

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

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

Pursuant to the provisions of Practice Note 18 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") on the perusal of draft circulars and other documents, Bursa Securities has not perused this Statement/Circular prior to its issuance, as it is an Exempt Circular. Bursa Securities takes no responsibility for the contents of this Statement/Circular, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the content of this Statement/Circular.



**CAN-ONE BERHAD**

Registration No. 200401000396 (638899-K)  
(Incorporated in Malaysia)

**PART A**

**SHARE BUY-BACK STATEMENT IN RELATION TO THE  
PROPOSED RENEWAL OF AUTHORITY FOR THE COMPANY  
TO PURCHASE ITS OWN SHARES**

**PART B**

**CIRCULAR TO SHAREHOLDERS IN RELATION TO THE  
PROPOSED RENEWAL OF MANDATE FOR RECURRENT  
RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE**

The above proposals will be tabled as Special Business at the Twentieth Annual General Meeting ("AGM") of Can-One Berhad ("Can-One" or "the Company") which will be conducted virtually and live-streamed from the Broadcast Venue. The Notice of the Twentieth AGM of the Company, Proxy Form and Administrative Details for the Twentieth AGM are made available together with the Company's Annual Report 2023 at <https://canone.com.my/agm2024>.

The Proxy Form must be deposited with/received by our Administration and Polling Agent, KPMG Management & Risk Consulting Sdn. Bhd. at Concourse, KPMG Tower, No. 8, First Avenue, Bandar Utama, 47800 Petaling Jaya, Selangor Darul Ehsan, Malaysia. Alternatively, the Proxy Form may be electronically lodged via ConveneAGM Meeting Platform at <https://conveneagm.my/canoneagm2024>. Please refer to the Administrative Details for the Twentieth AGM for further information on electronic submission. All Proxy Forms must be deposited not less than forty-eight (48) hours before the time appointed for holding the Twentieth AGM of the Company or any adjournment thereof. The lodging of the Proxy Form will not preclude you from attending, asking questions and voting remotely at the said AGM using remote participation and voting facilities, should you subsequently wish to do so.

Last day and time for lodging the Proxy Form	:	Monday, 24 June 2024 at 10.00 a.m.
Day and time of the Twentieth AGM of the Company	:	Wednesday, 26 June 2024 at 10.00 a.m.
Broadcast Venue of the Twentieth AGM of the Company	:	Conference Room Lot 6, Jalan Perusahaan Satu 68100 Batu Caves Selangor Darul Ehsan Malaysia

## **DEFINITIONS**

---

In this Statement/Circular, unless otherwise stated, the following abbreviations shall have the following meanings:

Act	:	Companies Act, 2016, as amended from time to time and any re-enactment thereof
AGM	:	Annual General Meeting
AGB	:	Alcom Group Berhad [Registration No. 201701047083 (1261259-V)]
AGB Group	:	AGB and its subsidiaries
AGB Share(s)	:	Ordinary shares(s) in AGB
Aik Joo	:	Aik Joo Can Factory Sdn Berhad [Registration No. 195701000202 (003106-A)], a wholly-owned subsidiary of Can-One
AJCan	:	AJCan Sdn Bhd [Registration No. 198301001399 (096632-P)], a wholly-owned subsidiary of Can-One
ALCOM	:	Aluminium Company of Malaysia Berhad [Registration No. 196001000186 (3859-U)], a wholly-owned subsidiary of AGB
Annual Report 2023	:	Annual Report of Can-One issued for the financial year ended 31 December 2023
ARMC	:	Audit and Risk Management Committee
Board	:	The Board of Directors of Can-One
Box-Pak	:	Box-Pak (Malaysia) Bhd [Registration No. 197401004216 (21338-W)], a subsidiary of Kian Joo
Box-Pak Group	:	Box-Pak and its subsidiaries
Box-Pak Share(s)	:	Ordinary share(s) in Box-Pak
Bursa Securities	:	Bursa Malaysia Securities Berhad [Registration No. 200301033577 (635998-W)]
Can-One or the Company	:	Can-One Berhad [Registration No. 200401000396 (638899-K)]
Can-One Group or the Group	:	Can-One and its subsidiaries excluding Box-Pak Group
Can-One International	:	Can-One International Sdn Bhd [Registration No. 200601010179 (729929-K)], a wholly-owned subsidiary of Can-One
Can-One Share(s) or Shares(s)	:	Ordinary share(s) in Can-One
Can-One (USA)	:	Can-One (USA), Inc., a wholly-owned subsidiary of Can-One held via Kian Joo Cans Distribution Sdn Bhd [Registration No. 198701005633 (164304-T)]
Canzo	:	Canzo Sdn Bhd [Registration No. 200301028408 (630828-H)], a wholly-owned subsidiary of Can-One
CMSA	:	Capital Markets and Services Act, 2007
Code	:	Malaysian Code on Take-Overs and Mergers 2016
Director(s)	:	Shall have the meaning given in Section 2(1) of the CMSA and for the purpose of the Proposed Renewal of Mandate, includes any person who is or was within the preceding six (6) months of the date on which the terms of the transaction were agreed upon, a director or a chief executive officer of Can-One or its subsidiary or holding company, in accordance with the definition in Chapter 10 of the Listing Requirements

## **DEFINITIONS (CONT'D)**

---

Eller Axis	:	Eller Axis Sdn Bhd [Registration No. 200001003247 (505852-K)], a Substantial Shareholder, a Major Shareholder and the holding company of Can-One
EPS	:	Earnings per Share
Hinoki Beverages	:	Hinoki Beverages Sdn Bhd [Registration No. 201201044752 (1029229-A)], a wholly-owned subsidiary of Can-One held via Amber Alliance Sdn Bhd [Registration No. 200501026417 (708551-V)]
Kian Joo	:	Kian Joo Can Factory Berhad [Registration No. 195801000045 (003186-P)], a company in which Can-One and Can-One International have a combined equity interest of 100%
Kian Joo Group	:	Kian Joo and its subsidiaries excluding Box-Pak Group
Kian Joo Share(s)	:	Ordinary share(s) in Kian Joo
Listing Requirements	:	Main Market Listing Requirements of Bursa Securities
LPD	:	29 March 2024, being the latest practicable date prior to the printing of this Circular
Major Shareholder	:	<p>A person who has an interest or interests in one (1) or more voting shares in a corporation and the number or aggregate number of those shares, is –</p> <p>(a) ten per centum (10%) or more of the total number of voting shares in the corporation; or</p> <p>(b) five per centum (5%) or more of the total number of voting shares in the corporation where such person is the largest shareholder of the corporation.</p> <p>For the purpose of this definition, “interest in shares” has the meaning given in Section 8 of the Act</p>
Major Shareholder	:	For the purpose of the Proposed Renewal of Mandate, a Major Shareholder (as defined above) includes any person who is or was within the preceding six (6) months of the date on which the terms of the transaction were agreed upon, a Major Shareholder of the Company or any other corporation which is its subsidiary or holding company, in accordance with the definition in Chapter 10 of the Listing Requirements
NA	:	Net assets
Person(s) Connected	:	Shall have the same meaning given in Paragraph 1.01, Chapter 1 of the Listing Requirements
Proposed Renewal of Authority	:	Proposed renewal of existing authority for Proposed Share Buy-Back obtained on 28 June 2023 from shareholders of the Company
Proposed Renewal of Mandate	:	Proposed renewal of existing mandate for RRPTs obtained from shareholders of the Company on 28 June 2023 as set out in Section 2.4 of Part B of this Circular
Proposed Share Buy-Back	:	The proposal to enable Can-One to purchase or hold in aggregate such number of its ordinary shares representing not more than ten per centum (10%) of the total number of issued shares of Can-One
PT. Corum	:	PT. Corum (00053/2/PPM/PMA/2011), a wholly-owned subsidiary of Can-One held via Newmarq Sdn Bhd [Registration No. 200001001091 (503696-U)]
Purchased Shares	:	Shares purchased pursuant to the Proposed Share Buy-Back

## **DEFINITIONS (CONT'D)**

---

Related Party	:	A Director, Major Shareholder or Person Connected with such Director or Major Shareholder
RM and Sen	:	Ringgit Malaysia and Sen respectively
RRPTs	:	Transactions entered into or proposed to be entered into by the Group which involve the interest, direct or indirect, of the Related Parties and which are recurrent, of a revenue or trading nature and which are necessary for day-to-day operations of Can-One Group and are in the ordinary course of business of Can-One as specified in Section 2.4 of Part B of this Circular
Rules	:	Rules on Take-Overs, Mergers and Compulsory Acquisitions 2016
SC	:	Securities Commission Malaysia
Substantial Shareholder	:	A person who has an interest or interests in one (1) or more voting shares in Can-One and the number or the aggregate number of such shares, is not less than five per centum (5%) of the aggregate of the total number of all the voting shares in Can-One
Transacting Party	:	A party with which the Company or any of its subsidiaries has entered or may or intend to enter into a RRPT under the Proposed Renewal of Mandate
TSB	:	Towerpack Sdn Bhd [Registration No. 201201044863 (1029340-K)]

Unless otherwise stated, the information set out above in relation to the Major Shareholders, Directors and Persons Connected is as at LPD.

Words denoting the singular shall include the plural and vice versa, and words denoting the masculine gender shall, where applicable, include the feminine and/or neuter genders, and vice versa. References to person shall include corporation and vice versa.

Any reference to any enactment in this Circular is a reference to that enactment as for the time being amended or re-enacted.

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

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

## TABLE OF CONTENTS

<b>PART A :</b>	<b>PAGE</b>
<b>SHARE BUY-BACK STATEMENT IN RELATION TO THE PROPOSED RENEWAL OF AUTHORITY FOR THE COMPANY TO PURCHASE ITS OWN SHARES</b>	
1. INTRODUCTION.....	6
2. DETAILS OF THE PROPOSED SHARE BUY-BACK.....	6
3. ADVANTAGES/RATIONALE FOR THE PROPOSED SHARE BUY-BACK .....	8
4. POTENTIAL DISADVANTAGES OF THE PROPOSED SHARE BUY-BACK .....	8
5. EFFECTS OF THE PROPOSED SHARE BUY-BACK .....	9
6. PUBLIC SHAREHOLDING SPREAD .....	12
7. IMPLICATION OF THE PROPOSED SHARE BUY-BACK IN RELATION TO THE CODE .....	12
8. PURCHASE, RESALE, TRANSFER AND CANCELLATION OF PURCHASED SHARES MADE IN THE PREVIOUS TWELVE (12) MONTHS .....	12
9. APPROVAL REQUIRED .....	12
10. INTEREST OF DIRECTORS, MAJOR SHAREHOLDERS AND/OR PERSONS CONNECTED WITH THEM .....	12
11. BOARD'S RECOMMENDATION .....	12
12. TWENTIETH AGM OF THE COMPANY .....	12
<b>PART B :</b>	
<b>CIRCULAR TO SHAREHOLDERS IN RELATION TO THE PROPOSED RENEWAL OF MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE</b>	
<b>LETTER TO SHAREHOLDERS OF CAN-ONE CONTAINING:</b>	
1. INTRODUCTION .....	15
2. BACKGROUND INFORMATION IN RESPECT OF THE PROPOSED RENEWAL OF MANDATE.....	16
3. RATIONALE FOR THE PROPOSED RENEWAL OF MANDATE.....	23
4. EFFECTS OF THE PROPOSED RENEWAL OF MANDATE.....	23
5. APPROVAL REQUIRED.....	23
6. INTEREST OF DIRECTORS, MAJOR SHAREHOLDERS AND/OR PERSONS CONNECTED WITH THEM.....	23
7. BOARD'S RECOMMENDATION.....	24
8. TWENTIETH AGM OF THE COMPANY .....	25
9. FURTHER INFORMATION .....	25
<b>APPENDIX</b>	
APPENDIX A FURTHER INFORMATION .....	26

**PART A**

**SHARE BUY-BACK STATEMENT IN RELATION TO THE PROPOSED RENEWAL  
OF AUTHORITY FOR THE COMPANY TO PURCHASE ITS OWN SHARES**

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

---

### **1. INTRODUCTION**

The shareholders of the Company had on 28 June 2023 approved, inter-alia, the renewal of authority for the Company to purchase such number of Shares of up to ten per centum (10%) of the prevailing total number of issued shares of the Company.

In accordance with the Listing Requirements, the said authority will expire at the conclusion of the forthcoming Twentieth AGM of the Company unless authority for its renewal is obtained from shareholders of the Company.

Accordingly, on 3 April 2024, the Company announced to Bursa Securities that it intends to seek shareholders' approval for the Proposed Renewal of Authority at the forthcoming Twentieth AGM of the Company.

The purpose of this Statement is to provide you with the relevant information on the Proposed Share Buy-Back and to seek your approval for the ordinary resolution on the Proposed Renewal of Authority which will be tabled at the forthcoming Twentieth AGM of the Company to be conducted virtually and live-streamed from the broadcast venue at the Conference Room, Lot 6, Jalan Perusahaan Satu, 68100 Batu Caves, Selangor Darul Ehsan, Malaysia on Wednesday, 26 June 2024 at 10.00 a.m.

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

The Board proposes to seek from the shareholders of the Company a renewal of authority for the Company to purchase from time to time and at any time, in aggregate such number of Shares representing not more than ten per centum (10%) of the total number of issued shares of the Company as at the time of the purchase, on Bursa Securities through stockbrokers to be appointed by the Company at a later date. Arising from the migration to the no par value regime under the Act, par value is no longer relevant. Pursuant to Section 74 of the Act, as at LPD, the total number of issued shares of the Company is 192,153,000. Hence, the maximum number of Shares which may be purchased by the Company will be 19,215,300 Shares.

The Proposed Share Buy-Back is subject to compliance with the Act and any prevailing laws, rules, regulations, orders, guidelines and requirements issued by the relevant authorities at the time of the purchase including compliance with the public shareholding spread as required by the Listing Requirements.

The authority from shareholders for the Proposed Share Buy-Back, if renewed, will be effective immediately upon the passing of the ordinary resolution to be tabled at the forthcoming Twentieth AGM of the Company and will continue to be in force until:

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

whichever occurs first.

The Proposed Renewal of Authority does not impose an obligation on the Company to purchase its own Shares but rather, it will allow the Board to exercise the power of the Company to purchase its own Shares at any time within the abovementioned time period.

The actual number of Shares to be purchased, the total amount of funds involved for each purchase and the funding of the purchase will depend on, *inter alia*, the market conditions and sentiments of the stock market as well as the availability of retained profits and financial resources available to the Company.

## **2.1 Status and Treatment of Purchased Shares**

Pursuant to the provisions of Section 127(7) of the Act, the Board may deal with the Purchased Shares in the following manner:

- (a) cancel the Shares so purchased; or
- (b) retain the Shares so purchased as treasury shares; or
- (c) retain part of the Shares so purchased as treasury shares and cancel the remainder; or
- (d) distribute the treasury shares as share dividends to shareholders; or
- (e) resell the treasury shares or any of the said shares in accordance with the Listing Requirements; or
- (f) transfer the treasury shares, or any of the said shares as purchase consideration; or
- (g) transfer the treasury shares, or any of the shares for the purposes of or under an employee's share scheme; or
- (h) cancel the treasury shares or any of the said shares.

Appropriate announcement(s) and notice(s) will be made to Bursa Securities and the relevant authorities in respect of the Board's decision on the treatment of the Purchased Shares in compliance with the Listing Requirements and the Act. The Board may decide to cancel the Purchased Shares if the cancellation of the said shares is expected to enhance the EPS of the Group and thereby in the long term, have a positive impact on the market price of the Shares. If the Board decides to retain the Purchased Shares as treasury shares, it may distribute the treasury shares as share dividends to the Company's shareholders and/or resell the Purchased Shares in accordance with the Listing Requirements and utilise the proceeds for any feasible investment opportunity arising in future as working capital.

While the Purchased Shares are held as treasury shares, the rights attached to them as to voting, dividends and participation in other distributions and otherwise are suspended, and the treasury shares shall not be taken into account in calculating the number or percentage of Shares or a class of shares in the Company for any purpose including substantial shareholding, takeovers, notices, the requisitioning of meetings, the quorum for a meeting and the result of a vote on resolution at a meeting of the shareholders.

## **2.2 Funding for the Proposed Share Buy-Back**

The Board proposes to allocate a maximum amount not exceeding the retained profits of the Company for the Proposed Share Buy-Back. The retained profits of the Company based on the audited financial statements of the Company for the financial year ended 31 December 2023 was RM1,017,585,000.

The Proposed Share Buy-Back will be funded from internally generated funds and/or bank borrowings, the proportion of which will depend on the quantum of purchase consideration as well as the availability of internally generated funds and borrowings and repayment capabilities of the Company at the time of purchase.

In the event that the Proposed Share Buy-Back is to be partly financed by bank borrowings, this is not expected to affect the Company's repayment capabilities. Although the cash flow of the Company and the Group will be reduced to the extent of the number of Shares bought and the purchase consideration, the Company do not foresee any difficulty and the Proposed Share Buy-Back is not expected to have a negative impact on the financial results of the Group.

The Board is mindful of the interest of the Company and its shareholders and will be prudent in respect of the Proposed Share Buy-Back exercise.

## **2.3 Price Purchase**

Pursuant to the Listing Requirements, the Company may only purchase its own Shares on Bursa Securities at a price which is not more than fifteen per centum (15%) above the weighted average market price for the Shares for the five (5) market days immediately before the date of the purchase.



## **2.4 Resale or transfer price**

The Company may only resale the Purchased Shares held as treasury shares on Bursa Securities or transfer the treasury shares pursuant to Section 127(7) of the Act at:

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

## **3. ADVANTAGES/RATIONALE FOR THE PROPOSED SHARE BUY-BACK**

The Proposed Share Buy-Back is expected to enhance the EPS and the return on equity in the event of the cancellation of the Shares bought back by the Company which will benefit its shareholders.

The Purchased Shares can also be held as treasury shares and resold in accordance with the Listing Requirements on the market of Bursa Securities at a higher price with the intention of realising a potential gain without affecting the total number of issued shares of the Company.

In the event the treasury shares are distributed as share dividends to shareholders, this would serve as a reward to the shareholders of the Company. In the event the treasury shares are transferred to employees of the Group, this would serve as a reward to the employees of the Group.

The treasury shares can be treated as long term investment. It makes business sense to invest in our own Company as the Board is confident of Can-One's future prospects and performance in the long term.

In addition, the Proposed Share Buy-Back will also provide flexibility for the Company in fine-tuning its capital structure, in terms of the debt and equity composition and the size of equity, as well as to stabilise a downward trend of the market price of Can-One Shares.

## **4. POTENTIAL DISADVANTAGES OF THE PROPOSED SHARE BUY-BACK**

Potential disadvantages of the Proposed Share Buy-Back are as follows:

- (a) the Proposed Share Buy-Back, if exercised, will reduce the financial resources of the Company. This may result in the Company having to forgo other investment opportunities that may emerge in the future or deprive the Company of interest income that may be earned from deposits with licensed financial institutions;
- (b) the cashflow of the Company may be affected if the Company decides to utilise bank borrowing to finance the Proposed Share Buy-Back;
- (c) the Proposed Share Buy-Back may reduce the consolidated NA of the Company if the purchase price of Can-One Shares is higher than the consolidated NA of the Company at the time of purchase; and
- (d) as the Proposed Share Buy-Back can only be made wholly out of the retained profits of the Company, it may reduce the amount of retained profits available for distribution in the form of cash dividends to the shareholders of the Company in the event that the Purchased Shares are cancelled, or if the Purchased Shares are held as treasury shares and are subsequently sold on the market of Bursa Securities at a loss.

However, the financial resources of the Company may increase if the Purchased Shares held as treasury shares are resold in the market at prices higher than the purchase price. Therefore, the Proposed Share Buy-Back will be undertaken only after due consideration of the financial resources of the Company. The Board will be mindful of the interests of the Company and its shareholders when undertaking the Proposed Share Buy-Back.

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

### 5.1 Issued Shares

The effect of the Proposed Share Buy-Back on the number of issued shares of the Company will depend on whether the Purchased Shares are cancelled or retained as treasury shares.

The Proposed Share Buy-Back will result in a reduction of the total number of issued shares of the Company if the Purchased Shares are cancelled. Based on the assumption that the Proposed Share Buy-Back is implemented in full and all the Purchased Shares are cancelled, the effect on the number of issued shares of the Company is illustrated below:

	<b>No. of Shares</b>
Existing number of issued Shares as at LPD	192,153,000
Less:	
Maximum number of Purchased Shares cancelled	(19,215,300)
Resultant number of issued Shares upon completion of the Proposed Share Buy-Back	<u>172,937,700</u>

However, there will be no effect on the number of issued shares of the Company if the Purchased Shares are retained as treasury shares, resold or distributed to the shareholders.

### 5.2 NA

When the Company purchases its own shares, regardless of whether they are retained as treasury shares or are subsequently cancelled, the NA per Share of the Group will decrease if the cost per Share purchased exceeds the NA per Share of the Group at the time of purchase. Conversely, if the cost per Share purchased is below the NA per Share of the Group at the time of purchase, the NA per Share of the Group will increase.

In the case where the Purchased Shares are treated as treasury shares and are subsequently resold on Bursa Securities, the NA per Share of the Group upon resale will increase if the Company realises a gain from the resale, and vice versa. If the treasury shares are distributed as share dividends, the NA of the Group will decrease by the cost of the treasury shares.

### 5.3 Working Capital

The Proposed Share Buy-Back, if exercised, will reduce the working capital and cashflow of the Group, the quantum of which is dependent, on the number of Shares purchased, the purchase price(s) of the Shares and the funding cost, if any.

However, the working capital and the cashflow of the Group will increase upon resale of the Purchased Shares which are retained as treasury shares. Again, the quantum of the increase in the working capital and cashflow will depend on the actual selling price(s) of the treasury shares and the number of treasury shares resold.

### 5.4 Earnings

All things being equal, the Proposed Share Buy-Back will result in a lower number of Shares being used for the computation of EPS whether the Shares purchased are subsequently cancelled or retained as treasury shares. The extent of the effect on the EPS of the Group will depend on the purchase price(s) of the Shares, the number of Shares purchased, and the effective funding cost or loss in interest income and/or the opportunity cost in relation to other investment opportunities to the Group.

In the event that the treasury shares are resold on the open market, the EPS of the Group may increase if the Company realises a gain from the sale and vice versa. The effects on the earnings of the Group will depend on the actual selling price(s), the number of treasury shares resold and the effective gain or loss arising from the resale.

## **5.5 Dividends**

The Proposed Share Buy-Back is not expected to have any material effect on the dividend payments of the Company as any dividend to be declared by the Company in the future would be determined by the Board after taking into consideration the performance of the Group and the prevailing economic conditions.

However, as stated in Sections 2 and 3 above, the Board may distribute future dividends in the form of the treasury shares purchased pursuant to the Proposed Share Buy-Back.

**The rest of this page is intentionally left blank**

## 5.6 Directors' and Substantial Shareholders' Shareholdings

Based on the Registers of Directors' and Substantial Shareholders' shareholdings as at LPD of the Company and assuming that the Company acquires the maximum number of the Shares authorised under the Proposed Share Buy-Back from shareholders other than the Directors and Substantial Shareholders of the Company and that all the Shares so purchased are fully cancelled, the effect of the Proposed Share Buy-Back on the shareholdings of the Directors and Substantial Shareholders of the Company are as follows:

Director/Substantial Shareholder	As at LPD				After Proposed Share Buy-Back			
	Direct		Indirect		Direct		Indirect	
	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
Tun Arifin Bin Zakaria	-	-	-	-	-	-	-	-
Yeoh Jin Hoe	7,505,700	3.91	108,858,800 <sup>(a)</sup>	56.65 <sup>(a)</sup>	7,505,700	4.34	108,858,800 <sup>(a)</sup>	62.95 <sup>(a)</sup>
Marc Francis Yeoh Min Chang	-	-	-	-	-	-	-	-
Goh Teck Hong	-	-	-	-	-	-	-	-
Datuk Dr. Syed Hussain Bin Syed Husman, J.P.	-	-	-	-	-	-	-	-
Yeoh Jin Beng	150,000	0.08	5,500,000 <sup>(b)</sup>	2.86 <sup>(b)</sup>	150,000	0.09	5,500,000 <sup>(b)</sup>	3.18 <sup>(b)</sup>
Foo Kee Fatt	-	-	-	-	-	-	-	-
Rajaretnam Soloman Daniel	-	-	-	-	-	-	-	-
Kee E-Lene	-	-	-	-	-	-	-	-
Eller Axis	108,858,800	56.65	-	-	108,858,800	62.95	-	-

Notes:

(a) Deemed interest by virtue of his shareholding in Eller Axis pursuant to Section 8(4) of the Act.

(b) Deemed interest by virtue of his shareholding in Yongsun Equity Sdn Bhd pursuant to Section 8(4) of the Act.

## **6. PUBLIC SHAREHOLDING SPREAD**

Based on the Record of Depositors as at LPD, the public shareholding spread of the Company was 33.72%. Assuming the Proposed Share Buy-Back is implemented in full whereby the Company purchases 19,215,300 Shares representing ten per centum (10%) of the total number of issued Shares as at that date from the public shareholders and all the Purchased Shares are cancelled, the public shareholding spread of the Company would be reduced to 26.35%.

As at the date hereof, the Company has yet to determine the actual percentage of its own Shares to be purchased pursuant to the Proposed Renewal of Authority. However, the Company is mindful of the above implication relating to public shareholding spread and will use its best endeavours in purchasing its own Shares to such an extent that it will not result in the Company being in breach of the minimum public shareholding spread of twenty-five per centum (25%).

## **7. IMPLICATION OF THE PROPOSED SHARE BUY-BACK IN RELATION TO THE CODE**

In the event the Proposed Share Buy-Back results in any Director, Major Shareholder and/or parties acting in concert with him/them triggering a mandatory offer obligation under the Code, the affected Director or Major Shareholder will be obliged to make a mandatory offer for the remaining Shares in the Company not held by him/them.

However, an exemption may be sought from the SC by the affected Director or Major Shareholder under Section 219 the CMSA before a mandatory offer obligation is triggered.

## **8. PURCHASE, RESALE, TRANSFER AND CANCELLATION OF PURCHASED SHARES MADE IN THE PREVIOUS TWELVE (12) MONTHS**

The Company has not made any purchase, resale, transfer or cancellation of its own shares in the twelve (12) months preceding the date of this Statement. As at LPD, no treasury shares were held by the Company.

## **9. APPROVAL REQUIRED**

The Proposed Share Buy-Back is subject to the approval of the shareholders at the forthcoming Twentieth AGM of the Company.

## **10. INTEREST OF DIRECTORS, MAJOR SHAREHOLDERS AND/OR PERSONS CONNECTED WITH THEM**

Save for the proportionate increase in the percentage of shareholdings including, amongst others, the voting rights of the shareholders of the Company as a result of the Proposed Share Buy-Back, none of the Directors and/or Major Shareholders of the Company and/or persons connected with them have any interest, direct or indirect, in the Proposed Share Buy-Back or resale of treasury shares, if any.

## **11. BOARD'S 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 interests of the Company. Accordingly, the Board recommends that you vote in favour of the ordinary resolution pertaining to the Proposed Renewal of Authority to be tabled at the forthcoming Twentieth AGM of the Company.

## **12. TWENTIETH AGM OF THE COMPANY**

The Twentieth AGM of the Company, Notice of which is set out in the Annual Report 2023, will be conducted virtually and live-streamed from the broadcast venue at the Conference Room, Lot 6, Jalan Perusahaan Satu, 68100 Batu Caves, Selangor Darul Ehsan, Malaysia on Wednesday, 26 June 2024 at 10.00 a.m. for purpose of considering and, if thought fit, passing the ordinary resolution as set out in the Notice of the AGM to approve and give effect to the Proposed Renewal of Authority.

## **12. TWENTIETH AGM OF THE COMPANY (CONT'D)**

If you are unable to attend, ask questions to the Board via real time submission of typed texts and vote remotely at the Twentieth AGM of the Company, you are requested to complete and return the Proxy Form in accordance with the instructions thereon as soon as possible and in any event so as to arrive at the office of our Administration and Polling Agent, KPMG Management & Risk Consulting Sdn. Bhd. at Concourse, KPMG Tower, No. 8, First Avenue, Bandar Utama, 47800 Petaling Jaya, Selangor Darul Ehsan, Malaysia. Alternatively, the Proxy Form may be electronically lodged via ConveneAGM Meeting Platform at <https://conveneagm.my/canoneagm2024>. Please refer to the Administrative Details for the Twentieth AGM for further information on electronic submission. All Proxy Forms must be deposited not less than forty-eight (48) hours before the time appointed for holding the Twentieth AGM of the Company or any adjournment thereof.

This Share Buy-Back Statement is dated 30 April 2024.

**PART B**

**CIRCULAR TO SHAREHOLDERS IN RELATION TO THE  
PROPOSED RENEWAL OF MANDATE FOR RECURRENT  
RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE**



## CAN-ONE BERHAD

Registration No. 200401000396 (638899-K)  
(Incorporated in Malaysia)

### Registered Office

2B-4, Level 4  
Jalan SS 6/6, Kelana Jaya  
47301 Petaling Jaya  
Selangor Darul Ehsan  
Malaysia

30 April 2024

### Board of Directors:

Tun Arifin Bin Zakaria (*Chairman/Senior Independent Non-Executive Director*)  
Marc Francis Yeoh Min Chang (*Group Managing Director*)  
Goh Teck Hong (*Executive Director*)  
Yeoh Jin Hoe (*Non-Independent Non-Executive Director*)  
Yeoh Jin Beng (*Non-Independent Non-Executive Director*)  
Foo Kee Fatt (*Independent Non-Executive Director*)  
Datuk Dr. Syed Hussain Bin Syed Husman, J.P. (*Independent Non-Executive Director*)  
Rajaretnam Soloman Daniel (*Independent Non-Executive Director*)  
Kee E-Lene (*Independent Non-Executive Director*)

### To: The Shareholders of Can-One

Dear Sir/Madam

### PROPOSED RENEWAL OF MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE

---

#### 1. INTRODUCTION

The shareholders of the Company had on 28 June 2023 approved the mandate for the Company to enter into RRPTs set out in Section 2.4 below.

In accordance with the Listing Requirements, the mandate referred to above shall lapse at the conclusion of the forthcoming Twentieth AGM of the Company unless authority for its renewal is obtained from the shareholders of the Company.

Accordingly, on 3 April 2024, the Company announced to Bursa Securities that it intends to seek shareholders' approval for the Proposed Renewal of Mandate at the Company's forthcoming Twentieth AGM of the Company.

The purpose of this Circular is to provide you with relevant information pertaining to the Proposed Renewal of Mandate and to seek your approval for the ordinary resolution on the Proposed Renewal of Mandate which will be tabled at the forthcoming Twentieth AGM of the Company to be conducted virtually and live-streamed from the broadcast venue at the Conference Room, Lot 6, Jalan Perusahaan Satu, 68100 Batu Caves, Selangor Darul Ehsan, Malaysia on Wednesday, 26 June 2024 at 10.00 a.m.

**SHAREHOLDERS OF CAN-ONE ARE ADVISED TO READ AND CONSIDER CAREFULLY THE CONTENTS OF THIS CIRCULAR BEFORE VOTING ON THE ORDINARY RESOLUTION PERTAINING TO THE PROPOSED RENEWAL OF MANDATE AT THE FORTHCOMING TWENTIETH AGM OF THE COMPANY.**



## 2. BACKGROUND INFORMATION IN RESPECT OF THE PROPOSED RENEWAL OF MANDATE

Pursuant to Paragraph 10.09 of Chapter 10 of the Listing Requirements and Practice Note 12, a listed issuer may seek its shareholders' mandate for RRPTs provided that:

- (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 and are not to the detriment of the minority shareholders;
- (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 (based on the type of transactions, names of related parties involved in each type of transaction made and their relationship with the listed issuers) where:
  - (i) the consideration, value of the assets, capital outlay or costs of the aggregated transactions is equal to or exceeds RM1.0 million; or
  - (ii) any one (1) of the percentage ratios of such aggregated transactions is equal to or exceeds one per centum (1%),whichever is the higher;
- (c) the contents of the circular issued by the listed issuer to its shareholders for purposes of the shareholders' mandate shall include information as set out in the Listing Requirements and Practice Note 12;
- (d) in a meeting to obtain shareholders' mandate, the interested director, interested major shareholder and interested person connected with a director or major shareholder; and where it involves the interest of an interested person connected with a director or major shareholder, such director or major shareholder must not vote on the ordinary resolutions approving the transactions. An interested director or interested major shareholder must also ensure that persons connected with him will abstain from voting on the ordinary resolutions approving the transactions; and
- (e) the listed issuer immediately announces to Bursa Securities when the actual value of a recurrent related party transaction entered into by the listed issuer exceeds the estimated value of the recurrent related party transaction disclosed in the circular by ten per centum (10%) or more and must include the information as may be prescribed by Bursa Securities in its announcement.

Where a listed issuer has procured a shareholders' mandate pursuant to Paragraph 10.09(2) of Chapter 10 of the Listing Requirements, the provision of Paragraph 10.08 of Chapter 10 of Listing Requirements will not apply.

### 2.1 Principal activities of Can-One Group

The principal business activities of the Company are investment holding and provision of management services. The principal activities of the key subsidiary companies of the Company in relation to RRPTs are described as follows:

Name of companies	Can-One's equity interest (%)	Principal activities
Aik Joo	100	Can manufacturer
AJCan	100	Can manufacturer
Canzo	100	Can manufacturer

## 2.1 Principal activities of Can-One Group (cont'd)

The principal business activities of the Company are investment holding and provision of management services. The principal activities of the key subsidiary companies of the Company in relation to RRPTs are described as follows:

Name of subsidiary companies	Can-One's equity interest (%)	Principal activities
PT. Corum	100	Can manufacturer
Hinoki Beverages	100	Property investment
Kian Joo	100	Can manufacturer and investment holding
TOGO Greenland Sdn Bhd	100	Property development, construction of building, purchase and sale of properties
Can-One (USA)	100	2-piece aluminium can manufacturer
Kian Joo Cans Distribution Sdn Bhd	100	Investment holding and trading
<b><i>Subsidiary companies of Kian Joo</i></b>		
Federal Metal Printing Factory, Sdn Berhad	100	Can manufacturer
Kian Joo Can (Vietnam) Co., Ltd	100	Can manufacturer
Kian Joo Canpack Sdn Bhd	100	Provision of contract manufacturing
Kian Joo Canpack (Shah Alam) Sdn Bhd <sup>(1)</sup>	100	Provision of contract packing services
KJ Can (Johore) Sdn Bhd	100	Can manufacturer
KJ Can (Selangor) Sdn Bhd	100	Can manufacturer
KJ Can (Singapore) Pte Ltd	100	Trading
KJM Aluminium Can Sdn Bhd	100	2-piece aluminium can manufacturer
Metal-Pak (Malaysia) Sdn Bhd <sup>(1)</sup>	100	Can manufacturer
Kianjoo Can (Myanmar) Company Limited	100	Can manufacturer
Bintang Seribu Sdn Bhd	100	Letting of factory building

Note:

(1) These subsidiary companies were dormant during the financial year 2023.

## 2.2 Principal activities of the related Transacting Parties

The principal activities of the related Transacting Parties that are involved in the RRPTs with the Group are set out below:

(a) Box-Pak, a 54.99%-owned subsidiary of Kian Joo, is principally involved in the manufacture and distribution of paper boxes, cartons, general paper and board printing and investment holding. The principal activities of Box-Pak's subsidiary companies in relation to the RRPTs are as follows:

Name of subsidiary companies	Box-Pak's equity interest (%)	Principal activities
BP MPak Sdn Bhd	100	Corrugated fibre board carton manufacturer
Box-Pak (Hanoi) Co., Ltd	100	Corrugated fibre board carton manufacturer
Box-Pak (Vietnam) Co., Ltd	100	Corrugated fibre board carton manufacturer
Boxpak (Myanmar) Company Limited	100	Corrugated fibre board carton manufacturer
BP Pak (Singapore) Pte Ltd	100	Investment holding

## 2.2 Principal activities of the related Transacting Parties *(cont'd)*

- (b) AGB, a Related Party, is principally an investment holding company. The principal activities of AGB's subsidiary company in relation to the RRPTs are as follows:

<b>Name of subsidiary company</b>	<b>AGB's equity interest (%)</b>	<b>Principal activities</b>
ALCOM	100	Manufacturing and trading of aluminium sheet and foil products

## 2.3 Categories of RRPTs

(i) **Purchases**

- Purchase of cartons
- Purchase of aluminium materials

(ii) **Lease of factory buildings**

Represent lease of factory buildings from Can-One Group to Box-Pak Group for usage as manufacturing of corrugated fibre board cartons and cartons related businesses. The recurrent transactions are on monthly basis. Lease of factory buildings identified as PLO 163 and 165, Jalan Cyber Utama, Kawasan Perindustrian Senai III, 81400 Senai, Johor Darul Ta'zim, Malaysia, measuring 59,300 and 159,500 square feet respectively.

**The rest of this page is intentionally left blank**

## 2.4 Nature of the RRPTs

Details of RRPTs for which the Proposed Renewal of Mandate is being sought as well as the Transacting Parties, the interested Related Parties and the nature of their relationships are as follows:

### RRPTs which may or will be entered into under the Proposed Renewal of Mandate

Provider of products/ services	Recipient of products/ services	Nature of transaction	Estimated Annual Value *	Estimated Value as disclosed in the Circular to Shareholders dated 28 April 2023	Actual Value transacted 28 June 2023 up to LPD**	Interested Related Parties as at LPD	Notes
			(RM'000)	(RM'000)	(RM'000)		
Box-Pak Group	Can-One Group	Purchase of cartons	37,000	37,000	9,616	Yeoh Jin Hoe Eller Axis Chee Khay Leong	(1) (2) (3)
Can-One Group	Box-Pak Group	Lease of factory buildings	10,000	10,000	2,406	Yeoh Jin Hoe Eller Axis Chee Khay Leong	(1) (2) (3)
ALCOM Group	Can-One Group	Purchase of aluminium materials	8,000	8,000	-	Yeoh Jin Hoe Marc Francis Yeoh Min Chang	(1) (4)
<b>TOTAL</b>			<b>55,000</b>	<b>55,000</b>	<b>12,022</b>		

*Notes:*

- (1) *Yeoh Jin Hoe is a Non-Independent Non-Executive Director and Major Shareholder of Can-One. He holds 7,505,700 Can-One Shares representing 3.91% of the total number of issued Can-One Shares and has an indirect equity interest over 108,858,800 Can-One Shares representing 56.65% of the total number of issued Can-One Shares held by Eller Axis in which he has more than 20% voting shares. He is also the Group Managing Director and a Major Shareholder of Box-Pak having an indirect equity interest over 66,016,121 Box-Pak Shares representing 54.99% of total number of issued Box-Pak Shares held by Kian Joo, an indirect wholly-owned subsidiary of Can-One. He is also an Executive Director and a Major Shareholder of AGB having an indirect equity interest over 43,636,698 AGB Shares representing 32.48% of total number of issued AGB Shares held by TSB in which he has controlling interest.*
  - (2) *Eller Axis is a Major Shareholder and the holding company of Can-One holding 108,858,800 Can-One Shares representing 56.65% of the total number of issued Can-One Shares. It is also a Major Shareholder and the ultimate holding company of Box-Pak, having an indirect equity interest over 66,016,121 Box-Pak Shares representing 54.99% of total number of issued Box-Pak Shares held by Kian Joo, an indirect wholly-owned subsidiary of Can-One.*
  - (3) *Chee Khay Leong was an Executive Director ("ED") of Can-One and holds 2,054,100 Can-One Shares representing 1.07% of the total number of issued Can-One Shares. He was also the President cum Chief Executive Officer and ED of Box-Pak. Notwithstanding his retirement in Can-One and Box-Pak on 6 November 2023, he is a Director of subsidiary companies of Can-One and Box-Pak. He does not have any interest, direct or indirect, in Box-Pak Shares.*
  - (4) *Marc Francis Yeoh Min Chang is the Group Managing Director of Can-One and is the son of Yeoh Jin Hoe, who is a Non-Independent Non-Executive Director and Major Shareholder of Can-One. He acts as an Alternate Director to Yeoh Jin Hoe in AGB and its wholly-owned subsidiary, ALCOM.*
- \* *The values are merely estimates and refer to values of transactions to be entered into from 26 June 2024 to the following AGM in 2025. The estimates may vary and are subject to changes.*
- \*\* *The actual value transacted from 28 June 2023 up to the LPD did not exceed by ten per centum (10%) or more of the Estimated Value as disclosed in the Circular to Shareholders dated 28 April 2023.*

## 2.5 Amount due and owing to the Transacting Parties which exceeded the credit term

As at the financial year ended 31 December 2023, the outstanding amount due and owing to the Transacting Parties under the RRPTs which exceeded the credit term are as follow:

No.	Name of Related Parties	Amount due which exceeded the credit term (RM'000)			
		≤ 1 year	> 1 year to 3 years	> 3 years to 5 years	> 5 years
1.	Aik Joo	3	-	-	-
2.	Kian Joo Can (Vietnam) Co., Ltd. *	27	-	-	-
3.	Kian Joo Canpack Sdn. Bhd. *	863	-	-	-
	<b>TOTAL</b>	<b>893</b>	<b>-</b>	<b>-</b>	<b>-</b>

Note:

\* The outstanding amount due to the Transacting Parties has been fully paid in January 2024.

There were no late payment charges imposed on the outstanding amount which exceeded the credit term by the Transacting Parties. This was because all overdue sum were all trade in nature and payment were made in accordance with the Group's normal business practices. The same basis applies to both related and non-related parties.

The management has been, and will continue to, monitor the payment process to ensure timely payment. The Board is of the opinion that there were no payment issues as the overdue amounts were fully repaid in January 2024.

## 2.6 Bases of estimated value of the RRPTs

The bases in determining the estimated value of the RRPTs are as follows:

- (1) The estimated values of the RRPTs for which the Proposed Renewal of Mandate is sought as set out in Section 2.4 above are based on prevailing prices/rates obtained which are reasonable market competitive prices/rates based on the normal level of transactions entered into by Can-One Group and the projected business volumes/monthly lease payment from the date of the forthcoming Twentieth AGM of the Company to the next AGM of the Company. The actual value of transactions may, however, vary from the estimated value disclosed in Section 2.4 above if any change in the business, economic and/or competitive environment were to occur.
- (2) Nevertheless, if the Proposed Renewal of Mandate is approved, disclosure will be made in accordance with the Listing Requirements in the Annual Report of the Company for the financial year ending 31 December 2024 of the aggregate value of transactions conducted pursuant to the Proposed Renewal of Mandate as approved during the financial year.

## 2.7 Benefits to the Group

The transactions are undertaken by the relevant members of the Group in their ordinary course of business and on the Group's normal commercial terms and on terms which will be no more favourable to the Transacting Parties than those generally available to the public. These transactions are beneficial to the Group as the Group's operations are efficiently managed through the utilisation of the Transacting Parties' expertise and resources.

The Board is of the view that the close working relationships and co-operation with the Transacting Parties will allow the Group to have better control of quality and inventory and this will result in the reduction of inventory driven costs and the maintenance of quality of its end products.

## 2.8 Review methods or procedures for the RRPTs

The Group had established various methods and procedures to supplement existing internal procedures with third parties to ensure that RRPTs are undertaken on normal commercial terms, which are consistent with the Group's usual business practices, and are on terms not more favourable than those extended to third parties/public and are not detrimental to the minority shareholders.

- (a) All RRPTs of value up to RM500,000 must be reviewed and approved by either the Group Managing Director ("MD") or an Executive Director ("ED") of the Company or the Branch General Manager. For transactions of a value above RM500,000 and up to RM5,000,000, joint approvals from any two (2) of the following persons of the Company are required:

- Group MD
- ED
- Group Finance Director

All transactions with values exceeding RM5,000,000 must be reviewed by the ARMC and approved by the Board.

- (b) For RRPTs, a Register must be maintained by the Company to record all such transactions pursuant to the Proposed Renewal of Mandate for reporting purposes in the annual reports. At no time, should the value of these transactions deviates materially from the amount that has been approved by the shareholders pursuant to the Proposed Renewal of Mandate.
- (c) At least two (2) other contemporaneous transactions with unrelated third parties for similar products/services and/or quantities will be used as comparison, wherever 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 produces/services and/or quantities.

In the event that quotation or comparative pricing from unrelated third parties cannot be obtained, the ARMC in its review of the RRPTs may, as it deems fit and, whenever available, requests for additional information pertaining to the transactions from independent sources or advisers.

- (d) The annual internal audit plan shall incorporate a review of all RRPTs entered into pursuant to the Proposed Renewal of Mandate to ensure that relevant approvals have been obtained and review procedures are followed.
- (e) The Board and the ARMC shall review the internal audit report to ascertain that the guidelines and procedures established to monitor RRPTs have been compiled with. If during the review, the ARMC is of the opinion that the guidelines and procedures are not sufficient to ensure that the RRPTs will be conducted on normal commercial terms in the ordinary course of business and are on terms not more favourable to the Related Parties than those generally available to the public and are not detrimental to the minority shareholders or be disadvantageous to the Company, the Company will obtain a fresh mandate from its shareholders based on new guidelines and procedures.
- (f) If a member of the Board or the ARMC has an interest as the case may be, he must abstain from any decision making of the Board or the ARMC in respect of the said transactions.
- (g) The transaction prices, terms and conditions shall be determined by market forces, under similar commercial terms for transactions with third parties. In addition, additional quotations shall be obtained from third parties by the Company who will perform suppliers' evaluations and ranking on the price, delivery, services and other terms and conditions before entering into such transactions.

## **2.9 Validity period of the Proposed Renewal of Mandate**

The Proposed Renewal of Mandate, if approved at the forthcoming Twentieth AGM of the Company, will take effect from the date of passing of the ordinary resolution at the Twentieth AGM of the Company to approve the Proposed Renewal of Mandate and will continue to be in force until:

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

whichever is earlier.

Thereafter, the Board will seek your approval for the Proposed Renewal of Mandate at each subsequent AGM or at an Extraordinary General Meeting that may be held on the same day as the AGM, subject to satisfactory review by the ARMC of its continued application to the RRPTs.

Transactions with any Related Parties which do not fall within the ambit of Proposed Renewal of Mandate, will be subject to other applicable provisions of the Listing Requirements, the Act and/or any applicable law.

## **2.10 Disclosure of RRPTs**

If the Proposed Renewal of Mandate is approved, disclosure will be made of the breakdown of the aggregate value of RRPTs conducted pursuant to the Proposed Renewal of Mandate during the financial year based on the following information in the Company's Annual Report and in the Annual Reports for subsequent financial years that the Proposed Renewal of Mandate continues to be in force:

- (a) the type of RRPTs made; and
- (b) the names of the Related Parties involved and their relationships with the Group.

The threshold for the disclosure is where:

- (a) the consideration, value of the assets, capital outlay or costs of the aggregated RRPTs is equal to or exceeds RM1,000,000; or
- (b) any one (1) of the percentage ratios of such aggregated RRPTs is equal to or exceeds one per centum (1%),

whichever is the higher.

## **2.11 Statement by the ARMC**

The ARMC has reviewed the terms of the Proposed Renewal of Mandate and is satisfied that the procedures for the RRPTs as set out in Section 2.7, as well as the annual reviews to be made by the ARMC in relation thereto, are sufficient to ensure that RRPTs will be made in accordance with the Group's normal commercial terms and are not more favourable to the Transacting Party than those generally available to third party/public and are not to the detriment of the minority shareholders.

The Group has in place adequate procedures and processes to monitor, track and identify RRPTs in a timely and orderly manner, and these procedures and processes are reviewed annually.

The ARMC shall annually review the RRPTs and also review the established guidelines and procedures to ascertain that they have been complied. If during the review, the ARMC is of the opinion that the guidelines and procedures are not sufficient to ensure that the RRPTs will be conducted on normal commercial terms in the ordinary course of business and are on terms not more favourable to the Transacting Party than those generally available to third party/public and are not detrimental to the minority shareholders or be disadvantageous to the Company, the Company will obtain a fresh mandate from its shareholders based on new guidelines and procedures.

### 3. RATIONALE FOR THE PROPOSED RENEWAL OF MANDATE

The rationale for the Proposed Renewal of Mandate to the Company are as follows:

- (a) the Proposed Renewal of Mandate will empower the Company to enter into transactions with Related Parties which are necessary for the day-to-day operations of the Company, undertaken on normal commercial terms which are on terms not more favourable to the Related Parties than those generally made available to third party/public and are not detrimental to the minority shareholders; and
- (b) the Proposed Renewal of Mandate eliminates the need to frequently make announcements to Bursa Securities, convene general meeting and/or seek shareholders' approval from time to time as and when RRPTs which are comprised within the Proposed Renewal of Mandate shall arise. In this respect, the Proposed Renewal of Mandate is intended to save administrative time and expenses which could be better utilised by the Group to pursue its corporate objectives and realise business opportunities in a more timely and effective manner.

### 4. EFFECTS OF THE PROPOSED RENEWAL OF MANDATE

The Proposed Renewal of Mandate is not expected to have any effect on the total number of issued shares and substantial shareholders' shareholdings of the Company, the consolidated NA per Share and the consolidated earnings of the Group for the financial year ending 31 December 2024.

### 5. APPROVAL REQUIRED

The Proposed Renewal of Mandate is subject to approval being obtained from the shareholders of the Company at the forthcoming Twentieth AGM of the Company.

### 6. INTEREST OF DIRECTORS, MAJOR SHAREHOLDERS AND/OR PERSONS CONNECTED WITH THEM

As at LPD, the shareholdings of the interested Directors and Major Shareholders of the Company based on the Register of Substantial Shareholders, Register of Directors' Shareholdings and Record of Depositors are set out below:

#### INTERESTED DIRECTORS

Director	Direct		Indirect	
	No. of Shares	%	No. of Shares	%
Yeoh Jin Hoe	7,505,700	3.91	108,858,800 <sup>(1)</sup>	56.65 <sup>(1)</sup>
Marc Francis Yeoh Min Chang	-	-	-	-
Chee Khay Leong <sup>(2)</sup>	2,054,100	1.07	-	-

Notes:

(1) Deemed interest by virtue of his shareholding in Eller Axis pursuant to Section 8(4) of the Act.

(2) Chee Khay Leong is a Director of subsidiary companies of Can-One and Box-Pak.

Accordingly, the abovenamed Directors, Yeoh Jin Hoe, Marc Francis Yeoh Min Chang and Chee Khay Leong who are interested, directly or indirectly, in the Proposed Renewal of Mandate have abstained and will continue to abstain from all deliberations and voting on the RRPTs involving them as stated in the Proposed Renewal of Mandate at the relevant Board Meetings and/or shall also abstain from voting in respect of their direct and indirect shareholdings in the Company, if any, at the forthcoming Twentieth AGM of the Company on the ordinary resolution to approve the Proposed Renewal of Mandate involving their interests, as stated in the Proposed Renewal of Mandate.



**6. INTEREST OF DIRECTORS, MAJOR SHAREHOLDERS AND/OR PERSONS CONNECTED WITH THEM (CONT'D)**

**INTERESTED MAJOR SHAREHOLDERS**

Major Shareholder	Direct		Indirect	
	No. of Shares	%	No. of Shares	%
Eller Axis	108,858,800	56.65	-	-
Yeoh Jin Hoe	7,505,700	3.91	108,858,800 <sup>(1)</sup>	56.65 <sup>(1)</sup>

Note:

(1) Deemed interest by virtue of his shareholding in Eller Axis pursuant to Section 8(4) of the Act.

Accordingly, the abovenamed Major Shareholders of the Group who are interested (directly or indirectly) in the Proposed Renewal of Mandate shall abstain from voting in respect of their direct and indirect shareholdings in the Company, if any, at the forthcoming Twentieth AGM of the Company on the ordinary resolution to approve the Proposed Renewal of Mandate involving their interests, as stated in the Proposed Renewal of Mandate.

**PERSON CONNECTED WITH INTERESTED DIRECTORS AND/OR MAJOR SHAREHOLDERS**

Person Connected	Direct		Indirect	
	No. of Shares	%	No. of Shares	%
Yeoh Jin Beng <sup>(1)</sup>	150,000	0.08	5,500,000 <sup>(2)</sup>	2.86 <sup>(2)</sup>

Notes:

(1) He is the brother of Yeoh Jin Hoe and the uncle of Marc Francis Yeoh Min Chang. He is a Non-Independent Non-Executive Director of Can-One.

(2) Deemed interest by virtue of his shareholding in Yongsun Equity Sdn Bhd pursuant to Section 8(4) of the Act.

Accordingly, the abovenamed interested Directors and interested Major Shareholders have undertaken to ensure that the abovenamed Person Connected with them will abstain from voting in respect of his direct and/or indirect shareholdings in the Company, if any, at the forthcoming Twentieth AGM of the Company on the ordinary resolution to approve the Proposed Renewal of Mandate involving his interests.

Further, Yeoh Jin Beng, the abovenamed Person Connected to Yeoh Jin Hoe and Marc Francis Yeoh Min Chang, is also an interested Director in the Proposed Renewal of Mandate and he has abstained and will continue to abstain from all deliberations and voting at the relevant Board Meetings pertaining to the Proposed Renewal of Mandate.

Save as disclosed above, there are no Directors, Major Shareholders of the Company and Person Connected with them who have any interest, direct or indirect, in the Proposed Renewal of Mandate.

**7. BOARD'S RECOMMENDATION**

The Board (save for the interested Directors in respect of the relevant resolution to approve RRPTs involving their interests as set out in Section 6 above and who hence expressed no opinion thereon), having considered all aspects of the Proposed Renewal of Mandate, is of the opinion that the Proposed Renewal of Mandate is fair and reasonable and is in the best interest of the Company and its shareholders.

Accordingly, the Board (save for the interested Directors in respect of the relevant resolution to approve RRPTs involving their interest as set out in Section 6 above) recommends that you vote in favour of the ordinary resolution on the Proposed Renewal of Mandate to be tabled at the forthcoming Twentieth AGM of the Company.

## **8. TWENTIETH AGM OF THE COMPANY**

The Twentieth AGM of the Company, the Notice of which is set out in the Annual Report 2023, will be conducted virtually and live-streamed from the broadcast venue at the Conference Room, Lot 6, Jalan Perusahaan Satu, 68100 Batu Caves, Selangor Darul Ehsan, Malaysia on Wednesday, 26 June 2024 at 10.00 a.m for purpose of considering and, if thought fit, passing the ordinary resolution as set out in the Notice of the AGM to approve and give effect to the Proposed Renewal of Mandate.

If you are unable to attend, ask questions to the Board via real time submission of typed texts and vote remotely at the Twentieth AGM of the Company, you are requested to complete and return the Proxy Form in accordance with the instructions thereon as soon as possible and in any event so as to arrive at the office of our Administration and Polling Agent, KPMG Management & Risk Consulting Sdn. Bhd. at Concourse, KPMG Tower, No. 8, First Avenue, Bandar Utama, 47800 Petaling Jaya, Selangor Darul Ehsan, Malaysia. Alternatively, the Proxy Form may be electronically lodged via ConveneAGM Meeting Platform at <https://conveneagm.my/canoneagm2024>. Please refer to the Administrative Details for the Twentieth AGM for further information on electronic submission. All Proxy Forms must be deposited not less than forty-eight (48) hours before the time appointed for holding the Twentieth AGM of the Company or any adjournment thereof.

## **9. FURTHER INFORMATION**

Shareholders are requested to refer to the Appendix A for further information.

Yours faithfully  
for and on behalf of the Board of  
**CAN-ONE BERHAD**

**TUN ARIFIN BIN ZAKARIA**  
Chairman/Senior Independent Non-Executive Director

**FURTHER INFORMATION**

**1. RESPONSIBILITY STATEMENT**

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

**2. MATERIAL LITIGATION, CLAIMS AND ARBITRATION**

As at LPD, neither Can-One nor its subsidiaries (excluding Box-Pak Group) have engaged in any material litigation, claims or arbitration, either as plaintiff or defendant, which has a material effect on the financial position of Can-One Group and to the best knowledge of the Board, there are no proceedings pending or threatened or any facts likely to give rise to any proceedings which might materially and adversely affect the position or business of Can-One Group.

**3. MATERIAL CONTRACTS**

As at LDP, neither Can-One nor its subsidiaries (excluding Box-Pak Group) have entered into any material contracts (not being contracts entered into in the ordinary course of business of the Group) within two (2) years preceding the LPD.

**4. DOCUMENTS AVAILABLE FOR INSPECTION**

Copies of the following documents are available for inspection during normal business hours from Mondays to Fridays (except on public holidays) at the Registered Office of Can-One from the date of this Circular up to and including the date of the forthcoming Twentieth AGM of the Company:

- (i) Constitution of Can-One; and
- (ii) Audited consolidated financial statements of the Group and of Can-One for the past two (2) financial years ended 31 December 2022 and 31 December 2023.

<p><b>The rest of this page is intentionally left blank</b></p>
---