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**FOR IMMEDIATE RELEASE**

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**KUB MALAYSIA BERHAD (“KUB” OR “COMPANY”)**

- (I) PROPOSED ACQUISITION OF 45,924,632 ORDINARY SHARES IN CENTRAL CABLES BERHAD (“CCB”) (“ACQUISITION SHARES”), REPRESENTING APPROXIMATELY 86.65% EQUITY INTEREST IN CCB, BY KUB FROM JAG CAPITAL HOLDINGS SDN BHD (“JAG” OR “VENDOR”) FOR A PURCHASE CONSIDERATION OF RM119.42 MILLION TO BE SATISFIED WHOLLY VIA THE ISSUANCE OF 199,035,059 NEW ORDINARY SHARES IN KUB (“KUB SHARES”) (“CONSIDERATION SHARES”) AT AN ISSUE PRICE OF RM0.60 PER CONSIDERATION SHARE (“PROPOSED ACQUISITION”); AND
- (II) PROPOSED MANDATORY GENERAL OFFER BY KUB FOR ALL THE REMAINING ORDINARY SHARES IN CCB NOT ALREADY OWNED BY KUB AFTER THE PROPOSED ACQUISITION PURSUANT TO PARAGRAPH 4.01(A) OF THE RULES ON TAKE-OVERS, MERGERS AND COMPULSORY ACQUISITIONS OF THE SECURITIES COMMISSION MALAYSIA (“PROPOSED MGO”)

**(COLLECTIVELY REFERRED TO AS “PROPOSALS”)****1. INTRODUCTION**

On behalf of KUB, Maybank Investment Bank Berhad (“Maybank IB”) wishes to announce that KUB had on 21 November 2023 entered into a conditional sale and purchase agreement for the Proposed Acquisition (“SPA”) with JAG and that an announcement on the Proposals made by KUB on 21 November 2023.

Upon completion of the Proposed Acquisition, KUB's shareholding in CCB will increase from nil to approximately 86.65%. Pursuant to Section 218(2) of the Capital Markets and Services Act 2007 ("CMSA") and Paragraph 4.01(a) of the Rules on Take-overs, Mergers and Compulsory Acquisitions issued by the Securities Commission Malaysia ("SC") ("Rules"), KUB will extend a mandatory general offer ("MGO") to acquire all the remaining ordinary shares in CCB ("CCB Shares") not already owned by KUB of 7,075,368 CCB Shares ("CCB Offer Shares"), representing approximately 13.35% equity interest in CCB for an offer consideration of RM2.60037 per CCB Offer Share ("CCB Offer Price"). For avoidance of doubt, the Proposed MGO will also be extended to persons acting in concert ("PACs") with KUB, as allowed under the Rules.

Accordingly, upon the SPA becoming unconditional, KUB will serve the notice of the Proposed MGO ("Notice") on the Board of Directors of CCB, and the offer document outlining the terms and conditions of the MGO ("Offer Document") will be despatched to the shareholders of CCB within 21 days from the date of the Notice.

The Proposed MGO will not be conditional upon any minimum level of valid acceptances of the CCB Offer Shares as KUB will hold more than 50% of the voting shares in CCB upon completion of the Proposed Acquisition.

The CCB Offer Price is equivalent to the price paid by the Company for each Acquisition Share of RM2.60037 per CCB Share. The CCB Offer Price shall not be lower than any price (excluding stamp duty and commission) paid by KUB and its PACs for the purchase of CCB Shares within six (6) months prior to the beginning of the offer period for the Proposed MGO.

Notwithstanding the above, if KUB or its PACs purchase or agree to purchase the CCB Offer Shares during the offer period at a consideration that is higher than the CCB Offer Price, in accordance with Paragraph 6.03(1) of the Rules, KUB must increase the CCB Offer Price to an amount not less than the highest price (excluding stamp duty and commission) paid or agreed to be paid by KUB or its PACs for the CCB Offer Shares during the offer period.

As the Proposed Acquisition is wholly settled in exchange for the Consideration Shares in the three (3) months prior to the commencement of and during the offer period for the Proposed MGO, the CCB Offer Price will be satisfied via:

- (i) a wholly cash consideration of RM2.60037 per CCB Offer Share; or
- (ii) a share exchange based on an exchange ratio of 4.33395 new KUB Shares to be issued for every 1 CCB Offer Share surrendered, where the basis of the exchange is the same as the Consideration Share to be received by JAG for each Acquisition Share acquired by KUB.

For the avoidance of doubt, the completion of the SPA is subject to fulfilment of conditions precedent as set out in Section 4 of this press notice. Therefore, there is no certainty that the Proposed MGO will materialise. In the event the SPA does not become unconditional or is terminated, KUB will not extend the Proposed MGO.

## 2. BRIEF INFORMATION ON KUB

KUB is an investment holding company listed on the Main Market of Bursa Malaysia Securities Berhad and through its subsidiaries, the Company is involved in the importation, bottling and trading of liquefied petroleum gas (“LPG Business”) and other businesses comprising infrastructure solutions, supply, maintenance and ancillary services in information, communications and technology, engineering and civil works in the power sectors, property management services, investment holding and provision of management services.

## 3. RATIONALE FOR THE PROPOSED MGO

### 3.1 Proposed Acquisition

One of the business of KUB and its subsidiaries (“KUB Group” or “Group”) is to provide critical civil engineering services within the power industry, including substation and transmission line construction, supply and installation of electrical infrastructure, and electrical maintenance (“Power Business”).

The revenue contribution from the Power Business has remained minimal as all the projects undertaken by the KUB Group in relation thereto have reached its tail end over the last three (3) financial years. Nonetheless, the Group has continuously bid for new viable projects that would enable the Group to leverage on its core competencies. The Group has been seeking to capitalise on opportunities to tender for projects that have a need for their diverse capabilities, all while accelerating the various operational improvement and strategic cost management initiatives which have been earmarked.

In view of the foregoing and in line with the objectives and strategy of the KUB Group to deliver sustainable growth and create value for KUB’s shareholders, the Proposed Acquisition will enable the Group to:

- (i) venture into the manufacturing of power cables and wires (“Cables Manufacturing Business”) which is an upstream activity within the value chain of the power industry and evolve into a more integrated power solutions provider via the integration of the Cables Manufacturing Business with the Power Business;
- (ii) capitalise on the resources, expertise and strength of CCB in securing new projects for the Power Business, thereby enhancing its operational efficiencies, bidding strategies, financial position and prospects of the enlarged KUB Group;
- (iii) provide an opportunity for the KUB Group to diversify and bolster its revenue and income stream as the Proposed Acquisition is expected to contribute positively to the future earnings of the enlarged KUB Group and further strengthens the Group’s future financial performance;
- (iv) expand and diversify the Group’s product offerings; and
- (v) reduce the Group’s dependency on the LPG Business (which is the main contributor to the Group’s income) while increasing the participation of the Group in the power industry.

### 3.2 Proposed MGO

CCB is a code company for the purposes of Division 2 Part VI of the CMSA as it is an unlisted public company with more than 50 shareholders and net assets of more than RM15 million.

As the shareholding of the Company in CCB will increase from approximately nil to approximately 86.65% after the Proposed Acquisition, KUB will be required to extend a MGO pursuant to Section 218(2) of the CMSA and Paragraph 4.01(a) of the Rules.

### 4. THE SPA

The completion of the SPA is subject to the fulfilment of the following conditions precedent:

- (i) the approval of the shareholders of KUB being obtained for the Proposed Acquisition together with the issuance and the allotment and issuance of the Consideration Shares, at an extraordinary general meeting to be convened; and
- (ii) the approval of any governmental authority (means any nation or government or political subdivision or regulatory body thereof, national, supranational, provincial, local, municipal or regional, or any other governmental entity, any ministry, agency, commission, authority, department, division or instrumentality of any such government, political subdivision or other governmental entity, any court, arbitral tribunal or arbitrator, any self-regulatory organization, stock exchange or non-governmental regulating body, and any company, business, enterprise, authority or other entity owned or controlled by any such Governmental Authority) for the transactions contemplated in the SPA (where required).

The SPA will become unconditional on the date of fulfilment of the conditions precedent.

### 5. ADVISER

Maybank IB is the Principal Adviser to KUB for the Proposals.

This press notice is made in accordance with Paragraph 9.05(2)(c) of the Rules.

Yours faithfully  
for and on behalf of  
**Maybank Investment Bank Berhad**



**Hood Abdul Aziz**  
Director  
Corporate Finance & Advisory



**Mohamed Shahrul Zhafri Kamarulzaman**  
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