

THIS STATEMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in any doubt as to the course of action to be taken, you should consult your stockbroker, bank manager, solicitor, accountant or other professional adviser immediately. If you have sold all your shares in the Company, you should at once hand this Statement to the agent through whom the sale was contracted for onward transmission to the purchaser.

Bursa Malaysia Securities Berhad (“Bursa Securities”) has not perused this Statement prior to its issuance as it is prescribed as an Exempt Circular.

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



Malayan Flour Mills Berhad

Registration No. 196101000210 (4260-M)
(Incorporated in Malaysia)

STATEMENT TO SHAREHOLDERS

IN RELATION TO

PROPOSED RENEWAL OF AUTHORITY FOR SHARE BUY-BACK

The resolution in respect of the above Proposal will be tabled as Special Business at the 65th Annual General Meeting of the Company to be held at the Ballroom 1, Level 1, Corus Hotel Kuala Lumpur, Jalan Ampang, 50450 Kuala Lumpur on Monday, 19 May 2025 at 10.00 a.m.

The Notice of the 65th Annual General Meeting of the Company together with the Form of Proxy are set out in the Annual Report 2024 of the Company which is despatched together with this Statement.

A member is entitled to participate and vote at the AGM. If you decide to appoint a proxy or proxies to participate and vote on your behalf, you must complete and post/deposit the Form of Proxy at the office of the Company’s Share Registrar, Boardroom Share Registrars Sdn Bhd at 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan or lodge the Form of Proxy electronically via “Boardroom Smart Investor Portal” at <https://investor.boardroomlimited.com> or email to Boardroom Share Registrars Sdn Bhd at bsr.helpdesk@boardroomlimited.com not less than 48 hours before the time set for the AGM as indicated below. The lodging of the Form(s) of Proxy will not preclude you from participating and voting in person at the AGM should you subsequently wish to do so.

Last date and time for lodging the Form of Proxy : 17/05/2025 at 10:00 a.m.
Date and time of Annual General Meeting : 19/05/2025 at 10:00 a.m. or any adjournment
therefore.

This Statement is dated 18 April 2025

DEFINITIONS

Except where the context otherwise requires, the following terms and abbreviations shall apply throughout this Statement:

“Act”	:	The Companies Act 2016 as amended from time to time and any re-enactment thereof
“AGM”	:	Annual General Meeting
“Board”	:	Board of Directors of MFM
“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-Overs, Mergers and Compulsory Acquisitions, as amended from time to time including any re-enactment thereof
“EPS”	:	Earnings per share
“Listing Requirements”	:	Bursa Securities Main Market Listing Requirements, including any amendments, modifications and additions thereof that may be made from time to time
“LPD”	:	28 March 2025, being the latest practicable date prior to the printing of this Statement
“Market Day”	:	Any day between Monday and Friday (inclusive) which is not a public holiday and on which Bursa Securities is open for trading of securities
“MFM” or “the Company”	:	Malayan Flour Mills Berhad [Registration No. 196101000210 (4260-M)]
“MFM Group” or “Group”	:	MFM and its subsidiaries, collectively
“MFM Shares”	:	Ordinary shares in MFM
“NA”	:	Net Assets
“Proposal” or “Proposed Renewal of Authority for Share Buy-Back”	:	Proposed renewal of authority for the Proposed Share Buy-back
“Proposed Share Buy-back”	:	Proposed purchase by the Company of MFM shares of up to 10% of the total number of issued shares of MFM
“Purchased MFM Shares”	:	MFM Shares purchased pursuant to the Proposed Share Buy-back
“RM” and “sen”	:	Ringgit Malaysia and sen, respectively
“Statement”	:	This statement to our shareholders dated 18 April 2025 pertaining to the Proposal.

Words importing the singular shall, where applicable, include the plural and vice versa and words incorporating the masculine gender shall, where applicable, include the feminine and neuter genders and vice versa. Reference to persons shall include corporations, unless otherwise specified.

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

CONTENTS

LETTER FROM THE BOARD TO THE SHAREHOLDERS OF MFM CONTAINING:

	Page
1. INTRODUCTION	1
2. DETAILS OF THE PROPOSAL	2
3. RATIONALE OF THE PROPOSAL	7
4. FINANCIAL EFFECTS OF THE PROPOSAL	7
5. HISTORICAL SHARE PRICES	9
6. CONDITIONS OF THE PROPOSAL	9
7. INTERESTS OF DIRECTORS, MAJOR SHAREHOLDERS AND PERSONS CONNECTED TO THEM	9
8. DIRECTORS' RECOMMENDATION	9
9. ANNUAL GENERAL MEETING	10
10. FURTHER INFORMATION	10

APPENDIX

I. FURTHER INFORMATION	11
------------------------	----

MALAYAN FLOUR MILLS BERHAD
[Registration No. 196101000210 (4260-M)]
(Incorporated in Malaysia)

Registered Office:
Suite 25.01, Level 25
Menara Citibank
165 Jalan Ampang
50450 Kuala Lumpur

18 April 2025

Board of Directors:

Datuk Oh Chong Peng (*Non-Independent Non-Executive Chairman*)
Teh Wee Chye (*Executive Deputy Chairman cum Managing Director*)
Dato' Seri Zainal Abidin bin Mahamad Zain (*Non-Independent Non-Executive Director*)
Prakash A/L K.V.P Menon (*Non-Independent Non-Executive Director*)
Lim Pang Boon (*Non-Independent Non-Executive Director*)
Azhari Arshad (*Executive Director*)
Quah Poh Keat (*Independent Non-Executive Director*)
Emeritus Professor Datin Paduka Setia Dato' Dr. Aini binti Ideris (*Independent Non-Executive Director*)
Dato' Maznah binti Abdul Jalil (*Independent Non-Executive Director*)

To: Shareholders of Malayan Flour Mills Berhad

Dear Sir/Madam,

PROPOSED RENEWAL OF AUTHORITY FOR SHARE BUY-BACK

1. INTRODUCTION

At the AGM held on 16 May 2024, the Company had obtained its shareholders' authorisation for the proposed share buy-back of up to 10% of the total number of issued shares of the Company.

The existing authority for share buy-back is subject to annual renewal and shall lapse at the conclusion of the Company's forthcoming AGM unless renewal is obtained.

On 27 March 2025, the Company had announced that the Company proposes to seek its shareholders' approval for the Proposed Renewal of Authority for Share Buy-back at the forthcoming AGM to be held on 19 May 2025.

The purpose of this Statement is to provide you with the details of the Proposal, to set out the recommendation of the Board of Directors and to seek your approval for the ordinary resolution to be tabled at the forthcoming AGM as set out in the Notice of AGM.

SHAREHOLDERS ARE ADVISED TO READ THE CONTENTS OF THIS STATEMENT CAREFULLY BEFORE VOTING ON THE ORDINARY RESOLUTION PERTAINING TO THE PROPOSAL.

2. DETAILS OF THE PROPOSAL

The Board proposes to seek renewal of the authorisation from the shareholders for the Company to purchase up to a maximum of 10% of the total number of issued shares of the Company at any given point in time, if deemed fit and expedient by the Board. The authority from the shareholders for the Proposed Share Buy-back, if renewed, the actual number of shares which may be purchased and the timing of the purchase(s) will depend on, inter-alia, market conditions as well as the availability of retained profits and the financial resources of the Company to give effect to such purchase(s). Based on the total number of issued shares of MFM as at the LPD of 1,239,154,165 MFM Shares, the number of shares to be purchased pursuant to the Proposed Share Buy-back will amount to a maximum of 123,915,417.

The salient information on the Proposed Share Buy-back are as follows:-

2.1 Timeframe

The authority for the Proposed Share Buy-back will be effective immediately upon the passing of the ordinary resolution at the forthcoming AGM of the Company for the Proposed Share Buy-back and shall continue in force until:-

- (a) the conclusion of the first annual general meeting of the Company following the general meeting at which such resolution was passed at which time it shall lapse unless by ordinary resolution passed at that meeting, the authority is renewed, either conditionally or subject to conditions; or
- (b) the expiration of the period within which the next annual general meeting after that date is required by law to be held; or
- (c) revoked or varied by ordinary resolution passed by shareholders in a general meeting,

whichever occurs first.

2.2 Sources of Funds

The Proposed Share Buy-back shall be made out of the retained profits of MFM. MFM therefore proposes to allocate an amount not exceeding the audited retained profits of MFM for the purpose of the Proposed Share Buy-back. Based on the latest audited financial statements of MFM as at 31 December 2024, the retained profits of MFM amounted to approximately RM231 million. The Proposed Share Buy-back is expected to be funded by internally generated funds and/or borrowings.

If borrowings are used for the Proposed Share Buy-Back, the Company will experience a decline in its net cash flow to the extent of the interest costs associated with such borrowings but the Board would ensure that the Company has sufficient funds to repay the borrowings and that the repayment would have no material impact on the cash flow of the Company.

2.3 Pricing

MFM shall purchase its own shares or resell its treasury shares (if applicable) only on the market of Bursa Securities. The price for the purchase of shares shall not be more than 15% above the weighted average market price of MFM shares for the 5 market days immediately preceding the date of purchase. The treasury shares shall be resold or transferred at:-

- (a) a price which is not less than the weighted average market price for MFM shares for 5 market days immediately prior to the resale or transfer; or

- (b) a discounted price of not more than 5% to the weighted average market price for the shares for 5 market days immediately prior to the resale or transfer provided that:-
 - (i) the resale or transfer takes place not earlier than 30 days from the date of the purchase; and
 - (ii) the resale or transfer price is not less than the cost of purchase of the shares being resold or transferred.

2.4 Treatment of shares purchased

In accordance with Section 127 of the Act, the Directors will deal with MFM Shares that may be purchased pursuant to the Proposed Share Buy-back (hereinafter known as “Purchased MFM Shares”) in the following manner:-

- (a) to cancel the Purchased MFM Shares; or
- (b) to retain the Purchased MFM Shares as treasury shares for distribution as share dividends to the shareholders and/or transfer the shares or any of the shares for the purpose of or under an employees’ share scheme and/or as purchase consideration and/or resell on the Bursa Securities or subsequently cancel the Purchased MFM Shares; or
- (c) to retain part of the Purchased MFM Shares as treasury shares and cancel the remainder.

MFM intends to retain the Purchased MFM Shares as treasury shares, or cancel the Purchased MFM Shares or a combination of both.

The Board of Directors may decide to cancel the Purchased MFM Shares if the cancellation of the shares is expected to enhance the EPS of the MFM as a result of the reduction in the number of issued shares of the Company and thereby in the long term, have a positive impact on the market price of the MFM Shares.

If the Board of Directors decides to retain the Purchased MFM Shares as treasury shares, it may distribute the treasury shares as dividend to the shareholders and/or transfer the treasury shares and/or resell the treasury shares on the Bursa Securities and utilise the proceeds for any feasible investment opportunity arising in the future, or as working capital.

In the event the Company decides to resell or transfer the Company’s treasury shares, the Company will make an announcement on the day of the resale or transfer is made providing details of the description of the shares resold or transferred, the number of shares resold or transferred, the resale or transfer price of each share resold or transferred or, where relevant, the highest and lowest resale or transfer price and the total consideration received.

In the event that MFM decides to cancel the Company’s treasury shares, MFM will make an announcement on the day the cancellation is made providing details of the number of treasury shares cancelled, the date of the cancellation and the outstanding number of issued shares after the cancellation.

In the event that the Purchased MFM Shares are held as treasury shares, the rights attached to them as to voting, dividends and participation in other distributions and otherwise are suspended and the Purchased MFM Shares shall not be taken into account in calculating the number or percentage or of a class of shares in MFM for any purpose

including substantial shareholdings, take-overs, notices, the requisitioning of meetings, the quorum for meetings and the result of votes on resolutions at a meeting.

2.5 Public Shareholding Spread

Based on the public shareholding spread of MFM as at the LPD of 66.93% and assuming the Company purchased its own shares up to 10% of the total number of issued shares of MFM and that the number of MFM Shares, held directly and indirectly by the substantial shareholders and Directors of MFM remain unchanged, the public shareholding spread of MFM is expected to be approximately 56.93%. In any case, the Proposed Share Buy-back will be implemented in such a manner so as not to cause the public shareholding spread to fall below the minimum 25% threshold set by Bursa Securities.

2.6 Potential Advantages and Disadvantages of the Proposed Share Buy-back

The Proposed Share Buy-back if exercised, is expected to potentially benefit MFM and its shareholders as follows:-

- (i) The Company would expect to enhance the EPS of the Group (in the case where the Directors resolve to cancel the Purchased MFM Shares and/or retained as treasury shares and the treasury shares are not subsequently resold), and thereby long term and genuine investors may expect to enjoy a corresponding increase in the value of their investments in the Company.
- (ii) If the Purchased MFM Shares are retained as treasury shares, it will provide the Directors with the option to sell the Purchased MFM Shares at a higher price and generate profits for MFM. Alternatively, the Purchased MFM Shares retained as treasury shares can be distributed as share dividends to shareholders or transfer to employees under an employees' share scheme and serve as reward to the shareholders/employees of the Company.

The potential disadvantage of the Proposed Share Buy-back, if implemented, will be the reduction of the financial resources of MFM and may result in MFM forgoing other investment opportunities that may emerge in the future. In addition, as the Proposed Share Buy-back can only be made out of retained profits of the Company, it will result in a reduction in the financial resources available for distribution to shareholders in the immediate future. However, the financial resources of MFM will increase upon the resale of the Purchased MFM Shares, which are held as treasury shares, in the open market.

Nevertheless, the Directors of MFM will be mindful of the interest of the Company and its shareholders when exercising any decision on the Proposed Share Buy-back.

2.7 Directors' Shareholdings

Based on the Register of Directors' shareholding as at the LPD and assuming the Proposed Share Buy-back is implemented in full (i.e. up to 10% of the total number of issued shares of MFM and all Purchased MFM Shares is assumed to be cancelled) and that the Purchased MFM Shares are from shareholders other than the substantial shareholders and Directors, the effect of the Proposed Share Buy-back on the shareholdings of the Directors of MFM are as follows:-

Directors	Before Proposed Share Buy-back				After Proposed Share Buy-back			
	Direct		Indirect		Direct		Indirect	
	No. of MFM Shares	%	No. of MFM Shares	%	No. of MFM Shares	%	No. of MFM Shares	%
Datuk Oh Chong Peng	27,087	0	-	-	27,087	0	-	-
Teh Wee Chye	199,083,701	16.07	87,273,490 ⁽¹⁾	7.04	199,083,701	17.85	87,273,490 ⁽¹⁾	7.83
Dato' Seri Zainal Abidin bin Mahamad Zain	11,250	0	-	-	11,250	0	-	-
Prakash A/L K.V.P Menon	9,652,500	0.78	-	-	9,652,500	0.87	-	-
Azhari Arshad	9,164,539	0.74	31,339,800 ⁽²⁾	2.53	9,164,539	0.82	31,339,800 ⁽²⁾	2.81
Lim Pang Boon	620,825	0.05	-	-	620,825	0.06	-	-
Emeritus Professor Datin Paduka Setia Dato' Dr. Aini binti Ideris	-	-	72,600 ⁽³⁾	0	-	-	72,600 ⁽³⁾	0

Notes:

- (1) Deemed interested through *Thye Nam Loong Holdings Sdn Bhd, Thye Nam Loong Sdn Bhd, Suai Timber Products Sdn Bhd, Essence Lane Sdn Bhd* and shareholding of his spouse.
- (2) Deemed interested through *Zalaraz Sdn Bhd*.
- (3) Deemed interested through shareholding of her child.

2.8 Substantial Shareholders' Shareholding

Based on the Register of substantial shareholders' shareholding as at the LPD and assuming the Proposed Share Buy-back is implemented in full (i.e. up to 10% of the total number of issued shares of MFM) and that the Purchased MFM Shares are from shareholders other than the substantial shareholders and Directors, the effect of the Proposed Share Buy-back on the shareholdings of the substantial shareholders of MFM are as follows:-

Substantial Shareholders	Before Proposed Share Buy-back				After Proposed Share Buy-back			
	Direct		Indirect		Direct		Indirect	
	No. of MFM Shares	%	No. of MFM Shares	%	No. of MFM Shares	%	No. of MFM Shares	%
Teh Wee Chye	199,083,701	16.07	87,273,490 ⁽¹⁾	7.04	199,083,701	17.85	87,273,490 ⁽¹⁾	7.83
Thye Nam Loong Holdings Sdn Bhd	60,561,922	4.89	1,519,119 ⁽²⁾	0.12	60,561,922	5.43	1,519,119 ⁽²⁾	0.14
Duangmanee Liewphairatana	33,380,875	2.69	62,081,041 ⁽³⁾	5.01	33,380,875	2.99	62,081,041 ⁽³⁾	5.57

Notes:-

- (1) Deemed interested through Thye Nam Loong Holdings Sdn Bhd, Thye Nam Loong Sdn Bhd, Suai Timber Products Sdn Bhd, Essence Lane Sdn Bhd and shareholding of his spouse.
- (2) Deemed interested through Thye Nam Loong Sdn Bhd and Suai Timber Products Sdn Bhd.
- (3) Deemed interested through Thye Nam Loong Holdings Sdn Bhd, Thye Nam Loong Sdn Bhd and Suai Timber Products Sdn Bhd.

2.9 Implications of the Proposed Share Buy-back Relating To The Code

Pursuant to the Code, a person or a group of persons acting in concert will be required to make a mandatory general offer if his/their stake(s) in the Company is/are increased to beyond 33% of its total number of issued shares or if his/their existing shareholding(s) is/are more than 33% but less than 50% and it exceeds by another 2% in any 6 months' period.

In the event that the Proposed Share Buy-back results in the shareholdings of any of the above parties being affected, the said person or group of persons acting in concert will be obliged to make a mandatory general offer for the remaining MFM shares not held by him/them. However, an exemption from a mandatory offer obligation may be granted by the Securities Commission pursuant to Rule 4 of the Rules on Take-Over, Mergers and Compulsory Acquisitions, subject to the affected person and the parties acting in concert complying with certain conditions, if the obligation is triggered as a result of action outside their direct participation.

As it is not intended for the Proposed Share Buy-back to trigger the obligation to undertake a mandatory general offer by any of its substantial shareholders and/or parties acting in concert with them, the Company is mindful that only such number of shares are purchased, retained as treasury shares, cancelled or distributed such that the Code will not be triggered. However, in the event that an obligation to undertake a mandatory offer should arise with respect to any parties resulting from the Proposed Share Buy-back, the relevant parties shall make the necessary application to the Securities Commission for an exemption from undertaking a mandatory offer under the Code before a mandatory offer is triggered.

2.10 Purchase, Resale, Transfer and Cancellation of Treasury Shares made in the Previous Twelve (12) Months

MFM has not made any purchases of its own shares in the 12 months preceding the date of this Statement and thus, there is no resale, transfer or cancellation of treasury shares to date.

3. RATIONALE OF THE PROPOSAL

The Proposed Share Buy-back, if exercised, is expected to potentially benefit the Company and its shareholders as follows:-

- (a) MFM would expect to enhance the EPS of the Group (in the case where the Directors resolve to cancel the Purchased Shares and/or retain as treasury shares and the treasury shares are not subsequently resold), and thereby long term and genuine investors may expect to enjoy corresponding increase in the value of their investments in MFM;
- (b) If the Purchased Shares are kept as treasury shares, the Directors may have an opportunity to sell the Purchased Shares at a higher price and make exceptional gain for the Company. Alternatively, the Purchased Shares can be distributed as share dividends to shareholders or transfer to employees under an employees' share scheme and serve as reward to the shareholders/employees of the Company; and
- (c) MFM may be able to stabilise the supply and demand of MFM Shares in the open market and thereby support its fundamental value.

4. FINANCIAL EFFECTS OF THE PROPOSAL

4.1 Issued Shares

For illustration purposes only, the scenario below shows the movement of the issued shares of the Company as at the LPD upon the implementation of the Proposed Share Buy-back. The effect is based on the following assumptions:-

- (a) The purchase of the own shares of up to 10% of the total number of issued shares of MFM is carried out in full; and
- (b) Purchased MFM Shares are cancelled.

The proforma effect of the Proposed Share Buy-back on the number of issued shares of MFM is illustrated below:-

	No. of MFM Shares
Existing number of issued shares as at LPD	1,239,154,165
Less:	
Maximum number of Purchased MFM Shares cancelled	(123,915,417)
	<hr/>
Number of issued shares upon completion of the Proposed Share Buy-back	1,115,238,748
	<hr/> <hr/>

There will be no effect on the number of issued shares of MFM if the shares purchased pursuant to the Proposed Share Buy-back are retained as treasury shares, resold, transferred or distributed to its shareholders. In the event that the Purchased MFM Shares are held as treasury shares, the rights attached to them as to voting, dividends and participation in other distributions and otherwise are suspended and the Purchased MFM Shares shall not be taken into account in calculating the number or percentage or of a class of shares in MFM for any purpose including substantial shareholdings, take-overs, notices, the requisitioning of meetings, the quorum for meetings and the result of votes on resolutions at a meeting.

4.2 EPS

The effects of the Proposed Share Buy-back on the EPS of the Group are dependent on the actual number of the shares bought back and the purchase price of the shares and the effective funding cost to the Company. Assuming the Purchased MFM Shares are retained as treasury shares and resold, the EPS will increase if the selling price is higher than the interest forgone on the Purchased MFM Shares. If the Purchased MFM Shares are cancelled, the EPS will increase provided that the income forgone incurred on the Purchased MFM Shares is less than the EPS before the Proposed Share Buy-back. The effective reduction in the number of shares in the computation of the consolidated EPS pursuant to the Proposed Share Buy-back may generally, all else being equal, have a positive impact on the consolidated EPS of the MFM Group for the financial year ending 31 December 2025.

4.3 Dividends

Assuming the Proposed Share Buy-back is fully implemented, dividend would be paid on the remaining number of issued shares of MFM (excluding MFM Purchased Shares). The Proposed Share Buy-back may have an impact on the Company's dividend policy for the financial year ending 31 December 2025 as it would reduce the cash available which otherwise may be used for dividend payments. Nonetheless, the treasury shares purchased may be distributed as dividends to the shareholders of the Company, if the Company so decides.

4.4 NA

The Proposed Share Buy-back may increase or decrease the NA per Share depending on the purchase price(s) of MFM Shares to be bought back. NA per Share is likely to increase if the purchase price is less than the NA per Share and decrease if the purchase price exceeds the NA per share at the time when the shares are purchase.

Should the Purchased MFM Shares be resold, the NA per Share will increase if the Company realizes a gain from the resale, and vice versa.

If the treasury shares are distributed as share dividends, the NA of the Group will decrease by the cost of the treasury shares.

4.5 Working Capital

The Proposed Share Buy-back will reduce the working capital and cash flow of the Group, the quantum of which depends on, among others, the number of MFM Shares eventually purchased and the purchase price(s) of MFM Shares. For MFM Shares purchased which are kept as treasury shares, upon their resale, the working capital and cash flow will increase. The quantum of the increase in the working capital and cash flow will depend on the actual selling price(s) of the treasury shares and the number of treasury shares resold.

5. HISTORICAL SHARE PRICES

The monthly highest and lowest market prices of MFM Shares as traded on the Main Market of Bursa Securities for the past 12 months from April 2024 to March 2025 are as follows:-

	High	Low
	RM	RM
2024		
April	0.67	0.64
May	0.84	0.655
June	0.925	0.745
July	0.885	0.755
August	0.785	0.685
September	0.77	0.695
October	0.78	0.655
November	0.665	0.53
December	0.565	0.52
2025		
January	0.535	0.51
February	0.56	0.495
March	0.505	0.46

Last transacted price of MFM Shares on the LPD was RM0.46.

(Source: klse.i3investor.com)

6. CONDITIONS OF THE PROPOSAL

The Proposal is conditional upon approval being obtained from Shareholders of the Company at an AGM to be held.

The approval for the Proposed Share Buy-back sought from the shareholders is subject to an annual renewal.

7. INTERESTS OF DIRECTORS, MAJOR SHAREHOLDERS AND PERSONS CONNECTED TO THEM

Save for the consequential increase in the percentage shareholdings and/or voting rights of the shareholders of the Company as a result of the Proposed Share Buy-Back, none of the Directors and/or Major Shareholders of MFM and/or persons connected to them, has any interest, direct and indirect, in the Proposed Share Buy-Back and/or resale of the treasury shares, if any.

8. DIRECTORS' RECOMMENDATION

Your Directors are of the opinion that the Proposed Share Buy-back is in the best interest of the Company. As such, they recommend that you vote in favour of the ordinary resolution in respect of the Proposed Share Buy-back to be tabled at the forthcoming AGM.

9. ANNUAL GENERAL MEETING

The Notice of AGM that contains the resolution pertaining to the Proposal has been incorporated into the 2024 Annual Report which is being circulated to you together with this Statement.

If you are unable to participate and vote at our forthcoming AGM and wish to appoint a proxy to participate and vote in your stead, please complete, sign and return the enclosed Form of Proxy in accordance with the instructions contained therein as soon as possible and any event so as to arrive at the office of our Company's Share Registrar, Boardroom Share Registrars Sdn Bhd at 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan or lodge the Form of Proxy electronically via "Boardroom Smart Investor Portal" at <https://investor.boardroomlimited.com> or email to Boardroom Share Registrars Sdn Bhd at bsr.helpdesk@boardroomlimited.com not less than 48 hours before the time stipulated for holding our forthcoming AGM. The lodging of the Form(s) of Proxy will not preclude you from participating and voting remotely at our forthcoming AGM should you subsequently wish to do so.

10. FURTHER INFORMATION

Shareholders of MFM are advised to refer to the attached Appendix for further information.

Yours faithfully
for and on behalf of the Board of Directors of
MALAYAN FLOUR MILLS BERHAD

DATUK OH CHONG PENG
Non-Independent Non-Executive Chairman

FURTHER INFORMATION

1. DIRECTORS' RESPONSIBILITY STATEMENT

This Statement has been seen and approved by the Directors of MFM and they collectively and individually accept full responsibility for the accuracy of the information given and confirm that, after having made all reasonable enquiries, to the best of their knowledge and belief, there are no other facts the omission of which would make any statement herein misleading.

2. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection during normal office hours (except for public holidays) at the Registered Office of MFM at Suite 25.01, Level 25, Menara Citibank, 165 Jalan Ampang, 50450 Kuala Lumpur, from the date of this Statement up to and including the date of the AGM:

- (i) The Constitution of MFM; and
- (ii) The audited consolidated financial statements of MFM Group, for the past two (2) financial years ended 31 December 2023 and 2024.