

# MALAYSIAN BULK CARRIERS BERHAD ("MBC" OR "THE COMPANY") ACQUISITION OF 100% EQUITY INTEREST IN EMT SYSTEMS SDN BHD (FORMERLY KNOWN AS E METALL SYSTEMS SDN BHD) ("EMTS") FOR A PURCHASE CONSIDERATION OF RM70,000,000 ("ACQUISITION")

## MALAYSIAN BULK CARRIERS BERHAD

<b>Type</b>	Reply to Query
<b>Reply to Bursa Malaysia's Query Letter - Reference ID</b>	IQL-20012023-00001
<b>Subject</b>	MALAYSIAN BULK CARRIERS BERHAD ("MBC" OR "THE COMPANY") ACQUISITION OF 100% EQUITY INTEREST IN EMT SYSTEMS SDN BHD (FORMERLY KNOWN AS E METALL SYSTEMS SDN BHD) ("EMTS") FOR A PURCHASE CONSIDERATION OF RM70,000,000 ("ACQUISITION")
<b>Description</b>	<p>MALAYSIAN BULK CARRIERS BERHAD ("MBC" OR "THE COMPANY")</p> <p>ACQUISITION OF 100% EQUITY INTEREST IN EMT SYSTEMS SDN BHD (FORMERLY KNOWN AS E METALL SYSTEMS SDN BHD) ("EMTS") FOR A PURCHASE CONSIDERATION OF RM70,000,000 ("ACQUISITION")</p>
<b>Query Letter Contents</b>	<p>We refer to your Company's announcement dated 18 January 2023 in respect of the aforesaid matter.</p> <p>In this connection, kindly furnish Bursa Securities with the following additional information for public release:-</p> <ol style="list-style-type: none"><li>1. to provide the rationale to pay a Deferred Dividend of all the amount in excess of RM10,000,000 of the shareholders' fund of EMTS to the Vendors when the audited accounts for the FYE 2022 of EMTS has been finalised and issued, notwithstanding the completion of the Agreement. In addition, to state the indicated amount.</li><li>2. to incorporate the principal activities, share capital and number of issued shares of Lienteh.</li><li>3. to provide the names of the directors, shareholders and their respective shareholdings in Lienteh.</li><li>4. to incorporate the rationale and salient terms of Lienteh SSA, mode of payment, basis and justifications for the consideration.</li><li>5. to clarify whether the valuation of EMTS has taken into account the sales of shares in Lienteh and Eonmetall Group Berhad ("Eonmetall").</li><li>6. to elaborate the relationship between ETMS and Eonmetall and also to provide the reason to incorporate the salient term "exclude any profits/effects of the transaction(s) involving the sale of shares in Eonmetall".</li></ol>

7. to clarify whether the completion of Lienteh disposal will have any financial and/or operational effect to Maybulk Group due to the Condition Subsequent as well as the effect of the Lienteh SSA on the Acquisition.

8. to incorporate the rationale for BDO Capital Consultants Sdn Bhd to adopt the discounted cash flow valuation methodology instead of other valuation methodology to derive at the estimated range of indicative values of RM75.4 million to RM84.8 million for EMTS.

9. to provide the basis and assumptions made for the discounted cash flow valuation methodology.

10. to incorporate the mitigating factor pertaining to the Acquisition Risk.

11. to discuss further on the measures put in place to safeguard the profit guarantee.

Please furnish Bursa Securities with your reply within one (1) market day from the date hereof.

Yours faithfully

**Listing**

**Regulation**

*Cc : Market Surveillance Dept., Securities Commission (via email)*

We refer to the announcement dated 18 January 2023 ("**Announcement**"). Unless otherwise defined, the definitions set out in the Announcement shall apply herein.

On behalf of the Board of Directors of the Company, Kenanga IB wishes to announce the following additional information as required by Bursa Securities via its letter (ref no: IQL-20012023-00001) dated 20 January 2023.

Please refer to the attachment for the additional information.

This announcement is dated 25 January 2023.

Please refer attachment below.

### Attachments

[MBC - Additional Information \(25.01.2023\).pdf](#)  
153.0 kB

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### Announcement Info

<b>Company Name</b>	MALAYSIAN BULK CARRIERS BERHAD
<b>Stock Name</b>	MAYBULK
<b>Date Announced</b>	25 Jan 2023
<b>Category</b>	General Announcement for PLC
<b>Reference Number</b>	GA1-23012023-00001