

ILB GROUP BERHAD

Type	: Reply to Query
Reply to Bursa Malaysia's Query Letter - Reference ID	: IQL-04082022-00001
Subject	: ILB GROUP BERHAD ("ILB" or the "COMPANY") - IN THE HIGH COURT OF MALAYA AT SHAH ALAM SUIT NO. BA-22NCVC-1257-08/2022; BT INVESTMENT CAPITAL LIMITED (PLAINTIFF) AGAINST (1) TEE TUAN SEM, (2) DATUK KAROWNAKARAN @ KARUNAKARAN RAMASAMY, (3) MAKOTO TAKAHASHI, (4) WAN AZFAR BIN DATO WAN ANNUAR, (5) DATO WAN HASHIM BIN WAN JUSOH, (6) SOH ENG HOOI, (7) JAMILAH BINTI KAMAL, (8) IMPIAN NURI SDN BHD, (9) ILB (COLLECTIVELY "DEFENDANTS")
Description	: ILB GROUP BERHAD ("ILB" or the "COMPANY") - IN THE HIGH COURT OF MALAYA AT SHAH ALAM SUIT NO. BA-22NCVC-1257-08/2022
Query Letter Contents	: <p>We refer to your Company's announcement dated 3 August 2022 in respect of the aforesaid matter.</p> <p>In this connection, kindly furnish Bursa Securities with the following additional information for public release:-</p> <ol style="list-style-type: none">1) The particulars of the claim under the originating summons ("OS");2) The circumstances leading to the filing of the OS against ILB;3) The financial and operational impact of the OS on the ILB Group;4) The expected losses, if any, arising from the OS; and5) The steps taken and proposed to be taken by ILB in respect of the OS. <p>Please furnish Bursa Securities with your reply within one (1) market day from the date hereof.</p> <p>Yours faithfully,</p> <p>Listing Regulation</p> <p>Cc : Market Surveillance Dept. , Securities Commission (via fax)</p>

We refer to ILB's announcements dated 30 June 2022, 7 July 2022, 15 July 2022, 29 July 2022 and 3 August 2022. The Board of Directors of ILB ("Board") wishes to announce the following additional information in relation to the OS: -

1. The Originating Summons (“OS”) filed in the High Court of Shah Alam was served on the Company and its directors on 3 August 2022. The Plaintiff is BT Investment Capital Limited, a company incorporated in the British Virgin Islands.
2. The OS is an oppression action filed pursuant section 346 of the Companies Act 2016. The reliefs asked for in the OS are set out below.
 - (a) An order to prohibit and/or cancel proposed acquisition of commercial properties by the 9th Defendant of 9 parcels of freehold commercial land with shoplots erected thereon in Seskyen 19, 47300 Petaling Jaya, Selangor measuring an approximate area of 1,124 square metres in aggregate for a total consideration of RM 15.9 million, to be satisfied entirely via the issuance of 37,780,000 new ordinary shares in ILB, the 9th Defendant at an issue price of RM0.4211 per 9th Defendant’s shares to 8th Defendant and subject to the terms therein contained.
 - (b) An order that all costs to be borne by the 1st to 7th Defendants including, but not limited to, the costs and expenses incurred by ILB.
 - (c) Any orders as to costs against 1st to 7th Defendants be on a solicitor-client indemnity basis.
 - (d) Such further or other orders or directions be made or given by the Court as it determines just in the circumstances.
3. The circumstances leading to the filing of the OS is in respect of the sale and purchase agreement dated 30.6.2022 entered into by the Company with the 8th Defendant named in the OS (Impian Nuri Sdn Bhd), which purchase by the Company is to be satisfied by the issue of 37,780,000 new ordinary shares in the Company.
4. The claim under the OS is not expected to have any material financial or operational implications to the Company.
5. The Board also wishes to announce that the Company and its directors had on 4 August 2022 received a Notice of Application of the Plaintiff in the OS for the following reliefs:
 - (a) An interim injunction to restrain a conditional sale and purchase agreement that has been entered between the 9th Defendant and the 8th Defendant for the 9th Defendant to acquire the properties for a purchase consideration of approximately RM15.9 million, to be satisfied entirely via the issuance of 37,780,000 new ordinary shares in ILB at an issue price of RM0.4211 per ILB Share to the 8th Defendant pending disposal of the OS;
 - (b) Costs in the cause; and
 - (c) Other relief that the Court deems fit and proper.
6. The Notice of Application was heard this morning (5 August 2022) before Justice Muniandy A/L Kannyappan but the hearing did not proceed as the Company and its directors was just served the Notice of Application on 4 August 2022. Counsel for the Company and its directors informed the learned Judge that in view of the prevailing circumstances and in deference to the High Court, the Company and its board of directors

will withhold implementation of the transaction until the High Court has had opportunity to hear the matter. The Company and the board of directors will adhere to this undertaking given by Counsel to the learned Judge but without prejudice to the Company and the board of directors making an application to strike out the OS and without need for full hearing of the matter.

7. The Board will continue to seek legal advice for the next steps to be taken by ILB in respect of the OS. ILB will be taking all necessary actions required acting upon legal advice in relation to the OS.
8. We will further announce the developments to the above matter accordingly.

This announcement is dated 5 August 2022.