

THIS CIRCULAR TO SHAREHOLDERS OF KEJURUTERAAN ASASTERA BERHAD (“KAB” OR THE “COMPANY”) IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in any doubt as to the course of action to be taken, you should consult your stockbroker, bank manager, solicitor, accountant or other professional advisers immediately. This Circular has been reviewed and approved by Mercury Securities Sdn Bhd, being the Principal Adviser to the Company for the Proposed Share Split (as defined herein).

Bursa Malaysia Securities Berhad (“**Bursa Securities**”) takes no responsibility for the contents of this Circular, makes no representation as to its accuracy or completeness, and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Circular.



KEJURUTERAAN ASASTERA BERHAD

[Company No. 199701005009 (420505-H)]
(Incorporated in Malaysia)

CIRCULAR TO SHAREHOLDERS IN RELATION TO:-

PROPOSED SHARE SPLIT INVOLVING THE SUBDIVISION OF EVERY 2 EXISTING ORDINARY SHARES IN THE COMPANY (“SHARES”) HELD ON AN ENTITLEMENT DATE TO BE DETERMINED AND ANNOUNCED AT A LATER DATE (“BOOKS CLOSURE DATE”) INTO 5 SHARES (“PROPOSED SHARE SPLIT”)

AND

NOTICE OF EXTRAORDINARY GENERAL MEETING

Principal Adviser



MERCURY SECURITIES SDN BHD

[Company No. 198401000672 (113193-W)]
(A Participating Organisation of Bursa Malaysia Securities Berhad)

The Notice of Extraordinary General Meeting of the Company (“**EGM**”) together with the Form of Proxy are enclosed with this Circular.

If you decide to appoint a proxy or proxies for the EGM, you must complete, sign and return the Form of Proxy and deposit it at the office of 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, the Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur on or before the date and time indicated below or at any adjournment thereof. You can also have the option to lodge the proxy appointment electronically via TIH Online at <https://tih.online> before the proxy form lodgement cut-off time as mentioned below. For further information on the electronic lodgement of proxy form, kindly refer to the Annexure to the Form of Proxy. The lodging of the Form of Proxy will not preclude you from attending and voting in person at the EGM should you subsequently decide to do so.

Last date and time for lodging the Form of Proxy for the EGM : Sunday, 9 February 2020 at 9.00 a.m.
Date and time of the EGM : Tuesday, 11 February 2020 at 9.00 a.m.
Venue of the EGM : No. 18, Jalan Radin Bagus 9, Bandar Baru Seri Petaling, 57000 Kuala Lumpur

This Circular is dated 24 January 2020

DEFINITIONS

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

Act	- Companies Act 2016 of Malaysia, as amended from time to time and any re-enactment thereof
Board	- The Board of Directors of KAB
Books Closure Date	- 5.00 p.m. on a date to be determined by the Board in their absolute discretion as they deem fit and announced later, in which the Shareholders who are registered in the Record of Depositors are entitled to the Split Shares under the Proposed Share Split
Bursa Depository	- Bursa Malaysia Depository Sdn Bhd [Company No. 198701006854 (165570-W)]
Bursa Securities	- Bursa Malaysia Securities Berhad [Company No. 200301033577 (635998-W)]
Circular	- This circular to Shareholders in relation to the Proposed Share Split
Directors	- The directors of the Company for the time being
EGM	- Extraordinary general meeting
EPS	- Earnings per Share
ESOS	- Employees' share option scheme of the Company which took effect on 1 June 2018 for a period of 5 years
ESOS Options	- Options granted under the ESOS pursuant to the by-laws governing the ESOS, where each option holder can subscribe for 1 new KAB Share for every 1 option held
FPE	- Financial period ended
FYE	- Financial year(s) ended / ending, as the case may be
KAB or the Company	- Kejuruteraan Asastera Berhad [Company No. 199701005009 (420505-H)]
KAB Group or the Group	- Collectively, KAB and its subsidiaries
KAB Shares or Shares	- Ordinary shares in the Company
Listing Requirements	- ACE Market Listing Requirements of Bursa Securities, as amended from time to time
LPD	- 13 January 2020, being the latest practicable date prior to the date of this Circular
Market Day	- Any day on which Bursa Securities is open for trading in securities
Mercury Securities or the Principal Adviser	- Mercury Securities Sdn Bhd [Company No. 198401000672 (113193-W)]
NA	- Net assets
Official List	- The official list of the ACE Market of Bursa Securities

DEFINITIONS (CONT'D)

Placement Shares	- Up to 70,574,600 new Shares to be issued pursuant to the Private Placement
Private Placement	- Private placement of up to 70,574,600 new Shares, representing up to 20% of the total number of issued shares of the Company, which was announced by the Company on 10 October 2019, approved by Bursa Securities on 17 October 2019, approved by Shareholders on 8 November 2019 and is currently pending completion
Proposed Share Split	- Proposed share split involving the subdivision of every 2 KAB Shares into 5 Split Shares
Record of Depositors	- A record of securities holders established by Bursa Depository under the Rules of Bursa Depository
RM and sen	- Ringgit Malaysia and sen respectively
Rules of Bursa Depository	- The Rules of Bursa Depository as issued pursuant to the Securities Industry (Central Depositories) Act, 1991, as amended from time to time
Shareholders	- Registered holders of KAB Shares
Special Issue	- Special issue of 34,000,000 KAB Shares to Bumiputera investors approved by the Ministry of International Trade and Industry, which was completed in 17 June 2019
Split Shares	- KAB Shares after the completion of the Proposed Share Split

All references to “you” in this Circular are to the Shareholders.

In this Circular, words referring to the singular shall, where applicable, include the plural and *vice versa* and words importing 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 Circular to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any reference to a time of day in this Circular shall be a reference to Malaysia time, unless otherwise stated. Any discrepancies in the tables included in this Circular between the amounts stated, actual figures and the totals thereof are due to rounding.

Certain statements in this Circular may be forward-looking in nature, which are subject to uncertainties and contingencies. Forward-looking statements may contain estimates and assumptions made by the Board after due enquiry, which are nevertheless subject to known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements to differ materially from the anticipated results, performance or achievements expressed or implied in such forward-looking statements. In light of these and other uncertainties, the inclusion of a forward-looking statement in this Circular should not be regarded as a representation or warranty that the Company’s plans and objectives will be achieved.

[THE REST OF THIS PAGE IS INTENTIONALLY LEFT BLANK]

TABLE OF CONTENTS

LETTER TO SHAREHOLDERS IN RELATION TO THE PROPOSED SHARE SPLIT CONTAINING:-

SECTION	PAGE
1. INTRODUCTION	1
2. DETAILS OF THE PROPOSED SHARE SPLIT	2
3. RATIONALE FOR THE PROPOSED SHARE SPLIT	3
4. EFFECTS OF THE PROPOSED SHARE SPLIT	3
5. TENTATIVE TIMELINE	6
6. APPROVALS REQUIRED AND CONDITIONALITY	6
7. CORPORATE EXERCISES ANNOUNCED BUT PENDING COMPLETION	7
8. INTERESTS OF DIRECTORS, MAJOR SHAREHOLDERS AND/OR PERSONS CONNECTED TO THEM	7
9. BOARD'S RECOMMENDATION	7
10. EGM	8
11. FURTHER INFORMATION	8
APPENDIX I FURTHER INFORMATION	9
NOTICE OF EGM	ENCLOSED
FORM OF PROXY FOR THE EGM	ENCLOSED



KEJURUTERAAN ASASTERA BERHAD

[Company No. 199701005009 (420505-H)]
(Incorporated in Malaysia)

Registered Office

Unit 30-01, Level 30, Tower A
Vertical Business Suite
Avenue 3, Bangsar South
No. 8, Jalan Kerinchi
59200 Kuala Lumpur
Wilayah Persekutuan
Malaysia

24 January 2020

Board of Directors

Yoong Kah Yin (*Independent Non-Executive Chairman*)
Dato' Lai Keng Onn (*Managing Director*)
Choong Gaik Seng (*Executive Director*)
Datin Chan Pey Kheng (*Executive Director*)
Goh Kok Boon (*Executive Director*)
Lu Chee Leong (*Independent Non-Executive Director*)
Tong Siut Moi (*Independent Non-Executive Director*)
Dato' Chan Chee Hong (*Independent Non-Executive Director*)

To: The Shareholders

Dear Sir / Madam,

PROPOSED SHARE SPLIT

1. INTRODUCTION

On 16 January 2020, Mercury Securities had, on behalf of the Board, announced that the Company proposes to undertake the Proposed Share Split.

On 22 January 2020, Mercury Securities had, on behalf of the Board, announced that Bursa Securities had, vide its letter on even date, granted its approval for the Proposed Share Split.

THE PURPOSE OF THIS CIRCULAR IS TO PROVIDE YOU WITH RELEVANT INFORMATION ON THE PROPOSED SHARE SPLIT AND TO SET OUT THE VIEWS AND RECOMMENDATION OF THE BOARD AS WELL AS TO SEEK YOUR APPROVAL FOR THE RESOLUTION PERTAINING TO THE PROPOSED SHARE SPLIT WHICH WILL BE TABLED AT THE FORTHCOMING EGM. THE NOTICE OF EGM AND THE FORM OF PROXY ARE ENCLOSED IN THIS CIRCULAR.

YOU ARE ADVISED TO READ AND CAREFULLY CONSIDER THE CONTENTS OF THIS CIRCULAR TOGETHER WITH ITS APPENDIX BEFORE VOTING ON THE RESOLUTION TO GIVE EFFECT TO THE PROPOSED SHARE SPLIT TO BE TABLED AT THE FORTHCOMING EGM.

2. PROPOSED SHARE SPLIT

2.1 Details of the Proposed Share Split

The Proposed Share Split entails the subdivision of every 2 existing KAB Shares into 5 Split Shares. As at the LPD, the issued share capital of the Company is RM48,299,419 comprising 370,230,000 KAB Shares (including 1,126,900 KAB Shares held as treasury shares).

As at the LPD, the Company has no outstanding ESOS Options which have been granted and not exercised. In conjunction with the Proposed Share Split, the Company has undertaken not to grant any further ESOS Options until the completion of the Proposed Share Split.

As at the LPD, the Company has yet to place out up to 54,344,600 Placement Shares that may be issued under the Private Placement. In conjunction with the Proposed Share Split, the Company has undertaken not to issue any further Placement Shares until the completion of the Proposed Share Split.

The Proposed Share Split will result in an adjustment to the reference share price of KAB Shares listed and quoted on the ACE Market of Bursa Securities. For illustration purposes, based on the last transacted market price of KAB Shares as at the LPD of RM1.45, the theoretical adjusted reference share price of KAB Shares upon the completion of the Proposed Share Split based on 1,000 Shares is set out below:-

	<u>Assumed no. of Shares</u>	<u>Market / Theoretical adjusted reference price per Share</u> RM	⁽¹⁾ <u>Total value</u> RM
As at the LPD	1,000	1.45 <i>(Last transacted market price as at the LPD)</i>	1,450
After the Proposed Share Split	2,500	⁽²⁾ 0.58 <i>(Theoretical adjusted reference share price after adjustment)</i>	1,450

Notes:-

(1) *The total value was arrived at by multiplying the number of Shares held with the market / theoretical adjusted reference price per Share.*

(2) *The theoretical adjusted reference share price is arrived at based on the following formulae:-*

$$\begin{aligned}
 \text{Theoretical adjusted reference share price} &= \text{Market price per Share} \times \frac{\text{Assumed number of Shares held as at the LPD}}{\text{Assumed number of Split Shares}} \\
 &= \text{RM1.45} \times \frac{1,000}{2,500} \\
 &= \text{RM0.58}
 \end{aligned}$$

Based on the above illustration, the Proposed Share Split will decrease the reference price of the Shares but it will not have any impact on the total market value of these securities held by the Shareholders.

Fractional entitlements for the Shares arising from the Proposed Share Split, if any, shall be disregarded and/or dealt with by the Board in such manner at its absolute discretion as it may deem fit or expedient and in the best interest of the Company.

In accordance with Rule 6.31(1A) of the Listing Requirements, the adjusted price of a KAB Share was not less than RM0.20 based on the daily volume-weighted average share price during the 3-month period before 16 January 2020, being the date of the submission of the application to Bursa Securities in relation to the Proposed Share Split.

2.2 Ranking

The Split Shares shall rank *pari passu* in all respects with one another.

2.3 Listing and quotation of the securities

The approval from Bursa Securities for the listing and quotation of the new Shares to be issued arising from the Proposed Share Split on the ACE Market of Bursa Securities has been obtained via its letter dated 22 January 2020.

The Split Shares will be listed and quoted on the ACE Market of Bursa Securities on the next Market Day after the Books Closure Date.

3. RATIONALE FOR THE PROPOSED SHARE SPLIT

The adjustment in the market price of KAB Shares as a result of the Proposed Share Split is expected to result in the Split Shares being more affordable in order to appeal to a wider group of public shareholders and investors. The Proposed Share Split may also improve the trading liquidity of KAB Shares by increasing the number of shares in issue.

Following the completion of the Proposed Share Split, the theoretical market price of each Share will decrease by 2.5 times and the total number of Shares in issue will be increased by the corresponding ratio. Notwithstanding this, Shareholders should note that the Proposed Share Split is not expected to alter the total value of the Split Shares held by them.

4. EFFECTS OF THE PROPOSED SHARE SPLIT

4.1 Share capital

The pro forma effects of the Proposed Share Split on the issued share capital of the Company are as follows:-

	No. of Shares	Share capital RM
Issued share capital as at the LPD	(1)370,230,000	48,299,419
Issued share capital after the Proposed Share Split	925,575,000	48,299,419

Note:-

(1) Includes the 1,126,900 treasury shares held by the Company as at the LPD which are not intended to be distributed, transferred or resold in the market prior to the Books Closure Date.

4.2 NA and gearing

The pro forma effects of the Proposed Share Split on the NA and gearing of the Group are as follows:-

	Audited as at 31 December 2018 RM'000	(I) After subsequent events ⁽¹⁾ RM'000	(II) After (I) and the Proposed Share Split RM'000
Share capital	32,000	48,299	48,299
Treasury shares	-	(241)	(241)
Foreign currency translation reserve	(3) ₋	(3) ₋	(3) ₋
Retained earnings	16,262	14,662	(4)14,532
Shareholders' equity / NA	48,262	62,720	62,590
Non-controlling interest	(5)	(5)	(5)
Total equity	48,257	62,715	62,585
No. of KAB Shares in issue ⁽²⁾ ('000)	320,000	369,103	922,758
NA per KAB Share (RM)	0.15	0.17	0.07
No. of KAB Shares held as treasury shares ('000)	-	1,127	2,817
Total borrowings (RM'000)	9,811	9,811	9,811
Gearing (times)	0.20	0.16	0.16

Notes:-

- (1) After taking into account the following:-
- (i) issuance of 34,000,000 new Shares at the issue price of RM0.20 each arising from the Special Issue which was completed on 17 June 2019;
 - (ii) distribution of cash dividend amounting to RM1.60 million to Shareholders during the second quarter ended 30 June 2019;
 - (iii) acquisition of 1,126,900 Shares held as treasury shares from the open market at prices ranging between RM0.210 to RM0.215 between 20 June 2019 and 1 July 2019 for a total purchase consideration of RM0.24 million; and
 - (iv) issuance of 16,230,000 new Shares at the issue price of RM0.5853 each arising from the issuance of first tranche of placement shares under the Private Placement which was listed on 2 December 2019.
- (2) Excludes treasury shares.
- (3) Less than RM1,000.
- (4) After deducting estimated expenses incidental to the Proposed Share Split of RM0.13 million.

[THE REST OF THIS PAGE IS INTENTIONALLY LEFT BLANK]

4.3 Substantial Shareholders' shareholdings

The Proposed Share Split will not have any effect on the percentage of the substantial Shareholders' percentage of shareholdings in the Company as the Split Shares will be allotted on a pro-rata basis to all the Shareholders. However, the number of Shares held by the substantial Shareholders in the Company will increase proportionately as a result of the Proposed Share Split.

The substantial Shareholders of the Company based on the Register of Substantial Shareholders as at the LPD and the pro forma effects of the Proposed Share Split on their respective shareholdings are as follows:-

Substantial shareholders	As at the LPD				(I) After the Proposed Share Split			
	Direct		Indirect		Direct		Indirect	
	No. of KAB Shares	(1)%	No. of KAB Shares	(1)%	No. of KAB Shares	(2)%	No. of KAB Shares	(2)%
Dato' Lai Keng Onn	144,000,000	39.01	-	-	360,000,000	39.01	-	-
GAT Success (M) Sdn Bhd ("GAT")	40,000,000	10.84	-	-	100,000,000	10.84	-	-
Faith Chow Poh Ten	57,419,800	15.56	⁽³⁾ 1,778,000	⁽³⁾ 0.48	143,549,500	15.56	⁽³⁾ 4,445,000	⁽³⁾ 0.48
Everest Pavilion Sdn Bhd ("EPSB")	-	-	⁽⁴⁾ 40,000,000	⁽⁴⁾ 10.84	-	-	⁽⁴⁾ 100,000,000	⁽⁴⁾ 10.84
Cherry Anne Tong Chun Ling	-	-	⁽⁵⁾ 40,000,000	⁽⁵⁾ 10.84	-	-	⁽⁵⁾ 100,000,000	⁽⁵⁾ 10.84

Notes:-

(1) Based on the issued share capital of 369,103,100 KAB Shares (excluding 1,126,900 treasury shares) as at the LPD.

(2) Based on the issued share capital of 922,757,750 Split Shares (excluding 2,817,250 treasury shares after the Proposed Share Split).

(3) Deemed interest in the shares held by Regalis Investment Ltd pursuant to Section 8 of the Act.

(4) Deemed interest in the shares held by GAT pursuant to Section 8 of the Act.

(5) Deemed interest by virtue of her interest in EPSB pursuant to Section 8 of the Act. EPSB is deemed interested in the shares held by GAT pursuant to Section 8 of the Act.

4.4 Earnings and EPS

The Proposed Share Split is not expected to have any material effect on the consolidated earnings of the Group for the FYE 31 December 2020. However, assuming the net earnings of the Group remain unchanged, the EPS will be proportionally diluted as a result of the increase in the number of shares in issue upon the completion of the Proposed Share Split.

4.5 Convertible securities

As at the LPD, save for the following, the Company does not have any other convertible securities.

4.5.1 ESOS Options

As at the LPD, there are no outstanding ESOS Options which have been granted and not exercised. In conjunction with the Proposed Share Split, the Company has undertaken not to grant any further ESOS Options until the completion of the Proposed Share Split.

5. TENTATIVE TIMELINE

Subject to all relevant approvals being obtained, the Proposed Share Split is expected to be completed by the first quarter of 2020. The tentative timetable for the implementation of the Proposed Share Split is as follows:-

Date	Events
11 February 2020	<ul style="list-style-type: none">• EGM for the Proposed Share Split• Announcement of the Books Closure Date
February / March 2020	<ul style="list-style-type: none">• Books Closure Date• Listing of the Split Shares on the ACE Market of Bursa Securities

6. APPROVALS REQUIRED AND CONDITIONALITY

The Proposed Share Split is subject to approvals being obtained from the following:-

- (i) Bursa Securities for the Proposed Share Split (the approval of Bursa Securities was obtained vide its letter dated 22 January 2020).
- (ii) Shareholders at the forthcoming EGM for the Proposed Share Split; and
- (iii) any other relevant parties / authorities, if required.

The Proposed Share Split is not conditional upon any other corporate exercise / scheme undertaken or to be undertaken by the Company.

7. CORPORATE EXERCISES ANNOUNCED BUT PENDING COMPLETION

Save for the Proposed Share Split and the following, there are no other corporate exercises which have been announced by the Company but is pending completion as at the LPD:-

- (i) the Private Placement;
- (ii) the proposed acquisition by the Company of 24,000 ordinary shares in Energy Optimization (Thailand) Co. Ltd ("**EOT**"), representing 80% of the total paid up share capital in EOT, from Mr. Chanchai Kitprotpisuth for a total consideration of THB4,640,000 as announced by the Company on 24 October 2019; and
- (iii) proposed investment by the Company of 37,500 ordinary shares in Leveragedge Sdn Bhd ("**LSB**"), representing 30% of the total paid up share capital in LSB, for a total consideration of RM2,100,000 as announced by the Company on 3 January 2020.

8. INTERESTS OF DIRECTORS, MAJOR SHAREHOLDERS AND/OR PERSONS CONNECTED WITH THEM

None of the Directors of the Company and/or major Shareholders and/or persons connected to them have any interest, direct or indirect, in the Proposed Share Split, apart from their respective entitlements as Shareholders under the Proposed Share Split, the rights of which are also available to all other existing Shareholders on the Books Closure Date.

9. BOARD'S RECOMMENDATION

The Board, having considered the rationale and all other aspects of the Proposed Share Split, is of the opinion that the Proposed Share Split is in the best interest of the Company.

Accordingly, the Board recommends that Shareholders vote in favour of the resolution pertaining to the Proposed Share Split to be tabled at the forthcoming EGM.

[THE REST OF THIS PAGE IS INTENTIONALLY LEFT BLANK]

10. EGM

The EGM, the notice of which is enclosed in this Circular, will be held at No. 18, Jalan Radin Bagus 9, Bandar Baru Seri Petaling, 57000 Kuala Lumpur on the date and time indicated below or at any adjournment thereof for the purpose of considering and, if thought fit, passing the resolution, with or without modifications, to give effect to the Proposed Share Split.

Date and time of the EGM	: Tuesday, 11 February 2020 at 9.00 a.m.
--------------------------	--

If you are unable to attend and vote in person at the EGM, you may appoint a proxy or proxies to attend and vote on your behalf by completing, signing and returning the enclosed Form of Proxy in accordance with the instructions contained therein as soon as possible, so as to arrive at the office of 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, 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 not less than 48 hours before the date and time for the EGM as indicated above or at any adjournment thereof. You can also have the option to lodge the proxy appointment electronically via TIIH Online at <https://tiah.online> before the proxy form lodgement cut-off time as mentioned above. For further information on the electronic lodgement of proxy form, kindly refer to the Annexure to the Form of Proxy. The lodging of the Form of Proxy will not preclude you from attending and voting in person at the EGM should you subsequently decide to do so.

11. FURTHER INFORMATION

You are requested to refer to the enclosed appendix for further information.

Yours faithfully,
For and on behalf of the Board of
KEJURUTERAAN ASASTERA BERHAD

DATO' LAI KENG ONN
Managing Director

1. RESPONSIBILITY STATEMENT

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

2. CONSENTS AND CONFLICT OF INTEREST

The written consent of Mercury Securities, being the Principal Adviser for the Proposed Share Split, for the inclusion of its name and all references thereto in the form and context in which it appears in this Circular has been given and has not been subsequently withdrawn before the issuance of this Circular.

Mercury Securities is not aware of any conflict of interest which exists or is likely to exist by virtue of its appointment as the Principal Adviser for the Proposed Share Split.

3. MATERIAL COMMITMENTS AND CONTINGENT LIABILITIES**Material commitments**

Save as disclosed below, as at the LPD, the Board confirmed that there are no other material commitments incurred or known to be incurred by the Group:-

Material commitments	RM'000
Capital commitment in respect of property, plant and equipment - approved and contracted but not provided for	415

Contingent liabilities

Save as disclosed below, as at the LPD, the Board confirmed that there are no other contingent liabilities incurred or known to be incurred by the Group which, upon becoming due or enforceable, may have a material impact on the financial results or position of the Group:-

Contingent liabilities	RM'000
Guarantees given to third parties in respect of performance bonds for the Group's projects	21,942

4. MATERIAL LITIGATION

As at the LPD, neither KAB nor its subsidiaries are engaged in any material litigation, claim or arbitration, either as plaintiff or defendant, which has or would have a material and adverse effect on the financial position or business of the Group and, to the best of the Board's knowledge and belief, the Board confirmed that there are no proceedings pending or threatened against the Company and/or any of its subsidiaries or of any facts likely to give rise to any proceedings which might materially and adversely affect the financial position or business of the Group.

5. HISTORICAL SHARE PRICES

The monthly highest and lowest market prices of KAB Shares as transacted on Bursa Securities for the past 12 months preceding the date of this Circular are as follows:-

	High RM	Low RM
2019		
January	0.225	0.190
February	0.225	0.205
March	0.240	0.200
April	0.225	0.205
May	0.220	0.200
June	0.215	0.200
July	0.240	0.200
August	0.295	0.220
September	0.405	0.285
October	0.690	0.370
November	0.685	0.595
December	0.970	0.605
Last transacted market price on 15 January 2020, being the last Market Day immediately prior to the first announcement of the Proposed Share Split	1.440	
Last transacted market price on the LPD	1.450	

(Source: Bloomberg)

6. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at the registered office of the Company at Unit 30-01, Level 30, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia during normal business hours from Monday to Friday (except public holidays) following the date of this Circular up to and including the date of the EGM:-

- (i) Constitution of KAB;
- (ii) audited consolidated financial statements of KAB for the FYE 31 December 2017 and FYE 31 December 2018 as well as the unaudited consolidated financial statements of KAB for the 9-month FPE 30 September 2019; and
- (iii) the letter of consent referred to in Section 2 of Appendix I above.



KEJURUTERAAN ASASTERA BERHAD

[Company No. 199701005009 (420505-H)]
(Incorporated in Malaysia)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT an Extraordinary General Meeting of Kejuruteraan Asastera Berhad (“**KAB**” or the “**Company**”) will be held at No. 18, Jalan Radin Bagus 9, Bandar Baru Seri Petaling, 57000 Kuala Lumpur on Tuesday, 11 February 2020 at 9.00 a.m. or at any adjournment thereof for the purpose of considering and, if thought fit, passing the following resolution with or without modifications:-

ORDINARY RESOLUTION

PROPOSED SHARE SPLIT INVOLVING THE SUBDIVISION OF EVERY 2 EXISTING ORDINARY SHARES IN KAB HELD ON AN ENTITLEMENT DATE TO BE DETERMINED AND ANNOUNCED AT A LATER DATE (“BOOKS CLOSURE DATE”) INTO 5 ORDINARY SHARES IN KAB (“SPLIT SHARES”) (“PROPOSED SHARE SPLIT”)

“**THAT** subject to all approvals being obtained from the relevant authorities and parties (if required), approval be and is hereby given to the Board to subdivide every two existing ordinary shares in the Company held by all entitled shareholders of the Company whose name appear in the Record of Depositors of the Company as at the close of business day on the Books Closure Date into five Split Shares;

THAT the fractional entitlements arising from the Proposed Share Split, if any, shall be disregarded and/or dealt with by the Board in such manner at its absolute discretion as it may deem fit or expedient and in the best interest of the Company;

THAT the Split Shares shall rank *pari passu* in all respects with one another;

AND THAT the Board of Directors of the Company (“**Board**”) be and is hereby authorised with full power to do all such acts, deeds and things and to execute and deliver on behalf of the Company all such documents and/or agreements as the Board may deem fit, necessary or expedient or appropriate in the best interest of the Company, in order to finalise, implement and/or give effect to the Proposed Share Split with full power to assent to any terms, conditions, modifications, variations and/or amendments as may be imposed or required by the relevant authorities or deemed necessary or desirable by the Board.”

By Order of the Board
KEJURUTERAAN ASASTERA BERHAD

JOANNE TOH JOO ANN (LS 0008574)
SIA EE CHIN (MAICSA 7062413)

Company Secretaries
Kuala Lumpur
24 January 2020

Notes:-

1. For the purpose of determining who shall be entitled to attend this General Meeting, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd to make available to the Company, a Record of Depositors as at 4 February 2020. Only a member whose name appears on this Record of Depositors shall be entitled to attend this General Meeting or appoint a proxy to attend, speak and vote on his/her/its behalf.
2. A member entitled to attend and vote at this General Meeting is entitled to appoint a proxy or attorney or in the case of a corporation, to appoint a duly authorised representative to attend, participate, speak and vote in his place. A proxy may but need not be a member of the Company.
3. A member of the Company who is entitled to attend and vote at a General Meeting of the Company may appoint not more than two (2) proxies to attend, participate, speak and vote instead of the member at the General Meeting.
4. If two (2) proxies are appointed, the entitlement of those proxies to vote on a show of hands shall be in accordance with the listing requirements of the stock exchange.
5. Where a member of the Company is an authorised nominee as defined in the Central Depositories Act, it may appoint not more than two (2) proxies in respect of each securities account it holds in ordinary shares of the Company standing to the credit of the said securities account.
6. Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds. An exempt authorised nominee refers to an authorised nominee defined under the Securities Industry (Central Depositories) Act 1991 ("Central Depositories Act") which is exempted from compliance with the provisions of Section 25A(1) of the Central Depositories Act.
7. Where a member appoints more than one (1) proxy, the proportion of shareholdings to be represented by each proxy must be specified in the instrument appointing the proxies.
8. The appointment of a proxy may be made in a hard copy form and submit 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, 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. In the case of an appointment made via TIIH Online, this proxy form must be deposited at <https://tjih.online>. Please refer to the Annexure to the Form of Proxy for further information on submission via TIIH Online. All proxy form submitted must be received by the Company not less than forty-eight (48) hours before the time appointed for holding the General Meeting or adjourned General Meeting at which the person named in the appointment proposes to vote.
9. Any authority pursuant to which such an appointment is made by a power of attorney must be deposited at 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, the Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur not less than forty-eight (48) hours before the time appointed for holding the General Meeting or adjourned General Meeting at which the person named in the appointment proposes to vote. A copy of the power of attorney may be accepted provided that it is certified notarially and/or in accordance with the applicable legal requirements in the relevant jurisdiction in which it is executed.
10. Please ensure ALL the particulars as required in this proxy form are completed, signed and dated accordingly.
11. Last date and time for lodging this proxy form is Sunday, 9 February 2020 at 9.00 a.m.
12. Please bring an **ORIGINAL** of the following identification papers (where applicable) and present it to the registration staff for verification:
 - (a) Identity card (NRIC) (Malaysian), or
 - (b) Police report (for loss of NRIC) / Temporary NRIC (Malaysian), or
 - (c) Passport (Foreigner).
13. For a corporate member who has appointed a representative instead of a proxy to attend this meeting, please bring the **ORIGINAL** certificate of appointment executed in the manner as stated in this proxy form if this has not been lodged at the Company's registered office earlier.



KEJURUTERAAN ASASTERA BERHAD

[Company No. 199701005009 (420505-H)]
(Incorporated in Malaysia)

FORM OF PROXY

CDS Account No.
No. of Shares held

I/We, Tel. No.:
(Full name in block and NRIC No. / Company No.)

of
(Address)

being a member of Kejuruteraan Asastera Berhad, hereby appoint(s):-

Full Name (in Block)	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			

and / or* (*delete as appropriate)

Full Name (in Block)	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			

or failing him, the Chairperson of the meeting as my/our proxy to vote for me/us on my/our behalf at the Extraordinary General Meeting of the Company to be held at No. 18, Jalan Radin Bagus 9, Bandar Baru Seri Petaling, 57000 Kuala Lumpur on Tuesday, 11 February 2020 at 9.00 a.m. or any adjournment thereof, and to vote as indicated below:-

Item	Agenda	Resolution	FOR	AGAINST
1.	Proposed Share Split	Ordinary Resolution		

Please indicate with an 'X' in the space provided whether you wish your votes to be cast for or against the resolution. In the absence of specific direction, your proxy may vote or abstain as he thinks fit.

Signed this.....

Signature*
Member

*** Manner of execution:**

- (a) If you are an individual member, please sign where indicated.
- (b) If you are a corporate member which has a common seal, this proxy form should be executed under seal in accordance with the constitution of your corporation.
- (c) If you are a corporate member which does not have a common seal, this proxy form should be affixed with the rubber stamp of your company (if any) and executed by:
 - (i) at least two (2) authorised officers, of whom one shall be a director; or
 - (ii) any director and/or authorised officers in accordance with the laws of the country under which your corporation is incorporated.

Notes:-

- 1. For the purpose of determining who shall be entitled to attend this General Meeting, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd to make available to the Company, a Record of Depositors as at 4 February 2020. Only a member whose name appears on this Record of Depositors shall be entitled to attend this General Meeting or appoint a proxy to attend, speak and vote on his/her/its behalf.
- 2. A member entitled to attend and vote at this General Meeting is entitled to appoint a proxy or attorney or in the case of a corporation, to appoint a duly authorised representative to attend, participate, speak and vote in his place. A proxy may but need not be a member of the Company.
- 3. A member of the Company who is entitled to attend and vote at a General Meeting of the Company may appoint not more than two (2) proxies to attend, participate, speak and vote instead of the member at the General Meeting.

4. *If two (2) proxies are appointed, the entitlement of those proxies to vote on a show of hands shall be in accordance with the listing requirements of the stock exchange.*
5. *Where a member of the Company is an authorised nominee as defined in the Central Depositories Act, it may appoint not more than two (2) proxies in respect of each securities account it holds in ordinary shares of the Company standing to the credit of the said securities account.*
6. *Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds. An exempt authorised nominee refers to an authorised nominee defined under the Securities Industry (Central Depositories) Act 1991 ("Central Depositories Act") which is exempted from compliance with the provisions of Section 25A(1) of the Central Depositories Act.*
7. *Where a member appoints more than one (1) proxy, the proportion of shareholdings to be represented by each proxy must be specified in the instrument appointing the proxies.*
8. *The appointment of a proxy may be made in a hard copy form and submit 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, 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. In the case of an appointment made via TIIH Online, this proxy form must be deposited at <https://tiih.online>. Please refer to the Annexure to the Form of Proxy for further information on submission via TIIH Online. All proxy form submitted must be received by the Company not less than forty-eight (48) hours before the time appointed for holding the General Meeting or adjourned General Meeting at which the person named in the appointment proposes to vote.*
9. *Any authority pursuant to which such an appointment is made by a power of attorney must be deposited at 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, the Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur not less than forty-eight (48) hours before the time appointed for holding the General Meeting or adjourned General Meeting at which the person named in the appointment proposes to vote. A copy of the power of attorney may be accepted provided that it is certified notarially and/or in accordance with the applicable legal requirements in the relevant jurisdiction in which it is executed.*
10. *Please ensure ALL the particulars as required in this proxy form are completed, signed and dated accordingly.*
11. *Last date and time for lodging this proxy form is Sunday, 9 February 2020 at 9.00 a.m.*
12. *Please bring an **ORIGINAL** of the following identification papers (where applicable) and present it to the registration staff for verification:*
 - (a) *Identity card (NRIC) (Malaysian), or*
 - (b) *Police report (for loss of NRIC) / Temporary NRIC (Malaysian), or*
 - (c) *Passport (Foreigner).*
13. *For a corporate member who has appointed a representative instead of a proxy to attend this meeting, please bring the **ORIGINAL** certificate of appointment executed in the manner as stated in this proxy form if this has not been lodged at the Company's registered office earlier.*

**ELECTRONIC SUBMISSION OF PROXY FORM FOR GENERAL MEETING
VIA TIIH ONLINE**

Dear Security holder






ELECTRONIC SUBMISSION OF PROXY FORM FOR GENERAL MEETING

We are pleased to inform that you as a security holder can have the option to submit your proxy form by electronic means through our application, TIIH Online (“**e-proxy form**”).

TIIH Online is an application that provides an online platform for security holders (*individuals only*) to appoint their proxy and submit the proxy form in paperless form. Once you have successfully submitted your e-proxy form, you are no longer required to complete and lodge the physical proxy form to your investee company or Tricolor office.









To assist you on how to engage with e-proxy form, kindly read and follow the guidance notes which are detailed below:

1. Sign up as user of TIIH Online

-  Using your computer, access our website at <https://tiih.online>
-  Sign up as a user by completing the registration form, registration is free
-  Upload a softcopy of your MyKad (front and back) or your passport
-  Administrator will approve your registration within one working day and notify you via email
-  Activate your account by re-setting your password

- Notes:**
- (i) *If you are already registered as a user of TIIH Online, you are not required to sign up again.*
 - (ii) *An email address is allowed to be used once to register as a new user account, and the same email cannot be used to register another user account.*
 - (iii) *At this juncture, only individual shareholders are offered to register as user and participate in e-proxy form*

2. Proceed with e-proxy form

-  After the release of the Notice of Meeting by your investee company, login with your user name (i.e. e-mail address) and password
-  Select the corporate event: “**SUBMISSION OF PROXY FORM**”
-  Read and agree to the Terms & Conditions and confirm the Declaration
-  Insert the CDS account number and indicate the number of securities for your proxy(s) to vote on your behalf
-  Appoint your proxy(s) or chairman and insert the required details of your proxy(s)
-  Indicate your voting instructions – FOR or AGAINST, otherwise your proxy will decide your vote
-  Review & confirm your proxy(s) appointment
-  Print e-proxy form for your record

Should you need assistance on our e-proxy form, please contact us. Thank you.

Tricolor 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

Telephone No: 03-27839299
Fax No: 03-27839222
E-mail: is.enquiry@my.tricorglobal.com

Fold this flap for sealing

Then fold here

AFFIX

KEJURUTERAAN ASASTERA BERHAD
[Company No. 199701005009 (420505-H)]
c/o 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
Wilayah Persekutuan
Malaysia

1st fold here
