

THIS STATEMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

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

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



RUBBEREX CORPORATION (M) BERHAD

(199601000297) (372642-U)

(Incorporated in Malaysia)

**STATEMENT TO SHAREHOLDERS
IN RELATION TO THE**

PROPOSED RENEWAL OF AUTHORITY FOR SHARE BUY-BACK

The ordinary resolution in respect of the above proposal will be tabled as Special Business at the Twenty-Fifth ("25th") Annual General Meeting ("AGM") of Rubberex Corporation (M) Berhad ("Rubberex" or "**The Company**") which will be held at Ballrooms 2, 3 & 4, Level 6 WEIL Hotel, 292, Jalan Sultan Idris Shah, 30000 Ipoh, Perak Darul Ridzuan on 28 May 2021, Friday at 10.00 a.m. or any adjournment thereof.

The Notice of the 25th AGM and the Proxy Form are set out in our Annual Report 2020 and can be downloaded at www.rubberex-corp.com.my

You are entitled to attend and vote at the AGM of the Company or to appoint a proxy or proxies to attend and vote on your behalf. The appointment of a proxy may be made in hard copy form or by electronic form. The hard copy of the Proxy Form should be completed and returned in accordance with the instruction therein as soon as possible and should reach to the Company's Share Registrar at Tricor Investor & Issuing House Services Sdn. Bhd., Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or alternatively, the Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia on or before the date and time indicated below or any adjournment thereof. The proxy appointment can also be lodged electronically via TIIH Online at <https://tiih.online> before the Proxy Form lodgement cut-off time stated below. The lodging of the Proxy Form will not preclude you from attending and voting in person at the meeting should you subsequently wish to do so.

Last date and time for lodging the Proxy Form : Wednesday, 26 May 2021, at 10.00 a.m.

Date and time of the 25th AGM : Friday, 28 May 2021, at 10.00 a.m.

This Share Buy-Back Statement is dated 22 April 2021

DEFINITIONS

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

“Act”	:	The Malaysian Companies Act 2016, as amended from time to time and include any re-enactment thereof
“AGM”	:	Annual General Meeting
“Annual Report 2020”	:	Annual Report of Rubberex for the financial year ended 31 December 2020
“Board”	:	The Board of Directors of Rubberex
“Bursa Securities”	:	Bursa Malaysia Securities Berhad (200301033577) (635998-W)
“Code”	:	Malaysian Code on Take-Overs and Mergers 2016, as amended from time to time and include any re-enactment thereof
“Directors”	:	Shall have the meaning given in Section 2(1) of the Capital Markets and Services Act 2007
“EPS”	:	Earnings per Share
“Listing Requirements”	:	Bursa Securities Main Market Listing Requirements and any amendments made thereto from time to time
“LPD”	:	26 March 2021, being the latest practicable date prior to the printing of this Statement
“Major Shareholder”	:	Means a person who has an interest or interests in one or more voting shares in the Company and the number or aggregate number of those shares, is:- (a) 10% or more of the total number of the voting shares in the Company; or (b) 5% or more of the total number of voting shares in the Company where such person is the largest shareholder of the Company. For the purpose of this definition, “interest” shall have the meaning of “interest in shares” given in Section 8 of the Act.
“Market Day(s)”	:	A day on which the stock market of Bursa Securities is open for the trading of securities
“NA”	:	Net assets

DEFINITIONS

Proposed Share Buy-Back	:	Proposed purchase of up to ten per centum (10%) of Rubberex's total number of issued shares
"Proposed Renewal"	:	Proposed renewal of authority for Rubberex to purchase its own shares up to ten percent (10%) of the total number of issued shares of Rubberex
"Purchased Shares"	:	Shares to be purchased by the Company pursuant to the Proposed Share Buy-Back
"RM" and sen"	:	Ringgit Malaysia and sen, respectively
"Rubberex" or "the Company"	:	Rubberex Corporation (M) Berhad (199601000297) (372642-U)
"Rubberex Group" or "Group"	:	Rubberex and its subsidiaries, collectively
"Rubberex Share(s)" or "Share(s)"	:	Ordinary share(s) in Rubberex
"SC"	:	Securities Commission Malaysia
"Statement"	:	Statement to Shareholders dated 22 April 2021 in relation to the Proposed Renewal
"Substantial Shareholder"	:	Has the meaning given in Section 136 of the Act
"Treasury Shares"	:	Purchased Shares which are or will be retained in treasury by the Company and shall have the meaning given under Section 127(4)(b) of the Act

All references to "**you**" or "**your**" in this Statement are referred to Rubberex's shareholders.

Unless specifically referred to, words denoting the singular shall include the plural and vice versa. And words denoting the masculine gender shall, where applicable, include the feminine and neuter genders and vice versa. References to persons shall include corporations, unless otherwise specified.

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

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RUBBEREX CORPORATION (M) BERHAD
(199601000297) (372642-U)
(Incorporated in Malaysia)

Registered Office:
41, Jalan Medan Ipoh 6
Bandar Baru Medan Ipoh
31400 Ipoh, Perak

22 April 2021

Board of Directors:

Dato' Dr. Teo Tong Kooi (*Independent Non-Executive Chairman*)
Dato' Mohamed bin Hamzah (*Independent Non-Executive Deputy Chairman*)
Mr. Khoo Chin Leng (*Managing Director*)
En. Mustapha bin Mohamed (*Independent Non-Executive Director*)
Dato' Ong Choo Meng (*Non-Independent Non-Executive Director*)
Dato' Chan Choun Sien (*Independent Non-Executive Director*)
Mr. Lim Chee Lip (*Non-Independent Executive Director*)

To: The Shareholders of Rubberex Corporation (M) Berhad

Dear Sir/Madam

PROPOSED RENEWAL OF AUTHORITY FOR SHARE BUY- BACK

1. INTRODUCTION

On 8 April 2021, the Board announced to Bursa Securities that the Company intends to seek shareholders' approval for the Proposed Renewal at the forthcoming Twenty-Fifth AGM.

The purpose of this Statement is to provide you with information in relation to the Proposed Renewal and to seek your approval on the ordinary resolution pertaining to the Proposed Renewal to be tabled at the forthcoming AGM of the Company.

SHAREHOLDERS ARE ADVISED TO READ THE CONTENTS OF THIS STATEMENT CAREFULLY BEFORE VOTING ON THE RESOLUTION PERTAINING TO THE PROPOSED RENEWAL AT THE FORTHCOMING AGM.

2. DETAILS OF THE PROPOSED RENEWAL

At the last AGM held on 7 July 2020, the Company had obtained its shareholders' approval to purchase up to ten percent (10%) of the total number of issued shares of the Company and the aforesaid approval will expire at the conclusion of the Twenty-Fifth AGM of the Company unless the mandate for share buy-back is renewed or expiration of the period within which the AGM of the Company is required by the law to be held, whichever occur first.

The Company proposes to seek shareholders' approval at the Twenty-Fifth AGM for the renewal of authority for the proposed purchase of the Company's own shares of up to ten percent (10%) of the total number of issued shares of the Company, subject to compliance with the provisions of the Act, the Listing Requirements and/or any other relevant authorities.

As at LPD, the Company had purchased a total of 2,798,600 shares which were retained as Treasury Shares. The total number of issued shares as at LPD before adjusting for the Treasury Shares held is 832,275,351 Rubberex Shares.

The Proposed Renewal shall be effective immediately upon the passing of the ordinary resolution to be tabled at the Twenty-Fifth AGM of the Company to be convened and will continue to be in force until:-

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

whichever occurs first, but shall not prejudice the completion of purchase(s) by the Company before the aforesaid expiry date and, in any event, in accordance with the provision of the Act and Listing Requirements.

3. QUANTUM

The maximum aggregate number of Rubberex Shares which may be purchased by the Company shall not exceed ten percent (10%) of the total number of issued shares of the Company at any point in time pursuant to Paragraph 12.09 of the Listing Requirements.

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

	<u>No. of Shares</u>
Total number of issued shares of Rubberex (including 2,798,600 Treasury Shares)	832,275,351
10% of the total number of issued shares	83,227,535
Less: Total number of treasury shares held by Rubberex	(2,798,600)
Maximum number of shares which may be purchased in respect of the Proposed Share Buy-Back	<u>80,428,935</u>

The actual number of Rubberex Shares to be purchased by the Company and the total amount of funds involved for each purchase(s) and the time of the purchase(s) will depend on *inter alia*, the market conditions and sentiments of the stock market, the availability of financial resources of the Company and the availability of the retained profits of the Company.

4. **MAXIMUM AMOUNT OF FUNDS TO BE ALLOCATED AND SOURCE OF FUNDS**

The funding for the purchase of Rubberex Shares pursuant to the Proposed Renewal will be from internally generated funds and/or borrowings or a combination of both, the proportion of which will depend on the actual number of Rubberex Shares to be purchased, the price(s) of the Shares, available funds at the time of purchase(s) and other relevant cost factors.

The maximum amount allocated for such transactions shall not exceed the aggregate balance standing in the retained profits of the Company.

Based on the latest Audited Financial Statements of the Company for the financial year ended 31 December 2020, the retained profits of the Company are RM13,609,842.

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

5. **RATIONALE FOR THE PROPOSED SHARE BUY-BACK**

The Proposed Share Buy-Back will enable the Company to utilise its financial resources not immediately required for use to purchase its own Shares from Bursa Securities. It may help to stabilise the supply and demand and price of its Shares traded on Bursa Securities, thereby supporting the fundamental value of the Shares.

The Rubberex Shares purchased, whether to be held as Treasury Shares or subsequently cancelled, will effectively reduce the number of Shares carrying voting and participation rights. Therefore, the Proposed Share Buy-Back may increase shareholders' value and improve, *inter alia*, the return on equity of the Group. The purchase of Rubberex Shares may result in an improvement to the consolidated EPS and/or NA per Share of the Group (given the decreased share base used for the computation of the EPS and NA), which in turn would benefit the Company and its shareholders.

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

6. TREATMENT OF PURCHASED SHARES

In accordance with Section 127 of the Act, the Board may, at its discretion, deal with any Purchased Shares in the following manners:-

- (a) To cancel the Purchased Shares;
- (b) To retain the Purchased Shares as Treasury Shares for distribution as shares dividends to the Shareholders of the Company, which then may be applied as a reduction of the retained earnings of the Company, and/or resell on market of Bursa Securities in accordance with the relevant rules of Bursa Securities, and/or transfer for purposes of or under an employees' share scheme, and/or transfer as purchase consideration, and/or cancel subsequently;
- (c) To retain part of the Purchased Shares as Treasury Shares and cancel the remainder; or
- (d) In any other manners as may be prescribed by all applicable laws and/or regulations and guidelines applied from time to time by Bursa Securities and/or relevant authority for the time being in force.

Section 127(8) of the Act states that the holder of Treasury Shares which are held under Section 127(5) of the Act shall not confer:-

- (a) The right to attend or vote at meetings and any purported exercise of such rights is void; and
- (b) The right to receive dividends or other distribution, whether cash or otherwise, of the company's assets including any distribution of assets upon winding up of the company.

While the Purchased Shares are held as Treasury Shares, the Treasury Shares shall not be taken into account in calculating the number or percentage of shares or of a class of shares in the Company for any purpose including, without limiting the generality of Section 127(9) of the Act, the provisions of any law or requirements of the constitution of the Company or the listing requirements of a stock exchange on substantial shareholding, takeovers, notices, the requisitioning of meetings, the quorum for a meeting and the result of a vote on a resolution at a meeting.

As at the date of this Statement, the Board has yet to decide on the treatment of the Shares so purchased and will take into consideration the effects of such treatment on the Company in arriving at its decision. An immediate announcement will be made to Bursa Securities upon each purchase, cancellation, resale and/or transfer of Shares pursuant to the Proposed Renewal.

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

The potential advantages of the Proposed Share Buy-Back to the Company and its shareholders are as follows:-

- (a) The Proposed Share Buy-Back will allow the Company to utilise its financial

resources where there is no immediate use, to purchase the Rubberex Shares. If the Rubberex Shares purchased are held as Treasury Shares or cancelled immediately, this may improve the consolidated EPS of the Group;

- (b) The Proposed Share Buy-Back may also help to stabilise the supply and demand and price of Rubberex Shares traded on Bursa Securities and reduce the volatility of Rubberex Share prices. The stability of Rubberex Share prices is important to maintain investors' confidence to facilitate future fundraising exercises of the Company via the equity market;
- (c) The Proposed Share Buy-Back will provide the Company opportunities for potential gains if the Purchased Shares which are retained as Treasury Shares are resold at prices higher than the purchase prices; and
- (d) In the event the Treasury Shares are distributed as share dividends, it will serve to reward the shareholders of Rubberex.

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

- (a) The Proposed Share Buy-Back, if implemented, will reduce the financial resources of the Company;
- (b) The cash flow of the Company may be affected if the Company decides to utilise bank borrowings to finance the Proposed Share Buy-Back;
- (c) The funds allocated for the Proposed Share Buy-Back could be used for other better investment opportunities which may emerge in the future; and
- (d) As the funds to be allocated for the Proposed Share Buy-Back must be made wholly out of the retained profits of the Company, the amount available from this account for distribution of dividends to shareholders of the Company may decrease accordingly.

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

8. **FINANCIAL EFFECTS OF THE PROPOSED SHARE BUY-BACK**

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

(a) **Share Capital**

The effect of the Proposed Share Buy-Back on the issued share capital of the Company will depend on whether the Purchased Shares are cancelled or retained as Treasury Shares. On the assumption that the Proposed Renewal is carried out in full and all the Rubberex Shares so acquired are subsequently

cancelled, the Proposed Renewal will result in the total number of issued shares of the Company as at the LPD to be reduced as follows:

	<u>No. of Shares</u>
Issued share capital as at LPD (before adjusting for the Treasury Shares held)	832,275,351
Less: Treasury shares as at the LPD	(2,798,600)
Less: Maximum number of Rubberex Shares that may be purchased and cancelled pursuant to the Proposed Renewal	(80,428,935)
Resultant issued share capital after cancellation of Rubberex Shares purchased under the Proposed Renewal	<u>749,047,816</u>

In the event that all the Rubberex Shares so purchased are retained as Treasury Shares and not to be cancelled, the Proposed Share Buy-Back will not have any effect on the total number of issued shares of the Company.

(b) **Earnings**

The effects of the Proposed Share Buy-Back on the consolidated earnings and EPS of Rubberex Group would depend on, *inter alia*, the number of Purchased Shares, the effective cost of funding as well as the interest income foregone in connection with funding such Purchased Shares. If the Purchased Shares are retained as Treasury Shares or cancelled subsequently, the number of shares applied in the computation of the EPS will be reduced, and this may improve the consolidated EPS of Rubberex Group.

(c) **NA**

The consolidated NA of the Group may increase or decrease depending on the number of Rubberex Shares purchased, the purchase price(s) of the Rubberex Shares, the effective cost of funding and the treatment of the Rubberex Shares purchased.

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

(d) **Working Capital**

The Proposed Share Buy-Back, as and when implemented, will reduce the working capital and cash flow of Rubberex Group, the quantum of which depends on, among others, the number of Rubberex Shares so purchased and the purchase price(s) of the Rubberex Shares.

For Rubberex Shares so purchased which are kept as Treasury Shares, upon their resale, the working capital and the cash flow of Rubberex Group will increase upon the receipt of the proceeds of the resale. The quantum of the

increase in the working capital and cash flow will depend on the actual selling price(s) of the Treasury Shares and the number of Treasury Shares resold.

(e) **Dividends**

Assuming the Proposed Share Buy-Back is implemented in full and the dividend quantum is maintained at historical levels, the Proposed Share Buy-Back will have the effect of increasing the dividend rate of the Company as a result of the suspension of the rights of Treasury Shares to dividend entitlement or the reduction in the total number of issued shares of the Company in the event of the Treasury Shares being cancelled.

The Proposed Share Buy-Back may reduce the cash available which may otherwise be used for dividend payments. Nonetheless, the Treasury Shares may be distributed as dividends to the shareholders of the Company, if the Company so decides.

(f) **Gearing**

The effect of the Proposed Share Buy-Back on the gearing of the Group will depend on the proportion of borrowings utilised to fund any purchase of Shares. The utilisation of any borrowings to fund the purchase of any Shares will increase the gearing of the Group.

(g) **Directors' and Substantial Shareholders' Shareholdings**

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

	Number of Shares held as at LPD®				After the Proposed Share Buy-Back #			
	Direct		Indirect		Direct		Indirect	
	Number of Shares	%	Number of Shares	%	Number of Shares	%	Number of Shares	%
<u>Directors</u>								
Dato' Dr. Teo Tong Kooi	-	-	-	-	-	-	-	-
Dato' Mohamed Bin Hamzah	1,665,920	0.20	-	-	1,665,920	0.22	-	-
Khoo Chin Leng	32,070	0.00	22,812	0.00 ⁽¹⁾	32,070	0.00	22,812	0.00 ⁽¹⁾
Mustapha Bin Mohamed	-	-	-	-	-	-	-	-
Dato' Ong Choo Meng	-	-	416,946,566	50.27 ⁽²⁾	-	-	416,946,566	55.66 ⁽²⁾
Dato' Chan Choun Sien	-	-	-	-	-	-	-	-
Lim Chee Lip	-	-	-	-	-	-	-	-
<u>Substantial Shareholders</u>								
Hextar Rubber Sdn. Bhd.	416,946,566	50.27	-	-	416,946,566	55.66	-	-
Dato' Ong Choo Meng	-	-	416,946,566	50.27 ⁽²⁾	-	-	416,946,566	55.66 ⁽²⁾

Notes:

- @ *Computation of percentage of shareholdings is based on the total issued shares of Rubberex excludes 2,798,600 Shares held by Rubberex as Treasury Shares.*
- # *Based on the assumption that the maximum number of Shares bought back by Rubberex is 10% of the total number of issued shares of the Company.*
- (1) *Deemed interested by virtue of his shareholding held through TA Nominees (Tempatan) Sdn. Bhd. and the shareholding of his spouse, Madam Yeoh Pei Hoon.*
- (2) *Deemed interested by virtue of his shareholding in Hextar Rubber Sdn. Bhd.*

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9. PUBLIC SHAREHOLDING SPREAD

The public shareholding spread of the Company as at the LPD and the resulting public shareholding spread of the Company, assuming the Company implements the Proposed Share Buy-Back in full, are as follows:-

	As at the LPD [@]	After the Proposed Share Buy-Back [#]
Public Shareholding Spread	48.99	39.33

Notes:

[@] Computation of Public Shareholding Spread is based on total issued shares of Rubberex excludes 2,798,600 Shares held by Rubberex as Treasury Shares.

[#] Based on the assumption that the maximum number of Shares bought back by Rubberex are up to 10% of the total number of issued shares of the Company.

The Board is mindful of the requirement to maintain the public shareholding spread of at least twenty-five percent (25%) of the total number of listed shares of the Company (excluding Treasury Shares) pursuant to Paragraph 8.02(1) of the Listing Requirements and will continue to be mindful of such requirement when making any purchase of Rubberex Shares pursuant to the Proposed Renewal.

10. IMPLICATIONS OF THE CODE

Based on the Register of Substantial Shareholders of the Company as at the LPD, Hextar Rubber Sdn. Bhd. and its parties acting in concert, collectively hold more than 50% of the issued share capital of the Company. As such, the Proposed Renewal is not expected to have any implication pursuant to the Code.

11. PREVIOUS PURCHASE, RE SALE, CANCELLATION AND/OR TRANSFER OF TREASURY SHARES MADE IN THE PRECEDING TWELVE (12) MONTHS

Kindly refer to the Appendix I for the details of the purchases made by the Company of its own shares during the previous 12 months.

As at the LPD, a total of 2,798,600 Shares were held as Treasury Shares. The Company has not resold, transferred and/or cancelled any Treasury Shares in the previous 12 months preceding this Statement.

12. HISTORICAL SHARE PRICES

The monthly highest and lowest price of Rubberex Shares as traded on Bursa Securities for the past 12 months from March 2020 to February 2021 are as follows :-

	High (RM)	Low (RM)
<u>2020</u>		
March	0.895	0.550
April	1.510	0.755
May	3.620	1.440
June	4.540	2.630
July	5.320	3.130

August	7.210	4.000
September	6.000	4.800
October	8.260	2.070
November	2.640	1.880
December	1.960	1.350

2021

January	2.080	1.320
February	1.780	1.240

Last transacted market price of Rubberex Shares on LPD 1.120

(Source: Bloomberg)

Note: The share prices have been adjusted accordingly following a 2-for-1 bonus issue exercise completed on 21 October 2020.

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

None of the Directors and/or Major Shareholders and/or persons connected to them, has any interest, direct or indirect, in the Proposed Share Buy-Back or the subsequent resale of the Treasury Shares, if any.

14. APPROVAL REQUIRED

The Proposed Renewal is subject to the approval of the shareholders of Rubberex at the forthcoming Twenty-Fifth AGM to be convened. Save for the approval of the shareholders of Rubberex, there is no other approvals required for the Proposed Renewal.

15. DIRECTORS' STATEMENT AND RECOMMENDATION

The Board, having considered the Proposed Renewal, is of the opinion that the Proposed Renewal is in the best interest of the Company. Accordingly, the Board recommends that the shareholders of Rubberex vote in favour of the ordinary resolution pertaining to the Proposed Renewal to be tabled at the Twenty-Fifth AGM of the Company.

16. AGM

The Twenty-Fifth AGM will be held at Ballrooms 2, 3 & 4, Level 6 WEIL Hotel, 292, Jalan Sultan Idris Shah, 30000 Ipoh, Perak Darul Ridzuan on Friday, 28 May 2021 at 10.00 a.m. for the purpose of considering and if thought fit, passing, *inter alia*, the ordinary resolution in relation to the Proposed Renewal under the agenda of "Special Business", to give effect to the Proposed Renewal.

If you are unable to attend and vote in person at the AGM and wish to appoint a proxy or proxies to attend and vote on your behalf, you are requested to complete and return the Proxy Form which can be downloaded from the Company's website at www.rubberex-corp.com.my in accordance with the instructions thereon to the Company's Share Registrar at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur or alternatively, their Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur or electronically lodged with the Company's Share Registrar via TIIH Online at <https://tiih.online> not less than forty-eight (48) hours before the time fixed for holding the AGM. The completion and return of the Proxy Form will not, however, preclude you from attending and voting in person at the AGM should you subsequently wish to do so.

17. **FURTHER INFORMATION**

Shareholders are advised to refer to the Appendix I for further information.

Yours faithfully,
For and on behalf of the Board of Directors
RUBBEREX CORPORATION (M) BERHAD

KHOO CHIN LENG
Managing Director

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A. FURTHER INFORMATION**1. DIRECTORS' RESPONSIBILITY STATEMENT**

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

2. DOCUMENTS FOR INSPECTION

Copies of the following documents are available for inspection at the registered office at 41, Jalan Medan Ipoh 6, Bandar Baru Medan Ipoh, 31400 Ipoh, Perak, during normal business hours from Monday to Friday (except public holidays) from the date of this Statement up to and including the date of the AGM:-

- (a) the Constitution of Rubberex; and
- (b) Audited consolidated financial statements of Rubberex for the financial years ended 31 December 2019 and 31 December 2020.

B. DETAILS OF THE PURCHASE(S) MADE BY THE COMPANY OF ITS OWN SHARES DURING THE PREVIOUS 12 MONTHS

During the previous 12 months and up to the LPD, the details of the purchases made by the Company of its own shares are as follows:-

Date	No. of Shares purchased	Lowest price (RM/share)	Highest price (RM/share)	Average price (RM/share)	Total consideration paid (RM)
11.09.2020	1,543,700	4.820	5.220	5.199	8,052,727.75
15.09.2020	200,000	5.340	5.340	5.340	1,071,916.64
17.09.2020	908,000	5.040	5.140	5.109	4,655,379.38
18.09.2020	227,400	4.960	5.070	5.021	1,145,880.32
21.09.2020	407,800	4.930	5.100	5.047	2,065,372.70
22.09.2020	118,100	4.930	5.000	4.978	590,094.73
23.09.2020	703,200	5.000	5.150	5.088	3,590,734.39
24.09.2020	1,351,300	5.050	5.400	5.328	7,217,028.83
25.09.2020	1,162,500	5.330	5.520	5.442	6,337,583.86
02.10.2020	760,000	5.630	5.740	5.699	4,339,478.92
05.10.2020	1,098,300	5.760	6.000	5.965	6,563,086.16
06.10.2020	481,600	5.800	6.000	5.894	2,844,018.76
07.10.2020	579,800	5.990	6.050	6.012	3,492,267.67
08.10.2020	48,300	5.960	5.980	5.965	288,861.78
09.10.2020	69,200	6.020	6.050	6.037	418,768.68
14.10.2020	1,150,000	7.760	7.870	7.801	8,986,164.92
29.12.2020	720,300	1.370	1.390	1.377	993,566.87
31.12.2020	447,200	1.370	1.390	1.381	618,865.30
04.01.2021	493,600	1.320	1.360	1.342	663,695.02
05.01.2021	653,000	1.360	1.420	1.397	913,870.73
06.01.2021	484,500	1.370	1.400	1.383	671,733.79
TOTAL	13,607,800	-	-	-	65,521,097.20

The total number of shares purchased and the prices paid prior to ex-date of 19 October 2020 for the 2-for-1 bonus issue exercise has been adjusted accordingly.

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