

THIS STATEMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

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

Bursa Malaysia Securities Berhad (“Bursa Securities”) has not perused this Statement prior to its issuance as it is an exempt Statement pursuant to Practice Note 18 of Bursa Securities Main Market Listing Requirements. Bursa Securities takes no responsibility for the contents of this Statement, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Statement.



AMTEL HOLDINGS BERHAD
[Registration No. 199601037096 (409449-A)]
(Incorporated in Malaysia)

**STATEMENT TO SHAREHOLDERS IN RELATION TO
PROPOSED SHARE BUY-BACK OF UP TO 10% OF THE ISSUED SHARES OF THE COMPANY
("PROPOSED SHARE BUY-BACK")**

The Proposed Share Buy-Back will be tabled as Ordinary Resolution under Special Business at the Company’s Twenty-Third Annual General Meeting (“23rd AGM”).

The Notice of the 23rd AGM together with the Proxy Form are set out in the Annual Report 2019 of the Company, which is despatched together with this Statement. If you are unable to attend and vote in person at the 23rd AGM, you may appoint up to two (2) proxies to attend and vote on behalf. The Proxy Form must be completed and deposited at the Registered Office of the Company at No. 7, Jalan PJS 7/19, Bandar Sunway, 47500 Subang Jaya, Selangor Darul Ehsan, not less than forty-eight (48) hours before the time fixed for holding the 23rd AGM or any adjournment thereof. The lodging of the Proxy Form will not preclude you from attending and voting in person at the meeting should you subsequently wish to do so.

Last date and time for lodging the Proxy Form for the 23rd AGM : Sunday, 10 May 2020 at 10.00 a.m.

Date and time of the 23rd AGM : Tuesday, 12 May 2020 at 10.00 a.m.
or at any adjournment thereof

Venue of the 23rd AGM : Conference Room, Level 3, Eastin Hotel Kuala Lumpur
13 Jalan 16/11, 46350 Petaling Jaya
Selangor Darul Ehsan

This Statement is dated 30 March 2020

DEFINITIONS

Except where the context otherwise requires, the following terms and abbreviations (in alphabetical order) shall apply throughout this Statement

| | |
|---------------------------------|---|
| Act | : Companies Act 2016 |
| AGM | : Annual General Meeting |
| AHB or Company | : Amtel Holdings Berhad |
| AHB Group or Group | : AHB and its subsidiaries, collectively |
| AHB Share(s) or Share(s) | : Ordinary share(s) in AHB |
| Board | : The Board of Directors of AHB |
| Bursa Securities | : Bursa Malaysia Securities Berhad [Registration No. 200301033577 (635998-W)] |
| Director(s) | : The director(s) of AHB and shall have the meaning given in Section 2(1) of the Capital Markets and Services Act 2007 and Section 2(1) of the Act |
| EPS | : Earnings per share |
| FPE | : Financial period ended/ending |
| FYE | : Financial year ended/ending, as the case may be |
| LPD | : 9 March 2020, being the latest practicable date prior to the printing and despatch of this Statement |
| MMLR | : Main Market Listing Requirements of Bursa Securities |
| Market Day(s) | : Means a day on which the stock market of Bursa Securities is open for trading securities |
| NA | : Net assets |
| Proposed Share Buy-Back | : Proposed share buy-back of up to 10% of the issued shares of AHB |
| Purchased Share(s) | : AHB Shares purchased by the Company pursuant to the Proposed Share Buy-Back |
| Record of Depositors | : A record consisting of names of depositors established by Bursa Depository Sdn Bhd [Registration No. 198701006854 (165570-W)] under the Rules of Bursa Malaysia Depository Sdn Bhd |
| RM and sen | : Ringgit Malaysia and sen, respectively |
| Rules | : Rules on Take-overs, Mergers and Compulsory Acquisitions issued by the SC |
| SC | : Securities Commission Malaysia |
| Shares | : Ordinary Shares of AHB |
| Substantial Shareholder | : Has the meaning given in Section 136 of the Act |

DEFINITIONS (CONT'D)

Statement : **This Statement to the shareholders of AHB dated 30 March 2020 pertaining to the Proposed Share Buy-Back**

WAMP : **Weighted average market price**

In this Statement, unless there is something in the subject or context inconsistent herewith, 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 genders and vice versa. Reference to persons shall include a corporation, unless otherwise specified.

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

THE REST OF THIS PAGE IS INTENTIONALLY LEFT BLANK

TABLE OF CONTENTS

STATEMENT TO THE SHAREHOLDERS OF AHB IN RELATION TO THE PROPOSED SHARE BUY-BACK CONTAINING:

| | PAGE |
|--|-------------|
| 1. INTRODUCTION | 1 |
| 2. RATIONALE FOR THE PROPOSED SHARE BUY-BACK | 1 |
| 3. DETAILS OF THE PROPOSED SHARE BUY-BACK | 2 |
| 4. POTENTIAL ADVANTAGES AND DISADVANTAGES OF THE PROPOSED SHARE BUY-BACK | 5 |
| 5. EFFECTS OF THE PROPOSED SHARE BUY-BACK | 6 |
| 6. APPROVALS REQUIRED | 9 |
| 7. INTERESTS OF DIRECTORS, MAJOR SHAREHOLDERS AND/OR PERSONS CONNECTED TO THEM | 9 |
| 8. BOARD OF DIRECTORS' RECOMMENDATION | 9 |
| 9. 23RD AGM | 9 |
| APPENDICES | |
| I FURTHER INFORMATION | 10 |
| II EXTRACT OF NOTICE OF THE 23RD AGM PERTAINING TO THE PROPOSED SHARE BUY-BACK | 11 |



AMTEL HOLDINGS BERHAD
[Registration No. 199601037096 (409449-A)]
(Incorporated in Malaysia)

Registered Office:
No. 7, Jalan PJS 7/19
Bandar Sunway
47500 Subang Jaya
Selangor Darul Ehsan

30 March 2020

Board of Directors

YTM. Tunku Dato' Seri Kamel Bin Tunku Rijaludin (*Non-Independent Non-Executive Chairman*)
Dato' Koid Hun Kian (*Group Managing Director*)
Siow Hock Lee (*Independent Non-Executive Director*)
Tan Woon Huei (*Non-Independent Non-Executive Director*)
Ir. Chew Yook Boo (*Independent Non-Executive Director*)

To: Our Shareholders

Dear Sir/Madam,

PROPOSED SHARE BUY-BACK

1. INTRODUCTION

On 4 March 2020, the Board announced the Company's intention to seek the approval of the shareholders of AHB for the Proposed Share Buy-Back at the forthcoming 23rd AGM to be convened on 12 May 2020.

THE PURPOSE OF THIS STATEMENT IS TO PROVIDE YOU WITH THE RELEVANT INFORMATION ON THE PROPOSED SHARE BUY-BACK, TOGETHER WITH THE RECOMMENDATION OF THE BOARD AND TO SEEK YOUR APPROVAL FOR THE RESOLUTION PERTAINING TO THE PROPOSED SHARE BUY-BACK TO BE TABLED AT THE FORTHCOMING 23RD AGM. THE NOTICE OF THE FORTHCOMING 23RD AGM AND THE PROXY FORM ARE ENCLOSED IN THE COMPANY'S ANNUAL REPORT 2019, WHICH IS DESPATCHED TOGETHER WITH THIS STATEMENT.

SHAREHOLDERS OF AHB ARE ADVISED TO READ AND CONSIDER CAREFULLY THE CONTENTS OF THIS STATEMENT TOGETHER WITH THE APPENDICES CONTAINED HEREIN BEFORE VOTING ON THE RESOLUTION PERTAINING TO THE PROPOSED SHARE BUY-BACK TO BE TABLED AT THE FORTHCOMING 23RD AGM.

2. RATIONALE OF THE PROPOSED SHARE BUY-BACK

The Proposed Share Buy-Back will enable AHB to utilise any of its surplus financial resources, which is not immediately required for other uses, to purchase its own Shares from the market. The Proposed Share Buy-Back is to stabilise the market price of the Shares and to prevent against speculation of the Shares, when undervalued in the future, to enhance investors' confidence.

In addition, the Purchased Shares may be held as treasury shares and resold on Bursa Securities with the intention of realising a potential gain without affecting the total issued shares of the Company. Should any treasury shares be distributed as share dividends, this would serve to reward the shareholders of the Company.

With the share buy-back mandate being procured, the Company will also be able to stabilise the supply and demand of AHB Shares traded on Bursa Securities and thereby support its fundamental value, if required.

The Proposed Share Buy-Back is not expected to have any potential material disadvantages to the Company and its shareholders, and it will be implemented only after taking into consideration, amongst others, the financial resources of AHB Group, and of the resultant impact on the shareholders of the Company. The Board will be mindful of the best interests of the Company and its shareholders when undertaking the Proposed Share Buy-Back.

3. DETAILS OF THE PROPOSED SHARE BUY-BACK

The Board proposes to seek the authority from the shareholders to purchase up to 10% of its issued shares through stockbroker(s) to be appointed at later date.

The Proposed Share Buy-Back is subject to compliance with Sections 112, 113 and 117 of the Act, the MMLR and the Prevailing Laws at the time of purchase.

Pursuant to Paragraph 12.07(3) of the MMLR, the approval from the shareholders for the Proposed Share Buy-Back would be effective immediately upon the passing of the ordinary resolution for the Proposed Share Buy-Back at the forthcoming AGM to be convened and shall be valid until:

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

3.1 Maximum number or percentage of AHB Shares to be acquired

Pursuant to Paragraph 12.08 of the Main Market Listing Requirements (“MMLR”), a listed company must not purchase its own shares or hold any of its own shares as treasury shares if this results in the aggregate of the share purchased or held exceeding 10% of its total number of issued shares.

Currently AHB has a total 54,197,066 shares, hence, AHB may purchase up to 5,419,707 shares, representing up to 10% of its total number of issued Shares.

3.2 Maximum amount of funds to be allocated and the source of funds

Paragraph 12.10(1) of the MMLR stipulates that the Proposed Share Buy-Back must be made wholly out of the retained profits of the Company. Accordingly, the maximum funds to be allocated by the Company for the Proposed Share Buy-Back shall not exceed the total retained earnings of the Company at the time of purchase.

Based on the latest audited financial statements for the Financial Year Ended 30 November 2018, the reserves/retained earnings of the Company stood at -RM1,271,912. In addition, based on the latest unaudited financial statements for the Financial Period Ended 30 November 2019, the reserves/retained earnings of the Company stood at RM2,880,734. As such, the Company has adequate retained earnings available for the Company to undertake the Proposed Share Buy-Back in accordance with Paragraph 12.10(1) of the MMLR.

Notwithstanding the above, the Proposed Share Buy-Back may be funded using the internally generated funds of AHB and/or external borrowings. Should the Proposed Share Buy-Back be financed through bank borrowings, the Board will ensure that there are sufficient funds to repay such borrowings.

3.3 Pricing

Pursuant to Paragraph 12.17 of the MMLR, AHB may only purchase its own Shares at a price which is not more than 15% above WAMP of AHB Shares for the 5 Market Days immediately preceding the date of the purchase(s).

Pursuant to Paragraph 12.18 of the MMLR, AHB may only resell or transfer any treasury shares on Bursa Securities at a price, which is:

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

3.4 Duration of the Proposed Share Buy-Back

The implementation of the Proposed Share Buy-Back would be effective immediately upon the passing of the ordinary resolution for the Proposed Share Buy-Back by the shareholders of AHB at the forthcoming AGM to be convened. Pursuant to Paragraph 12.07(3) of the MMLR, the Proposed Share Buy-Back shall be valid until:

- (i) the expiration of the period within which the next AGM of the Company is required by law to be held; or
- (ii) revoked or varied by ordinary resolution passed by the shareholders in general meeting,

whichever occurs first (“Authority Period”).

The Proposed Share Buy-Back will allow the Board to exercise the power of the Company to purchase its own Shares at any time during the Authority Period.

3.5 Treatment of Purchased Shares

In accordance with Section 127(4) of the Act, the Board may deal with any of the Purchased Shares under the Proposed Share Buy-Back in the following manner:

- (i) to cancel the Purchased Shares;
- (ii) to retain the Purchased Shares as treasury shares; or
- (iii) to retain part of the Purchased Shares as treasury shares and cancel the remainder of the shares.

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

- (i) distribute the Purchased Shares as dividends to AHB shareholders, such dividends to be known as “share dividends”;

- (ii) resell the Purchased Shares or any of the Purchased Shares in accordance with the relevant rules of Bursa Securities;
- (iii) transfer the Purchased Shares or any of the Purchased Shares for the purpose of or under an employees' share scheme;
- (iv) transfer the Purchased Shares or any of the Purchased Shares as purchase consideration;
- (v) cancel the Purchased Shares or any of the Purchased Shares; or
- (vi) sell, transfer or otherwise use the Purchased Shares for such other purposes as the Minister may by order prescribe.

Pursuant to Section 127(8) of the Act, if the Purchased Shares are held as treasury shares, the rights attached to them in relation to voting, dividends and participation in any other distribution and otherwise are suspended. In accordance with Section 127(9) of the Act, the treasury shares shall not be taken into account in calculating the number or percentage of shares or of a class of shares in the Company for any purposes including substantial shareholding, takeovers, notices, the requisitioning of meetings, the quorum for a meeting and the result of a vote on a resolution at meetings.

The decision whether to retain the Purchased Shares as treasury shares, or to cancel the Purchased Shares or a combination of both, will be determined by the Board at the appropriate time.

The Company will make an immediate announcement to Bursa Securities of any purchase or resale of AHB Shares and whether the Purchased Shares will be cancelled or retained as treasury shares or a combination of both.

3.6 Public shareholding spread of AHB

The Proposed Share Buy-Back will be carried out in accordance with the Prevailing Laws at the time of the purchase including compliance with the 25% shareholding spread requirements as set out in Paragraph 8.02(1) of the MMLR.

Based on the Record of Depositors of the Company as at the LPD, the public shareholding spread of the Company stood at 28,884,165 Shares, representing 53.29% of the total number of issued Shares.

The Board is mindful of the requirement that any purchase of AHB Shares by the Company must not result in the public shareholding spread of AHB falling below 25% of the total number of issued Shares.

3.7 Previous purchases, resale and cancellation of treasury shares

At present, the Company does not have an existing authority to purchase its Shares. Hence, the Company does not currently hold any treasury shares and has not purchased, resold and/or cancelled any Shares during the last 12 months preceding the LPD.

3.8 Historical prices of AHB Shares

The monthly highest and lowest market prices of Shares traded on Bursa Securities for the preceding 12 months from March 2019 to March 2020 are as follows:

| | High | Low |
|-------------|-------------|------------|
| | RM | RM |
| 2019 | | |
| March | 0.680 | 0.660 |
| April | 0.670 | 0.655 |
| May | 0.675 | 0.655 |
| June | 0.620 | 0.610 |
| July | 0.670 | 0.605 |
| August | 0.615 | 0.610 |
| September | 0.615 | 0.615 |
| October | 0.620 | 0.615 |
| November | 0.615 | 0.615 |
| December | 0.680 | 0.615 |
| 2020 | | |
| January | 0.680 | 0.615 |
| February | 0.640 | 0.50 |

Source: Bloomberg

The last transacted price of AHB Shares on 9 March 2020, being the last practicable date prior to the printing of this Statement, was RM0.525.

3.9 Implications relating to the Rules

As it is not intended for the Proposed Share Buy-Back to trigger the obligation to undertake a mandatory offer under Paragraph 4.01 of the Rules, by any of the Company's substantial shareholders and/or parties acting in concert with them, the Board will ensure that such number of Shares are purchased, retained as treasury shares, cancelled or distributed such that the Proposed Share Buy-back would not result in triggering any mandatory offer obligation on the part of its substantial shareholders and/or parties acting in concert with them. In this connection, the Board is mindful of the requirements when making any purchase of the Shares pursuant to the Proposed Share Buy-Back.

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

4.1 Potential advantages of the Proposed Share Buy-Back

- (i) The Proposed Share Buy-Back, if implemented, will allow the Company to take preventive measures against speculation which would in turn, stabilise the market price of AHB Shares and hence, enhance investors' confidence.
- (ii) The Company would have the opportunity to realise potential capital gains if the Purchased Shares are resold at prices higher than the purchase prices and such proceeds may be subsequently utilised for working capital and investment opportunities arising in the future.
- (iii) The Purchased Shares (if retained as treasury shares) may serve as an alternative to reward the shareholders of the Company in the event the Company distributes the treasury shares as share dividends.

4.2 Potential disadvantages of the Proposed Share Buy-Back

- (i) It will reduce the immediate financial resources. However, the financial resources of the Company may recover or even increase if the Purchased Shares are held as treasury shares and resold in the market at higher price.
- (ii) The Company or Group foregoing other better investment opportunities which may emerge in the future and/or any income that may be derived from other alternatives uses of such funds as deposit in interest bearing instruments.
- (iii) The cash flow of the Company may be affected if the Company decides to utilise bank borrowings to finance the Proposed Share Buy-Back.

The Board does not expect the Proposed Share Buy-Back to result in any material disadvantage to the Company and its shareholders as it will be implemented only after taking into consideration that there is adequate cash flow to fund the Group's working capital requirements and dividends to be paid to the shareholders prior to allocating the available resources for the Proposed Share Buy-Back. As mentioned in **Section 3** of this Statement, the Board, in exercising any decision to purchase any AHB Shares will be mindful of the interests of the Company, the Group and the shareholders in implementing the Proposed Share Buy-Back.

5. EFFECTS OF THE PROPOSED SHARE BUY-BACK

5.1 Issued share capital

The Proposed Share Buy-Back, if carried out in full and the Shares so purchased are cancelled, will reduce the issued and paid-up share capital of AHB as at 9 March 2020 by 5,419,707 Shares from 54,197,066 Shares to 48,777,359 Shares. However, there will be no effect on the issued and paid-up share capital of AHB if the Shares so purchased are retained in treasury.

5.2 NA per Share and gearing

The effects of the Shares repurchase on the NA per Share of AHB Group is dependent on factors such as the number of AHB Shares which the Company will buy-back, purchase price of the AHB Shares at the time of the buy-back, the treatment of the Shares purchased and the funding cost, if any.

The Purchased Shares that are retained as treasury shares would decrease the consolidated NA by the acquisition cost of the treasury shares, as the treasury shares are required to be carried at cost and would offset against the equity. The acquisition costs for future Shares buy-back are unknown at this juncture. If the treasury shares are subsequently cancelled or distributed as share dividends, there will be no additional effect on the consolidated NA of AHB.

In the event the Purchased Shares that are retained as treasury shares are resold in the open market on Bursa Securities, the consolidated NA of AHB will be affected by the resale value of the Shares. In the event the resale value is higher than the cost, there would be a net increase in the consolidated NA of AHB. On the contrary, in the event the cost is higher than the resale value, there would be a net decrease on the consolidated NA of AHB.

If the Purchased Shares are retained as treasury shares, cancelled and/or distributed as share dividends, the consolidated NA per Share will decrease if the purchase price of AHB Shares exceeds the consolidated NA per Share, and if the consolidated NA per Share exceeds the purchase price of AHB Shares, the consolidated NA per Share will increase. On the contrary, the converse effect would apply in the event the treasury shares are resold on Bursa Securities.

5.3 EPS

The effects of the Proposed Share Buy-Back on the earnings of the Group are dependent on the purchase price of AHB Shares and the effective funding cost of such purchases or loss in interest income to the Group, if internally generated funds are utilised.

Furthermore, the Proposed Share Buy-Back, regardless if the Purchased Shares are maintained as treasury shares or cancelled, will result in a lower number of Shares being used for the purpose of computing the EPS. Hence, the Proposed Share Buy-Back will improve the EPS of AHB, which in turn is expected to have a positive influence on the market price of AHB Shares.

In the event the Purchased Shares which are retained as treasury shares and subsequently resold, the extent of the effect on the earnings of AHB Group will depend on the actual selling price, the number of treasury shares resold and the effective gain or the interest savings arising from the exercise.

5.4 Convertible securities

As at the LPD, the Company does not have any existing convertible securities.

5.5 Working capital

The Proposed Share Buy-Back will result in cash outflow and thereby reducing the working capital of AHB Group, the quantum of which is dependent on the purchase prices of the AHB Shares and the number of AHB Shares repurchased and the funding costs, if any. Nevertheless, the Board will take into consideration, the interests of AHB and its shareholders as well as to assess the working capital requirements of the Group prior to the Proposed Share Buy-Back.

5.6 Dividends

The Proposed Share Buy-Back is not expected to have any material impact on the policy of the Board in recommending future dividends. Nonetheless, the Proposed Share Buy-Back may have an impact on the Company's dividend policy as it would reduce the cash available for dividend payment, which may otherwise be used for dividend payment. Notwithstanding the above, the AHB Shares purchased which are held as treasury shares may be distributed as dividends to shareholders of the Company, if the Board decides to do so.

5.7 Substantial shareholder and Directors' shareholdings

For illustration purpose only, based on the Record of Depositors as at the LPD and assuming the repurchase of AHB Shares by the Company pursuant to the Proposed Share Buy-Back is carried out in full, the proforma effects of such purchase on the shareholdings of the substantial shareholder and Directors are as follows:

| | Shareholding as at the LPD | | | | After the Proposed Share Buy-Back | | | |
|---|----------------------------|-----------------|-------------------------|-----------------|-----------------------------------|-----------------|-------------------------|-----------------|
| | <---- Direct ----> | | <---- Indirect ----> | | <---- Direct ----> | | <---- Indirect ----> | |
| | No. of Shares | % ^{*1} | No. of Shares | % ^{*1} | No. of Shares | % ^{*2} | No. of Shares | % ^{*2} |
| Substantial Shareholders and Director | | | | | | | | |
| Dato' Koid Hun Kian | 8,286,088 | 15.29 | 6,324,203 ^{*3} | 11.67 | 8,286,088 | 16.99 | 6,324,203 ^{*3} | 12.97 |
| Gainfactor Sdn Bhd | 8,169,400 | 15.07 | - | - | 8,169,400 | 16.75 | - | - |
| Simfoni Kilat Sdn Bhd | 3,993,137 | 7.37 | - | - | 3,993,137 | 8.19 | - | - |
| Directors | | | | | | | | |
| YTM. Tunku Dato' Seri Kamel Bin Tunku Rijaludin | 200,000 | 0.37 | - | - | 200,000 | 0.41 | - | - |
| Siow Hock Lee | 65,333 | 0.12 | 814,333 ^{*4} | 1.50 | 65,333 | 0.13 | 814,333 ^{*4} | 1.67 |
| Tan Woon Huei | 219,000 | 0.40 | - | - | 219,000 | 0.45 | - | - |
| Ir. Chew Yook Boo | - | - | - | - | - | - | - | - |

Notes:

- *1 Based on the total issued shares of 54,197,066 in AHB.
- *2 Based on the total issued shares of 48,777,359 in AHB.
- *3 Deemed interested by virtue of his equity interest in Simfoni Kilat Sdn. Bhd pursuant to Section 8(4) of the Act and deemed interested by virtue of his equity interest in his spouse, Datin Tan Seow Eng and his son, Mr. Koid Siang Loong, pursuant to Section 59(11)(c) of the Act.
- *4 Deemed interested by virtue of his equity interest in his spouse, Madam Chen Bee Yoke, pursuant to Section 59(11)(c) of the Act.

6. APPROVALS REQUIRED

The Proposed Share Buy-Back is subject to and conditional upon the shareholders' approval at an AGM of AHB to be convened.

The Proposed Share Buy-Back is not conditional upon any other proposals undertaken or to be undertaken by the Company.

The voting on the resolution in relation to the Proposed Share Buy-Back at the AGM will be taken via poll to be validated by an independent scrutineer.

7. INTERESTS OF DIRECTORS, MAJOR SHAREHOLDERS AND/OR PERSONS CONNECTED TO THEM

Save for the proportionate increase in the percentage of shareholding in AHB in their capacities as shareholders of the Company as a result of the Proposed Share Buy-Back in AHB, none of the Directors and/or major shareholders of AHB and/or persons connected to them have any interests, whether direct or indirect, in the Proposed Share Buy-Back.

8. BOARD OF DIRECTORS' RECOMMENDATION

The Board, having considered all aspects of the Proposed Share Buy-Back, including the rationale and the effects of the Proposed Share Buy-Back, is of the opinion that the Proposed Share Buy-Back is in the best interest of the Company. Accordingly, the Board recommends that you vote in favour of the ordinary resolution in respect of the Proposed Share Buy-Back to be tabled at the forthcoming AGM.

9. 23RD AGM

The 23rd AGM, notice of which is enclosed in this Statement, will be held at Conference Room, Level 3, Eastin Hotel Kuala Lumpur, 13 Jalan 16/11, 46350 Petaling Jaya, Selangor Darul Ehsan on Tuesday, 12 May 2020 at 10.00 am or any adjournment thereof, for the purpose of considering and, if thought fit, passing the resolution to give effect to the Proposed Share Buy-Back.

If you are unable to attend, participate, speak and vote in person at the 23rd AGM, you are requested to complete, sign and return the enclosed Proxy Form enclosed in the Annual Report 2019 of AHB in accordance with the instructions therein, to be deposited at the Registered Office of the Company at No.7, Jalan PJS 7/19, Bandar Sunway, 47500 Subang Jaya, Selangor Darul Ehsan, not less than forty-eight (48) hours before the time fixed for holding the 23rd AGM or any adjournment thereof. The lodgement of the Proxy Form will not preclude you from attending and voting in person at the meeting should you subsequently wish to do so.

10. FURTHER INFORMATION

Shareholders are advised to refer to the attached Appendices for further information.

Yours faithfully,
For and on behalf of the Board
AMTEL HOLDINGS BERHAD.

DATO' KOID HUN KIAN
Group Managing Director

FURTHER INFORMATION

1. DIRECTORS' RESPONSIBILITY STATEMENT

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

2. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at the Registered Office of the Company at No.7, Jalan PJS 7/19, Bandar Sunway, 47500 Subang Jaya, Selangor Darul Ehsan during normal business hours (except public holidays) from the date of this Statement up to and including the date of the AGM:-

- i. The Constitution of AHB; and
- ii. The audited consolidated financial statements of AHB for the past two (2) financial years ended 30 November 2018 and 30 November 2019.

| |
|---|
| <p>THE REST OF THIS PAGE IS INTENTIONALLY LEFT BLANK</p> |
|---|



AMTEL HOLDINGS BERHAD
 [Registration No. 199601037096 (409449-A)]
 (Incorporated in Malaysia)

Extract Notice of the 23rd AGM of the Company to be held at Conference Room, Level 3, Eastin Hotel Kuala Lumpur, 13 Jalan 16/11, 46350 Petaling Jaya, Selangor Darul Ehsan on Tuesday, 12 May 2020 at 10.00 a.m., for the purpose of considering and if thought fit, passing with or without modifications the following resolution:

ORDINARY RESOLUTION NO. 8
PROPOSED SHARE BUY-BACK OF UP TO 10% OF THE TOTAL ISSUED SHARES OF THE COMPANY

“THAT subject to the Act, rules, regulations and orders made pursuant to the Act, the Constitution of the Company, Main Market Listing Requirements (“MMLR”) of Bursa Securities and any other relevant authority or approval for the time being in force or as may be amended from time to time, approval be and is hereby given to the Company to purchase such number of ordinary 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, necessary and expedient in the interest of the Company (“Proposed Share-Buy Back”), provided that:

- (a) the aggregate number of ordinary shares to be purchased by the Company shall not exceed 10% of the total number of issued shares of the Company at any point of time; and
- (b) the maximum fund to be allocated by the Company for the purpose of purchasing its ordinary shares shall not exceed the total retained profits of the Company based on the latest audited financial statements and/or the latest unaudited financial statements (where applicable) available at the time of the purchase.

THAT the authority conferred by this resolution shall continue to be in force until:

- (i) the conclusion of the next AGM of the Company following this AGM at which this resolution was passed at which time the said authority shall lapse unless by an ordinary resolution passed at the next AGM, the authority is renewed, either unconditionally or subject to conditions;
- (ii) the expiration of the period within which the next AGM 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 in a general meeting, whichever, occurs first, but not so as to prejudice the completion of the purchase(s) by the Company before the aforesaid expiry date and in any event, in accordance with the provisions of the guidelines issued by Bursa Securities and/or any other relevant governmental and/or regulatory authorities (if any).

THAT upon completion of the purchase by the Company of its own ordinary shares, the Directors be and are hereby authorised to deal with the ordinary shares purchased in their absolute discretion in the following manners:

- (a) cancel all the ordinary shares so purchased; and/or
- (b) retain the ordinary shares so purchased as treasury shares for distribution as dividend to the shareholders and/or resell on the market of Bursa Securities and/or transfer under an employees’ share scheme and/or transfer as purchase consideration; and/or
- (c) retain part thereof as treasury shares and cancel the remainder.

AND THAT the Directors be and are hereby authorised to take all such steps as necessary (including the opening and maintaining of depository account(s) under the Securities Industry (Central Depositories) Act, 1991) and enter into any agreements and guarantees with any party or parties to implement, finalise and give full effect to the Proposed Share Buy-Back with full powers to assent to any conditions, modifications, revaluations, variations and/or amendments (if any) as may be imposed by the relevant authorities from time to time or as the Board may in their discretion deem necessary and to do all such acts and things the Directors may deem fit and expedient in the best interest of the Company.”