



MALAYSIAN BULK CARRIERS BERHAD

Registration No. 198801008597 (175953-W)
Incorporated in Malaysia

Extraordinary General Meeting
15 June 2023



Disclaimer

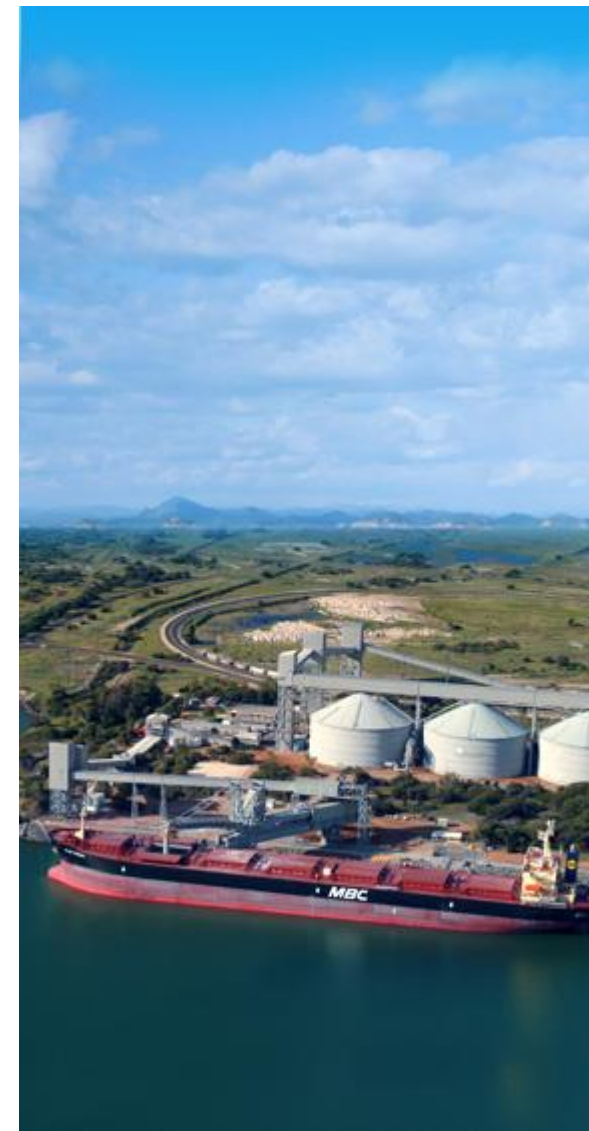


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Proposed Capital Reduction



Based on the draft audited accounts of Malaysian Bulk Carriers Berhad, as at 31 December 2022, the shareholders' equity is as follows:

	Group	Company
	RM'000	RM'000
Share capital	338,791	338,791
Forex reserve (non-distributable)	143,778	427,850
Retained earnings/(Accumulated losses)	4,483	(259,069)
Shareholders' equity	487,052	507,572



Although the Group and the Company is solvent, the ability of the Group and the Company to undertake the following corporate transactions is limited by the accumulated loss at Company level:

- Declaration of dividend is subject to profit generated at Company level
- The Company is not able to undertake any share buy-back exercise



- Issued share capital in the balance sheet will be reduced by the amount of capital reduction proposed but the total number of shares shall remain the same
- Accumulated losses at Company level will be eliminated and turned into retained earnings and retained earnings at Group level will be enhanced by the amount of capital reduction proposed
- The proposed capital reduction will have no impact on the net assets of the Group and Company



With a capital reduction of RM275 million. the impact on the Group shareholders' funds will be as follows:

	Before	Reduction	After
	RM'000	RM'000	RM'000
Share capital	338,791	(275,000)	63,791
Forex reserve (non-distributable)	143,778	0	143,778
Retained earnings	4,483	275,000	
		*(230)	279,253
Shareholders' equity	487,052	0	486,822

* Estimated expenses for the exercise

Financial Impact



With a capital reduction of RM275 million. the impact on the Company shareholders' funds will be as follows:

	Before	Reduction	After
	RM'000	RM'000	RM'000
Share capital	338,791	(275,000)	63,791
Forex reserve (non-distributable)	427,850	0	427,850
Accumulated losses/ Retained earnings	(259,069)	275,000 *(230)	15,701
Shareholders' equity	507,572	0	507,342

* Estimated expenses for the exercise



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END OF PRESENTATION