

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

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

Bursa Malaysia Securities Berhad (“Bursa Securities”) has not perused this Circular/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 Circular/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 Circular/Statement.



**BM GREENTECH BERHAD
(FORMERLY KNOWN AS BOILERMECH HOLDINGS BERHAD)**

Registration No. 201001013463 (897694-T)
(Incorporated in Malaysia)

PART A

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

PART B

**SHARE BUY- BACK STATEMENT IN RELATION TO THE PROPOSED RENEWAL OF
SHARE BUY-BACK AUTHORITY**

(COLLECTIVELY KNOWN AS “THE PROPOSALS”)

The resolutions in respect of the above Proposals will be tabled as a Special Business at the 14th Annual General Meeting (“AGM”) of BM GreenTech Berhad (formerly known as Boilermech Holdings Berhad) which will be held at Zamrud Room, The Saujana Hotel Kuala Lumpur, Saujana Resort, Jalan Lapangan Terbang SAAS, 40150 Shah Alam, Selangor Darul Ehsan on Thursday, 12 September 2024 10:00 a.m.. The notice of the 14th AGM of the Company together with the Proxy Form, Administrative Guide and this Circular/Statement are available to be downloaded from the Company’s website <http://www.bmgreentech.com/aggm/>.

A member entitled to attend and vote at the AGM is entitled to appoint a proxy or proxies to attend and to vote on his behalf. In such event, the Proxy Form should be lodged at the Share Registrar of BM GreenTech Berhad (formerly known as Boilermech Holdings Berhad), Tricor Investor & Issuing House Services Sdn Bhd 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 Share Registrar of the Company via TIH Online at <https://tih.online> not less than forty-eight (48) hours before the time stipulated for holding the AGM. The lodging of the Proxy Form does not preclude you from attending and voting at the AGM, should you subsequently wish to do so.

Last date and time for lodging the Proxy Form : Tuesday, 10 September 2024 at 10.00 a.m.

Date and time of the AGM : Thursday, 12 September 2024 at 10.00 a.m.

This Circular/Statement is dated 30 July 2024

DEFINITIONS

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

“Act”	: Companies Act 2016 and includes any amendments thereto from time to time
“AGM”	: Annual General Meeting
“BGSB”	: BM Green Energy Sdn Bhd (formerly known as Boilermech Cleantech Sdn Bhd) Registration No. 201101013494 (941634-K)
“Board”	: Board of Directors of BM GreenTech
“BM GreenTech” or “Company”	: BM GreenTech Berhad (formerly known as Boilermech Holdings Berhad) Registration No. 201001013463 (897694-T)
“BM GreenTech Group” or “Group”	: BM GreenTech and its subsidiaries, collectively
“BM GreenTech Share(s) or Shares”	: Ordinary share(s) in BM GreenTech
“BOSB”	Boilermech Oretch Sdn Bhd : Registration No. 201401015347 (1091434-K)
“BSB”	: Boilermech Sdn Bhd Registration No. 198001004313 (58098-U)
“CCM”	Companies Commission of Malaysia
“Bursa Securities”	: Bursa Malaysia Securities Berhad Registration No. 200301033577 (635998-W)
“Code”	Malaysian Code on Take-Overs and Mergers 2016, read together with the Rules on Take-Over, Merger and Compulsory Acquisition 2016, including any amendments that may be made from time to time
“Director(s)”	: Directors of the Company and shall have the meaning given in Section 2(1) of the Capital Markets and Services Act, 2007
“EPS”	Earnings per share
“EITA”	: EITA Resources Berhad Registration No. 199601026396 (398748-T)
“EITA Group”	: EITA and its subsidiaries, collectively
“Listing Requirements”	: Main Market Listing Requirements of Bursa Securities and includes any amendments thereto from time to time
“LPD”	: 1 July 2024, being the latest practicable date prior to the printing of this Circular/Statement

DEFINITIONS (CONT'D)

- “Major Shareholder(s)” : Any person who has an interest or interests in one or more voting shares in BM GreenTech and the number or aggregate number of those shares, is:-
- i. 10% or more of the total number of the voting shares in BM GreenTech; or
 - ii. 5% or more of the total number of the voting shares in BM GreenTech where such person is the largest shareholder of BM GreenTech.
- For the purpose of this definition, "interest in shares" shall have the meaning given in Section 8 of the Act and a major shareholder includes any person who is or was within the preceding six (6) months of the date on which the terms of the RRPT(s) were agreed upon, a major shareholder of BM GreenTech as defined under Paragraph 1.01 of the Listing Requirements or any other company which is its subsidiary or holding company
- “Market Day” : A day on which the stock market of Bursa Securities is open for trading in securities, which may include Surprise Holiday
- “NA” : Net Assets
- “Primem” : Primem Pte Ltd
Registration No. 201819246D
- “Primem Group” : Primem and its subsidiaries, collectively
- “MB Group” : M.B. Agriculture (Sabah) Sdn Bhd [Registration No. 199001017249 (208918-W)] and M.B. Agriculture (Sandakan) Sdn Bhd [Registration No. 198601001857 (151000-A)], collectively
- “Person(s) Connected” : In relation to a Director or a Major Shareholder of BM GreenTech, means such person who falls under any one of the following categories:-
- i. a family member of the Director or Major Shareholder;
 - ii. a trustee of a trust (other than a trustee for an employee share scheme or pension scheme) under which the Director, Major Shareholder or a family member of the Director or Major Shareholder is the sole beneficiary;
 - iii. a partner of the Director or Major Shareholder;
 - iv. a person who is accustomed or under an obligation, whether formal or informal, to act in accordance with the directions, instructions or wishes of the Director or Major Shareholder;
 - v. a person in accordance with whose directions, instructions or wishes the Director or Major Shareholder is accustomed or is under an obligation, whether formal or informal, to act;

DEFINITIONS (CONT'D)

	vi.	a body corporate or its directors which/who is/are accustomed or under an obligation, whether formal or informal, to act in accordance with the directions, instructions or wishes of the Director or Major Shareholder;
	vii.	a body corporate or its directors whose directions, instructions or wishes the Director or Major Shareholder is accustomed or under an obligation, whether formal or informal, to act;
	viii.	a body corporate in which the Director, Major Shareholder and/or Persons Connected with him are entitled to exercise, or control the exercise of, not less than 20% of the votes attached to voting shares in the body corporate; or
	ix.	a body corporate which is a related corporation.
"Proposals"	:	Collectively, Proposed Renewal of Shareholders' Mandate and Proposed Share Buy-Back Authority
"Proposed Share Buy-Back"		Proposed purchase by the Company of its own shares in accordance with Section 127 of the Act and the requirements of Bursa Securities and/or any other relevant authority
"Proposed Renewal of Share Buy-Back Authority"		Proposed renewal for the Company to purchase its own Shares of up to ten percent (10%) of its total number of issued shares
"Proposed Renewal of Shareholders' Mandate"	:	Proposed renewal of shareholders' mandate for the existing RRPT(s) to be entered into from the date of the forthcoming 14th AGM to the next AGM of the Company as set out in Section 2.2 of this Circular
"PTBM"	:	PT Boilermech Registration No. 8120113103004
"PTBMI"	:	PT Boilermech Manufacturing Indonesia Registration No. 9120507132525
"QLB"	:	QL Resources Berhad Registration No. 199701013419 (428915-X)
"QLGR"	:	QL Green Resources Sdn Bhd Registration No. 198101003375 (69489-D)
"QLB Group"	:	QLB and its subsidiaries, collectively
"Related Party(ies)"	:	A Director, a Major Shareholder or a Person Connected with such Director or Major Shareholder
"Recurrent Related Party Transaction(s) or "RRPT(s)"	:	A related party transaction which is recurrent, of a revenue or trading nature and which is necessary for day-to-day operations of BM GreenTech Group
"RM" and "sen"	:	Ringgit Malaysia and sen respectively
"Shares Purchased"	:	BM GreenTech Shares to be purchased by the Company pursuant to the Proposed Share Buy-Back Authority

DEFINITIONS (CONT'D)

"Statement"	: Share Buy-Back Statement in relation to the Proposed Renewal of Share Buy-Back Authority dated 30 July 2024
"SC"	: Securities Commission Malaysia
"Substantial Shareholder(s)"	: A person who has an interest in one or more voting shares in the Company and the number or the aggregate number of such shares is not less than five percent (5%) of the total number of all the voting shares in the Company as defined in Section 136(1)(a) of the Act
"Surprise Holiday"	: A day that is declared as a public holiday in the Federal Territory of Kuala Lumpur that has not been gazetted as a public holiday at the beginning of the calendar year
"Treasury Share(s)"	: Shares purchased by the Company, which are retained as treasury shares
VWAP	: Volume weighted average price
"TEK"	: BM TEK Sdn Bhd (formerly known as Teknologi Enviro-Kimia (M) Sdn Bhd) Registration No. 199501021717 (350920-V)
"BIOTEK"	: BM BioTEK Sdn Bhd (formerly known as TEK Biotechnology Sdn Bhd) Registration No. 201501023272 (1148601-T)
"TEKG"	: T.E.K. Greencare Sdn Bhd Registration No. 200801002163 (803447-U)
"WATERTEK"	: BM WaterTEK Sdn Bhd (formerly known as T.E.K. Water Sdn Bhd) Registration No. 200101013314 (549071-T)
"TERA"	: Tera VA Sdn Bhd Registration No. 201101001113 (929247-P)
"ZISB"	: Zenith Index Sdn Bhd Registration No. 201101026339 (954475-T)

All references to "you" in this Circular/Statement are referred to BM GreenTech's shareholders.

Words incorporating the singular shall, where applicable, include the plural and vice versa. Words incorporating the masculine gender shall, where applicable, include the feminine and neuter genders and vice versa. Any reference to persons shall include a corporation, unless otherwise specified.

Any reference in this Circular/Statement to any statutes, rules, regulations or rules of the stock exchange is a reference to such statutes, rules, regulations or rules of the stock exchange currently in force and as may be amended from time to time and any re-enactment thereof.

Any reference to a time or date in this Circular/Statement shall be a reference to Malaysian time, unless otherwise stated.

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

TABLE OF CONTENTS

PART A**LETTER TO THE SHAREHOLDERS OF BM GREEN IN RELATION TO THE PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE:-**

	PAGE
1. INTRODUCTION	2
2. DETAILS OF THE PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE	3
3. RATIONALE AND BENEFITS FOR THE PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE	10
4. EFFECTS OF THE PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE	11
5. APPROVAL REQUIRED	11
6. INTERESTS OF DIRECTORS, MAJOR SHAREHOLDERS AND/OR PERSONS CONNECTED TO THEM	11
7. DIRECTORS' RECOMMENDATION	12
8. AGM	12
9. FURTHER INFORMATION	13

APPENDIX I

FURTHER INFORMATION

ENCLOSED

THE REST OF THIS PAGE HAS BEEN INTENTIONALLY LEFT BLANK
--

TABLE OF CONTENTS

PART B**LETTER TO THE SHAREHOLDERS OF BM GREEN IN RELATION TO THE PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY:-**

	PAGE
1. INTRODUCTION	15
2. INFORMATION ON THE PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY	16
2.1 DETAILS OF THE PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY	16
2.2 SOURCE OF FUNDS AND TREATMENT OF THE SHARES PURCHASED	16
2.3 SHAREHOLDINGS OF DIRECTORS AND MAJOR/SUBSTANTIAL SHAREHOLDERS	18
2.4 PUBLIC SHAREHOLDINGS SPREAD	19
2.5 IMPLICATION OF THE CODE	19
2.6 PURCHASE, CANCELLATION OF SHARES AND RESALE/ TRANSFER OF TREASURY SHARES MADE IN THE PRECEDING TWELVE (12) MONTHS	19
2.7 MARKET PRICE OF THE COMPANY'S SHARES	19
3. RATIONALE FOR THE PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY	19
4. FINANCIAL EFFECTS OF THE PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY	20
5. CONDITIONS OF THE PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY	21
6. INTERESTS OF DIRECTORS, MAJOR/SUBSTANTIAL SHAREHOLDERS AND/OR PERSONS CONNECTED WITH THEM	21
7. DIRECTORS' STATEMENT AND RECOMMENDATION	21
8. AGM	22
9. FURTHER INFORMATION	22

APPENDIX I

FURTHER INFORMATION

ENCLOSED

PART A

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



BM GREENTECH BERHAD **(FORMERLY KNOWN AS BOILERMECH HOLDINGS BERHAD)**

Registration No. 201001013463 (897694-T)
(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

30 July 2024

Board of Directors

Dr. Chia Song Kun	<i>(Non-Independent Non-Executive Chairman)</i>
Chia Lik Khai	<i>(Group Managing Director)</i>
Chia Seong Fatt	<i>(Alternate Director to Chia Lik Khai)</i>
Gan Chih Soon	<i>(Executive Director)</i>
Tee Seng Chun	<i>(Alternate Director to Gan Chih Soon)</i>
Ng Swee Weng	<i>(Independent Non-Executive Director)</i>
Datuk Wira Roslan Bin AB Rahman	<i>(Independent Non-Executive Director)</i>
Koh Ee Huei	<i>(Independent Non-Executive Director)</i>

To: The Shareholders of BM GreenTech Berhad (formerly known as Boilermech Holdings Berhad)

Dear Sir/ Madam,

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

1. INTRODUCTION

At the AGM of the Company held on 25 August 2023, the Company had obtained the shareholders' mandate for the Group to enter into certain RRPT(s) based on terms set out in the circular to shareholders dated 26 July 2023. The said shareholders' mandate shall, in accordance with the Listing Requirements, lapse at the conclusion of the forthcoming AGM, which will be held on 12 September 2024, unless approval for the renewal of the shareholders' mandate is obtained from the shareholders of BM GreenTech at the forthcoming AGM.

Accordingly, the Board had on 4 July 2024 announced that the Company proposes to seek the approval of the shareholders for the Proposed Renewal of Shareholders' Mandate in compliance with Paragraph 10.09(2) of the Listing Requirements.

The purpose of this Circular is to provide the shareholders of BM GreenTech with the relevant information on the Proposed Renewal of Shareholders' Mandate and to seek the approval from the shareholders of BM GreenTech for the ordinary resolution pertaining thereto to be tabled at the forthcoming 14th AGM of BM GreenTech.

SHAREHOLDERS OF BM GREENTECH ARE ADVISED TO READ AND CAREFULLY CONSIDER THE CONTENTS OF THIS CIRCULAR TOGETHER WITH THE APPENDIX CONTAINED HEREIN BEFORE VOTING ON THE ORDINARY RESOLUTION PERTAINING TO THE PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE TO BE TABLED AT THE FORTHCOMING 14TH AGM.

2. DETAILS OF THE PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE

Pursuant to Paragraph 10.09(1)(b) of the Listing Requirements, listed issuers with a share capital which is less than RM60 million must immediately announce a RRPT as follows:-

- i. the consideration, value of the assets, capital outlay or costs of the RRPT is RM1 million or more; or
- ii. the percentage ratio of such RRPT is 1% or more,

whichever is the lower.

Pursuant to Paragraph 10.09(2) of the Listing Requirements, BM GreenTech may seek a mandate from its shareholders to enter into RRPT(s), subject to the following:-

- i. 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;
- ii. 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 where the aggregate value is equal to, or more than the threshold prescribed under Paragraph 10.09(1) of the Listing Requirements;
- iii. a circular to the shareholders for the shareholders' mandate includes the information as may be prescribed by Bursa Securities. The draft Circular relating to obtaining shareholders' mandate for new RRPT must be submitted to Bursa Securities together with a checklist showing compliance with such information;
- iv. in a meeting to obtain shareholders' mandate, the relevant related party must comply with the requirements set out in Paragraph 10.08(7) of the Listing Requirements; and
- v. immediate announcement to Bursa Securities when the actual value of a RRPT entered into by BM GreenTech, exceeds the estimated value of the RRPT disclosed in the circular by **10%** or more and must include the information as may be prescribed by Bursa Securities in its announcement.

In the ordinary course of business, the Group will enter into RRPT(s) and it is anticipated that the Group will continue to enter into RRPT(s), the particulars of which are set out in **Section 2.2** of this Circular.

Accordingly, the Board seeks the shareholders' approval for the Proposed Renewal of Shareholders' Mandate from the date of the forthcoming 14th AGM until the next AGM of the Company.

Such transactions have been and will be made on terms which are not more favourable to the Related Party(ies) than those generally available to the public and are not to the detriment of the minority shareholders of BM GreenTech.

The Proposed Renewal of Shareholders' Mandate, if approved by the shareholders of BM GreenTech, will take effect from the date of the 14th AGM until:-

- i. the conclusion of the next AGM of BM GreenTech following the forthcoming 14th AGM at which the Proposed Renewal of Shareholders' Mandate is passed, at which time it will lapse, unless the authority is renewed by a resolution passed at the next AGM;
- ii. the expiration of the period within which the next AGM 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
- iii. revoked or varied by resolution passed by the shareholders in a general meeting,

whichever is the earlier.

Disclosure will be made in the Company's annual report in accordance with Paragraph 3.1.5 of Practice Note 12 of the Listing Requirements, which requires a breakdown of the aggregate value of RRPT(s) entered into pursuant to the Proposed Renewal of Shareholders' Mandate for the financial year under review, providing amongst others, the following information:

- (a) type of the RRPT(s) entered into; and
- (b) names of the Related Parties involved in each type of RRPTs entered into and their relationship with the Company.

Thereafter, the approval from the shareholders of BM GreenTech will be sought for the renewal of the shareholders' mandate for the RRPT(s), as applicable, at each subsequent AGM of BM GreenTech.

2.1 Principal activities of the BM GreenTech Group

BM GreenTech is principally an investment holding company. As at the LPD, the principal activities of its subsidiary companies are as follows:-

Name	Effective equity interest (%)	Principal activities
BSB	100.00	Engaged in the business of manufacturing, repairing and servicing of boilers.
BGSB	100.00	Engaged in the business of dealing and installation of green solar power energy products and producing integrated biomass electric power generation system.
ZISB	100.00	Engaged in the business of manufacturing bio-energy systems.
BOSB	100.00	Engaged in the business of supplying and installation of power generation system from solar or other renewable energy.
PTBM	100.00	Engaged in trading services especially in repairing, servicing, installation and commissioning of biomass boilers.
PTBMI	100.00	Engaged in the business of manufacturing, repairing and servicing

Name	Effective equity interest (%)	Principal activities
TEK	60.23	Engaged in the businesses of general trader and contractor of water treatment chemicals and equipment and investment holdings.
TERA	100.00	Engaged in the business of dealing and installation of green solar power energy products and electrical equipment.

Indirect subsidiaries held through TEK, their principal activities and BM GreenTech's effective equity interest held therein are as follows:-

Name	Effective equity interest (%)	Principal activities
TEKG	60.23	Inactive.
WATERTEK	60.23	Supplier of water treatment chemical and related accessories.
BIOTEK	48.18	Management services, technical consultancy service, project management, laboratory testing, trading and engineering works.

THE REST OF THIS PAGE HAS BEEN INTENTIONALLY LEFT BLANK

2.2 Details of the RRPT(s) under the Proposed Renewal of Shareholders' Mandate

The details of the RRPT(s) entered into between BM GreenTech Group and the Related Parties are as follows:-

Transacting party	Nature of relationship	Nature of transaction	Estimated value as previously disclosed in the circular dated 26 July 2023 (RM'000)	Actual value transacted from the 13th AGM up to the LPD (RM'000)	Variance %	Variance Reason	Estimated value for the forthcoming 14th AGM to the next AGM (RM'000)
QLB Group ⁽¹⁾ and BM GreenTech Group ⁽²⁾	QLB is the ultimate holding company of BM GreenTech ⁽³⁾	Provision of engineering solutions and materials in relation to bio-energy systems and water treatment activities; and provision of photovoltaic system (solar power system) to QLB group of companies	70,000	17,928	<0	N/A	100,000
EITA Group and BM GreenTech Group ⁽²⁾	A substantial shareholder of EITA is connected to directors of BM GreenTech ⁽⁴⁾	Purchase of boiler equipment, electronic equipment and maintenance services from EITA Group	4,000	1,636	<0	N/A	50,000

2.2 Details of the RRPT(s) under the Proposed Renewal of Shareholders' Mandate (Cont'd)

Transacting party	Nature of relationship	Nature of transaction	Estimated value as previously disclosed in the circular dated 26 July 2023 (RM'000)	Actual value transacted from the 13th AGM up to the LPD (RM'000)	Variance %	Variance Reason	Estimated value for the forthcoming 14th AGM to the next AGM (RM'000)
Primem Group and BM GreenTech Group ⁽²⁾	A substantial shareholder of Primem Pte Ltd ("Primem") is a director of a subsidiary of BM GreenTech ⁽⁵⁾	Purchase of materials from Primem Group	2,500	887	<0	N/A	2,500
MB Group and BM GreenTech Group ⁽²⁾	Substantial shareholders of MB Group are connected to the Directors of BM GreenTech ⁽⁶⁾	Provision of engineering solutions and materials in relation to bio-energy systems and water treatment activities; and provision of photovoltaic system (solar power system) to MB Group	3,000	43	<0	N/A	3,000

THE REST OF THIS PAGE HAS BEEN INTENTIONALLY LEFT BLANK

Notes:-

- (1) *QLB Group refers to subsidiaries and affiliated companies within QLB Group excluding BM GreenTech and its subsidiaries.*
- (2) *Includes any new subsidiaries that BM GreenTech may incorporate or acquire from time to time.*
- (3) *Both the directors of BM GreenTech, Dr. Chia Song Kun and Mr Chia Seong Fatt are deemed as "Interested Directors" and "Interested Major Shareholders" by virtue of their respective substantial shareholdings in QL Resources Berhad ("QLB"), which held through CBG (L) Pte Ltd via CBG (L) Foundation and Farsathy Holdings Sdn Bhd respectively. QLB is the ultimate holding company of BM GreenTech, held through its wholly-owned subsidiary QL Green Resources Sdn Bhd. ("QLGR"). In addition, Mr Chia Lik Khai is deemed as an "Interested Director" by virtue of his directorship in BM GreenTech, QLGR and QLB. Please refer to Section 6 for further details on the Interested Directors and Interested Major Shareholders of BM GreenTech.*
- (4) *Mr Chia Seong Fatt is deemed interested in EITA, held through Ruby Technique Sdn Bhd via his and his spouse's beneficial interest in Farsathy Holdings Sdn Bhd.*
- (5) *Mr Yong Hua Kong, a director of TEK, is deemed as an "Interested Director" by virtue of his substantial shareholdings in Primem Pte Ltd.*
- (6) *MB Group refers to M.B. Agriculture (Sabah) Sdn Bhd and M.B. Agriculture (Sandakan) Sdn Bhd. Both M.B. Agriculture (Sabah) Sdn Bhd and M.B. Agriculture (Sandakan) Sdn Bhd are held by Imbangan Lestari Sdn Bhd (77.67%) and Farsathy Holdings Sdn Bhd (22.33%) respectively. Imbangan Lestari Sdn Bhd is a wholly-owned subsidiary of CBG (L) Foundation, an entity where Dr Chia Song Kun and person(s) connected to him have interests; Mr Chia Seong Fatt is deemed interested in M.B. Agriculture (Sabah) Sdn Bhd and M.B. Agriculture (Sandakan) Sdn Bhd via his and his spouse's beneficial interest in Farsathy Holdings Sdn Bhd.*

THE REST OF THIS PAGE HAS BEEN INTENTIONALLY LEFT BLANK

There are no material amounts due and owing by the Related Parties to BM GreenTech Group pursuant to the RRPTs which exceeded the credit terms as at 31 March 2024.

2.3 Threshold of Authority

While all RRPT(s) are subject to the review procedures and guidelines mentioned in **Section 2.4** of this Circular, all mandated transaction values above RM8 million will require the prior evaluation of the Audit Committee and the approval of the Board. Transaction values below RM8 million will be reviewed by the following management personnel according to their respective limits of approval:-

- (i) Above RM3 million and up to RM8 million will be reviewed and approved by Executive Directors;
- (ii) RM500,001 to RM3 million will be reviewed and approved by a Director of a subsidiary company; and
- (iii) Amounts up to RM500,000 will be reviewed and approved by either a Director of the subsidiary company or Project Manager.

Where any Director has any interest (direct or indirect) in any RRPT(s), such Director shall abstain from deliberation and voting on the matter.

In compliance with Paragraph 10.09(1)(b) of the Listing Requirements, BM GreenTech shall immediately announce any Recurrent Related Party Transaction(s) which have not obtained the shareholders' mandate where: (i) the consideration, value of the assets, capital outlay or costs of the RRPT is RM1 million or more; or (ii) the percentage ratio of such RRPT is 1% or more, whichever is the lower.

2.4 Review Procedures and Guidelines for RRPT(s)

To ensure the RRPT(s) are conducted on normal commercial terms and transaction prices consistent with the Company's usual business practices and policies, which are not more favourable to the Related Party than those extended to the public and are not to the detriment of the minority shareholders of BM GreenTech, the Audit Committee has been tasked with the review and approval of such transactions.

The review procedures established by BM GreenTech Group for RRPT(s) are as follows:

- (i) A list of the Related Parties is established and circulated annually to the finance division of the Group, who shall monitor and ensure that all RRPT(s) to be entered into by the Group are reported and forwarded to the Audit Committee, who then ensures that the RRPT(s) are to be undertaken on an arm's length basis, on terms which are not more favourable to the Related Party(ies) other than those generally available to the public and which are not to the detriment of the minority shareholders of BM GreenTech.
- (ii) Proper records are maintained at the Company and each of its subsidiaries to capture all RRPT(s) so that all RRPT(s) entered into pursuant to the shareholders' mandate will be adequately discussed.
- (iii) All RRPT(s) shall be disclosed to and reviewed by the Audit Committee on a quarterly basis with details of the transactions. In its review of the RRPT(s), the Audit Committee shall have the right to have access to information. The Audit Committee may also appoint individuals and committees to examine the RRPT(s), as and when appropriate, and shall be entitled to the services of independent advisors, if required in the discharge of its duties.

- (iv) The Board and Audit Committee have the overall responsibility to determine whether the procedures for RRPT(s) are appropriate and sufficient. An annual review of the procedures and processes for RRPT(s) is carried out by the Audit Committee and approved by the Board.
- (v) Wherever practicable, at least two (2) other contemporaneous transactions with unrelated third parties for substantially similar products or services, and/or quantities will be used as comparison, to determine whether the price and terms offered to/by the Related Party(ies) are fair and reasonable and comparable to those offered to/by other unrelated third parties for the same or substantially similar type of products or services and/or quantities.
- (vi) Where quotation or comparative pricing from unrelated third parties cannot be obtained, the transaction price will be determined based on usual business practices and policies of the Group and industry norms to ensure that the RRPT(s) is not detrimental to the Group.
- (vii) All members of the Board and/or Audit Committee who are directly or indirectly interested in any particular RRPT(s) shall declare their interest thereon and shall abstain from any deliberation or voting in respect of such transactions at the Board and/or Audit Committee meetings.

2.5 Statement by Audit Committee

The Audit Committee is of the view that the Group has adequate procedures and processes in place (which are reviewed on a yearly basis) to monitor, track, and identify the RRPT(s) in a timely and orderly manner. The Audit Committee is also satisfied that the procedures and guidelines set out in **Section 2.4** of this Circular are sufficient and appropriate to ensure that such RRPT(s) will be undertaken at arm's length and on normal commercial terms consistent with the industry norms not more favourable to the Related Party than those generally available to the public and that such terms will not be detrimental to the interests of the minority shareholders of BM GreenTech.

The Audit Committee reviews the procedures and processes set out in **Section 2.4** of this Circular on a yearly basis and these procedures and processes were last reviewed on 4 July 2024. If during its periodic reviews, the Audit Committee is of the view that such procedures and processes are no longer appropriate or adequate to monitor, track and identify RRPT(s), the Audit Committee will draw it to the attention of the Board and, if necessary, BM GreenTech will establish new guidelines and procedures.

3. RATIONALE AND BENEFITS FOR THE PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE

The RRPT(s) entered or to be entered into by the Group are intended to meet the business needs of the Group at the best possible terms. By transacting with the Related Parties, the Group would have an advantage of familiarity with the background, financial position and management of the Related Parties, thus enabling more informed commercial decisions to be made. In most dealings with the Related Parties, the Group and the Related Parties have a good understanding of each other's business needs and expectations thus providing a platform where all parties can benefit from conducting the RRPT(s).

The RRPT(s) are recurring transactions of a revenue or trading nature which are likely to occur with some degree of frequency and may arise at any time and from time to time.

The Proposed Renewal of Shareholders' Mandate will eliminate the need to announce and convene separate general meetings of BM GreenTech from time to time to seek shareholders'

approval on each occasion pursuant to the requirements of Paragraph 10.09(2) of the Listing Requirements, as and when potential transactions with the specified classes of Related Party(ies) arise. This will also substantially reduce expenses associated with the convening of such meetings on an ad hoc basis, improve administrative efficiency and allow human resources and time to be channeled towards attaining other corporate objectives and opportunities.

4. EFFECTS OF THE PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE

The Proposed Renewal of Shareholders' Mandate is administrative in nature and is therefore not expected to have any effect on the issued and paid-up share capital, substantial shareholders' shareholdings, earnings, gearing and net assets of BM GreenTech.

5. APPROVAL REQUIRED

The Proposed Renewal of Shareholders' Mandate is subject to the approval of the shareholders of BM GreenTech at the forthcoming 14th AGM of the Company.

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

Save as disclosed below, none of the Directors and/or Major Shareholders and/or persons connected to them have any interest, whether direct or indirect, in the Proposed Renewal of Shareholders' Mandate.

The shareholdings of all Directors and Major Shareholders of BM GreenTech and/or its subsidiaries having direct or indirect interests in the Proposed Renewal of Shareholders' Mandate as at the LPD are as follows:-

	Shareholdings in BM GreenTech as at the LPD			
	Direct		Indirect	
	No. of BM GreenTech Shares	%	No. of BM GreenTech Shares	%
Interested Major Shareholders				
QLGR	271,263,106	52.57	-	-
QLB	-	-	(a) 271,263,106	52.57
Dr. Chia Song Kun	400,000	0.08	(b) 272,217,806	52.76
CBG (L) Foundation	-	-	(c) 271,263,106	52.57
CBG (L) Pte. Ltd.	-	-	(d) 271,263,106	52.57
Interested Directors				
Dr. Chia Song Kun	400,000	0.08	(b) 272,217,806	52.76
Chia Lik Khai	500,000	0.10	-	-
Chia Seong Fatt	200,000	0.04	-	-
Yong Hua Kong	1,370,000	0.27	-	-
Persons Connected to Interested Director and Major Shareholders				
Ruby Technique Sdn Bhd ^(e)	-	-	-	-
Imbangan Lestari Sdn Bhd ^(f)	-	-	-	-
Farsathy Holdings Sdn Bhd ^(g)	-	-	-	-
Song Bak Holdings Sdn Bhd	954,700	0.19	-	-

Notes:-

- (a) Deemed interested by virtue of its wholly-owned subsidiary, QLGR, pursuant to Section 8 of the Act.
- (b) Deemed interested by virtue of shares held by QLGR via his and his spouse's interest in CBG (L) Foundation, the holding company of CBG (L) Pte Ltd, which is a substantial shareholder of QLB, the holding company of QLGR, as well as his and his spouse's interest in Song Bak Holdings Sdn Bhd.
- (c) Deemed interested by virtue of being the holding company of CBG (L) Pte. Ltd, i.e. a substantial shareholder of QLB, the holding company of QLGR.
- (d) Deemed interested by virtue of its substantial shareholding in QLB, the holding company of QLGR.
- (e) Mr Chia Seong Fatt is deemed interested in Ruby Technique Sdn Bhd ("RTSB") via his shareholding in Farsathy Holdings Sdn Bhd.
- (f) Imbangan Lestari Sdn Bhd ("ILSB") is a wholly owned subsidiary of CBG (L) Foundation, an entity where Dr Chia Song Kun and person(s) connected to him have interests.
- (g) Farsathy Holdings Sdn Bhd ("Farsathy") has 22.33% interest in MB Group, which Chia Seong Fatt and his spouse's have beneficial interest in Farsathy.

Accordingly, Dr. Chia Song Kun, Mr Chia Lik Khai, Mr Chia Seong Fatt and Mr Yong Hua Kong (collectively referred to as the "**Interested Directors**") have abstained and will continue to abstain from all board deliberations on the Proposed Renewal of Shareholders' Mandate. QLB, QLGR, CBG (L) Foundation, CBG (L) Pte. Ltd. and Dr. Chia Song Kun (collectively referred to as the "**Interested Major Shareholders**") and the Interested Directors will abstain from voting in respect of their direct and indirect interests in BM GreenTech on the resolution pertaining to the Proposed Renewal of Shareholders' Mandate at the forthcoming 14th AGM of the Company.

The said Interested Directors and Interested Major Shareholders have undertaken to ensure that persons connected to them will abstain from voting and deliberating in respect of their direct and indirect interests in BM GreenTech on the resolution pertaining to the Proposed Renewal of Shareholders' Mandate at the forthcoming 14th AGM of the Company.

7. DIRECTORS' RECOMMENDATION

The Board (save for the Interested Directors), having considered all aspects of the Proposed Renewal of Shareholders' Mandate is of the opinion that the Proposed Renewal of Shareholders' Mandate is in the best interest of BM GreenTech.

Accordingly, the Board (save for the Interested Directors) recommends that the shareholders of BM GreenTech vote in favour of the resolution pertaining to the Proposed Renewal of Shareholders' Mandate to be tabled at the forthcoming 14th AGM of the Company.

8. AGM

The forthcoming 14th AGM of the Company will be held at Zamrud Room, The Saujana Hotel Kuala Lumpur, Saujana Resort, Jalan Lapangan Terbang SAAS, 40150 Shah Alam, Selangor Darul Ehsan on Thursday, 12 September 2024 at 10:00 a.m. for the purpose of considering and, if thought fit, passing the ordinary resolution to give effect to the Proposed Renewal of Shareholders' Mandate pursuant to the agenda of Special Business as detailed in the Company's Notice of AGM.

If you are unable to attend and vote in person at the said 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.bmgreentech.com in accordance with the instructions thereon to BM GreenTech's Share Registrar, Tricor Investor & Issuing House Services Sdn Bhd 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 Share Registrar of the Company via TIIH Online at <https://tiih.online> not less than forty-eight (48) hours before the time fixed for holding the AGM. The lodging of the Proxy Form will not preclude you from attending and voting in person at the AGM should you subsequently wish to do so.

9. FURTHER INFORMATION

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

Yours faithfully
For and on behalf of the Board of
BM GREENTECH BERHAD
(formerly known as Boilermech Holdings Berhad)

NG SWEE WENG
Independent Non-Executive Director

THE REST OF THIS PAGE HAS BEEN INTENTIONALLY LEFT BLANK

PART B

SHARE BUY-BACK STATEMENT IN RELATION TO
THE PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY



BM GREENTECH BERHAD **(FORMERLY KNOWN AS BOILERMECH HOLDINGS BERHAD)**

Registration No. 201001013463 (897694-T)
(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

30 July 2024

Board of Directors

Dr. Chia Song Kun	<i>(Non-Independent Non-Executive Chairman)</i>
Chia Lik Khai	<i>(Group Managing Director)</i>
Chia Seong Fatt	<i>(Alternate Director to Chia Lik Khai)</i>
Gan Chih Soon	<i>(Executive Director)</i>
Tee Seng Chun	<i>(Alternate Director to Gan Chih Soon)</i>
Ng Swee Weng	<i>(Independent Non-Executive Director)</i>
Datuk Wira Roslan Bin AB Rahman	<i>(Independent Non-Executive Director)</i>
Koh Ee Huei	<i>(Independent Non-Executive Director)</i>

To: The Shareholders of BM GreenTech Berhad (formerly known as Boilermech Holdings Berhad)

Dear Sir/ Madam,

PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY

1. INTRODUCTION

At the AGM held on 25 August 2023, the Company obtained shareholders' mandate on the Proposed Share Buy-Back Authority. The aforesaid mandate will expire at the conclusion of the forthcoming AGM which will be held on Thursday, 12 September 2024 unless renewal is obtained.

On 4 July 2024, the Board announced the Company's intention to seek shareholders' approval for the Proposed Renewal of Share Buy-Back Authority. The purpose of this Statement is to provide you with the details and information of the Proposed Renewal of Share Buy-Back Authority, to set out the recommendation made by the Board and to seek your approval for the resolution pertaining to the Proposed Renewal of Share Buy-Back Authority to be tabled at the Company's forthcoming AGM or at any adjournment thereof.

SHAREHOLDERS ARE ADVISED TO READ THE CONTENTS OF THIS STATEMENT CAREFULLY BEFORE VOTING ON THE RESOLUTION TO GIVE EFFECT TO THE PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY AT THE FORTHCOMING 14TH AGM.

2. INFORMATION ON THE PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY

2.1 DETAILS OF THE PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY

The Board seeks your approval to purchase BM GreenTech Shares, from time to time provided that the aggregate number of Shares purchased and/or retained as Treasury Shares shall not exceed 10% of the total number of issued shares of the Company at the time of purchase.

The Proposed Renewal of Share Buy-Back Authority will allow the Board to exercise the power to purchase of its own Shares at any time within the mandate period using internally generated funds of the Company and/or borrowings. The actual number of Shares to be purchased, the total amount of funds to be utilised as well as the timing of the Proposed Share Buy-Back will depend on, amongst others, market conditions, the availability of the retained profits and the financial resources available to BM GreenTech Group as well as Bursa Securities' requirement to maintain the minimum shareholding spread and minimum share capital.

The mandate for the Proposed Renewal of Share Buy-Back will be effective immediately upon passing of the ordinary resolution pertaining to the Proposed Renewal of Share Buy-Back Authority at the forthcoming AGM, and will continue to be in force until:

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

whichever occurs first.

2.2 SOURCE OF FUNDS AND TREATMENT OF THE SHARES PURCHASED

The maximum amount of funds to be allocated for the Proposed Share Buy-Back shall not exceed the retained profits of the Company. The retained profits of the Company based on the audited financial statements for the FYE 31 March 2024 is RM56,080,815. The retained profits of the Company based on its unaudited management accounts as at 1 July 2024 is RM55,381,845.

The Proposed Share Buy-Back is likely to reduce the working capital and cash flow of the Company, the quantum of which depends on the purchase price and the actual number of Shares purchased. However, the Proposed Renewal of Share Buy-Back is not expected to have a material effect on the working capital and cash flow of BM GreenTech Group. The Company may only purchase its own Shares on the Bursa Securities at a price which is not more than 15% above the VWAP for the Shares for the 5 Market Days immediately before the date of purchase.

The Treasury Share arising from the Proposed Renewal of Share Buy-Back can be resold or transferred at:

- (a) a price not less than the 5 Market Days VWAP of the Shares immediately before the resale or transfer; or
- (b) a discounted price of not more than 5% to the 5 Market Days VWAP of the Shares immediately before the resale or transfer provided that:
 - (i) the resale or transfer takes place not earlier than 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.

The aforesaid Treasury Shares shall not be entitled to any of the rights attached to the existing Shares of the Company as to voting, dividends and participation in other distribution or otherwise, are suspended and 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 purposes including, without limiting the generality of the Company's constitution or the Listing Requirements on substantial shareholdings, takeovers, notices, the requisitioning of meetings, the quorum for meetings and the result of a vote on a resolution at a meeting.

Notwithstanding the above, the Company may:

- (a) cancel all or part of the Shares so purchased;
- (b) retain all or part of the Shares so purchased as Treasury Shares;
- (c) distribute the Treasury Shares as share dividends to the Company's shareholders for the time being;
- (d) transfer the Treasury Shares, or any part thereof as purchase consideration and/or for the purposes of or under an employees' share scheme;
- (e) resell the Treasury Shares on Bursa Securities in accordance with the relevant rules of Bursa Securities; or
- (f) sell, transfer or otherwise use the Treasury Shares for such other purpose pursuant to Section 127 of the Act.

The decision of the Board on the above options will be made at an appropriate time. An immediate announcement will be made to Bursa Securities as and when any purchase, cancellation and/or resale of BM GreenTech Shares are executed.

THE REST OF THIS PAGE HAS BEEN INTENTIONALLY LEFT BLANK

2.3 SHAREHOLDINGS OF DIRECTORS AND MAJOR/SUBSTANTIAL SHAREHOLDERS

Based on the Register of Directors' Shareholdings and the Register of Substantial Shareholders as at 1 July 2024, the number of Shares held by the Directors and Major/Substantial Shareholders of BM GreenTech respectively are as follows:

	Shareholdings in BM GreenTech as at the LPD				Proforma shareholdings in BM GreenTech as at the LPD after 10% Proposed Share Buy Back			
	Direct		Indirect		Direct		Indirect	
	No. of BM GreenTech Shares	%	No. of BM GreenTech Shares	%	No. of BM GreenTech Shares	%	No. of BM GreenTech Shares	%
Interested Major Shareholders								
QLGR	271,263,106	52.57	-	-	271,263,106	58.41	-	-
QLB	-	-	(a) 271,263,106	52.57	-	-	(a) 271,263,106	58.41
Dr. Chia Song Kun	400,000	0.08	(b) 272,217,806	52.76	400,000	0.09	(b) 272,217,806	58.62
CBG (L) Foundation	-	-	(c) 271,263,106	52.57	-	-	(c) 271,263,106	58.41
CBG (L) Pte. Ltd.	-	-	(d) 271,263,106	52.57	-	-	(d) 271,263,106	58.41
Substantial Shareholder								
Leong Yew Cheong	26,165,824	5.07	(e) 4,000,000	0.78	26,165,824	5.63	(e) 4,000,000	0.86
Interested Directors								
Dr. Chia Song Kun	400,000	0.08	(b) 272,217,806	52.76	400,000	0.09	(b) 272,217,806	58.62
Chia Lik Khai	500,000	0.10	-	-	500,000	0.11	-	-
Chia Seong Fatt	200,000	0.04	-	-	200,000	0.04	-	-
Gan Chih Soon	20,674,140	4.01	-	-	20,674,140	4.45	-	-
Tee Seng Chun	13,633,140	2.64	(f) 3,520,000	0.68	13,633,140	2.94	(f) 3,520,000	0.76

Notes:-

- Deemed interested by virtue of its wholly-owned subsidiary, QLGR, pursuant to Section 8 of the Act.
- Deemed interested by virtue of shares held by QLGR via his and his spouse's interest in CBG (L) Foundation, the holding company of CBG (L) Pte Ltd, which is a substantial shareholder of QL, the holding company of QLGR, as well as his and his spouse's interest in Song Bak Holdings Sdn Bhd.
- Deemed interested by virtue of being the holding company of CBG (L) Pte. Ltd, i.e. a substantial shareholder of QLB, the holding company of QLGR.
- Deemed interested by virtue of its substantial shareholding in QLB, the holding company of QLGR.
- Deemed interested by virtue of his daughter's shareholdings in the Company.
- Deemed interested by virtue of his spouse's shareholdings in the Company.

2.4 PUBLIC SHAREHOLDING SPREAD

As at 1 July 2024, the public shareholding spread of the Company is 30.46%. The public shareholding spread is expected to be reduced to 22.74% assuming the Proposed Renewal of Share Buy-Back Authority is implemented in full and all the Shares so purchased are cancelled.

However, the Company shall not buy back any shares if it results in the Company being in breach of the minimum public shareholding spread requirement of the Listing Requirements.

2.5 IMPLICATION OF THE CODE

Based on the Company's Register of Substantial Shareholders as at LPD, QLGR and its parties acting in concert, collectively hold more than 50% of the issued share capital of the Company. As such, the Proposed Renewal of Share Buy-Back Mandate is not expected to have any implication pursuant to the Code.

2.6 PURCHASE, CANCELLATION OF SHARES AND REALES/TRANSFER OF TREASURY SHARES MADE IN THE PRECEDING TWELVE (12) MONTHS

During the previous 12 months up to the LPD, the Company has not purchased any Shares or resale or transfer or cancel of its Treasury Shares.

2.7 MARKET PRICE OF THE COMPANY'S SHARES

The monthly highest and lowest prices of the Shares traded on Bursa Securities for the preceding twelve (12) months are as follows:

	High (RM)	Low (RM)
2023		
August	0.95	0.76
September	1.01	0.90
October	0.93	0.86
November	1.00	0.91
December	0.96	0.90
2024		
January	0.91	0.89
February	0.96	0.90
March	0.95	0.92
April	1.22	0.91
May	1.36	1.11
June	1.96	1.34
July	2.15	1.63

(Source: Bursa Malaysia Securities Berhad)

The last transacted market price of BM GreenTech Shares on 1 July 2024 (being the LPD) was RM1.75.

3. RATIONALE FOR THE PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY

The rationale for and the benefits of the Proposed Renewal of Share Buy-Back Authority if exercised are as follows:

- (a) as a possible measure to assist towards stabilising the supply and demand for BM GreenTech Shares on Bursa Securities, which in turn is expected to foster investors' confidence;

- (b) if the purchased Shares are subsequently cancelled, this may increase the consolidated earnings per share of BM GreenTech Group, which may have a positive impact on BM GreenTech's share price;
- (c) if the Treasury Shares are sold at prices higher than the purchase prices, potential gains may be realised and consequently increase BM GreenTech's working capital and NA; and
- (d) as a mechanism to reward shareholders in the event that the Treasury Shares are distributed as share dividend. The Proposed Share Buy-Back is not expected to cause any potential material disadvantage to the Company and its shareholders as it will be exercised only after in-depth consideration of the financial resources of the BM GreenTech Group and of the consequential impact on its shareholders' interest. The Board will be mindful of the Company and its shareholders' interests in exercising the Proposed Share Buy-Back.

The Proposed Renewal of Share Buy-Back Authority is not expected to cause any potential material disadvantage to the Company and its shareholders as it will be exercised only after in-depth consideration of the financial resources of the BM GreenTech Group and of the consequential impact on its shareholders' interest. The Board will be mindful of the Company and its shareholders' interests in exercising the Proposed Share Buy-Back.

4. FINANCIAL EFFECTS OF THE PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY

The effects of the Proposed Renewal of Share Buy-Back Authority on the issued and share capital, NA, earnings and EPS, working capital, dividends and cash flows of the Company are as follows:

(i) Share Capital

In the event that the Company acquires the full ten percent (10%) of the total number of issued shares of the Company authorised under the Proposed Renewal of Share Buy-Back Authority and all the BM GreenTech Shares so acquired are cancelled, the total number of issued shares of the Company as at LPD to be reduced as follows:

	No. of Shares
Total Number of Issued Shares as at LPD	516,000,000
Less: Maximum number of Shares that may be purchased and cancelled pursuant to the Proposed Share Buy-Back	(51,600,000)
Total Number of Issued Shares after the cancellation of all the Purchased Shares	<u>464,400,000</u>

(ii) NA and NA per Share

The Proposed Share Buy-Back is likely to reduce the NA per share of the Company and the Group if the purchase price exceeds the audited NA per share of the Group at the time of purchase and will increase the NA per share of the Group if the purchase price is less than the audited NA per share of the Group at the time of purchase.

For Shares so purchased which are retained as treasury shares, the NA of the Group will increase upon the resale of these shares, assuming that a gain has been realised. Nevertheless, the quantum of the increase in NA will depend on the actual selling price of the Treasury Shares and the number of the said shares being resold.

(iii) Earnings and EPS

The earnings per share of the Group may increase depending on the number and purchase prices of the Shares Purchased. Similarly, based on the assumption that the Shares so purchased are treated as treasury shares, the extent of the effect on the earnings of the Group will depend on the actual selling price, the number of Treasury Shares resold and the effective gain or interest savings arising.

(iv) Working Capital

The working capital of BM GreenTech Group will be reduced to the extent of the amount of funds utilised for the purchases of the Shares but is not expected to have a material adverse effect on the working capital of BM GreenTech Group.

(v) Dividends

The Proposed Share Buy-Back is not expected to adversely affect the payment of dividends as the amount of dividends to be paid will be reduced, as there will be less Shares qualifying for dividends whether the Shares so purchased are retained as Treasury Shares or are cancelled.

However, if the Shares so purchased are retained as Treasury Shares, they can be used for subsequent payment of dividends in the form of share dividends.

(vi) Cash Flow

The Proposed Share Buy-Back is not expected to adversely affect the cash requirements of the Company as the cash outflow is not substantial.

5. CONDITIONS OF THE PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY

The Proposed Renewal of Share Buy-Back Authority is conditional upon approval being obtained from the shareholders of the Company at the forthcoming 14th AGM and the approval of the Proposed Renewal of Share Buy-Back Authority is subject to annual renewal.

The Proposed Renewal of Share Buy-Back Authority is not conditional upon any other corporate proposals undertaken or to be undertaken by BM GreenTech.

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

Save for the proportionate increase in the percentage of shareholdings and/or voting rights of shareholders of the Company as a result of the Proposed Renewal of Share Buy-Back Authority, none of the Directors and/or Major/Substantial Shareholders of the Company and/or Person Connected with them has any interests, either direct or indirect, in the Proposed Renewal of Share Buy-Back Authority.

7. DIRECTORS' STATEMENT AND RECOMMENDATION

The Directors, having considered all aspects of the Proposed Renewal of Share Buy-Back Authority, are of the opinion that the said Proposal is in the best interests of the BM GreenTech Group and its shareholders. Accordingly, they recommend that you vote in favour of the resolution to be tabled as a special business at the forthcoming 14th AGM.

8. AGM

The forthcoming 14th AGM of the Company will be held at Zamrud Room, The Saujana Hotel Kuala Lumpur, Saujana Resort, Jalan Lapangan Terbang SAAS, 40150 Shah Alam, Selangor Darul Ehsan on Thursday, 12 September 2024 at 10:00 a.m. for the purpose of considering and, if thought fit, passing the ordinary resolution to give effect to the Proposed Renewal of Share Buy-Back Authority pursuant to the agenda of Special Business as detailed in the Company's Notice of AGM.

If you are unable to attend and vote in person at the said 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.bmgreentech.com in accordance with the instructions thereon to BM GreenTech's Share Registrar, Tricor Investor & Issuing House Services Sdn Bhd 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 Share Registrar of the Company via TIIH Online at <https://tiih.online> not less than forty-eight (48) hours before the time fixed for holding the AGM. The lodging of the Proxy Form will not preclude you from attending and voting in person at the AGM should you subsequently wish to do so.

9. FURTHER INFORMATION

Shareholders are requested to refer to the attached Appendix I for further information.

Yours faithfully
For and on behalf of the Board of
BM GREENTECH BERHAD
(formerly known as Boilermech Holdings Berhad)

NG SWEE WENG
Independent Non-Executive Director

APPENDIX I

FURTHER INFORMATION

1. DIRECTORS' RESPONSIBILITY STATEMENT

This Circular/Statement has been seen and approved by the Board of BM GreenTech who, individually and collectively, accept full responsibility for the accuracy of the information contained in this Circular/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. MATERIAL CONTRACTS

Save as disclosed below, as at the date of this Circular, neither BM GreenTech nor any of its subsidiaries have entered into any material contracts (not being contracts entered into in the ordinary course of business) within two (2) years immediately preceding the date of this Circular:

On 11 July 2024, BM GreenTech entered into a conditional share acquisition agreement ("Share Acquisition Agreement") with the shareholders ("Vendors") of Plus Xnergy Holding Sdn Bhd ("PXH") to acquire 66,600,000 ordinary shares in PXH, representing 100% equity interest in PXH ("Proposed Acquisition"). The purchase consideration of RM110.0 million is to be satisfied by BM GreenTech via an issuance and allotment of 81,481,482 new BM GreenTech shares to the Vendors, namely Ko Chuan Zhen, Leong Beng Yew, Oh Siang Hwa, Oh Zhi Kang, Poh Tyng Huei, Smiling Planet Sdn Bhd and Tenaga Wan Foong Sdn Bhd. The Proposed Acquisition is expected to be completed by the third/fourth quarter of 2024.

3. MATERIAL LITIGATION, CLAIMS OR ARBITRATION

As at the date of this Circular/Statement, neither BM GreenTech nor any of its subsidiaries are engaged in any material litigation, claims or arbitration, either as a plaintiff or a defendant, and the Board is not aware and does not have any knowledge of any proceedings pending or threatened against BM GreenTech or its subsidiaries or of any fact likely to give rise to any proceeding which might materially or adversely affect the financial position or business of BM GreenTech or its subsidiaries.

4. DOCUMENTS FOR INSPECTION

Copies of the following documents are available for inspection at the registered office of BM GreenTech at Unit 30-01, Level 30, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur during normal business hours (except public holidays) for a period from the date of this Circular/Statement up to and including the date of the forthcoming 14th AGM of the Company:-

- (i) Constitution of BM GreenTech;
- (ii) the audited consolidated financial statements of BM GreenTech for the past two financial years ended 31 March 2023 and 31 March 2024; and
- (iii) Share Acquisition Agreement

THE REST OF THIS PAGE HAS BEEN INTENTIONALLY LEFT BLANK
--