

THIS CIRCULAR 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 the contents of this Circular relating to the Proposed Bonus Issue (as defined herein) and Proposed Amendment (as defined herein) prior to the issuance of this Circular as the said contents fall under the category of exempt documents 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, 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.



JOHORE TIN BERHAD

(Company No. 532570-V)

(Incorporated in Malaysia under the Companies Act, 1965)

CIRCULAR TO SHAREHOLDERS

IN RELATION TO THE

- (I) **PROPOSED SHARE SPLIT INVOLVING THE SUBDIVISION OF EVERY ONE (1) EXISTING ORDINARY SHARE OF RM1.00 EACH IN JOHORE TIN BERHAD ("JTB") INTO TWO (2) NEW ORDINARY SHARES OF RM0.50 EACH IN JTB ("SUBDIVIDED SHARE(S)") HELD BY THE SHAREHOLDERS WHOSE NAMES APPEAR IN THE RECORD OF DEPOSITORS OF JTB AS AT THE CLOSE OF BUSINESS ON AN ENTITLEMENT DATE ("ENTITLED SHAREHOLDERS") TO BE DETERMINED AND ANNOUNCED LATER ("ENTITLEMENT DATE") ("PROPOSED SHARE SPLIT");**
- (II) **PROPOSED BONUS ISSUE OF UP TO 77,754,444 NEW SUBDIVIDED SHARES ("BONUS SHARE(S)") TO BE CREDITED AS FULLY PAID-UP ON THE BASIS OF ONE (1) BONUS SHARE FOR EVERY THREE (3) SUBDIVIDED SHARES HELD BY THE ENTITLED SHAREHOLDERS ON THE ENTITLEMENT DATE ("PROPOSED BONUS ISSUE"); AND**
- (III) **PROPOSED AMENDMENT TO THE MEMORANDUM OF ASSOCIATION OF JTB TO FACILITATE THE IMPLEMENTATION OF THE PROPOSED SHARE SPLIT ("PROPOSED AMENDMENT")**

AND

NOTICE OF EXTRAORDINARY GENERAL MEETING

Adviser

RHB InvestmentBank

RHB INVESTMENT BANK BERHAD

(Company No. 19663-P)

(A Participating Organisation of Bursa Malaysia Securities Berhad)

The notice of the Extraordinary General Meeting ("**EGM**") of JTB, which is scheduled to be held at Palm Resort Golf & Country Club, Jalan Persiaran Golf, Off Jalan Jumbo, 81250 Senai, Johor on Monday, 29 August 2016 at 3.30 p.m., or any adjournment thereof, together with the Form of Proxy are enclosed herein.

A member entitled to attend and vote at the EGM is entitled to appoint a proxy or proxies to attend and to vote on his/her behalf. In such event, the Form of Proxy must be lodged at the registered office of JTB at Suite 1301, 13th Floor, City Plaza, Jalan Tebrau, 80300 Johor Bahru, Johor, not less than forty eight (48) hours before the time stipulated for holding the meeting as indicated below. The lodging of the Form of Proxy does not preclude you from attending and voting in person at the EGM, should you subsequently wish to do so.

Last date and time for lodging the Form of Proxy: Saturday, 27 August 2016 at 3.30 p.m.

Date and time of the EGM: Monday, 29 August 2016 at 3.30 p.m.

This Circular is dated 5 August 2016

DEFINITIONS

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

“Act”	: Companies Act, 1965
“Additional Warrant(s)”	: Up to 38,877,221 additional Warrants 2012/2017 to be issued pursuant to the adjustments made in accordance with the provisions of the memorandum to the Deed Poll as a result of the Proposed Share Split and Proposed Bonus Issue
“Board”	: Board of Directors of JTB
“Bonus Share(s)”	: Up to 77,754,444 new ordinary shares of RM0.50 each to be issued pursuant to the Proposed Bonus Issue
“Bursa Depository”	: Bursa Malaysia Depository Sdn Bhd (Company No. 165570-W)
“Bursa Securities”	: Bursa Malaysia Securities Berhad (Company No. 635998-W)
“CDS”	: Central Depository System
“Circular”	: This Circular to shareholders of JTB dated 5 August 2016
“Deed Poll”	: The deed poll dated 10 October 2012 constituting the Warrants 2012/2017
“Director(s)”	: Has the meaning given in Section 2(1) of the Capital Markets and Services Act, 2007
“EGM”	: Extraordinary General Meeting
“Entitled Shareholder(s)”	: The shareholder(s) of JTB whose names appear in the Company’s Record of Depositors on the Entitlement Date
“Entitlement Date”	: The date at the close of business (to be determined and announced later by the Board) on which shareholders of JTB must be registered as a member in the Record of Depositors in order to participate in the Proposed Share Split and Proposed Bonus Issue
“EPS”	: Earnings per share
“Existing Share(s)”	: Ordinary shares of RM1.00 each in JTB
“FPE”	: Financial period(s) ended/ending, as the case may be
“FYE”	: Financial year(s) ended/ending, as the case may be
“JTB” or the “Company”	: Johore Tin Berhad (Company No. 532570-V)
“JTB Group” or the “Group”	: Collectively, JTB and its subsidiaries
“JTB Share(s)” or “Subdivided Share(s)” or “Share(s)”	: Ordinary shares of RM0.50 each in JTB after the completion of the Proposed Share Split
“Listing Requirements”	: Main Market Listing Requirements of Bursa Securities

DEFINITIONS (Cont'd)

“LPD”	: 31 July 2016, being the latest practicable date prior to the printing and despatch of this Circular
“Market Day(s)”	: Any day(s) between Monday and Friday (inclusive), excluding public holidays and any day on which Bursa Securities is open for trading of securities
“Maximum Scenario”	: Assuming all of the outstanding Warrants 2012/2017 are exercised prior to the Entitlement Date
“Minimum Scenario”	: Assuming none of the outstanding Warrants 2012/2017 are exercised prior to the Entitlement Date
“NA”	: Net assets
“Proposals”	: Collectively, the Proposed Share Split, Proposed Bonus Issue, and Proposed Amendment
“Proposed Amendment”	: Proposed amendment to the Memorandum of Association of JTB to facilitate the implementation of the Proposed Share Split
“Proposed Bonus Issue”	: Proposed bonus issue of up to 77,754,444 Bonus Shares on the basis of one (1) Bonus Share for every three (3) Subdivided Shares held by the Entitled Shareholders on the Entitlement Date
“Proposed Share Split”	: Proposed share split involving the subdivision of every one (1) existing ordinary share of RM1.00 each in JTB into two (2) Subdivided Shares held by Entitled Shareholders on the Entitlement Date
“Record of Depositors”	: A record of securities holders established by Bursa Depository under the Rules of Bursa Depository
“RHB Investment Bank” or the “Adviser”	: RHB Investment Bank Berhad (Company No. 19663-P)
“RM” and “sen”	: Ringgit Malaysia and sen, respectively
“VWAP”	: Volume weighted average market price
“Warrants 2012/2017”	: Warrants of JTB as constituted by the Deed Poll and expiring on 21 November 2017 which includes the 23,326,333 outstanding Warrants 2012/2017 as at the LPD and where the context requires, the Additional Warrants

Words importing 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. Reference to persons shall include a corporation, unless otherwise specified.

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

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NOTICE OF EGM ENCLOSED**FORM OF PROXY ENCLOSED**



JOHORE TIN BERHAD

(Company No. 532570-V)
(Incorporated in Malaysia under the Companies Act, 1965)

Registered Office:

Suite 1301, 13th Floor
City Plaza, Jalan Tebrau
80300 Johor Bahru
Johor

5 August 2016

Board of Directors:-

Datuk Kamaludin Bin Yusoff	<i>(Chairman / Senior Independent Non-Executive Director)</i>
Edward Goh Swee Wang	<i>(Chief Executive Officer)</i>
Yeow Ah Seng @ Yow Ah Seng	<i>(Executive Director)</i>
Lim Hun Swee	<i>(Executive Director)</i>
Ng Keng Hoe (Huang Qinghe)	<i>(Executive Director)</i>
Siah Chin Leong	<i>(Independent Non-Executive Director)</i>
Ng Lee Thin	<i>(Independent Non-Executive Director)</i>

To: The shareholders of JTB

Dear Sir/Madam,

- (I) PROPOSED SHARE SPLIT;**
- (II) PROPOSED BONUS ISSUE; AND**
- (III) PROPOSED AMENDMENT**

1. INTRODUCTION

On 17 June 2016, RHB Investment Bank, on behalf of the Board, announced that the Company proposes to undertake the following:-

- (i) proposed share split involving the subdivision of every one (1) existing ordinary share of RM1.00 each in JTB into two (2) Subdivided Shares held by the Entitled Shareholders on the Entitlement Date;
- (ii) proposed bonus issue of up to 77,754,444 Bonus Shares to be credited as fully paid-up on the basis of one (1) Bonus Share for every three (3) Subdivided Shares held by the Entitled Shareholders on the Entitlement Date; and
- (iii) proposed amendment to the Memorandum of Association of JTB to facilitate the implementation of the Proposed Share Split.

On 29 July 2016, RHB Investment Bank, on behalf of the Board, announced that Bursa Securities had, vide its letter dated 28 July 2016, resolved to approve the following:-

- (i) the Proposed Share Split; and
- (ii) the listing of and quotation for the Bonus Shares, Additional Warrants and the new JTB Shares to be issued arising from the exercise of the Additional Warrants on the Main Market of Bursa Securities,

subject to the conditions as set out in **Section 6** of this Circular.

THE PURPOSE OF THIS CIRCULAR IS TO PROVIDE THE SHAREHOLDERS OF JTB WITH THE RELEVANT DETAILS ON THE PROPOSALS, AS WELL AS TO SEEK THE APPROVAL FROM THE SHAREHOLDERS OF JTB ON THE RESOLUTIONS PERTAINING TO THE PROPOSALS TO BE TABLED AT THE FORTHCOMING EGM OF THE COMPANY. THE NOTICE OF THE FORTHCOMING EGM AND THE FORM OF PROXY ARE ENCLOSED TOGETHER WITH THIS CIRCULAR.

SHAREHOLDERS OF JTB ARE ADVISED TO READ AND CONSIDER CAREFULLY THE CONTENTS OF THIS CIRCULAR TOGETHER WITH THE APPENDICES CONTAINED HEREIN BEFORE VOTING ON THE RESOLUTIONS PERTAINING TO THE PROPOSALS TO BE TABLED AT THE FORTHCOMING EGM.

2. DETAILS OF THE PROPOSALS

2.1 Proposed Share Split

2.1.1 Details of the Proposed Share Split

The Proposed Share Split entails the subdivision of every one (1) existing ordinary share of RM1.00 each in JTB into two (2) Subdivided Shares held by the Entitled Shareholders on the Entitlement Date.

As at the LPD, the issued and paid-up share capital of the Company is RM93,305,333 comprising 93,305,333 Existing Shares. Assuming the full exercise of the outstanding 23,326,333 Warrants 2012/2017 prior to the Entitlement Date, the issued and paid-up share capital of the Company would increase to RM116,631,666 comprising 116,631,666 Existing Shares and the ensuing Proposed Share Split will result in an enlarged issued and paid-up share capital of RM116,631,666 comprising 233,263,332 Subdivided Shares.

For illustrative purposes only, based on the five (5)-day VWAP of the shares in JTB up to and including the LPD of RM2.20 per share in JTB, the adjusted market price of the Subdivided Shares is set out below:-

	Assumed no. of shares held	Par value (RM)	Market price per share (RM)	Total value (RM)
Five (5)-day VWAP	100	1.00	2.20	220
After the Proposed Share Split	200	0.50	1.10	220

As illustrated above, the Proposed Share Split is not expected to have any impact on the total value of the shares held in the Company.

2.1.2 Ranking of the Subdivided Shares

The Subdivided Shares shall, upon allotment and issue, rank *pari passu* in all respects with each other, save that the Subdivided Shares will not be entitled to any dividends, rights, allotments and/or any other forms of distributions that may be declared, made or paid prior to the Entitlement Date.

2.1.3 Listing of and quotation for the Subdivided Shares

No suspension will be imposed on the trading of shares in JTB on Bursa Securities for the purpose of implementing the Proposed Share Split. The Subdivided Shares will be listed and quoted on Bursa Securities on the next Market Day after the Entitlement Date.

The notice of allotment for the Subdivided Shares will be issued and despatched to the Entitled Shareholders within four (4) Market Days after the listing of and quotation for the Subdivided Shares on the Main Market of Bursa Securities, or such other period as may be prescribed by Bursa Securities.

As the Subdivided Shares are prescribed securities under Section 14(5) of the Securities Industry (Central Depositories) Act, 1991 (“**SICDA**”), the Subdivided Shares will be subjected to the SICDA and the Rules of Bursa Depository. Accordingly, the Subdivided Shares will be credited into the respective CDS accounts of the Entitled Shareholders and no physical share certificate will be issued.

2.2 Proposed Bonus Issue

2.2.1 Basis and number of Bonus Shares

The Proposed Bonus Issue will entail an issuance of up to 77,754,444 Bonus Shares to be credited as fully paid-up, on the basis of one (1) Bonus Share for every three (3) Subdivided Shares held by the Entitled Shareholders as at the close of business on the Entitlement Date.

The actual number of Bonus Shares to be issued will depend on the issued and paid-up share capital of the Company after the Proposed Share Split on the Entitlement Date.

Fractional entitlements arising from the Proposed Bonus Issue, if any, shall be dealt with in such manner as the Board shall in their discretion deem fit and expedient, and in the best interest of the Company.

The Proposed Bonus Issue will not be implemented on a staggered basis and will be implemented concurrently with the Proposed Share Split. It is the intention of the Board to have the Entitlement Date of the Proposed Share Split and Proposed Bonus Issue on the same date.

2.2.2 Capitalisation of reserves

The Proposed Bonus Issue shall be capitalised from the retained earnings and share premium of the Company.

Based on the Company's latest audited financial statements for the FYE 31 December 2015 and the latest unaudited financial statements for the three (3)-month FPE 31 March 2016, the effects of the Proposed Bonus Issue on the retained earnings and share premium of the Company are set out below based on the Minimum Scenario and Maximum Scenario.

Minimum Scenario

Company level	Retained earnings (RM'000)	Share premium (RM'000)
Audited as at 31 December 2015	21,849	5,528
<i>Less: Final dividend ⁽¹⁾</i>	(3,732)	-
<i>Add: Interim dividend income ⁽²⁾</i>	10,000	-
<i>Less: Amount to be capitalised for the Proposed Bonus Issue</i>	(25,574)	(5,528)
<i>Less: Estimated expenses for the Proposals</i>	(250)	-
Balance after the Proposed Bonus Issue	2,293	-
Unaudited as at 31 March 2016	21,450	5,528
<i>Less: Final dividend ⁽¹⁾</i>	(3,732)	-
<i>Add: Interim dividend income ⁽²⁾</i>	10,000	-
<i>Less: Amount to be capitalised for the Proposed Bonus Issue</i>	(25,574)	(5,528)
<i>Less: Estimated expenses for the Proposals</i>	(250)	-
Balance after the Proposed Bonus Issue	1,894	-

Notes:-

- (1) Being the single-tier final dividend of 4.0 sen per Existing Share in respect of the FYE 31 December 2015 amounting to RM3,732,213 which was paid on 29 July 2016.
- (2) Being the interim dividend declared by the following subsidiaries of JTB in respect of the FYE 31 December 2016 to the Company:-

No.		Effective equity interest (%)	(RM'000)
1.	Johore Tin Factory Sdn Bhd	100.00	3,482
2.	Unican Industries Sdn Bhd	100.00	1,120
3.	Kluang Tin and Can Factory Sdn Bhd	100.00	1,898
4.	Able Dairies Sdn Bhd	100.00	3,500
	Total		10,000

Maximum Scenario

Company level	Retained earnings (RM'000)	Share premium (RM'000)
Audited as at 31 December 2015	21,849	5,528
<i>Less: Final dividend ⁽¹⁾</i>	(3,732)	-
<i>Add: Interim dividend income ⁽²⁾</i>	10,000	-
<i>Add: Assuming full exercise of the outstanding Warrants 2012/2017 ⁽³⁾</i>	-	35,091
<i>Less: Amount to be capitalised for the Proposed Bonus Issue</i>	-	(38,877)
<i>Less: Estimated expenses for the Proposals</i>	(250)	-
Balance after the Proposed Bonus Issue	27,867	1,742
Unaudited as at 31 March 2016	21,450	5,528
<i>Less: Final dividend ⁽¹⁾</i>	(3,732)	-
<i>Add: Interim dividend income ⁽²⁾</i>	10,000	-
<i>Add: Assuming full exercise of the outstanding Warrants 2012/2017 ⁽³⁾</i>	-	35,091
<i>Less: Amount to be capitalised for the Proposed Bonus Issue</i>	-	(38,877)
<i>Less: Estimated expenses for the Proposals</i>	(250)	-
Balance after the Proposed Bonus Issue	27,468	1,742

Notes:-

- (1) Being the single-tier final dividend of 4.0 sen per Existing Share in respect of the FYE 31 December 2015 amounting to RM3,732,213 which was paid on 29 July 2016.
- (2) Being the interim dividend declared by the following subsidiaries of JTB in respect of the FYE 31 December 2016 to the Company:-

No.		Effective equity interest (%)	(RM'000)
1.	Johore Tin Factory Sdn Bhd	100.00	3,482
2.	Unican Industries Sdn Bhd	100.00	1,120
3.	Kluang Tin and Can Factory Sdn Bhd	100.00	1,898
4.	Able Dairies Sdn Bhd	100.00	3,500
	Total		10,000

- (3) Assuming the exercise of all outstanding Warrants 2012/2017 at the exercise price of RM2.28 per Warrant 2012/2017 and the transfer of warrants reserve amounting to RM5.23 million into the share premium account.

Based on the latest audited financial statements for the FYE 31 December 2015 and latest unaudited financial statements for the three (3)-month FPE 31 March 2016 the Board confirms that the available reserves of the Company are unimpaired by losses on a consolidated basis and are adequate for the capitalisation of the Proposed Bonus Issue.

The external auditors of the Company, Messrs Crowe Horwath had vide its letter dated 1 August 2016, as enclosed in **Appendix I** of this Circular, confirmed that, based on the financial information extracted from the audited financial statements of the Company for the FYE 31 December 2015 and the latest unaudited financial statements for the three (3)-month FPE 31 March 2016, the Company has sufficient reserves in its retained earnings and share premium for the capitalisation for the Proposed Bonus Issue.

2.2.3 Ranking of the Bonus Shares

The Bonus Shares shall, upon allotment and issue, rank *pari passu* in all respects with each other and the existing JTB Shares, save and except that the Bonus Shares will not be entitled to any dividends, rights, allotments and/or other forms of distributions that may be declared, made or paid prior to the Entitlement Date.

2.2.4 Listing of and quotation for the Bonus Shares

JTB had received the approval from Bursa Securities for the listing of and quotation for the Bonus Shares on the Main Market of Bursa Securities vide its letter dated 28 July 2016, subject to the conditions as stated under **Section 6** of this Circular. The Bonus Shares will be listed and quoted on the Main Market of Bursa Securities concurrently with the Subdivided Shares on the next Market Day following the Entitlement Date.

2.3 Proposed Amendment

The Company proposes to amend the following clause in its Memorandum of Association to facilitate the implementation of the Proposed Share Split:-

Clause	Existing	Proposed Amendment
4	The Company's share capital is RM200,000,000 divided into 200,000,000 ordinary shares of RM1.00 each.	The Company's share capital is RM200,000,000 divided into 400,000,000 ordinary shares of RM0.50 each. The shares in the original or any increased capital may be divided into several classes and there may be attached thereto respectively any preferential, deferred or other special rights, privileges, conditions or restrictions as to dividends, capital, voting or otherwise.

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3. RATIONALE FOR THE PROPOSALS

3.1 Proposed Share Split

The Proposed Share Split will not have any direct impact on the market capitalisation of the Company. However, the Proposed Share Split will result in an adjustment to the market price of JTB's ordinary shares, making the Subdivided Shares more affordable, thus potentially encouraging more retail participation.

Having considered that JTB has been trading at an average price of RM1.91 with an average daily trading volume of 238,760 shares for the past six (6) months up to the LPD, the Proposed Share Split will increase the marketability and liquidity of the Subdivided Shares on the Main Market of Bursa Securities which will in turn, increase the appeal of JTB Shares to a wider group of public shareholders and investors.

3.2 Proposed Bonus Issue

The Proposed Bonus Issue aims to reward the existing shareholders of the Company for their loyalty and continuing support, by enabling them to increase their participation in the equity of the Company in terms of number of shares held, whilst maintaining their percentage of equity interest.

The Proposed Bonus Issue is expected to increase the Company's capital base to a level which would be more reflective of the current scale of operations and assets employed by JTB Group.

3.3 Proposed Amendment

The Proposed Amendment is undertaken to facilitate the implementation of the Proposed Share Split whereby, the authorised share capital of RM200,000,000 comprising 200,000,000 ordinary shares of RM1.00 each will be amended to RM200,000,000 comprising 400,000,000 ordinary shares of RM0.50 each.

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4. EFFECTS OF THE PROPOSALS

The Proposed Amendment will not have any effect on the Company's issued and paid-up share capital, NA per share and gearing, earnings and EPS, convertible securities and substantial shareholders' shareholdings.

The pro forma effects of the Proposed Share Split and Proposed Bonus Issue on the Company's issued and paid-up share capital, NA per share and gearing, earnings and EPS, convertible securities and substantial shareholders' shareholdings are based on the Minimum Scenario and Maximum Scenario as illustrated below.

4.1 Issued and paid-up share capital

For illustrative purposes, the pro forma effects of the Proposed Share Split and Proposed Bonus Issue on the issued and paid-up share capital of JTB are as follows:-

	Minimum Scenario			Maximum Scenario		
	Par value (RM)	No. of shares	(RM)	Par value (RM)	No. of shares	(RM)
Issued and paid-up share capital as at the LPD	1.00	93,305,333	93,305,333	1.00	93,305,333	93,305,333
No. of ordinary shares to be issued assuming full exercise of the outstanding Warrants 2012/2017	-	-	-	1.00	23,326,333	23,326,333
	1.00	93,305,333	93,305,333	1.00	116,631,666	116,631,666
Enlarged issued and paid-up share capital after the Proposed Share Split	0.50	186,610,666	93,305,333	0.50	233,263,332	116,631,666
Bonus Shares to be issued pursuant to the Proposed Bonus Issue	0.50	62,203,555	31,101,778	0.50	77,754,444	38,877,222
Enlarged issued and paid-up share capital after the Proposals	0.50	248,814,221	124,407,111	0.50	311,017,776	155,508,888

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4.2 NA per share and gearing

Based on the latest audited consolidated statement of financial position of JTB as at 31 December 2015, the pro forma effects of the Proposed Share Split and Proposed Bonus Issue on the NA per share and gearing of JTB are as follows:-

Minimum Scenario

	Audited as at 31 December 2015 (RM'000)	(I) Adjustment for subsequent event (RM'000)	(II) After (I) and the Proposed Share Split (RM'000)	(III) After (II) and the Proposed Bonus Issue (RM'000)
Share capital	93,305	93,305	93,305	124,407
Share premium	5,528	5,528	5,528	⁽³⁾ -
Translation reserve	(602)	(602)	(602)	(602)
Warrants reserve	5,233	5,233	5,233	5,233
Retained earnings	91,415	⁽¹⁾ 87,683	⁽²⁾ 87,433	⁽³⁾ 61,859
Shareholders' equity / NA	194,879	191,147	190,897	190,897
Non-controlling interest	(2,473)	(2,473)	(2,473)	(2,473)
Total equity	192,406	188,674	188,424	188,424
No. of ordinary shares in JTB ('000)	93,305	93,305	186,610	248,814
Par value (RM)	1.00	1.00	0.50	0.50
NA per share⁽⁴⁾ (RM)	2.09	2.05	1.02	0.77
Borrowings (RM'000)	110,192	110,192	110,192	110,192
Gearing (times)⁽⁵⁾	0.57	0.58	0.58	0.58

Notes:-

- (1) After adjusting the single-tier final dividend of 4.0 sen per Existing Share amounting to RM3,732,213 in respect of the FYE 31 December 2015 which was paid on 29 July 2016.
- (2) After deducting the estimated expenses of RM250,000 relating to the Proposals.
- (3) After deducting the amount to be capitalised for the Proposed Bonus Issue.
- (4) Computed as shareholders' equity/NA divided by number of ordinary shares in issue.
- (5) Computed as borrowings divided by total equity.

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Maximum Scenario

	Audited as at 31 December 2015 (RM'000)	(I) Adjustment for subsequent event (RM'000)	(II) After (I) and the full exercise of the outstanding Warrants 2012/2017 (RM'000)	(III) After (II) the Proposed Share Split (RM'000)	(IV) After (III) and the Proposed Bonus Issue (RM'000)
Share capital	93,305	93,305	116,632	116,632	155,509
Share premium	5,528	5,528	(2) 40,619	40,619	(4) 1,742
Translation reserve	(602)	(602)	(602)	(602)	(602)
Warrants reserve	5,233	5,233	(2) -	-	-
Retained earnings	91,415	(1) 87,683	87,683	(3) 87,433	87,433
Shareholders' equity / NA	194,879	191,147	244,332	244,082	244,082
Non-controlling interest	(2,473)	(2,473)	(2,473)	(2,473)	(2,473)
Total equity	192,406	188,674	241,859	241,609	241,609
No. of ordinary shares in JTB ('000)	93,305	93,305	116,632	233,263	311,018
Par value (RM)	1.00	1.00	1.00	0.50	0.50
NA per share⁽⁵⁾ (RM)	2.09	2.05	2.09	1.05	0.78
Borrowings (RM'000)	110,192	110,192	110,192	110,192	110,192
Gearing (times)⁽⁶⁾	0.57	0.58	0.46	0.46	0.46

Notes:-

- (1) After adjusting the single-tier final dividend of 4.0 sen per Existing Share amounting to RM3,732,213 in respect of the FYE 31 December 2015 which was paid on 29 July 2016.
- (2) Assuming the exercise of all outstanding Warrants 2012/2017 at the exercise price of RM2.28 per Warrant 2012/2017 and the transfer of warrants reserve into the share premium account.
- (3) After deducting the estimated expenses of RM250,000 relating to the Proposals.
- (4) After deducting the amount to be capitalised for the Proposed Bonus Issue.
- (5) Computed as shareholders' equity/NA divided by number of ordinary shares in issue.
- (6) Computed as borrowings divided by total equity.

4.3 Earnings and EPS

The Proposed Share Split and Proposed Bonus Issue are not expected to have any material effect on the earnings of JTB Group for the FYE 31 December 2016. However, there will be a corresponding dilution in the EPS of JTB Group as a result of the increase in the number of shares in issue upon the completion of the Proposed Share Split and Proposed Bonus Issue.

4.4 Convertible securities

Save for the 23,326,333 outstanding Warrants 2012/2017, JTB does not have any other existing convertible securities as at the LPD.

The Proposed Share Split and Proposed Bonus Issue will give rise to adjustments to the exercise price and/or number of Warrants 2012/2017 pursuant to the provisions of the memorandum to the Deed Poll. Any necessary adjustments arising from the Proposed Share Split and Proposed Bonus Issue in relation to the outstanding Warrants 2012/2017 will only be finalised on the Entitlement Date.

The details of the actual adjustments to the exercise price and number of Warrants 2012/2017 shall be announced at a later date and shall be set out in a notice of adjustments to the holders of Warrants 2012/2017, which shall be despatched within twenty one (21) days of such adjustments.

The holder of the Additional Warrants is not entitled to any voting right or participation in any forms of distribution and/or offer of further securities in JTB until and unless such holders of the Additional Warrants exercise their Additional Warrants into new JTB Shares.

The new JTB Shares arising from the exercise of the Additional Warrants shall, upon allotment and issue, rank *pari passu* in all respects with each other and the Subdivided Shares, save and except that the new JTB Shares will not be entitled to any dividends, rights, allotments and/or other forms of distributions that may be declared, made or paid prior to the relevant date of allotment and issuance of the new JTB Shares.

For illustrative purposes only, based on the number of outstanding Warrants 2012/2017 as at the LPD, a summary of the adjustments to the Warrants 2012/2017 is set out as follows:-

(i) **Adjustments to the outstanding Warrants 2012/2017 pursuant to the Proposed Share Split**

$$\begin{aligned}\text{Adjusted exercise price} &= \frac{\text{Exercise price} \times \text{Revised par value}}{\text{Former par value}} \\ &= \frac{\text{RM2.28} \times \text{RM0.50}}{\text{RM1.00}} \\ &= \underline{\text{RM1.14}}\end{aligned}$$

$$\begin{aligned}\text{Adjusted number of Warrants 2012/2017} &= \text{Number of existing Warrants 2012/2017} \times \frac{\text{Former par value}}{\text{Revised par value}} \\ &= 23,326,333 \times \frac{\text{RM1.00}}{\text{RM0.50}} \\ &= \underline{46,652,666}\end{aligned}$$

$$\begin{aligned}
\text{Additional Warrants to be issued} &= \text{Adjusted number of Warrants 2012/2017} - \text{Number of existing Warrants 2012/2017} \\
&= 46,652,666 - 23,326,333 \\
&= \underline{\underline{23,326,333}}
\end{aligned}$$

(ii) **Adjustments to the outstanding Warrants 2012/2017 pursuant to the Proposed Bonus Issue**

$$\begin{aligned}
\text{Adjusted exercise price} &= \text{Exercise price} \times \frac{A}{A+B} \\
&= \text{RM1.14} \times \frac{186,610,666}{186,610,666 + 62,203,554^{(1)}} \\
&= \underline{\underline{\text{RM0.85}}}
\end{aligned}$$

$$\begin{aligned}
\text{Adjusted number of Warrants 2012/2017} &= \text{Number of existing Warrants 2012/2017} \times \frac{A+B}{A} \\
&= 46,652,666 \times \frac{186,610,666 + 62,203,555}{186,610,666} \\
&= \underline{\underline{62,203,554^{(1)}}}
\end{aligned}$$

$$\begin{aligned}
\text{Additional Warrants to be issued} &= \text{Adjusted number of Warrants 2012/2017} - \text{Number of existing Warrants 2012/2017} \\
&= 62,203,554 - 46,652,666 \\
&= \underline{\underline{15,550,888}}
\end{aligned}$$

Note:-

(1) Rounded down to the nearest Warrant 2012/2017.

Where:

A = The aggregate number of shares after the Proposed Share Split

B = The aggregate number of shares to be issued pursuant to the Proposed Bonus Issue

(iii) **Summary of adjustments to the outstanding Warrants 2012/2017**

	As at the LPD	After the Proposed Share Split	After the Proposed Bonus Issue
Exercise price of outstanding Warrants 2012/2017	RM2.28	RM1.14	RM0.85
Number of outstanding Warrants 2012/2017	23,326,333	46,652,666	62,203,554

4.5 Substantial shareholders' shareholdings

The Proposed Share Split and Proposed Bonus Issue will not have any effect on the percentage shareholdings of the substantial shareholders of JTB save for the proportionate increase in the number of Subdivided Shares.

5. HISTORICAL SHARE PRICES

The monthly highest and lowest closing market prices of JTB Shares for the past twelve (12) months preceding the date of this Circular are as follows:-

	High RM	Low RM
2015		
August	1.56	1.21
September	1.59	1.44
October	2.22	1.54
November	2.83	2.04
December	2.27	2.01
2016		
January	2.16	1.90
February	2.23	1.79
March	1.87	1.63
April	1.85	1.65
May	2.00	1.74
June	2.17	1.79
July	2.30	2.00
Last transacted market price on 16 June 2016 <i>(being the date prior to the announcement of the Proposals)</i>		2.03
Last transacted market price on 4 August 2016 <i>(being the latest date prior to the printing of this Circular)</i>		2.17

(Source: Bloomberg)

6. APPROVALS REQUIRED / OBTAINED

The Proposals are subject to and conditional upon the following approvals being obtained:-

- a) Bursa Securities for the following:-
 - (i) the Proposed Share Split; and
 - (ii) the listing of and quotation for the Bonus Shares, Additional Warrants and the new JTB Shares to be issued arising from the exercise of the Additional Warrants on the Main Market of Bursa Securities;
- b) the shareholders of JTB, for the Proposals at the forthcoming EGM; and
- c) any other relevant authorities, if required.

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Bursa Securities had vide its letter dated 28 July 2016, granted its approval in relation to the Proposals subject to the following conditions:-

Conditions	Status of Compliance
(i) Shareholders' approval be obtained for the Proposals. In this respect, JTB is required to furnish Bursa Securities with a certified true copy of the resolution passed by the shareholders approving the Proposals prior to the listing of and quotation for the Subdivided Shares, Bonus Shares and Additional Warrants;	To be complied
(ii) JTB and RHB Investment Bank must fully comply with the relevant provisions under the Listing Requirements pertaining to the implementation of the Proposals;	To be complied
(iii) JTB and RHB Investment Bank to inform Bursa Securities upon completion of the Proposals;	To be complied
(iv) JTB to furnish Bursa Securities with a written confirmation of its compliance with the terms and conditions of Bursa Securities' approval once the Proposals are completed;	To be complied
(v) JTB to furnish Bursa Securities on a quarterly basis a summary of the total number of Shares listed pursuant to the exercise of Warrants 2012/2017 at the end of each quarter together with a detailed computation of listing fees payable; and	To be complied
(vi) JTB or RHB Investment Bank are required to make the relevant announcements pursuant to Paragraphs 6.35(2)(a) & (b) and 6.35(4), Paragraph 6.56(2)(b)(ii) & (iii), and Paragraph 13.10(2) of the Listing Requirements pertaining to the Proposals.	To be complied

The Proposed Share Split, the Proposed Bonus Issue and the Proposed Amendment are inter-conditional upon each other.

Save for the above, the completion of the Proposals is not conditional upon any other corporate exercise undertaken or to be undertaken by JTB.

7. INTEREST OF DIRECTORS, MAJOR SHAREHOLDERS AND/OR PERSONS CONNECTED TO THEM

None of the Directors and major shareholders of the Company and/or persons connected to them has any interest, whether direct or indirect, in the Proposals save for their respective entitlements as shareholders of the Company under the Proposed Share Split and the Proposed Bonus Issue, which are also available to all other shareholders of the Company.

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8. ESTIMATED TIMEFRAME FOR COMPLETION AND TENTATIVE TIMETABLE FOR IMPLEMENTATION

Barring any unforeseen circumstances and subject to all required approvals being obtained, the Board expects the Proposals to be completed in the third (3rd) quarter of 2016.

The tentative timetable for the Proposals is set out as below:-

Month	Events
29 August 2016	<ul style="list-style-type: none">• Convening of EGM to obtain the approval of shareholders of JTB for the Proposals
End of August 2016	<ul style="list-style-type: none">• Announcement of the Entitlement Date for the Proposed Share Split and Proposed Bonus Issue
Mid of September 2016	<ul style="list-style-type: none">• Entitlement Date• Listing of and quotation for the Subdivided Shares, Bonus Shares and Additional Warrants on the Main Market of Bursa Securities• Completion of the Proposals

9. CORPORATE EXERCISES ANNOUNCED BUT PENDING COMPLETION

Save for the Proposals (which is the subject matter of this Circular), the Board confirms that there are no other outstanding corporate exercises announced by the Company, but not yet completed as at the date of this Circular.

10. DIRECTORS' RECOMMENDATION

The Board, having considered all aspects of the Proposals, including the rationale and effects as set out in **Section 3** and **Section 4** of this Circular respectively, is of the opinion that the Proposals are in the best interest of the Company. As such, the Board recommends that you vote in favour of the resolutions pertaining to the Proposals to be tabled at the forthcoming EGM of the Company.

11. EGM

The EGM, the notice of which is enclosed in this Circular, is scheduled to be held at Palm Resort Golf & Country Club, Jalan Persiaran Golf, Off Jalan Jumbo, 81250 Senai, Johor, on Monday, 29 August 2016 at 3.30 p.m., or any adjournment thereof, for the purpose of considering and, if thought fit, passing with or without modifications, the resolutions to give effect to the Proposals.

If you are unable to attend and vote in person at the EGM, you are requested to complete, sign and return the enclosed Form of Proxy in accordance with the instructions contained therein, to be deposited at the registered office of the Company at Suite 1301, 13th Floor, City Plaza, Jalan Tebrau, 80300 Johor Bahru, Johor, not less than forty eight (48) hours before the time stipulated for holding the EGM. The lodging of the Form of Proxy shall not preclude you from attending and voting in person at the EGM should you subsequently wish to do so.

12. FURTHER INFORMATION

Shareholders are advised to refer to the attached appendices as set out in this Circular for further information.

Yours faithfully,
For and on behalf of the Board of
JOHORE TIN BERHAD

EDWARD GOH SWEE WANG
Chief Executive Officer

EXTERNAL AUDITORS' LETTER ON PROFORMA STATEMENT OF RESERVES IN CONNECTION TO THE PROPOSED BONUS ISSUE



Crowe Horwath AF 1018
Chartered Accountants
Member Crowe Horwath International

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1 August 2016

The Board of Directors
Johore Tin Berhad
Suite 1301, 13th Floor
City Plaza, Jalan Tebrau
80300 Johor Bahru

Dear Sirs

**JOHORE TIN BERHAD (“JT B” OR “THE COMPANY”)
REPORT ON PRO FORMA STATEMENT OF RESERVES AS AT 31 DECEMBER 2015 AND
31 MARCH 2016**

We have been engaged to perform a reasonable assurance engagement on accompanying pro forma statement of reserves of the Company as at 31 December 2015 and 31 March 2016, to be included in the Circular to shareholders as set out in Annexure I, which has been stamped by us for identification purposes.

THE BOARD OF DIRECTORS' RESPONSIBILITIES

The Company is proposing to undertake the following:-

- (i) proposed share split involving the subdivision of every one (1) existing ordinary share of RM1.00 each in JT B into two (2) new ordinary shares of RM0.50 each in JT B (“Subdivided Share”) (“Proposed Share Split”);
- (ii) proposed bonus issue of up to 77,754,444 new Subdivided Share to be credited as fully paid-up on the basis of one (1) Bonus Share for every three (3) Subdivided Shares (“Proposed Bonus Issue”); and
- (iii) proposed amendment to the Memorandum of Association of JT B to facilitate the implementation of the Proposed Share Split.

The Proposed Share Split and Proposed Bonus Issue are collectively referred to as the “Proposals”.

Crowe Horwath Offices in Malaysia:

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EXTERNAL AUDITORS' LETTER ON PROFORMA STATEMENT OF RESERVES IN CONNECTION TO THE PROPOSED BONUS ISSUE (Cont'd)



The Board of Directors of the Company are responsible for the preparation of the pro forma statement of reserves of the Company as at 31 December 2015 and 31 March 2016 in accordance with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (the "Listing Requirements") and to ensure that the share premium account and retained earnings of the Company as at 31 December 2015 and 31 March 2016 are properly stated and are adequate to cover the capitalisation of the Proposed Bonus Issue.

The pro forma statement of reserves of the Company as at 31 December 2015 and 31 March 2016 have been prepared to illustrate the effects of the Proposals on the reserves of the Company had the Proposals been effected on 31 December 2015 and 31 March 2016 respectively.

OUR INDEPENDENCE AND QUALITY CONTROL

We have complied with the independence and other ethical requirement of the *Code of Ethics for Professional Accountants* issued by the International Ethics Standard Board for Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

The Firm applies International Standard on Quality Control 1 (ISQC 1), *Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and other Assurance and Related Services Engagements* and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal regulatory requirements.

OUR RESPONSIBILITIES

We conducted our engagement in accordance with the **International Standard on Assurance Engagement (ISAE) 3000 Assurance Engagements Other than Audits or Reviews of Historical Financial Information**, issued and adopted by the Malaysian Institute of Accountants. Our responsibility is to express a reasonable assurance conclusion on the pro forma statement of reserves of the Company as at 31 December 2015 and 31 March 2016 based on the procedures we have performed and the evidence we have obtained as to whether the available reserves for capitalisation are adequate to cover the entire Proposed Bonus Issue, pursuant to paragraph 6.30(3) of the Listing Requirements.

We have not audited any financial statements of the Company as of any or for any period subsequent to 31 December 2015. The purpose (and therefore the scope) of our audit for the financial year ended 31 December 2015 was to enable us to express our opinion on the financial statements of the Company as of 31 December 2015, and for the year then ended, but not on the financial for any interim period after that year. Therefore, we are unable to and do not express any audit opinion on the financial statements at any date or for any period subsequent to 31 December 2015.

Our audits of the financial statements for the year referred to above comprised audit test and procedures necessary for the purposes of expressing an opinion on such financial statements taken as a whole. For none of the periods referred to therein, or any other period did we perform audit tests for the purpose of expressing an opinion on individual balances of accounts or summaries of selected transactions such as those enumerated below and accordingly, we do not express an opinion thereon.

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EXTERNAL AUDITORS' LETTER ON PROFORMA STATEMENT OF RESERVES IN CONNECTION TO THE PROPOSED BONUS ISSUE (Cont'd)

**SUMMARY OF WORK PERFORMED**

We have performed the following procedures on the pro forma statement of reserves of the Company as at 31 December 2015 and 31 March 2016:

- a) Read the pro forma statement of reserves of the Company as at 31 December 2015 and 31 March 2016;
- b) Inquired of certain officers of the Company, who have responsibility for the financial and accounting matters about:
 - (i) the basis for their determination of the pro forma adjustments;
 - (ii) whether the pro forma statement of reserves of the Company referred to in Annexure I, have been properly compiled on the bases stated; and
 - (iii) whether, within the context of the assumed date of the Proposed Bonus Issue:
 - such bases are consistent with the accounting policies of the Company as disclosed in the audited financial statements for the year ended 31 December 2015; and
 - the adjustments set out are appropriate for the purpose of the pro forma statement of reserves of the Company.
- c) Checked the mathematical accuracy of the application of the pro forma adjustments to the historical amounts as at 31 December 2015 and the unaudited interim financial information for the 3 months ended 31 March 2016; and
- d) Considered the sufficiency of share premium and retained profits of the Company as at 31 December 2015 and 31 March 2016 for the purpose of capitalisation of the Proposed Bonus Issue.

The foregoing procedures do not constitute an audit conducted in accordance with Malaysian Approved Standards on Auditing. Also, they would not necessarily reveal matters of significance with respect to the comments in the following paragraphs. Accordingly, we make no representations regarding the sufficiency of the foregoing procedures for your purposes.

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EXTERNAL AUDITORS' LETTER ON PROFORMA STATEMENT OF RESERVES IN CONNECTION TO THE PROPOSED BONUS ISSUE (Cont'd)

**CONCLUSION**

In our opinion:

- a) the pro forma statement of reserves of the Company as at 31 December 2015 and 31 March 2016 have been properly compiled on the bases set out in the accompanying notes;
- b) Within the context of the assumed date of the Proposed Bonus Issue:
 - (i) such bases are consistent with the accounting policies of the Company as disclosed in the audited financial statements for the year ended 31 December 2015; and
 - (ii) the adjustments set out are appropriate for the purposes of the pro forma statement of reserves of the Company as at 31 December 2015 and 31 March 2016;
- c) based on the pro forma statement of reserves of the Company as at 31 December 2015 and 31 March 2016 respectively, the share premium and retained profits of the Company are sufficient for the purpose of capitalisation for the Proposed Bonus Issue.

RESTRICTION ON DISTRIBUTION AND USE

This letter has been prepared solely for your information and for inclusion in the Circular to shareholders, in connection with the Proposals. As such, this letter should not be used for any other purpose without our prior written consent. Neither the firm nor any member or employee of the firm undertakes responsibility arising in any way whatsoever to any party in respect of this letter contrary to the aforesaid purpose.

Yours faithfully

Crowe Horwath
AF 1018
Chartered Accountants

Tan Lin Chun
Approval no: 2839/10/17(J)
Chartered Accountant

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EXTERNAL AUDITORS' LETTER ON PROFORMA STATEMENT OF RESERVES IN CONNECTION TO THE PROPOSED BONUS ISSUE (Cont'd)



ANNEXURE I

PROFORMA STATEMENT OF RESERVES

The pro forma reserves of JTB as at 31 December 2015 and 31 March 2016 as set out below are provided for illustrative purposes only and incorporate the transactions and/or adjustments referred to in the notes as if they were effected on 31 December 2015 and 31 March 2016 respectively.

Minimum Scenario

Company level	Retained earnings (RM'000)	Share premium (RM'000)	Warrant reserve (RM'000)
Audited as at 31 December 2015	21,849	5,528	5,233
<i>Less: Final dividend ⁽¹⁾</i>	<i>(3,732)</i>	<i>-</i>	<i>-</i>
<i>Add: Interim dividend income ⁽²⁾</i>	<i>10,000</i>	<i>-</i>	<i>-</i>
<i>Less: Amount to be capitalised for the Proposed Bonus Issue</i>	<i>(25,574)</i>	<i>(5,528)</i>	<i>-</i>
<i>Less: Estimated expenses for the Proposals</i>	<i>(250)</i>	<i>-</i>	<i>-</i>
Balance after the Proposed Bonus Issue	2,293	-	5,233
Unaudited as at 31 March 2016	21,450	5,528	5,233
<i>Less: Final dividend ⁽¹⁾</i>	<i>(3,732)</i>	<i>-</i>	<i>-</i>
<i>Add: Interim dividend income ⁽²⁾</i>	<i>10,000</i>	<i>-</i>	<i>-</i>
<i>Less: Amount to be capitalised for the Proposed Bonus Issue</i>	<i>(25,574)</i>	<i>(5,528)</i>	<i>-</i>
<i>Less: Estimated expenses for the Proposals</i>	<i>(250)</i>	<i>-</i>	<i>-</i>
Balance after the Proposed Bonus Issue	1,894	-	5,233

Notes to the proforma statement of reserves:-

- (1) Being the single-tier final dividend of 4.0 sen per Existing Share in respect of the FYE 31 December 2015 amounting to RM3,732,213 which was paid on 29 July 2016.
- (2) Being the interim dividend declared by the subsidiaries of JTB in respect of the FYE 31 December 2016 to the Company

EXTERNAL AUDITORS' LETTER ON PROFORMA STATEMENT OF RESERVES IN CONNECTION TO THE PROPOSED BONUS ISSUE (Cont'd)



Maximum Scenario

Company level	Retained earnings (RM'000)	Share premium (RM'000)	Warrant reserve (RM'000)
Audited as at 31 December 2015	21,849	5,528	5,233
<i>Less: Final dividend ⁽¹⁾</i>	<i>(3,732)</i>	<i>-</i>	<i>-</i>
<i>Add: Interim dividend income ⁽²⁾</i>	<i>10,000</i>	<i>-</i>	<i>-</i>
<i>Add: Assuming full exercise of the outstanding Warrants 2012/2017 ⁽³⁾</i>	<i>-</i>	<i>35,091</i>	<i>(5,233)</i>
<i>Less: Amount to be capitalised for the Proposed Bonus Issue</i>	<i>-</i>	<i>(38,877)</i>	<i>-</i>
<i>Less: Estimated expenses for the Proposals</i>	<i>(250)</i>	<i>-</i>	<i>-</i>
Balance after the Proposed Bonus Issue	27,867	1,742	-
Unaudited as at 31 March 2016	21,450	5,528	5,233
<i>Less: Final dividend ⁽¹⁾</i>	<i>(3,732)</i>	<i>-</i>	<i>-</i>
<i>Add: Interim dividend income ⁽²⁾</i>	<i>10,000</i>	<i>-</i>	<i>-</i>
<i>Add: Assuming full exercise of the outstanding Warrants 2012/2017 ⁽³⁾</i>	<i>-</i>	<i>35,091</i>	<i>(5,233)</i>
<i>Less: Amount to be capitalised for the Proposed Bonus Issue</i>	<i>-</i>	<i>(38,877)</i>	<i>-</i>
<i>Less: Estimated expenses for the Proposals</i>	<i>(250)</i>	<i>-</i>	<i>-</i>
Balance after the Proposed Bonus Issue	27,468	1,742	-

Notes to the proforma statement of reserves:-

- (1) Being the single-tier final dividend of 4.0 sen per Existing Share in respect of the FYE 31 December 2015 amounting to RM3,732,213 which was paid on 29 July 2016.
- (2) Being the interim dividend declared by the subsidiaries of JTB in respect of the FYE 31 December 2016 to the Company
- (3) Assuming the exercise of all outstanding Warrants 2012/2017 at the exercise price of RM2.28 per Warrant 2012/2017 and the transfer of warrants reserve amounting to approximately RM5.23 million into the share premium account.

FURTHER INFORMATION

1. DIRECTORS' RESPONSIBILITY STATEMENT

This Circular has been seen and approved by the Board, and the Directors of JTB collectively and individually, accept full responsibility for the accuracy of the information contained in this Circular and confirm that, after making all reasonable enquiries and to the best of their knowledge and belief, there are no false or misleading statements or other facts, the omission of which would make any statement herein false or misleading.

2. CONSENTS

RHB Investment Bank, being the Principal Adviser for the Proposals, has given and has not subsequently withdrawn its written consent to the inclusion in this Circular of its name and all references thereto in the form and context in which they appear in this Circular.

Messrs Crowe Horwath, being the external auditors for the Proposals, has given and has not subsequently withdrawn its written consent to the inclusion of its name and all references thereto in the form and context in which they appear in this Circular and the confirmation letter dated 1 August 2016 on the adequacy of the Company's reserves in relation to the Proposed Bonus Issue, as set out in **Appendix I** of this Circular.

3. DECLARATION OF CONFLICT OF INTEREST

RHB Investment Bank has given its written confirmation that there is no situation of conflict of interest that exists or is likely to exist in relation to its role as the Principal Adviser to JTB for the Proposals.

Messrs Crowe Horwath has given its written confirmation that it does not have any equity and/or financial relationship with JTB and that there is no situation of conflict of interest which exists or is likely to exist in relation to its role as the external auditors to JTB for the Proposals.

4. MATERIAL LITIGATION, CLAIMS OR ARBITRATION

As at the LPD, neither JTB nor any of its subsidiary companies are engaged in any material litigation, claims or arbitration, either as plaintiff or defendant, and the Board is not aware and does not have any knowledge of any proceedings pending or threatened against the Company and/or its subsidiaries or of any fact likely to give rise to any proceedings, which may materially or adversely affect the financial position or business of JTB Group.

5. MATERIAL COMMITMENTS

Save as disclosed below, as at the LPD, the Board is not aware of any material commitments incurred or known to be incurred by the Group, which upon becoming enforceable, may have a material impact on the financial results/position of the Group:-

	(RM'000)
Authorised and contracted for:-	
Purchase of property, plant and equipment	5,682

FURTHER INFORMATION (Cont'd)

6. CONTINGENT LIABILITIES

Save as disclosed below, as at the LPD, the Board is not aware of any material contingent liabilities incurred or known to be incurred, which upon becoming enforceable, may have a material impact on the financial results/position of the Group.

	(RM'000)
Corporate guarantee given to licensed banks for banking facilities	51,044
Deed of guarantee given to a customer for products sold	5,370
Deed of guarantee given to suppliers for products purchased	12
Total	56,426

7. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at the registered office of the Company at Suite 1301, 13th Floor, City Plaza, Jalan Tebrau, 80300 Johor Bahru, Johor, during normal business hours (except public holidays) from the date of this Circular up to and including the date of the forthcoming EGM:-

- (i) Memorandum of Association of JTB;
- (ii) Audited consolidated financial statements of JTB for the past two (2) financial years up to and including the FYE 31 December 2015 and the latest unaudited consolidated financial statements of JTB for the three (3)-month FPE 31 March 2016;
- (iii) The Deed Poll constituting the Warrants 2012/2017;
- (iv) The confirmation letter from the external auditors on the adequacy of the Company's reserves in relation to the Proposed Bonus Issue, as set out in **Appendix I** of this Circular; and
- (v) The letters of consent and conflict of interest referred to in **Section 2** and **Section 3, Appendix II** of this Circular.

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JOHORE TIN BERHAD

(Company No. 532570-V)
(Incorporated in Malaysia under the Companies Act, 1965)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT an Extraordinary General Meeting of Johore Tin Berhad (“**JTB**” or the “**Company**”) will be convened at Palm Resort Golf & Country Club, Jalan Persiaran Golf, Off Jalan Jumbo, 81250 Senai, Johor, on Monday, 29 August 2016 at 3.30 p.m., or any adjournment thereof for the purpose of considering and if thought fit, passing with or without modifications, the following resolutions:-

ORDINARY RESOLUTION 1

PROPOSED SHARE SPLIT INVOLVING THE SUBDIVISION OF EVERY ONE (1) EXISTING ORDINARY SHARE OF RM1.00 EACH INTO TWO (2) NEW ORDINARY SHARES OF RM0.50 EACH IN JTB (“SUBDIVIDED SHARE(S)” OR “JTB SHARE(S)”) HELD BY THE SHAREHOLDERS WHOSE NAMES APPEAR IN THE RECORD OF DEPOSITORS OF THE COMPANY AS AT THE CLOSE OF BUSINESS ON AN ENTITLEMENT DATE (“ENTITLED SHAREHOLDERS”) TO BE DETERMINED AND ANNOUNCED LATER (“ENTITLEMENT DATE”) (“PROPOSED SHARE SPLIT”)

“**THAT** subject to the passing of the Special Resolution and Ordinary Resolution 2, and the approvals of all relevant regulatory authorities for the Proposed Share Split, approval be and is hereby given to the Board of Directors of the Company (“**Board**”) to subdivide each of the existing ordinary shares of RM1.00 each in the Company into two (2) ordinary shares of RM0.50 each in the Company held by Entitled Shareholders on the Entitlement Date;

THAT the Subdivided Shares will upon allotment and issuance, rank *pari passu* in all respects with each other;

AND THAT the Board be and is hereby authorised to take all such necessary steps to give effect to the Proposed Share Split with full powers to assent to any conditions, modifications, variations and/or amendments in any manner as may be required by the relevant authorities and to deal with all matters relating thereto and to take all such steps and do all acts and things in any manner as the Board may deem necessary or expedient to implement, finalise and give full effect to the Proposed Share Split.”

ORDINARY RESOLUTION 2

PROPOSED BONUS ISSUE OF UP TO 77,754,444 NEW SUBDIVIDED SHARES (“BONUS SHARE(S)”) ON THE BASIS OF ONE (1) BONUS SHARE FOR EVERY THREE (3) SUBDIVIDED SHARES HELD BY THE ENTITLED SHAREHOLDERS ON THE ENTITLEMENT DATE (“PROPOSED BONUS ISSUE”)

“**THAT** subject to the passing of Ordinary Resolution 1 and the Special Resolution as well as the approvals of all relevant regulatory authorities for the listing of and quotation for the Bonus Shares on the Main Market of Bursa Malaysia Securities Berhad, the Board is hereby authorised to capitalise an amount up to approximately RM38.88 million from the share premium and retained earnings accounts of the Company for the purpose of the Proposed Bonus Issue;

THAT the Board be and is hereby authorised to apply such capitalisation amount and to issue at par, up to 77,754,444 Bonus Shares to be credited as fully paid-up and such new Bonus Shares to be allotted to the Entitled Shareholders on the Entitlement Date which is intended to be on the same date as the Proposed Share Split;

THAT fractional entitlements of the Bonus Shares, if any, shall be dealt with in such manner as the Board shall in their absolute discretion deem fit and expedient, in the best interest of the Company;

THAT the Bonus Shares will upon allotment and issuance, rank *pari passu* in all respects with the existing JTB Shares, save and except that the new Bonus Shares issued will not be entitled to any dividends, rights, allotments and/or other forms of distributions that may be declared, made or paid prior to the Entitlement Date;

AND THAT the Board be and is hereby authorised to take all such necessary steps to give effect to the Proposed Bonus Issue with full powers to assent to any conditions, modifications, variations and/or amendments in any manner as may be required by the relevant authorities and to deal with all matters relating thereto and to take all such steps and do all acts and things in any manner as the Board may deem necessary or expedient to implement, finalise and give full effect to the Proposed Bonus Issue.”

SPECIAL RESOLUTION

PROPOSED AMENDMENT TO THE MEMORANDUM OF ASSOCIATION OF JTB TO FACILITATE THE PROPOSED SHARE SPLIT (“PROPOSED AMENDMENT”)

“**THAT** subject to the passing of Ordinary Resolution 1 and Ordinary Resolution 2, approval be and is hereby given to the Company to amend the Memorandum of Association of JTB to facilitate the implementation of the Proposed Share Split in the following manner:-

Clause	Existing	Proposed Amendment
4	The Company's share capital is RM200,000,000 divided into 200,000,000 ordinary shares of RM1.00 each.	The Company's share capital is RM200,000,000 divided into <u>400,000,000</u> ordinary shares of <u>RM0.50</u> each. The shares in the original or any increased capital may be divided into several classes and there may be attached thereto respectively any preferential, deferred or other special rights, privileges, conditions or restrictions as to dividends, capital, voting or otherwise.

AND THAT the Board be and is hereby authorised to take all such necessary steps to give effect to the Proposed Amendment with full powers to assent to any conditions, variations, modifications and/or amendments in any manner as may be required or permitted by any relevant authorities or deemed necessary by the Board, and to take all steps and to do all such acts and matters as the Board may consider necessary or expedient to implement, finalise and give full effect to the Proposed Amendment.”

By Order of the Board,
JOHORE TIN BERHAD

YONG MAY LI (f) (LS0000295)
Company Secretary

Johor Bahru
5 August 2016

Notes:-

- (1) A member of the Company entitled to attend and vote at the meeting may appoint not more than two (2) proxies to attend and vote in his/her stead. A proxy may but need not be a member of the Company. There shall be no restriction as to the qualification of the proxy and the provision of Section 149(1)(b) of the Companies Act, 1965 shall not apply to the Company.
- (2) Where a member of the Company is an authorised nominee as defined in the Securities Industry (Central Depositories) Act, 1991 ("**SICDA**"), it may appoint not more than two (2) proxies in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.
- (3) Where a member of the Company is an exempt authorised nominee as defined under the Securities Industry (Central Depositories) Act, 1991, which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("**omnibus account**"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
- (4) Where a member or the authorised nominee appoints two (2) proxies, or where an exempt authorised nominee appoints two (2) or more proxies the proportion of shareholdings to be represented by each proxy must be specified in the instrument appointing the proxies.
- (5) The instrument appointing a proxy, in the case of an individual shall be signed by the appointor or his/her attorney duly authorised in writing and in the case of a corporation, either under seal or under the hand of an attorney or an officer duly authorised. If no name is inserted in the space for the name of your proxy, the Chairman of the Meeting will act as your proxy.
- (6) The instrument appointing a proxy must be deposited at the Registered Office of the Company situated at Suite 1301, 13th Floor, City Plaza, Jalan Tebrau, 80300 Johor Bahru, Johor, not less than 48 hours before the time appointed for holding the meeting or adjourned meeting as the case may be at which the person named in such instrument proposes to vote.
- (7) For the purpose of determining who shall be entitled to attend this meeting, the Company shall be requesting the Bursa Malaysia Depository Sdn Bhd to make available to the Company pursuant to Article 72(c) of the Articles of Association of the Company and Paragraph 7.16(2) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, a Record of Depositors as at 22 August 2016 and only a Depositor whose name appears on such Record of Depositors shall be entitled to attend this meeting.

FORM OF PROXY



JOHORE TIN BERHAD
(Company No: 532570-V)
(Incorporated in Malaysia)

I/We _____
(NRIC No./Passport No./ Company No. _____) of _____

being a Member/Members of **JOHORE TIN BERHAD (COMPANY NO. 532570-V)** hereby appoint:

Full Name	NRIC No./Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			

*and/*or failing him/her (* delete as appropriate)

Full Name	NRIC No./Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			

or failing him/her/them, the Chairman of the Meeting as my/our proxy to vote for me/us on my/our behalf at the Extraordinary General Meeting of the Company to be held at Palm Resort Golf & Country Club, Jalan Persiaran Golf, Off Jalan Jumbo, 81250 Senai, Johor on Monday, 29 August 2016 at 3.30 p.m. and any adjournment thereof and my/our proxy is to vote as indicated below:

Item	Agenda	Resolution	*FOR	*AGAINST
Ordinary Resolutions:				
1.	Proposed Share Split	1		
2.	Proposed Bonus Issue	2		
Special Resolution:				
3.	Proposed Amendment	3		

(*Please indicate with a "X" in the appropriate space how you wish your vote to be cast. If no specific direction as to voting is given, the proxy will vote or abstain at his/her discretion.)

Dated this _____ day of _____ 2016.

Number of shares held	
CDS Account No.	

Signature/Common Seal of Shareholder

Notes:-

- (1) A member of the Company entitled to attend and vote at the meeting may appoint not more than two (2) proxies to attend and vote in his/her stead. A proxy may but need not be a member of the Company. There shall be no restriction as to the qualification of the proxy and the provision of Section 149(1)(b) of the Companies Act, 1965 shall not apply to the Company.
- (2) Where a member of the Company is an authorised nominee as defined in the Securities Industry (Central Depositories) Act, 1991 ("SICDA"), it may appoint not more than two (2) proxies in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.
- (3) Where a member of the Company is an exempt authorised nominee as defined under the Securities Industry (Central Depositories) Act, 1991, which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
- (4) Where a member or the authorised nominee appoints two (2) proxies, or where an exempt authorised nominee appoints two (2) or more proxies the proportion of shareholdings to be represented by each proxy must be specified in the instrument appointing the proxies.
- (5) The instrument appointing a proxy, in the case of an individual shall be signed by the appointor or his/her attorney duly authorised in writing and in the case of a corporation, either under seal or under the hand of an attorney or an officer duly authorised. If no name is inserted in the space for the name of your proxy, the Chairman of the Meeting will act as your proxy.
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Fold this flap for sealing

Then fold here

AFFIX
STAMP

THE COMPANY SECRETARY
JOHORE TIN BERHAD (COMPANY NO. 532570-V)
SUITE 1301, 13TH FLOOR
CITY PLAZA, JALAN TEBRAU
80300 JOHOR BAHRU
JOHOR, MALAYSIA

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