng ("Vendor 1"), Mr Goh Sing Leng & Madam Wong Siew Nyun ("Vendor 2") and HFF ("Vendor 3") (collectively "the Vendors"), being the vendors for SPA 2, SPA 3 and Supplemental SPA 2 respectively and requested for the refund of all monies paid to the Vendors amounting to RM373,000 due to the following:-

(i) Vendor 1 and Vendor 2 have materially breached their obligations under SPA 2 and SPA 3 respectively in paying the deficiency redemption sum as the redemption sum due and owing to Alliance Islamic Bank Berhad has exceeded the balance purchase price.

(ii) Termination of Supplemental SPA 2 due to termination of SPA 2.

Save for the above termination of the Acquisition 3, Acquisition 4 and Acquisition 5, the balance purchase consideration have been paid in full pursuant to SPA 1 and Supplemental SPA 1 in relation to the acquisition of the Property 1 and all the plant and machinery situated in the Property 1 and the vehicles belonging to AKSB, hence marking the completion of the Acquisition 1 and the Acquisition 2.

2.4 On 27 March 2019, THPP, a 51%-owned subsidiary of CAB, had accepted the offer of lease from JTC Corporation ("JTC") for the leasing of JTC space at JTC Poultry Processing Hub @ Buroh, #03-02 (to be known as Pte Lot A3007613), #03-03 (to be known as Pte Lot A03007535) and #03-04 (to be known as Pte Lot A3007536), 3 Buroh Lane Singapore 618285 ("the Properties") on an "as is" basis at the total Concessionary Space Premium of Singapore Dollar Eleven Million Three Hundred Twenty Three Thousand Eight Hundred Forty and Cents Eight (S\$11,323,840.08) only (equivalent to approximately RM34,107,406.32) ("the Lease Consideration") ("the Lease") for a term of 30 years ("Lease Term") from 1 June 2019 ("the Commencement Date") and subject to the terms and conditions set out in the Offer for Lease and Side Letters dated 6 March 2019 and 25 March 2019 (collectively "the Letters of Offer or "the Offer").

The acceptance of the Letters of Offer by THPP for the Lease will constitute a binding contract between both parties.

Barring any unforeseen circumstances, JTC will handover the possession of the Properties to THPP 2 months before the Commencement Date and confirmation of tenure within 2 years from the Commencement Date. No further announcement will be made to Bursa Malaysia Securities Berhad on the confirmation of tenure.

2.5 On 17 June 2019, THPP, a 51%-owned subsidiary of CAB, had proposed to provide financial assistance to Singapore Poultry Hub Pte Ltd ("SPH"), a 25%-owned joint venture company of THPP, of up to an aggregate amount of SGD11,214,485 (equivalent to approximately RM34,213,151), in the form of corporate guarantee of up to SGD10,214,485 (equivalent to approximately RM31,162,351) for banking facilities to be obtained by SPH from a licensed financial institution based in Singapore and shareholders' loan of up to SGD1,000,000 (equivalent to approximately RM3,050,800) to SPH. The provision of financial assistance by THPP in the form of corporate guarantee and shareholders' loan to SPH is deemed to be a provision of financial assistance, pursuant to Paragraph 8.23(1) of Main Market Listing Requirement of Bursa Securities Berhad.

The shareholders of CAB had approved the abovementioned proposed provision of financial assistance at the Extraordinary General Meeting held on 22 July 2019.

### **3. MATERIAL LITIGATION, CLAIMS AND ARBITRATION**

Neither CAB nor any of its subsidiary companies are engaged in any material litigation, claim or arbitration, either as plaintiff or defendant and the Board is not aware and do not have any knowledge of any proceedings pending or threatened against the Company and/ or its subsidiaries or of any facts likely to give rise to any proceeding which may materially or adversely affect the financial position or business of the Company and/ or its subsidiary companies.

### **4. DOCUMENTS AVAILABLE FOR INSPECTION**

Copies of the following documents are available for inspection during normal office hours (except public holidays) at the registered office of CAB from the date of this Circular up to and including the date of the AGM:-

- (a) Constitution of CAB;
- (b) the audited financial statements of CAB for the past two (2) financial years ended 30 September 2019 and 2020; and
- (c) the material contracts referred to in Section 2 above.

***(THE REST OF THIS PAGE HAS BEEN INTENTIONALLY LEFT BLANK)***

**EXTRACTS OF NOTICE OF NINETEENTH AGM****As Special Business**

To consider and if thought fit, to pass with or without modifications the following ordinary resolutions: -

**Proposed renewal of the authority for the purchase of the Company's own ordinary shares of up to ten per centum (10%) of the Company's total number of issued shares ("Proposed Renewal of Share Buy-Back Authority")**

"THAT subject to the provisions under the Companies Act 2016 ("the Act"), rules, regulations and orders made pursuant to the Act, provisions of the Company's Constitution, Bursa Malaysia Securities Berhad ("Bursa Securities") Main Market Listing Requirements and the approvals of all relevant authorities (if any), the Company be and is hereby authorised to purchase such number of ordinary shares in the Company ("CAB Shares") 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 the aggregate number of shares purchased pursuant to this resolution shall not exceed ten per centum (10%) of the total number of issued shares of the Company as at point of purchase ("Proposed Renewal of Share Buy-Back Authority").

**Ordinary  
Resolution 10**

THAT the maximum amount of funds to be utilised for the purpose of the Proposed Renewal of Share Buy-Back Authority shall not exceed the Company's aggregate retained profits.

THAT authority be and is hereby given to the Directors of the Company to decide at their discretion as may be permitted and prescribed by the Act and/or any prevailing laws, rules, regulations, orders, guidelines and requirements issued by the relevant authorities for the time being in force to deal with any CAB Shares so purchased by the Company in the following manner:-

- (i) the CAB Shares so purchased could be cancelled; or
- (ii) the CAB Shares so purchased could be retained as treasury shares for distribution as share dividends to the shareholders of the Company and/or be resold through Bursa Securities in accordance with the relevant rules of Bursa Securities and/or be transferred for the purposes of an employees' share scheme and/or be transferred as purchase consideration and/or be cancelled subsequently and/or be sold, transferred or otherwise be used for such purposes of the Minister may by order prescribe; or
- (iii) retain part of the CAB Shares so purchased as treasury shares and cancel the remainder; or
- (iv) in accordance with the relevant prevailing statutory provisions and guidelines.

THAT the authority conferred by this resolution will be effective immediately from the passing of this ordinary resolution until:-

- (i) the conclusion of the next annual general meeting of the Company following the general meeting at which such resolution was passed, at which time the authority would lapse unless renewed by ordinary resolution, either unconditionally or conditionally; or
- (ii) the passing of the date on which the next annual general meeting of the Company is required by law to be held; or
- (iii) the authority is revoked or varied by ordinary resolution passed by the shareholders of the Company in general meeting;

whichever occurs first.

And THAT the Directors of the Company be and are authorised to take such steps to give full effect to the Proposed Renewal of Share Buy-Back Authority with full power to assent to any conditions, modifications, variations and/or amendments as may be imposed by the relevant authorities and/or to do all such acts and things as the Directors may deem fit and expedient in the best interest of the Company."

**Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature and Proposed New Shareholders' Mandate for Additional Recurrent Related Party Transactions of a Revenue or Trading Nature**

**Ordinary  
Resolution 11**

"THAT subject always to the provisions of the Companies Act 2016 ("the Act"), the Company's Constitution, Bursa Malaysia Securities Berhad Main Market Listing Requirements or other regulatory authorities, approval be and is hereby given to the Company and/or its subsidiaries to enter into recurrent related party transactions with the related parties as set out in Appendix I of the Circular to Shareholders dated 27 January 2021 ("the Circular"), which are necessary for the day to day operations and are carried out in the ordinary course of business and are on normal commercial terms which are not more favourable to the related parties than those generally available to the public and not detrimental to the minority shareholders as set out in the Circular ("Mandate").

THAT the Directors be empowered to do all such acts and things be considered necessary or expedient to give full effect to the Mandate with full powers to assent to any conditions, modifications, revaluations, variations and/or amendments as may be imposed by the relevant authorities.

THAT such Mandate shall commence upon passing this ordinary resolution and to be in force until:-

- (a) the conclusion of the next Annual General Meeting ("AGM") of the Company at which time the authority shall lapse unless the authority is renewed by a resolution passed at the meeting; or
- (b) the expiration of the period within which the next AGM after that date it is required to be held pursuant to Section 340(2) of the Act (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or
- (c) revoked or varied by ordinary resolution passed by the shareholders of the Company in a general meeting;

whichever is earlier.

And THAT the Directors of the Company be and are hereby authorised to complete and to do all such acts and things (including executing all such documents as may be required) as they may consider expedient or necessary to give effect to the transactions contemplated and/or authorised by this ordinary resolution."