

**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, banker, solicitor, accountant or other professional adviser immediately.

Bursa Malaysia Securities Berhad (“**Bursa Securities**”) has perused this Circular on a limited review basis pursuant to Paragraph 4.1(c) of Practice Note 18 of the Main Market Listing Requirements of Bursa Securities, prior to the issuance of this Circular.

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**SENTORIA GROUP BERHAD**  
Registration No. 199801007217 (463344-K)  
(Incorporated in Malaysia)

**PART A**

**CIRCULAR TO SHAREHOLDERS IN RELATION TO THE 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**

**PART B**

**STATEMENT TO SHAREHOLDERS IN RELATION TO THE PROPOSED RENEWAL OF AUTHORITY FOR THE COMPANY TO PURCHASE ITS OWN SHARES**

The resolutions in respect of the above proposals will be tabled at the 22<sup>nd</sup> Annual General Meeting (“**AGM**”) of Sentoria Group Berhad to be held and conducted on a fully virtual basis through live streaming with an online remote participation and voting provided by V-cube Malaysia Sdn Bhd from the Broadcast Venue at BO1-A-09, Menara 2, KL Eco City, 3, Jalan Bangsar, 59200 Kuala Lumpur, Malaysia, on **Wednesday, 8 September 2021 at 10:30 a.m.** or at any adjournment thereof. The Notice of AGM, Form of Proxy, Administrative Guide, Annual Report 2021 and this Circular, are published at the Company’s website at [www.sentoria.com.my](http://www.sentoria.com.my). Please refer to the Administrative Guide for 22<sup>nd</sup> AGM in order to register, participate and vote remotely.

A shareholder who appoints proxy may deposit the duly executed Form of Proxy in hard copy form or by electronic means before **10.30 a.m. on Monday, 6 September 2021**. In the case of an appointment made in hard copy form, the Form of Proxy must be deposited to Poll Administrator of Sentoria Group Berhad at 54B, Damai Complex, Jalan Lumut, 50400 Kuala Lumpur, Malaysia, and in the case of electronic appointment, the Form of Proxy must be electronically lodged to the Company, by emailing to [investor@sentoria.com.my](mailto:investor@sentoria.com.my) or e-registered at <https://cutt.ly/DQydkYK>.

The lodging of the Form of Proxy will not preclude you from participating and voting remotely at the 22<sup>nd</sup> AGM should you subsequently wish to do so.

Last day, date and time for lodging the Form of Proxy : Monday, 6 September 2021 at 10:30 a.m.  
Day, date and time for the AGM : Wednesday, 8 September 2021 at 10:30 a.m.

This Circular/Statement is dated 30 July 2021

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## DEFINITIONS

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

Act	: Companies Act 2016 of Malaysia, as amended from time to time including any re-enactment thereof
AGM	: Annual General Meeting
Audit and Risk Management Committee	: Audit and Risk Management Committee of Sentoria
Board	: Board of Directors of Sentoria
Bursa Securities	: Bursa Malaysia Securities Berhad [Registration No. 200301033577 (635998-W)]
Director(s)	: Director(s) of Sentoria and shall have the meaning given in Section 2(1) of the Capital Markets and Services Act 2007 and for purposes of the Proposed Shareholders' Mandate 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; (i) a director of Sentoria or its related companies and (ii) a chief executive of Sentoria or its related companies
EPS	: Earnings per share
Listing Requirements	: Main Market Listing Requirements of Bursa Securities as amended from time to time
LPD	: 30 June 2021, being the latest practicable date prior to the date of this Circular
Major Shareholder(s)	<p>: Persons who have an interest or interests in one or more voting shares in the Company 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 Company; or</p> <p>(b) 5% or more of the total number of voting shares in the Company where such person is the largest shareholder of the Company.</p> <p>For the purpose of this definition, <b>“interest”</b> shall have the meaning given of interests in shares given in Section 8 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 major shareholder of the Company or its related companies.</p>
Market Day(s)	: A day on which Bursa Securities is open for trading in securities.
NA	: Net assets

Person(s) Connected	: In relation to any Director or Major Shareholder (referred to as <b>“said Person”</b> ) means such person who falls under any one of the following categories: <ul style="list-style-type: none"> <li>(a) a family member of the said Person;</li> <li>(b) a trustee of a trust (other than a trustee for a share scheme for employees or pension scheme) under which the said Person, or a family member of the said Person, is the sole beneficiary;</li> <li>(c) a partner of the said Person;</li> <li>(d) a person, or where the person is a body corporate, the body corporate or its directors, who is/are accustomed or under an obligation, whether formal or informal, to act in accordance with the directions, instructions or wishes of the said Person;</li> <li>(e) a person, or where the person is a body corporate, the body corporate or its directors, in accordance with whose directions, instructions or wishes the said Person is accustomed or is under an obligation, whether formal or informal, to act;</li> <li>(f) a body corporate in which the said Person, or persons connected with the said Person are entitled to exercise, or control the exercise of, not less than 20% of the votes attached to voting shares in the body corporate; or</li> <li>(g) a body corporate which is a related corporation of the said Person.</li> </ul>
Proposed Share Buy-Back	: Proposed Renewal of Authority for Sentoria to purchase its own shares of an amount, which, when aggregated with the existing treasury shares, does not exceed 10% of the prevailing total number of issued shares, at any time
Proposed New Mandate	: Proposed new shareholders’ mandate for additional RRPT
Proposed Renewed Mandate	: Proposed renewed shareholders’ mandate for RRPT approved at the Company’s 21st AGM held on 30 September 2020
Proposed Shareholders’ Mandate:	Proposed Renewed Mandate and Proposed New Mandate for RRPT pursuant to Paragraph 10.09 of the Listing Requirements and as described in Section 2 of Part A of this Circular/Statement
Purchased Share(s)	: Shares purchased by Sentoria pursuant to the Proposed Share Buy-Back
RM and sen	: Ringgit Malaysia and sen, respectively
Related Party(ies)	: Director(s), Major Shareholder(s) and/or Person(s) Connected with such Director(s) or Major Shareholder(s)
RPT or Related Party Transaction(s)	: Transaction(s) entered into by the Sentoria Group which involve(s) the interest, direct or indirect, of a Related Party
RRPT or Recurrent Related Party Transaction(s)	: Related Party Transaction(s) involving recurrent transactions of a revenue or trading nature that are necessary for the day-to-day operations and are in the ordinary course of business of the Sentoria Group
Sentoria or Company	: Sentoria Group Berhad [Registration No. 199801007217 (463344-K)]
Sentoria Group or Group	: Sentoria and its subsidiary companies, collectively
Sentoria Share(s)	: Ordinary share(s) in Sentoria
Substantial Shareholder(s)	: Persons who have 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 in the Company. A person who has a substantial shareholding in the Company is a substantial shareholder of the Company.

Warrants-B : The outstanding warrants 2017/2024 of the Company issued pursuant to the deed poll dated 15 November 2017

In this Circular, words referring to the singular shall, where applicable, include the plural and vice versa and words referring to the masculine gender shall, where applicable, include the feminine and neuter genders and vice versa. References to persons shall include a company or a corporation. All references to “**you**” or “**your**” in this Circular are to the shareholders of the Company.

Any reference in this Circular to any legislation, statute or statutory provision is a reference to that legislation, statute or statutory provision for the time being amended or re-enacted. Any word defined in the Act and the Listing Requirements or any statutory modification thereof and used in this Circular shall, where applicable, have the meaning ascribed to it under the Act and the Listing Requirements.

Any reference to a time of day in this Circular shall be a reference to Malaysian time, unless otherwise stated.

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## **PART A**

### **CIRCULAR TO SHAREHOLDERS IN RELATION TO THE 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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**SENTORIA GROUP BERHAD**  
Registration No. 199801007217 (463344-K)  
(Incorporated in Malaysia)

**Registered Office**

56 & 58 (2nd Floor)  
Jalan Dagang SB 4/2  
Taman Sungai Besi Indah  
43300 Seri Kembangan  
Selangor Darul Ehsan

30 July 2021

**Board of Directors**

Dato' Hj. Abdul Rahman bin Hj. Imam Arshad (*Independent Chairman*)  
Dato' Chan Kong San (*Joint Managing Director*)  
Dato' Gan Kim Leong (*Joint Managing Director*)  
Wong Yoke Nyen (*Senior Independent Director*)  
Datin Sri Lim Mooi Lang (*Independent Director*)

**To: The Shareholders of Sentoria**

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**

**1. INTRODUCTION**

At the Company's 21<sup>st</sup> AGM held on 30 September 2020, the Company obtained your mandate for the Company and its subsidiary companies to enter into RRPT of a revenue or trading nature which are necessary for the day-to-day operations and in the ordinary course of business of the Group.

This mandate shall, in accordance with the Listing Requirements, lapse at the conclusion of the forthcoming 22<sup>nd</sup> AGM unless it is renewed at the said AGM.

The Company had on 31 May 2021, announced that it intends to seek your approval for a renewed shareholders' mandate for the RRPT and further seek a new shareholders' mandate for additional RRPT at the forthcoming 22<sup>nd</sup> AGM.

The purpose of this Circular is to provide you with the relevant information on the Proposed Shareholders' Mandate. The Company will be seeking your approval for the ordinary resolution pertaining to the Proposed Shareholders' Mandate to be tabled at the forthcoming 22<sup>nd</sup> AGM. The notice of AGM and the Form of Proxy are set out in the 2021 Annual Report of the Company.

**YOU ARE ADVISED TO READ AND CONSIDER CAREFULLY THE CONTENTS OF THIS CIRCULAR BEFORE VOTING ON THE ORDINARY RESOLUTION PERTAINING TO THE PROPOSED SHAREHOLDERS' MANDATE AT THE FORTHCOMING 22<sup>nd</sup> AGM**

## **2. DETAILS OF THE PROPOSED SHAREHOLDERS' MANDATE**

### **2.1 Introduction**

Paragraph 10.09(2) of the Listing Requirements provides that with regard to RPT involving recurrent transactions of a revenue or trading nature which are necessary for the day-to-day operations of a listed issuer and its subsidiary companies, the listed issuer may seek a shareholders' mandate in respect of the said transactions subject to the following:

- (a) 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;
- (b) 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 the aggregate value is equal to or more than the threshold prescribed under Paragraph 10.09(1) of the Listing Requirements;
- (c) the listed issuer's Circular to shareholders for the shareholders' mandate shall include the information as prescribed by Bursa Securities;
- (d) in the meeting to obtain shareholders' mandate, the interested director, interested major shareholder or interested person connected to a director or major shareholder, and where the interest of an interested person connected to a director or major shareholder is involved, such director or major shareholder, must not vote on the resolution approving the transactions. An interested director or interested major shareholder must also ensure that persons connected to him abstain from voting on the resolution approving the transactions; and
- (e) 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 Bursa Securities in its announcement.

Where a shareholders' mandate pursuant to the above has been procured by the Company, the provisions of Paragraph 10.08 of the Listing Requirements shall not apply with regard to the transactions contemplated in Section 2.3.

Accordingly, the Company proposes to seek the approval of its shareholders for the Company and its subsidiary companies to enter into the RRPT as detailed in Section 2.3.

The principal activity of Sentoria is investment holding and the details and principal activities of its subsidiary companies as at LPD are as follows:

<u>Subsidiary companies of Sentoria</u>	<u>Effective equity interest %</u>	<u>Principal activities</u>
Sentoria Property Services Sdn Bhd	100	Property development
Sentoria Bina Sdn Bhd	100	General contractor
Sentoria Harta Sdn Bhd	100	Property development
Sentoria Alam Sdn Bhd	100	Property development
Sentoria Leisure Langkawi Sdn Bhd	100	Nature park operator
Sentoria Alfa Sdn Bhd	100	Property development and project management services
Sentoria Vacation Club Berhad	100	Vacation club operator
Sentoria Themeparks and Resorts Sdn Bhd (“STAR”)	100	Hotel, water park, safari park operator and investment holding
Sentoria Morib Bay Sdn Bhd	100	Yet to commence active operations
Sentoria Borneo Land Sdn Bhd	100	Property development
Sentoria Borneo Samariang Sdn Bhd	100	Water park operator
Sentoria Projects Sdn Bhd	100	General contractor
Sentoria Land Sdn Bhd	100	Investment holding company
Ataria Asia Sdn Bhd	100	Hospitality operator
Sentoria IBS Sdn Bhd	100	General contractor
Active Academy Sdn Bhd	100	Yet to commence active operations
Sentoria Langkawi Sdn Bhd	75	Theme park operator and property development
Sentoria Utara Sdn Bhd	75	Property development
<u>Subsidiary companies of STAR</u>		
Blue Sky Leisure Sdn Bhd	100	Travel agent
Star Wholesale Sdn Bhd	100	Wholesaler and general merchant

It is envisaged that in the normal course of the Group’s business, transactions of a revenue or trading nature between companies in the Group and the Related Parties will occur from time to time and at any time.

In this respect, the Board is seeking approval from shareholders for the Proposed Shareholders’ Mandate which will allow the Group, in their normal course of business, to enter into the RRPT referred to in Section 2.3 with the Related Parties, provided that such transactions are made at arms’ length, on the Group’s normal commercial terms and on terms not more favourable to the Related Parties than those generally available to the public and are not to the detriment of the minority shareholders of the Company.

The Proposed Shareholders’ Mandate, if approved at the forthcoming 22<sup>nd</sup> AGM on 8 September 2021, shall take effect and continue to be in force until:

- (i) the conclusion of the next AGM following the forthcoming 22<sup>nd</sup> AGM, at which the Proposed Shareholders’ Mandate is passed, at which time it shall lapse, unless by a resolution passed at such AGM, the authority is renewed;
- (ii) the expiration of the period within which the next AGM after that date 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
- (iii) revoked or varied by ordinary resolution passed by the shareholders of the Company in general meeting,

whichever is the earlier.

Disclosure will be made in the Company’s Annual Report of the breakdown of the aggregate value of the RRPT, types of transactions made, names of Related Parties involved and their relationship with the Group pursuant to the Proposed Shareholders’ Mandate during the financial year in accordance with Paragraph 10.09(2) and Practice Note 12 of the Listing Requirements.



## 2.2 Classes of Related Parties

The Proposed Shareholders' Mandate sought will involve RRPT between the companies in the Group with the following classes of Related Parties:

- (i) Directors and/or Major Shareholders; and
- (ii) Persons connected to the Directors or Major Shareholders.

## 2.3 Nature of RRPT

- (i) Proposed renewal of RRPT

The Proposed Renewed Mandate if renewed and granted covers transactions entered into by the Group in the ordinary course of business as follows:

<b>Mandated Related Party</b>	<b>Nature of RRPT</b>	<b>Previous estimated aggregate value as disclosed in the Circular to Shareholders dated 28 August 2020 ("Estimated Value") RM'000</b>	<b>Actual value transacted from last AGM on 30 September 2020 to LPD ("Actual Value") RM'000</b>	<b>New estimated aggregate value from this AGM on 8 September 2021 to the next AGM in 2022 ("New Estimated Value") RM'000</b>
Directors and/or Major Shareholders of Sentoria and/or Persons Connected to them	Sale of land or land- based properties, the transaction value of which will not exceed 10% of any of the percentage ratios in Paragraph 10.02(g) of the Listing Requirements	*	-	*

*\* The estimated value and new estimated value cannot be ascertained as the various types of properties sold by the Group varies from project to project. However, in accordance with Paragraph 3.3(a) of Practice Note 12 of the Listing Requirements, the transaction value cannot exceed 10% of any of the percentage ratios in Paragraph 10.02(g) of the Listing Requirements.*

(ii) Additional RRPT

The Company is also seeking a Proposed New Mandate for the following additional RRPT:-

The Proposed New Mandate if granted covers transactions entered into by the Group in the ordinary course of business as follows:

<b>Mandated Related Party</b>	<b>Interested Directors/Major Shareholders/ Persons Connected</b>	<b>Nature of RRPT</b>	<b>Transaction Party</b>	<b>New estimated aggregate value from this AGM on 8 September 2021 to the next AGM in 2022 RM'000</b>
BDO Consulting Sdn Bhd	Dato' Gan Ah Tee is the Director and Major Shareholder of BDO Consulting Sdn Bhd. Dato' Gan Ah Tee being a family member of Dato' Gan Kim Leong who is the Director and Major Shareholder of Sentoria	Provision of financial advisory service to the Group for restructuring exercise Provision of project management services to the Group for asset divestment program under the restructuring exercise	Sentoria Group Berhad and its subsidiaries Sentoria Group Berhad and its subsidiaries	2,500 #
BDO Tax Services Sdn Bhd	Dato' Gan Ah Tee is the Director and Major Shareholder of BDO Consulting Sdn Bhd. Dato' Gan Ah Tee being a family member of Dato' Gan Kim Leong who is the Director and Major Shareholder of Sentoria	Provision of tax consulting services by BDO Tax Services Sdn Bhd	Sentoria Group Berhad and its subsidiaries	200
Virlinks System Sdn Bhd*	Gan Hock Soon is the Director and Major Shareholder of Virlinks System Sdn Bhd. Gan Hock Soon being a family member of Dato' Gan Kim Leong who is the Director and Major Shareholder of Sentoria	Provision of project management services by Virlinks System Sdn Bhd	Sentoria Group Berhad, Sentoria Bina Sdn Bhd, and Sentoria IBS Sdn Bhd	480

#Professional fee for project management services is charged on time cost basis and is subject to a percentage of the actual sales value entered into for assets identified under the divestment program.

\*Virlinks System Sdn Bhd's principal activities including project management, strategy and business support advisory services and provision of fintech enabled solution.

## 2.4 Amount due and owing by Related Parties

As at 31 March 2021, there were no amounts due and owing to the Group under the RRPT which exceeded the credit terms.

## 2.5 Methods or procedures to determine transaction prices for RRPT/Review procedures for RRPT

To ensure that the RRPT which are in the ordinary course of business are conducted at arm's length and on commercial terms consistent with the Group's normal business practices and policies, and on terms not more favourable to the Related Parties than those generally available to the public and are not, in the opinion of the Company, detrimental to the minority shareholders, the Group determines the selling prices based on the prevailing rates according to commercial terms, business practices and policies or otherwise in accordance with the applicable industry norms/considerations.

The Group's review procedures governing RRPT are as follows:

At least two (2) other contemporaneous transactions with unrelated third parties for similar products/services and/or quantities will be used as comparison, whenever possible, to determine whether the price and terms offered to/by the related parties are fair and reasonable and comparable to those offered to/by other unrelated third parties for the same or substantially similar type of products/services and/or quantities.

In the event that quotation or comparative pricing from unrelated third parties cannot be obtained (for instance, if there are no unrelated third party vendors/customers of similar products/services, or if the product/service is a proprietary item), the Audit and Risk Management Committee, in its review of the RRPT may, as it deems fit and whenever available, request for additional information pertaining to the transactions from independent sources or advisers to ensure that the RRPT are not detrimental to the Group.

To monitor, track and identify RRPT, the following procedures and processes have been implemented and as a standard operating procedure of the Group:

- (i) A register is maintained by the Company to record all RRPT which are entered into pursuant to the Proposed Shareholders' Mandate.
- (ii) The Audit and Risk Management Committee will review RRPT and recommend to the Board for approval. In their review and approval process, the Audit and Risk Management Committee or the Board may, as they deem fit, request for additional information pertaining to the transactions from independent sources or advisers. A Director shall abstain from all deliberations and decision making in respect of all transactions in which he or Persons Connected to him has an interest. A summary of all RRPT will be tabled quarterly to the Audit and Risk Management Committee and the Board for notation.
- (iii) All RRPT will require the approval of senior management and all RRPT with value equal to or more than 0.25% of the percentage ratios in Paragraph 10.02(g) of the Listing Requirements in a single transaction or in aggregation for a year or for the duration of the contract will be reviewed by the Audit and Risk Management Committee and approved by the Board.
- (iv) The annual internal audit plan shall incorporate a review of all RRPT entered into pursuant to the Proposed Shareholders' Mandate to ensure that the relevant review procedures in respect of such transactions are adhered to.
- (v) Periodic review of the existing procedures and processes shall be carried out by the Audit and Risk Management Committee to ensure that they have complied with in accordance with the Proposed Shareholders' Mandate. The Board shall have the overall responsibility for the determination of these review procedures and processes with the authority to sub-delegate to officers within the Group as they deem appropriate.

## 2.6 Audit and Risk Management Committee Statement

The Audit and Risk Management Committee has considered the procedures and processes as stated in Section 2.5 above and is satisfied that the Group has in place adequate procedures and processes to monitor, track and identify RRPT in a timely and orderly manner and that such procedures and processes are reviewed periodically.

The Audit and Risk Management Committee has reviewed the terms of the Proposed Shareholders' Mandate and is satisfied that the said procedures and processes are sufficient to ensure that the RRPT concerned will be carried out at arm's length and on normal commercial terms consistent with the Group's usual business practices and policies and on terms not more favourable to the Related Parties than those generally available to the public and are not to the detriment of the minority shareholders of the Group.

Premised on the fact that all members of the Audit and Risk Management Committee are interested in the RRPT pursuant to the Proposed Shareholders' Mandate, the Audit and Risk Management Committee has abstained from expressing an opinion on the terms of the said transactions and that accordingly, it recommends to the Board that the Proposed Shareholders' Mandate be decided upon by the non-interested shareholders at the forthcoming 22<sup>nd</sup> AGM.

### 3. RATIONALE AND BENEFITS OF THE PROPOSED SHAREHOLDERS' MANDATE

The RRPT pursuant to the Proposed Shareholders' Mandate are all in the ordinary course of business and intended to meet the business needs of the Group on the best possible terms and represent sound business decisions which are taken for legitimate and bona fide business purposes.

The Proposed Shareholders' Mandate is intended to facilitate transactions entered into in the ordinary course of business of the Group with the Related Parties at arm's length and based on the Group's normal commercial terms which are not more favourable to the Related Parties than those generally available to the public and are not detrimental to the minority shareholders of the Company.

The Proposed Shareholders' Mandate will eliminate the need to convene separate general meetings on an ad-hoc basis to seek shareholders' approval as and when RRPT with the specified classes of Related Parties arise. This will reduce substantially the expenses associated with the convening of general meetings, improve administrative efficiency considerably and allow resources to be channelled towards other corporate objectives.

### 4. FINANCIAL EFFECTS OF THE PROPOSED SHAREHOLDERS' MANDATE

The Proposed Shareholders' Mandate will not have any effect on the share capital of the Company and the shareholdings of the Directors and Substantial Shareholders in the Company. It will also be expected not to have any material effect on the EPS and NA of the Group for the financial year ending 31 March 2022.

### 5. APPROVAL REQUIRED

The Proposed Shareholders' Mandate is conditional upon your approval at the forthcoming 22<sup>nd</sup> AGM.

### 6. INTERESTS OF THE DIRECTORS, MAJOR SHAREHOLDERS AND/OR PERSONS CONNECTED TO THEM

As at LPD, the direct and indirect interests of the interested Directors, Major Shareholders and/or Persons Connected with them in Sentoria Shares and Warrants-B are as follows:

#### Interests of the Directors

Directors	Direct		Indirect	
	No. of Sentoria Shares	%	No. of Sentoria Shares	%
Dato' Chan Kong San	-	-	283,700,428*	50.87
Dato' Gan Kim Leong	-	-	301,421,268**	54.05
Datin Sri Lim Mooi Lang	2,000,000	0.36	7,300,000***	1.31
Dato' Hj. Abdul Rahman Bin Hj. Imam Arshad	-	-	-	-
Wong Yoke Nyen	-	-	-	-

Directors	Direct		Indirect	
	No. of Warrants B	%	No. of Warrants B	%
Dato' Chan Kong San	-	-	180,887,134*	87.87#
Dato' Gan Kim Leong	-	-	181,739,094**	88.28#
Datin Sri Lim Mooi Lang	-	-	-	-
Dato' Hj. Abdul Rahman Bin Hj. Imam Arshad	-	-	-	-
Wong Yoke Nyen	-	-	-	-

#### **Interests of the Major Shareholders**

Major Shareholders	Direct		Indirect	
	No. of Sentoria Shares	%	No. of Sentoria Shares	%
Sentoria Capital Sdn Bhd	283,700,428	50.87	-	-
Dato' Chan Kong San	-	-	283,700,428*	50.87
Dato' Gan Kim Leong	-	-	301,421,268**	54.05
State Secretary, Pahang	87,666,024	15.72	-	-

Major Shareholders	Direct		Indirect	
	No. of Warrants B	%	No. of Warrants B	%
Sentoria Capital Sdn Bhd	180,887,134	87.87#	-	-
Dato' Chan Kong San	-	-	180,887,134*	87.87#
Dato' Gan Kim Leong	-	-	181,739,094**	88.28#
State Secretary, Pahang	-	-	-	-

#### **Interests of the Persons Connected**

Persons Connected with Directors/ Major Shareholder	Direct		Indirect	
	No. of Sentoria Shares	%	No. of Sentoria Shares	%
Hou Kok Chung @	7,000,000	1.26	-	-
Hou Ruijia @@	300,000	0.05	-	-
Base Rock Sdn. Bhd.	17,720,840	3.18	-	-

Note:-

\* Deemed interest by virtue of his interests in Sentoria Capital Sdn Bhd pursuant to Section 8 of the Act

\*\* Deemed interest by virtue of his interests in Sentoria Capital Sdn Bhd and Base Rock Sdn Bhd Pursuant to Section 8 of the Act

\*\*\* Deemed Interest by virtue of her interests in shares of spouse and child pursuant to Section 59(11)(c) of the Act

# Based on 205,867,236 outstanding Warrants-B as at LPD

@ Spouse of Datin Sri Lim Mooi Lang

@@ Child of Datin Sri Lim Mooi Lang

All of the Directors and/or Major Shareholders and/or Persons Connected with them are deemed interested in respect of the Proposed Renewed Mandate under Section 2.3(i) of this Circular. Accordingly, all the Directors have abstained and will continue to abstain from Board deliberations and voting on the Proposed Renewed Mandate under Section 2.3(i) of this Circular, in respect of their direct and/or indirect shareholdings in the Company at the forthcoming AGM to be convened. In addition, the interested Major Shareholders namely, Sentoria Capital Sdn Bhd, Dato' Chan Kong San, Dato' Gan Kim Leong and State Secretary, Pahang will abstained from voting on the Proposed Renewed Mandate under Section 2.3(i) of this Circular, in respect of their direct and/or indirect shareholdings in the Company at the forthcoming AGM to be convened.

The interested Director namely, Dato' Gan Kim Leong is deemed interested in the respect of the Proposed New Mandate under Section 2.3(ii) of this Circular. Accordingly, he has abstained and will continue to

abstain from Board deliberations and voting on the Proposed New Mandate under Section 2.3(ii) of this Circular, in respect of his indirect shareholdings in the Company at the forthcoming AGM to be convened.

The above-named Persons Connected with the Directors and Major Shareholders, will abstain from voting on the Proposed Shareholders' Mandate in respect of their direct shareholdings in the Company at the forthcoming AGM. In addition, the interested Directors and Major Shareholders will ensure that the Persons Connected with them will abstain from voting, deliberating and approving the Proposed Shareholders' Mandate in respect of their direct and/or indirect shareholdings in the Company at the forthcoming AGM.

Save as disclosed above, none of the other Directors and/or Major Shareholders and/or Persons Connected with them have any interest, direct or indirect, in the Proposed Shareholders' Mandate.

## **7. DIRECTORS' RECOMMENDATION**

All the Directors have refrained from forming an opinion and making any recommendation in respect of the proposed RRPT under Section 2.3(i) of this Circular.

The Board (save and except for Dato' Gan Kim Leong who has interests in the Proposed New Mandate in respect of RRPT under Section 2.3(ii) of this Circular), having considered the rationale and all relevant aspects of the Proposed Shareholders' Mandate (except for the RRPT under Section 2.3(i) of this Circular), are of the opinion that the Proposed Shareholders' Mandate is fair and reasonable and is in the best interest of the Company and its shareholders, and accordingly recommend that you vote in favour of the resolution pertaining to the Proposed Shareholders' Mandate at the forthcoming 22nd AGM.

## **8. RESOLUTION ON THE PROPOSED SHAREHOLDERS' MANDATE AND AGM**

The ordinary resolution on the Proposed Shareholders' Mandate will be tabled at the forthcoming 22<sup>nd</sup> AGM of the Company to be held and conducted on a fully virtual basis through live streaming via online remote participation and voting provided by V-cube Malaysia Sdn Bhd from the Broadcast Venue at BO1-A-09, Menara 2, KL Eco City, 3, Jalan Bangsar, 59200 Kuala Lumpur, Malaysia, on Wednesday, 8 September 2021 at 10:30 a.m. or at any adjournment thereof. The said resolution is set out in the Notice of AGM which is included in the Company's Annual Report for the financial year ended 31 March 2021.

The Form of Proxy for the forthcoming 22<sup>nd</sup> AGM is enclosed together with the 2021 Annual Report.

If you are unable to attend the AGM, please complete the Form of Proxy which may be made in a hard copy form or by electronic form. In the case of an appointment made in hard copy form, the Form of Proxy must be deposited at Poll Administrator of Sentoria Group Berhad, 54B, Damai Complex, Jalan Lumut, 50400 Kuala Lumpur, Malaysia, and in the case of electronic appointment, the Form of Proxy must be electronically lodged to the Company, by emailing to [investor@sentoria.com.my](mailto:investor@sentoria.com.my) or e-registered at <https://cutt.ly/DQydkYK> not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof. The lodging of the Form of Proxy will not preclude you from participating and voting remotely at the 22<sup>nd</sup> AGM should you subsequently wish to do so.

## **9. FURTHER INFORMATION**

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

Yours faithfully  
For and on behalf of the Board  
**SENTORIA GROUP BERHAD**

**Dato' Hj. Abdul Rahman bin Hj. Imam Arshad**  
Chairman

## **PART B**

### **STATEMENT TO SHAREHOLDERS IN RELATION TO THE PROPOSED RENEWAL OF AUTHORITY FOR THE COMPANY TO PURCHASE ITS OWN SHARES**

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**SENTORIA GROUP BERHAD**  
Registration No. 199801007217 (463344-K)  
(Incorporated in Malaysia)

**Registered Office**

56 & 58 (2nd Floor)  
Jalan Dagang SB 4/2  
Taman Sungai Besi Indah  
43300 Seri Kembangan  
Selangor Darul Ehsan

30 July 2021

**Board of Directors**

Dato' Hj. Abdul Rahman bin Hj. Imam Arshad (*Independent Chairman*)  
Dato' Chan Kong San (*Joint Managing Director*)  
Dato' Gan Kim Leong (*Joint Managing Director*)  
Wong Yoke Nyen (*Senior Independent Director*)  
Datin Sri Lim Mooi Lang (*Independent Director*)

**To: The Shareholders of Sentoria**

Dear Sir/ Madam,

**PROPOSED RENEWAL OF AUTHORITY FOR THE COMPANY TO PURCHASE ITS OWN SHARES**

**1. INTRODUCTION**

At the Company's 21<sup>st</sup> AGM held on 30 September 2020, the Company obtained your approval for the authority to purchase its own shares of an amount which shall not exceed 10% of its total number of issued shares of the Company at the time of purchase. This authority will expire at the conclusion of the Company's forthcoming 22<sup>nd</sup> AGM.

The Company had on 31 May 2021, announced that it intends to seek your approval to renew the authority for the Proposed Share Buy-Back at the forthcoming 22<sup>nd</sup> AGM.

The purpose of this Statement is to provide you with the relevant information on the Proposed Share Buy-Back and to set out the Board's recommendation thereon. The Company will be seeking your approval for the ordinary resolution pertaining to the Proposed Share Buy-Back to be tabled at the forthcoming 22<sup>nd</sup> AGM.

**YOU ARE ADVISED TO READ AND CONSIDER CAREFULLY THE CONTENTS OF THIS STATEMENT BEFORE VOTING ON THE ORDINARY RESOLUTION PERTAINING TO THE PROPOSED SHARE BUY-BACK AT THE FORTHCOMING 22<sup>nd</sup> AGM.**



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

2.1 The Company is proposing to seek your approval for the renewal of the authority for it to purchase its own shares of an amount, which, when aggregated with the existing treasury shares, shall not exceed 10% of its prevailing total number of issued shares of the Company at the time of purchase within the time period as set out in Section 2.2 below. Such purchase is subject to compliance with Section 127 of the Act and any prevailing laws, rules and regulations, and guidelines issued by the relevant authorities at time of purchase.

2.2 Your authority, if renewed, shall be effective immediately upon the passing of the ordinary resolution relating to the Proposed Share Buy-Back at the forthcoming 22<sup>nd</sup> AGM until:

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

whichever occurs first.

2.3 For illustrative purposes, based on the Company's number of shares in issue, number of treasury shares held, and number of outstanding Warrants-B as at the LPD of 567,277,991 Sentoria Shares, 9,596,900 treasury shares and 205,867,236 Warrants-B respectively, and public shareholding spread of approximately 28.56%, the maximum number of Sentoria Shares that can be purchased pursuant to the Proposed Share Buy-Back is 26,494,064 Sentoria Shares (assuming no Warrants-B are exercised) and no Sentoria Shares can be purchased if all Warrants B are exercised as it would breach the shareholding spread as at the LPD. This is due to the fact that as of the LPD, 180,887,134 or 87.87% of the total outstanding Warrants B was beneficially owned by Sentoria Capital Sdn. Bhd., a substantial shareholder of the Company.

### **2.4 Source of funds**

The Proposed Share Buy-Back will allow the Board to exercise its power to purchase Sentoria Shares at any time during the time period stipulated in Section 2.2 above, using the Group's internally generated funds and/or external borrowings. The actual number of Sentoria Shares that may be purchased is subject to compliance with the 25% public shareholding spread as required by Paragraph 8.02(1) of the Listing Requirements and the availability of funds, cost factors, and market conditions and sentiment.

In addition, the maximum funds to be allocated for the purchase of Sentoria Shares pursuant to the Proposed Share Buy-Back will also be subject to the amount of the Company's retained earnings. Based on the Group's latest audited financial statements for the financial year ended 31 March 2021, the retained earnings was RM4.3 million at the Company level.

In the event the Proposed Share Buy-Back is to be funded using external borrowings, the Board will ensure that there are sufficient funds to repay such borrowings and that the repayment will not have any material effect on the cash flow of the Group.

### **2.5 Treatment of Purchased Shares**

Pursuant to Section 127 of the Act, the Board may, at its discretion, deal with the Purchased Shares in the following manner:

- (i) cancel the Purchased Shares; or
- (ii) retain the Purchased Shares as treasury shares for:-
  - (a) distribution as share dividends to the shareholders of the Company;
  - (b) resell on Bursa Securities in accordance with the relevant rules of Bursa Securities;
  - (c) transfer for the purposes of or under an employees' share scheme;
  - (d) transfer as purchase consideration;
  - (e) cancellation subsequently;
  - (f) sell, transfer or otherwise use for such other purposes as the Minister may by order prescribe; or
- (iii) retain part of the Purchased Shares as treasury shares and cancel the remainder; or
- (iv) in any other manner as may be prescribed by all applicable laws and/or regulations and guidelines applied from time to time by Bursa Securities and/or any other relevant authority for the time being in force;

and that the authority to deal with the Purchased Shares shall continue to be valid until all the Purchased Shares have been dealt with by the Board.

If the Company decides to cancel the Purchased Shares, it is required to make an immediate announcement on the day the cancellation is made providing the number of shares cancelled, the date of cancellation and the outstanding issued share capital of the Company after the cancellation. In the event the Company retains the Purchased Shares as treasury shares, the said shares may be dealt with in accordance with Section 127(7) of the Act.

In the event that the Company ceases to hold all or part of the Purchased Shares as a result of the above, the Company may further purchase such additional Sentoria Shares provided that the total Purchased Shares (including those Purchased Shares held as treasury shares then) does not exceed 10% of the total number of issued shares of the Company at the time of purchase.

The rights attached to Purchased Shares held as treasury shares in relation to voting, dividends and participation in any other distributions or otherwise, are suspended and the treasury shares shall not be taken into account in calculating the number or percentage of shares, or of a class of shares in the Company for any purpose including the determination of substantial shareholdings, take-overs, notices, the requisitioning of meetings, the quorum for meetings and the result of a vote on a resolution at meetings.

## 2.6 Pricing

Pursuant to the Listing Requirements, the Company:

- (i) may only purchase its own shares on Bursa Securities at a price which is not more than 15% above the volume weighted average market price [“VWAP”] of Sentoria Shares for the five (5) Market Days immediately prior to the date of purchase. An immediate announcement will be made to Bursa Securities of any purchase of its own shares on the day of purchase; and
- (ii) may only resell the treasury shares or transfer the treasury shares pursuant to Section 127(7) of the Act at :
  - (a) a price which is not less than the VWAP of Sentoria Shares for the five (5) Market Days immediately before the date of resale or transfer; or
  - (b) a discounted price of not more than 5% to the VWAP of Sentoria Shares for the five (5) Market Days immediately prior to the resale or transfer provided that:
    - the resale or transfer takes place not earlier than thirty (30) days from the date of purchase; and
    - the resale or transfer price is not less than the cost of purchase of the Sentoria Shares being resold or transferred.

- 2.7 As at the LPD, there are 9,596,900 shares held as treasury shares. The Company has not undertaken any share buy-back and there were no resale or transfer or cancellation of treasury shares during the financial year ended 31 March 2021 and up to the LPD.

## 3. RATIONALE FOR THE PROPOSED SHARE BUY-BACK

The Proposed Share Buy-Back, if implemented, will provide the Group with an additional option to utilise its financial resources more efficiently by purchasing Sentoria Shares from the open market to help stabilise the supply and demand of Sentoria Shares traded on the Main Market of Bursa Securities and thereby supporting its fundamental value.

## 4. POTENTIAL ADVANTAGES AND DISADVANTAGES

The potential advantages of the Proposed Share Buy-Back to the Company and its shareholders are set out below:

- (i) The Proposed Share Buy-Back, if implemented, may help to stabilise the supply and demand of Sentoria Shares traded on the Main Market of Bursa Securities and thereby supports its fundamental value.
- (ii) The Board may also choose to retain the Purchased Shares as treasury shares, and subsequently distribute them as share dividends to the shareholders of the Company or apply them in the manner as set out in Section 2.5(ii) or cancel them, subject to all applicable laws and/or regulations and guidelines issued from time to time by Bursa Securities and/or any other relevant authority.

- (iii) The Company may have the opportunity to realise potential capital gains if the Purchased Shares are resold at prices higher than their purchase prices without affecting the total issued share capital of the Company and such proceeds may be subsequently used for investment opportunities in the future or as working capital and/or distributed as dividends to the shareholders of the Company.

The potential disadvantages of the Proposed Share Buy-Back to the Company and its shareholders are set out below:

- (i) The Proposed Share Buy-Back, if implemented, will reduce the amount of financial resources of the Group available for distribution to the Company's shareholders and may also result in the Group foregoing other investment opportunities that may emerge in the future. It may also deprive the Group of interest income that can be derived from the funds utilised for the Purchased Shares. However, such decrease in the Group's financial resources may be temporary since the Purchased Shares may be resold.
- (ii) In addition, the Group's cashflow will also be affected as any purchase of Sentoria Shares will reduce the Group's cashflow depending on the actual number of Sentoria Shares purchased and the purchase prices.

The Board does not expect the Proposed Share Buy-Back to have any material disadvantages to the Company and its shareholders as it will be implemented only after due consideration of the financial resources of the Group and of the resultant impact on the Company and its shareholders. The Board in exercising any decision to purchase any Sentoria Shares, will be mindful of the interests of the Company and its shareholders.

## 5. EFFECTS OF THE PROPOSED SHARE BUY-BACK

### 5.1 Share capital

The proforma effects of the Proposed Share Buy-Back if implemented in full on the total number of Sentoria Shares in issue are as follows:

#### Scenario I - Assuming no Warrants-B are exercised and the treasury shares as at the LPD and all Purchased Shares are cancelled

	<b>No. of Sentoria Shares</b>
Sentoria Shares in issue as at the LPD	567,277,991
Treasury shares as at the LPD	(9,596,900)
	<u>557,681,091</u>
Maximum number of Sentoria Shares which may be purchased pursuant to the Proposed Share Buy-Back*	(55,768,109)
Sentoria Shares in issue upon completion of Proposed Share Buy-Back	<u><u>501,912,982</u></u>

#### Scenario II - Assuming only all Warrants-B are exercised prior to the implementation of the Proposed Share Buy-Back and the treasury shares as at the LPD and all Purchased Shares are cancelled

	<b>No. of Sentoria Shares</b>
Sentoria Shares in issue as at the LPD	567,277,991
Exercise of Warrants-B	205,867,236
	<u>773,145,227</u>
Treasury shares as at the LPD	(9,596,900)
	<u>763,548,327</u>
Maximum number of Sentoria Shares which may be purchased pursuant to the Proposed Share Buy-Back*	(76,354,832)
Sentoria Shares in issue upon completion of Proposed Share Buy-Back	<u><u>687,193,495</u></u>

- \* *As mentioned in Section 2.3, the maximum number of Sentoria Shares that can be purchased pursuant to the Proposed Share Buy-Back based on the total number of shares in issue, number of treasury shares held, and number of outstanding Warrants-B, and public shareholding spread as of the LPD is 26,494,064 Sentoria Shares (assuming no Warrants-B exercised) and no Sentoria Shares can be purchased if all Warrants B are exercised as it would breach the shareholding spread as at the LPD. This is due to the fact that as of the LPD, 180,887,134 or 87.87% of the total outstanding Warrants B was beneficially owned by Sentoria Capital Sdn. Bhd., a substantial shareholder of the Company.*

*The above scenarios are prepared for illustrative purposes and are based on the assumption that the maximum number of Sentoria Shares purchased will not breach Paragraph 12.14 of the Listing Requirements.*

If the Purchased Shares are retained as treasury shares, the Proposed Share Buy-Back will not have any effect on the total shares in issue of Sentoria.

## 5.2 EPS

The effect of Proposed Share Buy-Back on the EPS of the Group will depend on the actual number of and prices paid for the Purchased Shares, the effective funding cost to Group to finance the purchase of the Purchased Shares and/or any loss in interest income to the Group. The reduced issued and paid-up share subsequent to the Proposed Share Buy-Back will generally have a positive impact, ceteris paribus, on the Group's EPS.

## 5.3 NA

If the Purchased Shares are retained as treasury shares, the net assets of the Group would decrease by the purchase cost of the treasury shares as treasury shares are required to be carried at cost and deducted from equity. If the treasury shares are subsequently cancelled or distributed as share dividends, there will be no additional effect on the Group's net assets.

The audited NA of the Group for the financial year ended 31 March 2021 was RM270.6 million or 48.5 sen per Sentoria Share.

## 5.4 Working Capital

The implementation of the Proposed Share Buy-Back will reduce the working capital of the Group, the quantum of which would depend on, amongst others, the number and the purchase prices of the Purchased Shares.

The resale of Sentoria Shares purchased which are retained as treasury shares will increase the Group's, working capital. The quantum of this increase will depend on the actual selling prices of the treasury shares and the number of treasury shares resold.

## 5.5 Gearing

The utilisation of external borrowings to implement the Proposed Share Buy-Back will increase the gearing of the Group.

## 5.6 Dividends

The Proposed Share Buy-Back is not expected to have a material impact on the ability of the Board in recommending future dividends. In addition, the Board will also have the option of distributing the Purchased Shares as share dividends to the shareholders of the Company.

## 5.7 Directors' and Major Shareholders' Shareholdings

Assuming that the Proposed Share Buy-Back is implemented in full based on the maximum number of Purchased Shares as detailed in Section 5.1 above and the said purchases are from shareholders other than the Major Shareholders of Sentoria, the effects of such purchases on the shareholdings of the Directors and Major Shareholders of the Company (based on the Company's Register of Directors' Shareholdings and Register of Substantial Shareholders respectively) are as follows:

Scenario I - Assuming no Warrants-B are exercised and the treasury shares as at the LPD and all Purchased Shares are cancelled

	As at the LPD			After Proposed Share Buy-Back		
	Direct		Indirect	Direct		Indirect
	No. of Sentoria Shares	%		No. of Sentoria Shares	%	
<b>Directors who are also Major Shareholders:</b>						
Dato' Chan Kong San	-	-	283,700,428*	-	-	283,700,428*
Dato' Gan Kim Leong	-	-	301,421,268**	-	-	301,421,268**
<b>Directors who are not Major Shareholders:</b>						
Wong Yoke Nyen	-	-	-	-	-	-
Dato' Hj. Abdul Rahman bin Hj. Imam Arshad	-	-	-	-	-	-
Datin Sri Lim Mooi Lang	2,000,000	0.4	7,300,000***	2,000,000	0.4	7,300,000***
<b>Major Shareholders:</b>						
Sentoria Capital Sdn Bhd	283,700,428	50.9	-	283,700,428	56.5#	-
State Secretary, Pahang	87,666,024	15.7	-	87,666,024	17.5#	-

\* Deemed interest by virtue of his interests in Sentoria Capital Sdn Bhd pursuant to Section 8 of the Act  
 \*\* Deemed interest by virtue of his interests in Sentoria Capital Sdn Bhd and Base Rock Sdn Bhd Pursuant to Section 8 of the Act  
 \*\*\* Deemed interest by virtue of her interests in shares of spouse and child pursuant to Section 59(1)(c) of the Act  
 # The above table is prepared for illustrative purposes only as the purchase of the maximum number of Sentoria Shares (as set out in Section 5.1 above) will breach the 25% public shareholding spread as stipulated in Paragraph 8.02(1) of the Listing Requirements. The Board in implementing the Proposed Share Buy-Back will ensure that the 25% public shareholding spread is not breached at all times (see also Section 6).

Scenario II - Assuming only all Warrants-B are exercised prior to the implementation of the Proposed Share Buy-Back and the treasury shares as at the LPD and all Purchased Shares are cancelled

	As at the LPD				(1) After exercise of all outstanding Warrants-B				After (I) and Proposed Share Buy-Back			
	Direct		Indirect		Direct		Indirect		Direct		Indirect	
	No. of Sentoria Shares	%	No. of Sentoria Shares	%	No. of Sentoria Shares	%	No. of Sentoria Shares	%	No. of Sentoria Shares	%	No. of Sentoria Shares	%
<b>Directors and Major Shareholders</b>												
<b>Directors who are also Major Shareholders:</b>												
Dato' Chan Kong San	-	-	283,700,428*	50.9	-	-	464,587,562*	60.1	-	-	464,587,562*	67.6#
Dato' Gan Kim Leong	-	-	301,421,268**	54.1	-	-	483,160,362**	62.5	-	-	483,160,362**	70.3#
<b>Directors who are not Major Shareholders:</b>												
Wong Yoke Nyen	-	-	-	-	-	-	-	-	-	-	-	-
Dato' Hj. Abdul Rahman Bin Hj. Imam Arshad	-	-	-	-	-	-	-	-	-	-	-	-
Datin Sri Lim Mooi Lang	2,000,000	0.4	7,300,000***	1.3	2,000,000	0.3	7,300,000***	0.9	2,000,000	0.3	7,300,000***	1.1
<b>Major Shareholders:</b>												
Sentoria Capital Sdn Bhd	283,700,428	50.9	-	-	464,587,562	60.1	-	-	464,587,562	67.6#	-	-
State Secretary, Pahang	87,666,024	15.7	-	-	87,666,024	11.3	-	-	87,666,024	12.8#	-	-

\* Deemed interest by virtue of his interests in Sentoria Capital Sdn Bhd pursuant to Section 8 of the Act

\*\* Deemed interest by virtue of his interests in Sentoria Capital Sdn Bhd and Base Rock Sdn Bhd Pursuant to Section 8 of the Act

\*\*\* Deemed Interest by virtue of her interests in shares of spouse and child pursuant to Section 59(1)(c) of the Act

# The above table is prepared for illustrative purposes only as the purchase of the maximum number of Sentoria Shares (as set out in Section 5.1 above) will breach the 25% public shareholding spread as stipulated in Paragraph 8.02(1) of the Listing Requirements. The Board in implementing the Proposed Share Buy-Back will ensure that the 25% public shareholding spread is not breached at all times (see also Section 6)

**6. PUBLIC SHAREHOLDING SPREAD**

The Proposed Share Buy-Back will be carried out in accordance with the prevailing laws at the point of purchase including compliance with the 25% public shareholding spread as required by Paragraph 8.02(1) of the Listing Requirements.

As at the LPD, Sentoria's public shareholding spread was approximately 28.56%. The Board shall endeavour to ensure that the implementation of the Proposed Share Buy-Back will not breach Paragraph 12.14 of the Listing Requirements, which states that a listed issuer must not purchase its own shares on Bursa Securities if the purchase(s) will result in the listed issuer being in breach of the public shareholding spread requirements as set out in Paragraph 8.02(1) of the Listing Requirements.

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

Save for the proportionate increase in the percentage shareholding and/or voting rights of the shareholders of the Company as a consequence of the implementation of the Proposed Share Buy-Back, none of the Directors, Major Shareholders of Sentoria and/or Persons Connected to them has any interest, direct or indirect, in the Proposed Share Buy-Back or resale of treasury shares, if any, in the future.

**8. IMPLICATION OF THE MALAYSIAN CODE ON TAKE-OVERS AND MERGERS, 2016 ("the CODE")**

As it is not intended for the Proposed Share Buy-Back to trigger the obligation to undertake a mandatory offer under the Code by any of the Directors and/or the Company's Substantial Shareholders and/or parties acting in concert with them, the Board shall endeavour to carry out the Proposed Share Buy-Back in such a manner that it does not trigger any mandatory offer obligation under the Code for the Directors and/or the Company's Substantial Shareholders.

**9. APPROVAL REQUIRED**

The Proposed Share Buy-Back is conditional upon your approval at the forthcoming 22<sup>nd</sup> AGM.

**10. DIRECTORS' RECOMMENDATION**

The Board after having considered all aspects of the Proposed Share Buy-Back, is of the opinion that the Proposed Share Buy-Back is in the best interest of the Company and accordingly, it recommends that you vote in favour of the resolution pertaining to the Proposed Share Buy-Back to be tabled at the forthcoming 22<sup>nd</sup> AGM.

**11. RESOLUTION ON THE PROPOSED SHARE BUY-BACK AND AGM**

The ordinary resolution on the Proposed Share Buy-Back will be tabled at the forthcoming 22<sup>nd</sup> AGM of the Company to be held and conducted on a fully virtual basis through live streaming via online remote participation and voting provided by V-cube Malaysia Sdn Bhd from the Broadcast Venue at BO1-A-09, Menara 2, KL Eco City, 3, Jalan Bangsar, 59200 Kuala Lumpur, Malaysia, on Wednesday, 8 September 2021 at 10:30 a.m. or at any adjournment thereof. The said resolution is set out in the Notice of AGM which is included in the Company's Annual Report for the financial year ended 31 March 2021.

The Form of Proxy for the forthcoming 22<sup>nd</sup> AGM is enclosed together with the 2021 Annual Report.

If you are unable to attend the AGM, please complete the Form of Proxy which may be made in a hard copy form or by electronic form. In the case of an appointment made in hard copy form, the Form of Proxy must be deposited at Poll Administrator of Sentoria Group Berhad, 54B, Damai Complex, Jalan Lumut, 50400 Kuala Lumpur, Malaysia, and in the case of electronic appointment, the Form of Proxy must be electronically lodged to the Company, by emailing to [investor@sentoria.com.my](mailto:investor@sentoria.com.my) or e-registered at <https://cutt.ly/DQydkYK> not less than 48 hours before the time appointed for holding the meeting or any

adjournment thereof. The lodging of the Form of Proxy will not preclude you from participating and voting remotely at the 22<sup>nd</sup> AGM should you subsequently wish to do so.

## **12. FURTHER INFORMATION**

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

Yours faithfully,  
For and on behalf of the Board  
**SENTORIA GROUP BERHAD**

**Dato' Hj. Abdul Rahman bin Hj. Imam Arshad**  
Chairman



## **APPENDIX I - FURTHER INFORMATION**

### **1. DIRECTORS' RESPONSIBILITY STATEMENT**

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

### **2. MATERIAL CONTRACTS**

The Company and its subsidiary companies have not entered into any material contracts (including contracts not reduced into writing), not being contracts entered into in the ordinary course of business, during the past two (2) years immediately preceding the LPD of this Circular.

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

As at the LPD, neither the Company nor its subsidiary companies are engaged in any material litigation, claims and/or arbitration, either as plaintiff or defendant, which has a material effect on the financial position or business of the Group and the Board has no knowledge of any proceedings pending or threatened against the Group or of any facts likely to give rise to any proceedings which might materially and adversely affect the financial position or business of the Group.

### **4. MATERIAL COMMITMENTS AND CONTINGENT LIABILITIES**

#### **4.1 Material Commitments**

As at the LPD, the Board is not aware of any material commitments incurred or known to be incurred by the Group, which may have a material impact on the results or financial positions of the Group.

#### **4.2 Contingent Liabilities**

As at the LPD, the Board is not aware of any contingent liabilities incurred or known to be incurred by the Group, which upon becoming enforceable may have a material impact on the financial results or position of the Group.

### **5. DOCUMENTS AVAILABLE FOR INSPECTION**

Copies of the following documents are available for inspection at the Registered Office of the Company at 56 & 58 (2nd Floor), Jalan Dagang SB 4/2, Taman Sungai Besi Indah, 43300 Seri Kembangan, Selangor Darul Ehsan, during normal office hours on any working day from the date of this document up to and including the date of the 22<sup>nd</sup> AGM:

- (a) Constitution of the Company; and
- (b) Audited financial statements of Sentoria Group for the financial period from 1 October 2018 to 31 March 2020 and financial year ended 31 March 2021.

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