

THIS CIRCULAR 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 advisers immediately.

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SYARIKAT TAKAFUL MALAYSIA KELUARGA BERHAD

(Registration Number 198401019089 (131646-K))

(Incorporated in Malaysia)

CIRCULAR TO SHAREHOLDERS IN RELATION TO THE

PROPOSED ESTABLISHMENT OF A DIVIDEND REINVESTMENT PLAN THAT PROVIDES YOU WITH AN OPTION TO ELECT TO REINVEST YOUR CASH DIVIDEND INTO NEW ORDINARY SHARES IN OUR COMPANY

AND

NOTICE OF EXTRAORDINARY GENERAL MEETING

Principal Adviser



RHB INVESTMENT BANK BERHAD

(Registration Number 197401002639 (19663-P))

(A Participating Organisation of Bursa Malaysia Securities Berhad)

The Notice of Extraordinary General Meeting ("**EGM**") of our Company together with the Form of Proxy are enclosed in this Circular and are available on our Company's website at <https://www.takaful-malaysia.com.my/en/investor-relations/>. The details of our forthcoming EGM, which will be held on a virtual basis, are as follows:

| | | |
|---|---|---|
| Meeting platform | : | https://meeting.boardroomlimited.my |
| Date and time | : | Thursday, 17 October 2024 at 10:00 a.m. or at any adjournment thereof |
| Last date and time for lodging of the Form of Proxy | : | Wednesday, 16 October 2024 at 10:00 a.m. |

You are encouraged to attend, participate, speak (in the form of real time submission of typed texts) and vote remotely at our forthcoming EGM using the remote participation and voting ("**RPV**") facilities provided by our share registrar, Boardroom Share Registrars Sdn Bhd, via <https://meeting.boardroomlimited.my>. Please follow the procedures for the RPV facilities provided in the administrative notes for our forthcoming EGM which is available on our Company's website at <https://www.takaful-malaysia.com.my/en/investor-relations/>. If you are unable to participate in our forthcoming EGM, you may appoint a proxy or proxies to attend and vote on your behalf. In such event, you should complete and deposit the Form of Proxy at the office of our share registrar, Boardroom Share Registrars Sdn Bhd, at 11th Floor, Menara Symphony, 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor, Malaysia, not less than 24 hours before the date and time fixed for our forthcoming EGM or at any adjournment thereof. The appointment of proxies may also be submitted electronically via "Boardroom Smart Investor Portal" at <https://investor.boardroomlimited.com> not less than 24 hours before the date and time fixed for our forthcoming EGM or at any adjournment thereof. The lodging of the Form of Proxy shall not preclude you from participating in our forthcoming EGM should you subsequently wish to do so.

This Circular is dated 3 October 2024

DEFINITIONS

Unless the context otherwise requires, the following definitions shall apply throughout this Circular:

| | | |
|---------------------------|---|--|
| AGM | : | Our annual general meeting |
| Allotment Date | : | Date of the allotment and issuance of DRP Shares which falls within eight Market Days from the Expiry Date or such date as may be prescribed by Bursa Securities |
| Balance Electable Portion | : | If only a part of the Electable Portion is reinvested, the balance of the Electable Portion not reinvested under the Proposed DRP |
| BNM | : | Bank Negara Malaysia |
| Board | : | Board of Directors of our Company as at the LPD |
| BSIP | : | Boardroom Smart Investor Portal |
| Bursa Depository | : | Bursa Malaysia Depository Sdn Bhd |
| Bursa Securities | : | Bursa Malaysia Securities Berhad |
| Circular | : | This circular dated 3 October 2024 in relation to the Proposed DRP |
| CMSA | : | Capital Markets and Services Act 2007 |
| Constitution | : | Constitution of our Company |
| Directors | : | Directors of our Company as at the LPD |
| Dividend | : | Cash dividend declared by our Board (whether interim, final, special or any other types of cash dividend) |
| Dividend Payment Account | : | Dividend payment account held in trust for you to facilitate the payment of Dividends |
| DRF | : | Dividend reinvestment form |
| DRP Shares | : | New STMKB Shares to be issued pursuant to the Proposed DRP |
| e-DRF | : | Electronic DRF issued in connection with the Proposed DRP |
| EGM | : | Extraordinary general meeting |
| Electable Portion | : | Portion of the Dividend to which the Reinvestment Option applies |
| Entitlement Date | : | The date (which will be a date to be fixed and announced by our Board) on which you must be registered in the Record of Depositors to be eligible to participate in the Proposed DRP |
| EPF | : | Employees Provident Fund Board |
| EPS | : | Earnings per STMKB Share |
| Expiry Date | : | The last day (which will be a date to be fixed and announced by our Board) by which an election made by you for the Electable Portion must be received by our Share Registrar |
| FYE | : | Financial year ended |
| Group | : | Our Company and our subsidiaries, collectively |

DEFINITIONS

| | |
|--|---|
| Issue Price | : Issue price of DRP Shares which is to be determined by our Board on the Price Fixing Date and shall be fixed at not more than a 10% discount to the five-day VWAP of STMKB Shares immediately before the Price Fixing Date. The five-day VWAP of STMKB Shares shall be adjusted ex-dividend before applying the aforementioned discount in fixing the Issue Price |
| KWAP | : Kumpulan Wang Persaraan (Diperbadankan) |
| Listing Requirements | : Main Market Listing Requirements of Bursa Securities |
| LPD | : 18 September 2024, being the latest practicable date prior to the printing of this Circular |
| LTH | : Lembaga Tabung Haji |
| Market Day(s) | : A day on which Bursa Securities is open for trading in securities, which may include a surprise holiday (i.e., a day that is declared as a public holiday in the Federal Territory of Kuala Lumpur that has not been gazetted as a public holiday at the beginning of the calendar year) |
| NA | : Net assets |
| Notice of Election | : The notice of election by which you elect to participate in the Reinvestment Option |
| Overseas Shareholders | : Those of you who currently do not have a registered address in Malaysia |
| Price Fixing Date | : A date to be determined by our Board on which the Issue Price will be determined |
| Proposed DRP | : Proposed dividend reinvestment plan that provides you with an option to elect to reinvest, in whole or in part, your Dividend into DRP Shares |
| Record of Depositors | : A record of securities holders of our Company established by Bursa Depository under the Rules of Bursa Depository |
| Reinvestment Option | : The option to reinvest all or part of the Dividend into DRP Shares |
| Remaining Portion | : If the Electable Portion is only applicable for part of the Dividend declared, the remaining portion of the Dividend to be paid in cash |
| RHB Investment Bank or Principal Adviser | : RHB Investment Bank Berhad |
| Rules | : Rules on Take-overs, Mergers and Compulsory Acquisitions issued by the Securities Commission Malaysia |
| Rules of Bursa Depository | : Rules of Bursa Depository, including any amendment that may be made from time to time |
| Share Registrar | : Boardroom Share Registrars Sdn Bhd, being our share registrar |
| Shareholders | : Shareholders of our Company |
| STMKB or Company | : Syarikat Takaful Malaysia Keluarga Berhad |
| STMKB Shares | : Ordinary shares of our Company |
| VWAP | : The volume weighted average price |

DEFINITIONS

Terms on currency

RM and sen : Ringgit Malaysia and sen, respectively

PRESENTATION OF INFORMATION

All references to “**you**” and “**your**” in this Circular are to our Shareholders. References to “**we**”, “**us**”, “**our**” and “**ourselves**” are to our Company, and if the context otherwise requires, our Group.

Words denoting the singular shall, if applicable, include the plural and vice versa and words denoting the masculine gender shall, if applicable, include the feminine and/or neuter genders and vice versa. Reference to persons shall include a corporation, unless otherwise specified.

Any reference to any enactment, statute, rules, regulation, rules of stock exchange or guidelines be construed as a reference to the provisions of such enactment, statute, rules, regulation, rules of stock exchange or guidelines as modified by any written law or (if applicable) amendments to the enactment, statute, rules, regulation, rules of stock exchange or guidelines from the time being in force.

Any reference to a time of day herein shall be a reference to Malaysian time and date, respectively, unless otherwise specified.

Certain amounts and percentage figures included herein have been subject to rounding adjustments.

Certain statements in this Circular may be forward-looking in nature, which are subject to uncertainties and contingencies. Forward-looking statements may contain estimates and assumptions made by our Board after due inquiry, which are nevertheless subject to known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements to differ materially from the anticipated results, performance or achievements expressed or implied in such forward-looking statements. In light of these and other uncertainties, the inclusion of a forward-looking statement in this Circular should not be regarded as a representation or warranty that such estimates and assumptions will be achieved.

EXECUTIVE SUMMARY

This Executive Summary highlights only the salient information of the Proposed DRP. You are advised to read this Circular in its entirety for further details of the Proposed DRP and not to rely solely on this Executive Summary in forming a decision on the Proposed DRP before voting at our forthcoming EGM.

| <u>Key information</u> <u>Details of the</u> <u>Proposed DRP</u> | <u>Description</u> | <u>Reference to</u> <u>Circular</u> <u>Section 2</u> |
|--|---|--|
| | <p>The Proposed DRP will provide you with an opportunity to reinvest your Dividend into DRP Shares, in lieu of receiving cash.</p> <p>Whenever a Dividend is declared, our Board may, at its absolute discretion, determine:</p> <ul style="list-style-type: none">(a) whether to pay such Dividend in cash or to offer you a Reinvestment Option; and(b) if the Reinvestment Option is applicable, the size of the Electable Portion. <p>The Electable Portion may encompass the whole or part of the Dividend declared. If the Electable Portion is only applicable for part of the Dividend declared, the Remaining Portion will be paid in cash to you.</p> <p>You should note that our Board is not obliged to undertake the Proposed DRP for each and every Dividend to be declared.</p> <p>Unless our Board has determined that the Reinvestment Option will apply to a particular Dividend declared (whether in whole or in part), all Dividend as may be declared by our Board will be paid wholly in cash to you in the usual manner.</p> <p><u>Election to reinvest Dividend into DRP Shares</u></p> <p>You will have the following options for the Reinvestment Option:</p> <ul style="list-style-type: none">Option 1 : Elect to participate in the Reinvestment Option by reinvesting the entire Electable Portion into DRP Shares at the Issue Price and to receive the Remaining Portion in cash.Option 2 : Elect to participate in the Reinvestment Option by reinvesting part of the Electable Portion into DRP Shares at the Issue Price and to receive the Balance Electable Portion and Remaining Portion in cash.Option 3 : Elect not to participate in the Reinvestment Option and thereby receiving your entire Dividend entitlement (both Electable Portion and Remaining Portion) wholly in cash. | |

EXECUTIVE SUMMARY

| <u>Key information</u> | <u>Description</u> | <u>Reference to Circular</u> |
|---|---|------------------------------|
| | <p><u>Pricing of DRP Shares</u></p> <p>The Issue Price, which will be determined by our Board on the Price Fixing Date, shall be fixed at not more than 10% discount to the five-day VWAP of STMKB Shares immediately before the Price Fixing Date. The five-day VWAP of STMKB Shares shall be adjusted ex-dividend before applying the aforementioned discount in fixing the Issue Price.</p> <p><u>Eligibility to participate in the Proposed DRP</u></p> <p>All of you are eligible to participate in the Proposed DRP, subject to the restrictions on Overseas Shareholders and provided that:</p> <p>(a) such participation will not result in a breach of any restrictions on your holding of STMKB Shares which may be imposed by any of your contractual obligation, or by any statute, law or regulation in force in Malaysia or any other relevant jurisdiction, as the case may be (unless the requisite approvals under the relevant statute, law or regulation are first obtained or the relevant contractual obligation is otherwise waived in accordance with the terms and conditions of the relevant contracts); or</p> <p>(b) there is no restriction for such participation as prescribed in our Constitution.</p> <p><u>Ranking of the DRP Shares</u></p> <p>The DRP Shares shall, upon allotment and issuance, rank equally in all respects with the then existing STMKB Shares, save and except that the DRP Shares shall not be entitled to any dividends, rights, benefits, entitlements and/or other distributions the entitlement date of which is before the Allotment Date.</p> | |
| Rationale and justification for the Proposed DRP | <p>The rationale and justification of the Proposed DRP are as follows:</p> <p>(a) provide our Company with flexibility in managing and strengthening our capital position as part of our capital management strategy. The cash retained which may be used for the payment of Dividend, may be utilised to fund working capital and/or other requirements of our Group to be identified at the point when such funds are retained;</p> <p>(b) provide you with an opportunity to enhance the value of your shareholdings in our Company by investing into DRP Shares at a discount; and</p> | Section 4 |

EXECUTIVE SUMMARY

| Key information | Description | Reference to Circular |
|------------------------------------|--|------------------------------|
| | (c) potentially improve the trading liquidity of STMKB Shares through the issuance of DRP Shares. | |
| Effects of the Proposed DRP | (a) No immediate effects to our share capital until the issuance of DRP Shares; (b) No immediate effect to our substantial shareholders' shareholdings until the issuance of DRP Shares; and (c) No material effect to our earnings per share, net assets and gearing. The estimated expenses for the Proposed DRP is approximately RM365,000. | Section 5 |
| Approvals required | The establishment of the Proposed DRP is subject to your approval for the establishment of the Proposed DRP and the issuance of the DRP Shares arising from the Proposed DRP at our forthcoming EGM. | Section 6 |

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NOTICE OF EGM ENCLOSED

FORM OF PROXY ENCLOSED



TAKAFULmalaysia

SYARIKAT TAKAFUL MALAYSIA KELUARGA BERHAD
(Registration Number 198401019089 (131646-K))
(Incorporated in Malaysia)

Registered office
27th Floor, Annexe Block
Menara Takaful Malaysia
No. 4, Jalan Sultan Sulaiman
50000 Kuala Lumpur
Malaysia

3 October 2024

Board of Directors

Dato' Mohammed bin Hussein (*Chairman/Independent Non-Executive Director*)
Mohd Azman bin Sulaiman (*Independent Non-Executive Director*)
Dato' Mustaffa bin Ahmad (*Independent Non-Executive Director*)
Mohamad Salihuddin bin Ahmad (*Non-Independent Non-Executive Director*)
Ch'ng Sok Heang (*Independent Non-Executive Director*)
Syed Hamadah bin Syed Othman (*Non-Independent Non-Executive Director*)

To: Our Shareholders

Dear Sirs/Madam,

PROPOSED DRP

1. INTRODUCTION

On 11 July 2024, RHB Investment Bank had, on behalf of our Board, announced that our Company proposes to undertake the establishment of the Proposed DRP.

THE PURPOSE OF THIS CIRCULAR IS TO PROVIDE YOU WITH THE RELEVANT INFORMATION IN RELATION TO THE PROPOSED DRP AND TO SEEK YOUR APPROVAL FOR THE RESOLUTIONS PERTAINING TO THE PROPOSED DRP, AND THE ALLOTMENT AND ISSUANCE OF DRP SHARES WHICH WILL BE TABLED AT OUR FORTHCOMING EGM. THE NOTICE OF OUR FORTHCOMING EGM AND THE FORM OF PROXY ARE ENCLOSED WITH THIS CIRCULAR.

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

2. DETAILS OF THE PROPOSED DRP

2.1 Overview of the Proposed DRP

The Proposed DRP will provide you with an opportunity to reinvest your Dividend into DRP Shares, in lieu of receiving cash.

Whenever a Dividend is declared, our Board may, at its absolute discretion, determine:

- (a) whether to pay such Dividend in cash or to offer you a Reinvestment Option; and
- (b) if the Reinvestment Option is applicable, the size of the Electable Portion.

The Electable Portion may encompass the whole or part of the Dividend declared. If the Electable Portion is only applicable for part of the Dividend declared, the Remaining Portion will be paid in cash to you.

You should note that our Board is not obliged to undertake the Proposed DRP for each and every Dividend to be declared.

Unless our Board has determined that the Reinvestment Option will apply to a particular Dividend declared (whether in whole or in part), all Dividend as may be declared by our Board will be paid wholly in cash to you in the usual manner.

2.2 Election to reinvest the Dividend into DRP Shares

You will have the following options for the Reinvestment Option:

- Option 1** : Elect to participate in the Reinvestment Option by reinvesting the entire Electable Portion into DRP Shares at the Issue Price and to receive the Remaining Portion in cash.
- Option 2** : Elect to participate in the Reinvestment Option by reinvesting part of the Electable Portion into DRP Shares at the Issue Price and to receive the Balance Electable Portion and Remaining Portion in cash.
- Option 3** : Elect not to participate in the Reinvestment Option and thereby receiving your entire Dividend entitlement (both Electable Portion and Remaining Portion) wholly in cash.

2.3 Sequence of events after the establishment of the Proposed DRP

The approval of Bursa Securities will be sought for the listing and quotation of the DRP Shares to be issued on the Main Market of Bursa Securities pursuant to each and every Dividend to which the Proposed DRP applies. After obtaining the approval of Bursa Securities:

- (a) we shall make an announcement for the fixing of the Issue Price on or before the announcement of the Entitlement Date; and
- (b) we shall make an announcement for the Entitlement Date.

Subsequent to the Entitlement Date, a Notice of Election (together with the DRF) will be despatched to you. The Notice of Election will specify, amongst others, the instructions for you to exercise the Reinvestment Option and the Expiry Date for you to elect to participate in the Reinvestment Option by submitting the completed and signed DRF to our Share Registrar.

For those of you who have registered your e-mail addresses in your central depository system account, the Notice of Election will be sent to you via e-mail in softcopy. Hardcopy of the Notice of Election will be sent via ordinary mail to those of you who do not have your e-mail addresses registered in your central depository system account. You may elect to participate to reinvest in DRP Shares by either submitting a completed and signed DRF contained in the Notice of Election or by submitting the completed e-DRF to our Share Registrar through BSIP at <https://investor.boardroomlimited.com>, such that it reaches our Share Registrar on or before the Expiry Date and in accordance with the instructions as prescribed therein.

After the Expiry Date, we will transfer funds amounting to the total net Dividend (i.e. after the deduction of any applicable tax) from our account to a Dividend Payment Account. When such funds have been transferred, the Dividend will be paid and dealt with in the following manner:

- (a) if you elect to exercise your Reinvestment Option:
 - (i) you will receive your respective Remaining Portion and where a part of the Electable Portion is reinvested only, your Balance Electable Portion, in cash;
 - (ii) your Electable Portion or part of the Electable Portion which you elect to reinvest into DRP Shares will be paid to, and reinvested in our Company for DRP Shares; and
- (b) if you do not elect to exercise your Reinvestment Option, you will receive your entire Dividend in cash.

We will, on the Allotment Date, allot and issue the DRP Shares and despatch notices of allotment to you if you have elected to participate in the Reinvestment Option, in compliance with Paragraph 6.09 of the Listing Requirements. The DRP Shares will not be underwritten.

Concurrently on the Allotment Date, we will pay you the Remaining Portion and Balance Electable Portion in cash. For avoidance of doubt, if you elect not to exercise your Reinvestment Option, you will also be paid in cash concurrently on the Allotment Date in the usual manner.

We will also make an announcement on the day which the DRP Shares will be listed and quoted on the Main Market of Bursa Securities.

Further, pursuant to Paragraphs 8.26(2) and 9.19(2)(a)(ii) of the Listing Requirements, a dividend (by cash, share or both) must be paid within one month from the Entitlement Date and in any event, not later than three months from:

- (a) the date of the declaration of the Dividend; or
- (b) the date on which the approval for the Dividend is obtained in our general meeting,

whichever is applicable.

Please refer to **Appendix II** of this Circular for the administrative process flow chart of the Proposed DRP.

2.4 Pricing of DRP Shares

In compliance with Paragraph 6.45D(1) of the Listing Requirements, the Issue Price, which will be determined by our Board on the Price Fixing Date, shall be fixed at not more than a 10% discount to the five-day VWAP of STMKB Shares immediately before the Price Fixing Date. The five-day VWAP of STMKB Shares shall be adjusted ex-dividend before applying the aforementioned discount in fixing the Issue Price.

The DRP Shares will be issued free from any brokerage fees and other related transaction costs to those of you who elect to participate, unless otherwise provided by any statute, law or regulation. However, those of you who elect to participate are required to pay RM10.00 for stamp duty.

2.5 Eligibility to participate in the Proposed DRP

All of you are eligible to participate in the Proposed DRP, subject to the restrictions on Overseas Shareholders and provided that:

- (a) such participation will not result in a breach of any restrictions on your holding of STMKB Shares which may be imposed by any of your contractual obligation, or by any statute, law or regulation in force in Malaysia or any other relevant jurisdiction, as the case may be (unless the requisite approvals under the relevant statute, law or regulation are first obtained or the relevant contractual obligation is otherwise waived in accordance with the terms and conditions of the relevant contracts); or
- (b) there is no restriction for such participation as prescribed in our Constitution.

Overseas Shareholders should take note of the following:

The Proposed DRP will only be offered for subscription in Malaysia. No action has been or will be taken to ensure that the Proposed DRP complies with the laws of any countries or jurisdictions other than the laws of Malaysia. Accordingly, the documents relating to the Proposed DRP including the Notice of Election will not be sent to Overseas Shareholders to avoid any violation on the part of our Company of any securities laws applicable outside Malaysia. No Overseas Shareholders shall have any claim whatsoever against our Company, our Directors, our employees, and our advisers as a result of the documents relating to the Proposed DRP not being sent to Overseas Shareholders.

Overseas Shareholders who wish to permanently change their address for service of documents to an address in Malaysia should inform their respective stockbrokers to effect the change of address. Such notification should be undertaken no later than three Market Days before the relevant Entitlement Date if they wish to participate in the Proposed DRP.

Overseas Shareholders will be solely responsible for seeking advice on the laws of any jurisdiction that they may be subjected to, and participation by Overseas Shareholders in the Proposed DRP will be on the basis that they may lawfully so participate without our Company, our Directors, our employees and our advisers being in breach of the laws of any jurisdictions.

2.6 Odd lots and fractional Shares

Under the Proposed DRP, if you exercise the Reinvestment Option, you will receive the DRP Shares in multiples of and not less than 100 DRP Shares. The amount of the Dividends relating to the entitlement of DRP Shares which is less than 100 DRP Shares will be added to the Remaining Portion and Balance Electable Portion, and paid in cash to you. For the avoidance of doubt, you will not be receiving odd lots and fractional entitlements of DRP Shares arising from your election to exercise the Reinvestment Option.

2.7 Availability of the Proposed DRP

If at any time after our Board has determined that the Proposed DRP shall apply to any Dividend but before the allotment and issuance of the DRP Shares, our Board shall consider that by reason of any event or circumstance (whether arising before or after such determination by our Board) or by reason that it is no longer expedient or appropriate to implement the Proposed DRP for the Electable Portion, our Board may, at its absolute discretion and as it deems fit or expedient, and in our interest and without assigning any reason thereof, cancel the application of the Proposed DRP for the Electable Portion. Further, our Board may cancel the application of the Proposed DRP for the Electable Portion notwithstanding any other provision, terms and conditions of the Proposed DRP as set out in this Circular or the Dividend Reinvestment Plan Statement in Appendix II of this Circular, and irrespective of whether an election to exercise the Reinvestment Option has been made.

Such cancellation shall be communicated through announcement to Bursa Securities or in such other manner as our Board deems fit or expedient, subject to any requirement or provision imposed by any statute, law or regulation in force in Malaysia, as the case may be. In such event, you shall receive the Electable Portion in cash in the usual manner.

2.8 Modification, suspension and termination of the Proposed DRP

Our Board may as it deems fit or expedient and irrespective of whether you have elected to exercise the Reinvestment Option, modify, suspend (in whole or in part) or terminate at any time and from time to time the Proposed DRP, subject to any requirement or provision imposed by any statute, law or regulation in force in Malaysia. Such development shall be communicated through announcement to Bursa Securities or in such other manner as our Board deems fit or expedient.

If our Board decides to suspend (in whole or in part) or terminate the Proposed DRP, you will receive your entire Dividend in cash, in the usual manner.

2.9 Maximum number of DRP Shares

The maximum number of DRP Shares to be issued will depend on, amongst others:

- (a) the quantum of the Dividend to be announced by our Board of which the Proposed DRP can be applied;
- (b) our Board's decision on the proportion/size of the Electable Portion;
- (c) the Issue Price;
- (d) the extent to which you elect to exercise the Reinvestment Option; and
- (e) any necessary downward adjustment by our Board to the final number of DRP Shares to be allotted and issued to any of you as referred to in Section 3.2 of this Circular.

2.10 Ranking of the DRP Shares

The DRP Shares shall, upon allotment and issuance, rank equally in all respects with the then existing STMKB Shares, save and except that the DRP Shares shall not be entitled to any dividends, rights, benefits, entitlements and/or other distributions the entitlement date of which is before the Allotment Date.

2.11 Utilisation of proceeds

The Proposed DRP will potentially result in a cash retention for our Company if you elect to reinvest your Dividend into DRP Shares. The total cash retained from the Reinvestment Option of that particular Dividend cannot be ascertained at this juncture as it depends on, amongst others, all of your election as well as the quantum of the Dividend to be declared by our Board. Therefore, the timeframe for full use of such funds retained cannot be determined at this juncture. Nonetheless, the net cash proceeds retained from the Proposed DRP (after the deduction of any related expenses) may be utilised to fund working capital and/or other requirements of our Group to be identified at the point when such funds are retained.

2.12 Taxation

Irrespective of whether you have made an election to exercise the Reinvestment Option, a tax voucher will be issued and despatched to you. For income tax purposes, you shall be taken as having received a cash dividend equivalent to the amount of the Dividend declared, notwithstanding that you elect to exercise the Reinvestment Option (in whole or in part). The Dividend will either be paid in cash and/or reinvested into DRP Shares at the Issue Price. Hence, the election for the Reinvestment Option does not relieve you of any income tax obligation (if applicable) and there is no Malaysian income tax implication in exercising the Reinvestment Option or otherwise.

2.13 General

The Reinvestment Option is granted to all of you, including our Directors, substantial Shareholders and/or persons connected with them who hold STMKB Shares, subject to the restrictions referred to in Section 2.5 of this Circular and the Dividend Reinvestment Plan Statement as set out in Appendix II of this Circular.

Your approval for the establishment of the Proposed DRP will be sought at our forthcoming EGM and following such approval, the Proposed DRP will continue to be valid and subsisting until the Proposed DRP is terminated. Please refer to Section 6 of this Circular for the approval required from you relating to the issuance of DRP Shares.

The percentage of your shareholding in our Company may be diluted if you decide not to exercise your Reinvestment Option. However, the extent of the dilution will depend on the number of DRP Shares issued by our Company pursuant to the exercise level of the Reinvestment Option by the other Shareholders, which cannot be ascertained at this juncture.

You will receive your entire Dividend including the Electable Portion in cash if you do not expressly elect in writing to exercise the Reinvestment Option by the Expiry Date and do not follow the instructions set out in the Notice of Election. As such, if you wish to receive your Dividend wholly in cash, you need not take any action with regards to the Notice of Election. Meanwhile, if you wish to receive all or part of your Dividend into DRP Shares, you must either complete, sign and submit the DRF contained in the Notice of Election to our Share Registrar or complete and submit the e-DRF to our Share Registrar via BSIP at <https://investor.boardroomlimited.com>, such that it reaches our Share Registrar on or before the Expiry Date and in accordance with the instructions as prescribed therein.

3. IMPLICATION OF THE RULES AND OTHER SHAREHOLDING LIMITS

3.1 Implication of the Rules

Pursuant to Paragraph 4.01, Part B of the Rules and Sections 217 and 218 of the CMSA, you may be under an obligation to extend a mandatory offer for all the remaining STMKB Shares not already owned by you and persons acting in concert with you (collectively, "**Affected Parties**") if by participating in the Proposed DRP for the reinvestment of the Electable Portion:

- (a) the Affected Parties have obtained control in our Company via the acquisition or holding of, or entitlement to exercise or control the exercise of more than 33.0% of voting shares or voting rights of our Company or such other amount as may be prescribed in the Rules, howsoever effected; or
- (b) the Affected Parties have acquired more than 2.0% of the voting shares or voting rights of our Company during the six months period prior to the participation in the Proposed DRP and the Affected Parties hold more than 33.0% but not more than 50.0% of the voting shares or voting rights of our Company during the said six months' period.

If an obligation to undertake a mandatory offer is expected to arise resulting from the Affected Parties' participation in the Proposed DRP, the Affected Parties may wish to consult their professional advisers at the earliest opportunity in relation to:

- (a) any obligation to make a mandatory offer under the Rules as a result of any subscription of DRP Shares through the Affected Parties' participation in the Proposed DRP; and
- (b) whether or not to make an application to the Securities Commission Malaysia to obtain an approval for a waiver from the obligation to undertake a mandatory offer before exercising the Reinvestment Option.

These statements do not purport to be a comprehensive or exhaustive description of all relevant provisions of, or all implications that may arise under the Rules or other relevant legislation or regulations. If you are in doubt as to any obligation to make an offer under the Rules as a result of any subscription of DRP Shares through your participation in the Proposed DRP, you are advised to consult professional advisers at the earliest opportunity.

3.2 Shareholding limits

Our Company is regulated by Islamic Financial Services Act 2013 (“IFSA”) and the shareholding limitation prescribed therein. As such, your shareholding in our Company is also subject to the shareholding limits as prescribed under Sections 99 and 104 of the IFSA. Section 99 of the IFSA requires you to obtain the prior written approval of BNM before:

- (a) entering into an agreement or arrangement to acquire any interest in our Company that would result in you holding an aggregate interest of 5% or more in our Company; or
- (b) entering into any subsequent agreement or arrangement that would result in you holding an aggregate interest in our Company exceeding:
 - (i) any multiple of 5%; or
 - (ii) the percentage holding for a mandatory offer under the Malaysian Code on Take-Over and Mergers 2016.

In addition, the prior written approval of the Minister of Finance, on the recommendation of BNM, is required before you enter into an agreement or arrangement to acquire any interest in our Company that would result in you holding an aggregate of more than 50% of the interest in our Company. You should further note that Section 104 of the IFSA prohibits an individual from holding more than 10% of interest in our Company unless the prior written approval of BNM is obtained. In the event the shareholding limits are expected to be breached by you as a result of your participation in the Proposed DRP, you are advised to seek the approval of BNM for each exercise of the Reinvestment Option prior to electing to participate in the Proposed DRP.

You are responsible for ensuring that your participation in the Proposed DRP will not result in a breach of any restrictions applicable to your respective holding of STMKB Shares which may be imposed by any of your contractual obligations, or by statute, law or regulation in force in Malaysia or any other relevant jurisdiction, or by any relevant authorities, as the case may be (unless the requisite approvals under the relevant statute, law or regulation or from the relevant authorities are first obtained or the relevant contractual obligation is otherwise waived in accordance with the terms and conditions of the relevant contracts), or as prescribed in our Constitution.

In view of the shareholding limit referred to above, notwithstanding the proportion of Electable Portion which may be determined by our Board to be reinvested, our Board shall be entitled but not obligated to reduce or limit the number of DRP Shares to be issued to you should our Board be aware or be informed in writing of any expected breach of such shareholding limits as a result of you exercising the Reinvestment Option, in which case our Board reserves the right to pay the Electable Portion or any part thereof in cash.

4. RATIONALE AND JUSTIFICATION FOR THE PROPOSED DRP

The rationale and justification of the Proposed DRP are as follows:

4.1 Provide flexibility in capital management

The Proposed DRP will provide our Company with flexibility in managing and strengthening our capital position as part of our capital management strategy. Your reinvestment of Dividend for DRP Shares will also enlarge our share capital base.

The cash retained which may be used for the payment of Dividend, may be utilised to fund working capital and/or other requirements of our Group to be identified at the point when such funds are retained.

4.2 Allow you to have the option of reinvesting further into STMKB

The Proposed DRP will provide you with the following:

- (a) an opportunity to enhance the value of your shareholdings in our Company by investing into DRP Shares at a discount and from any future capital appreciation; and
- (b) flexibility to meet your investment objectives as you would have the option of receiving Dividend in cash and/or reinvesting into DRP Shares without having to incur any brokerage fees and other related transaction costs, unless otherwise provided by any statute, law or regulation. However, those of you who elect to participate are required to pay RM10.00 for stamp duty.

Nonetheless, it should be noted that the Proposed DRP only provides you with an option, and does not impose any obligation on you to reinvest your Dividend, in whole or in part, into DRP Shares.

4.3 Improve trading liquidity of STMKB

The Proposed DRP may potentially improve the trading liquidity of STMKB Shares through the issuance of DRP Shares.

5. EFFECTS OF THE PROPOSED DRP

The effects of the Proposed DRP cannot be determined at this juncture, and such effects are dependent on the following:

- (a) the quantum of the Dividend to be announced by our Board of which the Proposed DRP can be applied. As at the date of this Circular, no such announcement has been made by our Board;
- (b) our Board's decision on the proportion/size of the Electable Portion;
- (c) the Issue Price;
- (d) the extent to which you elect to exercise the Reinvestment Option; and
- (e) any necessary downward adjustment by our Board to the final number of DRP Shares to be allotted and issued to any of you as referred to in Section 3.2 of this Circular.

We set out below an illustration of the number of DRP Shares that our Company could potentially issue after taking into consideration the following assumptions ("**Assumptions**"):

- (a) an illustrative gross dividend of 14 sen per STMKB Shares, which is based on STMKB's total dividend declared and paid in respect of the FYE 31 December 2023 ("**Illustrative Dividend**");
- (b) our Board determines that the Electable Portion applies to the entire Illustrative Dividend; and
- (c) you elect to participate in the Proposed DRP based on the following scenarios:

Scenario 1 : Assuming that all of you elect to receive the Illustrative Dividend wholly in DRP Shares

- Scenario 2 : Assuming that all of you elect to reinvest 50% of the Electable Portion (i.e. 7 sen), into DRP Shares and receive the Balance Electable Portion in cash
- Scenario 3 : Assuming that none of you elect to participate in the Proposed DRP

Based on the Assumptions, the illustrative number of DRP Shares that our Company could potentially issue is estimated as follows:

| | | |
|--|-------------------|-------------|
| Number of STMKB Shares as at the LPD | (A) | 837,305,693 |
| Illustrative Dividend per STMKB Share (RM) | (B) | 0.14 |
| Total illustrative Dividend payout (RM) | (C) = (A) x (B) | 117,222,797 |
| STMKB Share Price as at the LPD (RM) | (D) | 3.83 |
| Ex-dividend price of STMKB Shares (RM) | (E) = (D) – (B) | 3.69 |
| 10% discount to the ex-dividend price of STMKB Shares (RM) | (F) = (10%) x (E) | 0.36 |
| Illustrative Issue Price (RM) | (X) = (E) - (F) | 3.33 |

| Number of DRP Shares to be issued | | |
|--|-----------------|---------------------------|
| Scenario 1 | (C) / (X) | 35,202,000 ⁽¹⁾ |
| Scenario 2 | (C) x 50% / (X) | 17,601,000 ⁽¹⁾ |
| Scenario 3 | (C) x 0% / (X) | Nil |

Note:

- (1) Rounded down to the nearest board lot.

5.1

Issued share capital

The Proposed DRP is not expected to have any immediate effect on our Company's issued share capital until such time when the DRP Shares are issued upon your exercise of the Reinvestment Option.

Our Company's issued share capital may increase progressively depending on the number of the DRP Shares which may be issued upon your exercise of Reinvestment Option whenever the Reinvestment Option is offered by our Board.

For illustration purposes only, by taking into consideration the Assumptions, the proforma effect of the Proposed DRP on our issued share capital is as follows:

| | Scenario 1 | | Scenario 2 | | Scenario 3 | |
|--|---------------------------|----------------------------|---------------------------|---------------------------|---------------------------|--------------------|
| | Number of STMKB Shares | RM | Number of STMKB Shares | RM | Number of STMKB Shares | RM |
| Issued share capital as at LPD | 837,305,693 | 241,375,969 | 837,305,693 | 241,375,969 | 837,305,693 | 241,375,969 |
| To be issued pursuant to the Proposed DRP | 35,202,000 ⁽¹⁾ | 117,222,660 ⁽²⁾ | 17,601,000 ⁽¹⁾ | 58,611,330 ⁽³⁾ | - | - |
| Enlarged issued share capital | 872,507,693 | 358,598,629 | 854,906,693 | 299,987,299 | 837,305,693 | 241,375,969 |

Notes:

- (1) Rounded down to the nearest board lot.
- (2) Calculated based on 35,202,000 DRP Shares to be issued at the Illustrative Issue Price of RM3.33 per DRP Share.
- (3) Calculated based on 17,601,000 DRP Shares to be issued at the Illustrative Issue Price of RM3.33 per DRP Share.

5.2 Substantial Shareholders' shareholdings

The Proposed DRP is not expected to have any immediate effect on the shareholdings of our substantial Shareholders until such time when you exercise the Reinvestment Option. Any potential effect on the shareholdings of our substantial Shareholders will depend on the number of DRP Shares issued at the relevant point in time.

For illustration purposes only, by taking into consideration the Assumptions, the proforma effect of the Proposed DRP on our substantial Shareholders' shareholdings is as follows:

(a) Scenario 1

| Name | As at 19 September 2024 | | | After the Proposed DRP | | |
|------|-------------------------|-------|----------|------------------------|-------|----------|
| | Number of STMKB Shares | | | Number of STMKB Shares | | |
| | Direct | % | Indirect | Direct | % | Indirect |
| LTH | 236,109,469 | 28.20 | - | 246,035,969 | 28.20 | - |
| EPF | 129,731,897 | 15.49 | - | 135,185,997 | 15.49 | - |
| KWAP | 57,809,248 | 6.90 | - | 60,239,648 | 6.90 | - |

(b) Scenario 2

| Name | As at 19 September 2024 | | | After the Proposed DRP | | |
|------|-------------------------|-------|----------|------------------------|-------|----------|
| | Number of STMKB Shares | | | Number of STMKB Shares | | |
| | Direct | % | Indirect | Direct | % | Indirect |
| LTH | 236,109,469 | 28.20 | - | 241,072,669 | 28.20 | - |
| EPF | 129,731,897 | 15.49 | - | 132,458,897 | 15.49 | - |
| KWAP | 57,809,248 | 6.90 | - | 59,024,448 | 6.90 | - |

(c) Scenario 3

| Name | As at 19 September 2024 | | | After the Proposed DRP | | |
|------|-------------------------|-------|----------|------------------------|-------|----------|
| | Number of STMKB Shares | | | Number of STMKB Shares | | |
| | Direct | % | Indirect | Direct | % | Indirect |
| LTH | 236,109,469 | 28.20 | - | 236,109,469 | 28.20 | - |
| EPF | 129,731,897 | 15.49 | - | 129,731,897 | 15.49 | - |
| KWAP | 57,809,248 | 6.90 | - | 57,809,248 | 6.90 | - |

5.3 NA, NA per Share and gearing

The Proposed DRP will not have any immediate effect on our NA, NA per Share and gearing level until such time when you exercise the Reinvestment Option. Any potential effect on our NA per Share and gearing level will depend on the number of DRP Shares issued at the relevant point in time.

In relation to the potential effect on our Group's NA, if none of you elect to exercise your Reinvestment Option, the amount of Dividend declared would be paid out entirely in cash resulting in a decrease in our Group's NA.

For illustration purposes only, assuming that the Proposed DRP had been completed on 31 December 2023, the proforma effects of the Proposed DRP on the NA per STMKB Share, and NA and gearing of our Group are as follows:

| | Audited | After the Proposed DRP | | |
|-------------------------------------|---------------------|--------------------------|--------------------------|--------------------------|
| | 31 December 2023 | Scenario 1 | Scenario 2 | Scenario 3 |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| Share capital | 241,376 | 358,599 ⁽¹⁾ | 299,987 ⁽²⁾ | 241,376 ⁽³⁾ |
| Translation reserve | (5,340) | (5,340) | (5,340) | (5,340) |
| Revaluation reserve | 20,557 | 20,557 | 20,557 | 20,557 |
| Fair value reserve | 11,328 | 11,328 | 11,328 | 11,328 |
| Takaful / retakaful finance reserve | 268 | 268 | 268 | 268 |
| Retained earnings | 1,410,832 | 1,293,244 ⁽⁴⁾ | 1,293,244 ⁽⁴⁾ | 1,293,244 ⁽⁴⁾ |
| NA | 1,679,021 | 1,678,656 | 1,620,044 | 1,561,433 |
| Number of STMKB Shares ('000) | 837,306 | 872,508 ⁽¹⁾ | 854,907 ⁽²⁾ | 837,306 ⁽³⁾ |
| NA per STMKB Share (RM) | 2.01 | 1.92 | 1.89 | 1.86 |
| Total borrowings | Nil | Nil | Nil | Nil |
| Gearing (times) ⁽⁵⁾ | Nil | Nil | Nil | Nil |

Notes:

- (1) After taking into consideration the issuance of 35,202,000 DRP Shares at the Illustrative Issue Price of RM3.33 per DRP Share, amounting to approximately RM117.2 million.
- (2) After taking into consideration the issuance of 17,601,000 DRP Shares at the Illustrative Issue Price of RM3.33 per DRP Share, amounting to approximately RM58.6 million.
- (3) Assuming that none of you elect to participate in the Proposed DRP.

- (4) After taking into consideration total Illustrative Dividend payout of approximately RM117.2 million and estimated expenses for the Proposed DRP of RM365,000.
- (5) Computed based on total borrowings over total equity.

5.4 Earnings and EPS

The Proposed DRP is not expected to have any material effect on our Group's earnings. The estimated expenses in relation to the establishment of the Proposed DRP are RM365,000.

Further, the Proposed DRP is not expected to have any immediate effect on our EPS until such time when you exercise the Reinvestment Option. Any potential effect on our EPS will depend on the number of DRP Shares issued at the relevant point in time.

For illustration purposes only, assuming that the Proposed DRP had been effected on 1 January 2023, the proforma effects of the Proposed DRP on the earnings of our Group and the EPS of our Group are as follows:

| | Audited | After the Proposed DRP | | |
|---|-------------------------------------|-------------------------------|------------------------|------------------------|
| | FYE 31 December 2023 | Scenario 1 | Scenario 2 | Scenario 3 |
| Profit after tax (RM'000) | 346,911 | 346,546 ⁽¹⁾ | 346,546 ⁽¹⁾ | 346,546 ⁽¹⁾ |
| Weighted average number of STMKB Shares (‘000) | 837,306 | 872,508 ⁽²⁾ | 854,907 ⁽³⁾ | 837,306 ⁽⁴⁾ |
| Basic / Diluted EPS (sen) | 0.41 | 0.40 | 0.41 | 0.41 |

Note:

- (1) After taking into consideration the estimated expenses in relation to the establishment of the Proposed DRP of RM365,000.
- (2) After taking into consideration the issuance of 35,202,000 DRP Shares.
- (3) After taking into consideration the issuance of 17,601,000 DRP Shares.
- (4) Assuming that none of you elect to participate in the Proposed DRP.

5.5 Convertible securities

As at the LPD, our Company does not have any convertible securities.

6. APPROVALS REQUIRED

- (a) The establishment of the Proposed DRP and the issuance of the DRP Shares arising from the Proposed DRP are subject to your approval at our forthcoming EGM.
- (b) In respect of the implementation of the Proposed DRP for any future Dividend to which the Reinvestment Option applies, the issuance of the DRP Shares to be issued pursuant to your exercise of the Reinvestment Option is subject to the following approvals being obtained:
 - (i) your approval at our AGM on an annual basis. For the avoidance of doubt, your approval for the issuance of the DRP Shares will be sought at our EGM to be convened as referred in Section 6(a) above, and if obtained, will remain valid and subsisting until our next AGM; and
 - (ii) Bursa Securities for the listing and quotation of the DRP Shares on the Main Market of Bursa Securities.

For information purposes, BNM's approval will also be sought for each declaration or payment of Dividend by our Company.

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

None of our Directors, our major Shareholders and/or persons connected with them have any interest, whether direct or indirect, in the Proposed DRP apart from their respective entitlements under the Proposed DRP to which all the other Shareholders are similarly entitled.

8. RECOMMENDATION BY OUR DIRECTORS

Our Board, after taking into consideration all aspects of the Proposed DRP, including but not limited to rationale and effects of the Proposed DRP, is of the opinion that the Proposed DRP is in our best interest.

Accordingly, our Board recommends that you vote in favour of all the ordinary resolutions pertaining to the Proposed DRP, and the allotment and issuance of DRP Shares to be tabled at our forthcoming EGM.

9. CORPORATE EXERCISES/SCHEMES ANNOUNCED BUT PENDING COMPLETION

Save for the Proposed DRP, there are no other corporate exercises/schemes which have been announced by our Company but pending completion as at the LPD.

The Proposed DRP is not conditional or inter-conditional upon any other corporate exercises/schemes being or proposed to be undertaken by our Company.

10. ESTIMATED TIMEFRAME FOR ESTABLISHMENT OF THE PROPOSED DRP

The estimated timeframe for the establishment of the Proposed DRP is as follows:

| <u>Event</u> | <u>Indicative Timeline</u> |
|--|----------------------------|
| Our forthcoming EGM for the Proposed DRP / Completion of the establishment of the Proposed DRP | 17 October 2024 |

11. EGM

Our EGM, the notice of which is enclosed in this Circular, will be held on a virtual basis as follows:

Meeting platform : <https://meeting.boardroomlimited.my>
Date and time : Thursday, 17 October 2024 at 10:00 a.m. or at any adjournment thereof
Last date and time for lodging of the Form of Proxy : Wednesday, 16 October 2024 at 10:00 a.m.

You are encouraged to attend, participate, speak (in the form of real time submission of typed texts) and vote remotely at our forthcoming EGM using the remote participation and voting (“RPV”) facilities provided by our Share Registrar via <https://meeting.boardroomlimited.my>. Please follow the procedures for the RPV facilities provided in the administrative notes for our forthcoming EGM which is available on our Company’s website at <https://www.takaful-malaysia.com.my/en/investor-relations/>. If you are unable to participate in our forthcoming EGM, you may appoint a proxy or proxies to attend and vote on your behalf. In such event, you should complete and deposit the Form of Proxy at the office of our Share Registrar, Boardroom Share Registrars Sdn Bhd, at 11th Floor, Menara Symphony, 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor, Malaysia, not less than 24 hours before the date and time fixed for our forthcoming EGM or at any adjournment thereof. The appointment of proxies may also be submitted electronically via BSIP at <https://investor.boardroomlimited.com> not less than 24 hours before the date and time fixed for our forthcoming EGM or at any adjournment thereof. The lodging of the Form of Proxy shall not preclude you from participating in our forthcoming EGM should you subsequently wish to do so.

12. FURTHER INFORMATION

You are requested to refer to the attached appendices for further information.

Yours faithfully,
For and on behalf of our Board
SYARIKAT TAKAFUL MALAYSIA KELUARGA BERHAD

Dato’ Mohammed bin Hussein
Chairman/Independent Non-Executive Director

FURTHER INFORMATION

1. RESPONSIBILITY STATEMENT

This Circular has been reviewed and approved by our Directors and they collectively and individually accept full responsibility for the accuracy of the information given 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 contained in this Circular or other facts, the omission of which would make any statement in this Circular false or misleading.

2. CONSENT AND CONFLICT OF INTEREST

RHB Investment Bank, being our Principal Adviser for the Proposed DRP, 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 it appears in this Circular.

RHB Investment Bank, its subsidiaries and associated companies, as well as its holding company, RHB Bank Berhad, and the subsidiaries and associated companies of RHB Bank Berhad ("**RHB Banking Group**") form a diversified financial group and may extend credit facilities or engage in private banking, commercial banking and investment banking transactions including, amongst others, brokerage securities trading, asset and fund management and credit transaction service businesses in its ordinary course of business with our Group. RHB Banking Group has engaged and may in the future, engage in transactions with and perform services for our Group, in addition to the role of being our Principal Adviser for the Proposed DRP.

In the ordinary course of business, any member of RHB Banking Group may at any time offer or provide its services to or engage in any transaction (whether on its own account or otherwise) with any member of our Group, hold long or short positions in securities offered by any member of our Group, make investment recommendations and/or publish or express independent research views on such securities, and may trade or otherwise effect transactions for its own account or the account of its other customers in debt or equity securities or senior loans of our Group.

EPF and KWAP are our substantial shareholders as well as RHB Banking Group's. However, EPF and KWAP are not involved in our day-to-day operations as well as RHB Banking Group.

As at 18 September 2024, the equity derivatives department of RHB Investment Bank ("**RHB EQD**") has issued 35 million units of call warrants which expires on 28 October 2024 ("**Call Warrants**"). The issuance of the Call Warrants would expose RHB Investment Bank to the movement in our share price. RHB Investment Bank has previously utilised and will continue to utilise the proceeds received from the issuance of the Call Warrants for hedging activities that include purchasing our Shares to mitigate RHB Investment Bank's risk exposure to the Call Warrants. As at the LPD, RHB Investment Bank has purchased our Shares amounting to RM320,188 as part of its hedging activities.

As at the LPD, RHB Investment Bank, as part of RHB Banking Group, has confirmed that the abovementioned do not and will not likely result in a conflict of interest situation in its capacity as our Principal Adviser for the Proposed DRP on the basis that:

- (a) RHB Investment Bank is a licensed investment bank and its appointment as the Principal Adviser for the Proposed DRP is in the ordinary course of its business. RHB Investment Bank does not have any interest in the Proposed DRP other than as the Principal Adviser based on the terms of engagement which are mutually agreed between both parties. Further, RHB Investment Bank does not receive or derive any financial interest or benefit save for the professional fees received in relation to its appointment as the Principal Adviser for the Proposed DRP;

FURTHER INFORMATION

- (b) the hedging activities of RHB EQD are governed by internal limits to manage RHB Banking Group's overall exposure to a particular underlying security where, in this case, RHB EQD can only acquire up to RM30.0 million of our Shares ("**Exposure Limit**"). Nevertheless, depending on the market condition and underlying value of our Shares, RHB EQD may increase the Exposure Limit subject to the necessary approvals from the Chief Executive Officer of RHB Investment Bank, Group Investment Underwriting Committee and/or Board Credit Committee (depending on the amount). Hence, RHB Investment Bank's potential exposure to the movement in the price of our Shares pursuant to the Call Warrants issued cannot be ascertained at this juncture.

In any event, based on the Exposure Limit, RHB Investment Bank may only acquire up to 0.9% of our market capitalisation computed as at the LPD, and RHB Banking Group is also governed by other regulatory requirements and its own internal control vis-à-vis exposure to a single counter party;

- (c) the corporate finance division of RHB Investment Bank is required under its investment banking license to comply with strict policies and guidelines issued by the Securities Commission Malaysia, Bursa Securities and BNM governing its advisory operations. These guidelines require, among others, the establishment of Chinese wall policies, clear segregation between dealing and advisory activities and the formation of an independent committee to review its business operations; and
- (d) the conduct of RHB Investment Bank's business is strictly regulated by the Financial Services Act 2013, and the Capital Markets and Services Act 2007 as well as RHB Investment Bank's own internal controls and checks which include, segregation of reporting structures, in that its activities are monitored and reviewed by independent parties and committees.

Save for the above, as at LPD, RHB Investment Bank is not aware of any existing or potential conflict of interest or any circumstance which would give rise to a conflict of interest by virtue of its role as our Principal Adviser for the Proposed DRP.

3. MATERIAL COMMITMENTS AND CONTINGENT LIABILITIES

3.1 Capital commitments

Save as disclosed below, our Board is not aware of any other material commitments incurred or known to be incurred by our Group which may have a material impact on the financial position or business of our Group:

| | ⁽¹⁾ As at 31 August 2024 <u>RM'000</u> |
|----------------------------------|---|
| Contracted but not provided for: | 19,888 |

Note:

- (1) Being the latest practicable date of which such information could be ascertained before the issuance of this Circular.

FURTHER INFORMATION

3.2 Contingent liabilities

As at 30 June 2024, being the latest practicable date of which such information could be calculated and publicly announced before the issuance of this Circular, our Board is not aware of any contingent liabilities incurred or known to be incurred by our Group which, upon becoming enforceable, may have a material impact on the financial position or business of our Group.

4. HISTORICAL SHARE PRICES

The monthly highest and lowest market prices of STMKB Shares as transacted on Bursa Securities for the past 12 months preceding the date of this Circular are as follows:

| Month | Highest RM | Lowest RM |
|--|---------------|--------------|
| 2023 | | |
| October | 3.68 | 3.44 |
| November | 3.78 | 3.60 |
| December | 3.77 | 3.65 |
| 2024 | | |
| January | 4.02 | 3.71 |
| February | 3.94 | 3.67 |
| March | 3.73 | 3.50 |
| April | 3.70 | 3.48 |
| May | 3.94 | 3.53 |
| June | 3.95 | 3.70 |
| July | 3.82 | 3.70 |
| August | 3.95 | 3.57 |
| September | 3.95 | 3.77 |
| Last transacted market price of STMKB Shares on 10 July 2024 being the last Market Day immediately before the first announcement of the Proposed DRP on 11 July 2024 | | 3.74 |
| Last transacted market price of STMKB Shares as at the LPD | | 3.83 |

(Source: Bloomberg)

5. MATERIAL LITIGATION, CLAIMS OR ARBITRATION

As at the LPD, our Group is not engaged in any material litigation, claim or arbitration, either as plaintiff or defendant, which has or would have a material and adverse effect on the financial position or business of our Group and, to the best of our Board's knowledge and belief, our Board confirmed that there are no proceedings pending or threatened against our Group or any facts likely to give rise to any proceedings which materially and adversely affect the financial position or business of our Group.

FURTHER INFORMATION

6. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for your inspection at our registered office at 27th Floor, Annexe Block, Menara Takaful Malaysia, No. 4, Jalan Sultan Sulaiman, 50000 Kuala Lumpur, Malaysia during normal business hours from Mondays to Fridays (except public holidays) from the date of this Circular up to and including the date of our forthcoming EGM:

- (a) our Constitution;
- (b) our audited consolidated financial statements for the FYE 31 December 2022 and FYE 31 December 2023, and latest unaudited consolidated results for the six-month financial period ended 30 June 2024; and
- (c) the letter of consent referred to in Section 2 of Appendix I of this Circular.

DIVIDEND REINVESTMENT PLAN STATEMENT


SYARIKAT TAKAFUL MALAYSIA KELUARGA BERHAD

(Registration Number 198401019089 (131646-K))

(Incorporated in Malaysia)

DIVIDEND REINVESTMENT PLAN STATEMENT

(Abbreviations and definitions, unless if the context requires otherwise, shall be as set out in Section 2 of the Terms and Conditions governing this Dividend Reinvestment Plan Statement)

All references to “**you**” and “**your**” in this Dividend Reinvestment Plan Statement are to our Shareholders. References to “**we**”, “**us**”, “**our**” and “**ourselves**” are to our Company, and if the context otherwise requires, our Group.

This Dividend Reinvestment Plan Statement contains the terms and conditions of our dividend reinvestment plan as may be amended from time to time (“**Terms and Conditions**”) under which you may elect to participate in the Reinvestment Option as our Board may, at its absolute discretion, make available (“**Dividend Reinvestment Plan**”).

SUMMARY OF THE MAIN FEATURES OF THE DIVIDEND REINVESTMENT PLAN

The Dividend Reinvestment Plan will provide you with an opportunity to reinvest your Dividend into DRP Shares, in lieu of receiving cash.

Whenever a Dividend is declared, our Board may, at its absolute discretion, determine:

- (a) whether to pay such Dividend in cash or to offer you a Reinvestment Option; and
- (b) if the Reinvestment Option is applicable, the size of the Electable Portion. If the Reinvestment Option is not exercised by you in whole, the Balance Electable Portion will be paid in cash.

The Electable Portion may encompass the whole or part of the Dividend declared. If the Electable Portion is only applicable for part of the Dividend declared, the Remaining Portion will be paid in cash to you.

You should note that our Board is not obliged to undertake the Dividend Reinvestment Plan for each and every Dividend to be declared.

Unless our Board has determined that the Reinvestment Option will apply to a particular Dividend declared (whether in whole or in part), all Dividend as may be declared by our Board will be paid wholly in cash to you in the usual manner. For income tax purposes, you shall be taken as having received a cash dividend equivalent to the amount of the Dividend declared, notwithstanding that you elect to exercise the Reinvestment Option (in whole or in part).

In compliance with Paragraph 6.45D(1) of the Listing Requirements, the Issue Price, which will be determined by our Board on the Price Fixing Date, shall be fixed at an issue price of not more than a 10% discount to the five-day VWAP of STMKB Shares immediately before the Price Fixing Date. The five-day VWAP of STMKB Shares shall be adjusted ex-dividend before applying the aforementioned discount in fixing the Issue Price.

The approval of Bursa Securities will be sought for the listing and quotation of the DRP Shares to be issued on the Main Market of Bursa Securities pursuant to each and every Dividend to which the Dividend Reinvestment Plan applies. After obtaining the approval of Bursa Securities, and such approval from other relevant authorities, if any:

- (a) we shall make an announcement for the Entitlement Date; and

DIVIDEND REINVESTMENT PLAN STATEMENT

- (b) we shall make an announcement for the Price Fixing Date and the Issue Price on or before the announcement of the Entitlement Date.

Subsequent to the Entitlement Date, a Notice of Election (together with the DRF) will be despatched to you. The Notice of Election will specify, amongst others, the instructions for you to exercise the Reinvestment Option and the Expiry Date for you to elect to participate in the Reinvestment Option by submitting the completed and signed DRF to our Share Registrar.

For those of you who have registered your e-mail addresses in your central depository system account, the Notice of Election will be sent to you via e-mail in softcopy. Hardcopy of the Notice of Election will be sent via ordinary mail to those of you who do not have your e-mail addresses registered in your central depository system account. You may elect to participate to reinvest in DRP Shares by either submitting a completed and signed DRF contained in the Notice of Election or by submitting the completed e-DRF to our Share Registrar through BSIP at <https://investor.boardroomlimited.com>, such that it reaches our Share Registrar on or before the Expiry Date and in accordance with the instructions as prescribed therein.

We will, on the Allotment Date, allot and issue the DRP Shares and despatch notices of allotment to you if you have elected to participate in the Reinvestment Option, in compliance with Paragraph 6.09 of the Listing Requirements. The DRP Shares will not be underwritten.

We will also make an announcement on the day which the DRP Shares will be listed and quoted on the Main Market of Bursa Securities.

You will have the following options for a Reinvestment Option:

- Option 1** : Elect to participate in the Reinvestment Option by reinvesting the entire Electable Portion into DRP Shares at the Issue Price and to receive the Remaining Portion in cash.
- Option 2** : Elect to participate in the Reinvestment Option by reinvesting part of the Electable Portion into DRP Shares at the Issue Price and to receive the Balance Electable Portion and Remaining Portion in cash.
- Option 3** : Elect not to participate in the Reinvestment Option and thereby receiving your entire Dividend entitlement (both Electable Portion and Remaining Portion) wholly in cash.

The DRP Shares will be issued free from any brokerage fees and other related transaction costs to those of you who elect to participate, unless otherwise provided by any statute, law or regulation. However, those of you who elect to participate are required to pay RM10.00 for stamp duty. If you elect to participate by submitting the completed e-DRF to our Share Registrar through BSIP, a handling fee of RM5.00 is chargeable by our Share Registrar for the Dividend Reinvestment Plan, in addition to the stamp duty.

The DRP Shares shall, upon allotment and issuance, rank equally in all respects with the then existing STMKB Shares, save and except that the DRP Shares shall not be entitled to any dividends, rights, benefits, entitlements and/or other distributions the entitlement date of which is before the Allotment Date.

All of you are eligible to participate in the Dividend Reinvestment Plan subject to the restrictions described in the following section.

DIVIDEND REINVESTMENT PLAN STATEMENT

HOW TO PARTICIPATE

Participation in the Dividend Reinvestment Plan is optional and not transferable. If you wish to reinvest in DRP Shares for any Electable Portion, you must either complete, sign and submit DRF contained in the Notice of Election to our Share Registrar or complete and submit the e-DRF to our Share Registrar via BSIP at <https://investor.boardroomlimited.com>, such that it reaches our Share Registrar on or before the Expiry Date and in accordance with the instructions as prescribed therein.

If you receive more than one Notice of Election and wish to reinvest in DRP Shares for all of your entitlements to the Electable Portion, you must either submit the duly completed and signed DRFs contained in the Notices of Election to our Share Registrar or complete and submit the e-DRFs to our Share Registrar via BSIP at <https://investor.boardroomlimited.com> on or before the Expiry Date. You should note that you are at liberty to decide which particular Notice of Election you wish to elect for reinvestment in DRP Shares. If any particular Notice of Election is not elected upon, you will receive the Dividend relating thereto in cash in the usual manner.

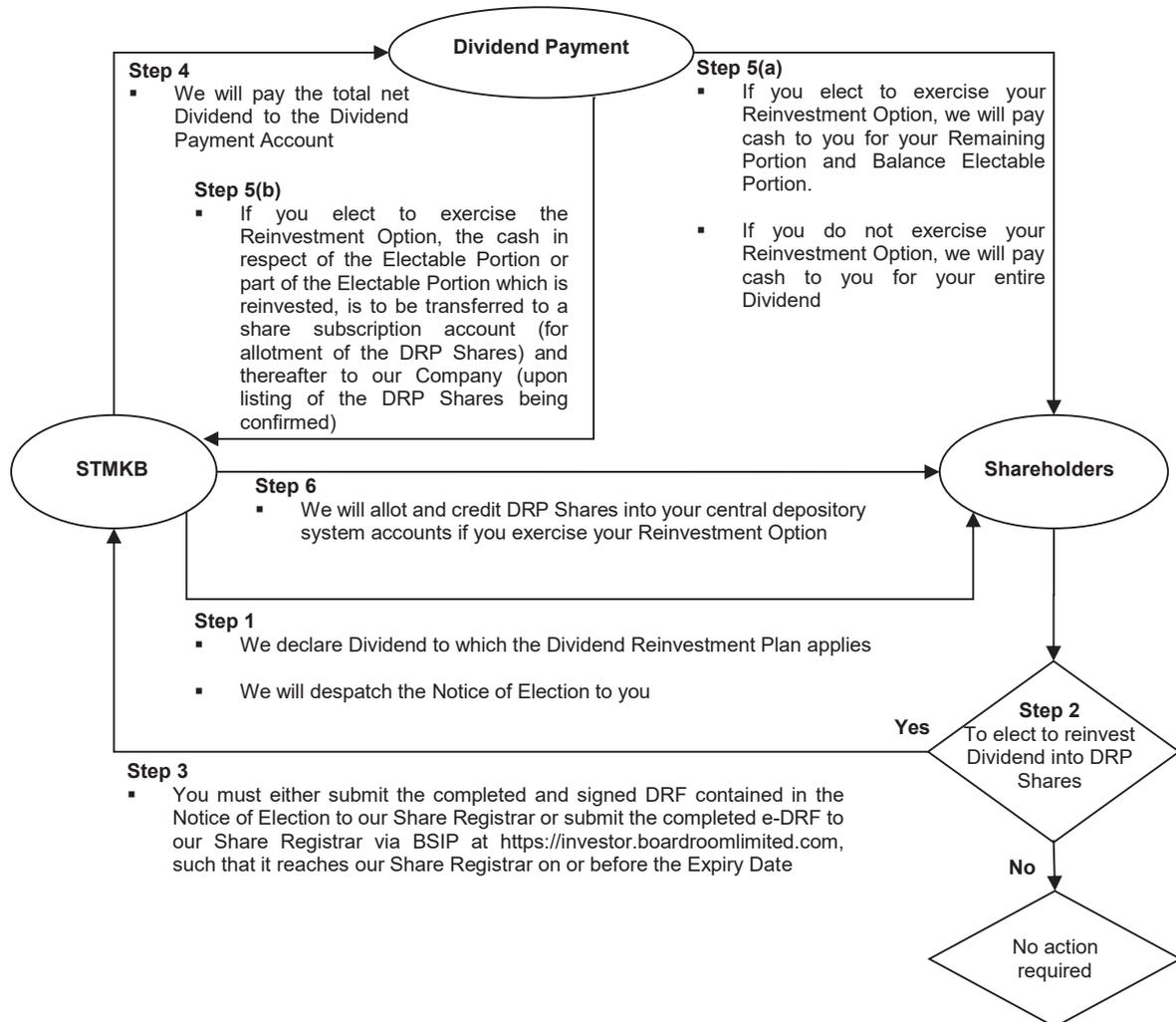
All of you are eligible to participate in the Dividend Reinvestment Plan, subject to the restrictions on Overseas Shareholders and provided that:

- (a) such participation will not result in a breach of any restrictions on your holding of STMKB Shares which may be imposed by any of your contractual obligation, or by any statute, law or regulation in force in Malaysia or any other relevant jurisdiction, as the case may be (unless the requisite approvals under the relevant statute, law or regulation are first obtained or the relevant contractual obligation is otherwise waived in accordance with the terms and conditions of the relevant contracts); and
- (b) there is no restriction for such participation as prescribed in our Constitution.

The Dividend Reinvestment Plan will only be offered for subscription in Malaysia. No action has been or will be taken to ensure that the Dividend Reinvestment Plan complies with the laws of any countries or jurisdictions other than the laws of Malaysia. Accordingly, the documents relating to the Dividend Reinvestment Plan including the Notice of Election will not be sent to Overseas Shareholders to avoid any violation on our part of any securities laws applicable outside Malaysia. No Overseas Shareholders shall have any claim whatsoever against our Company, our Directors, our employees and our advisers as a result of the documents relating to the Dividend Reinvestment Plan not being sent to Overseas Shareholders.

DIVIDEND REINVESTMENT PLAN STATEMENT

A brief process flow chart in relation to how the Dividend Reinvestment Plan is intended to be administered is shown below:



DIVIDEND REINVESTMENT PLAN STATEMENT

TERMS AND CONDITIONS OF THE DIVIDEND REINVESTMENT PLAN**1. ESTABLISHMENT**

Our Board has established the Dividend Reinvestment Plan. Our Board at its absolute discretion shall determine the administration of the Dividend Reinvestment Plan, including the Reinvestment Option and the Electable Portion.

2. DEFINITIONS

In these Terms and Conditions, the following definitions shall apply:

| | | |
|---------------------------|---|---|
| Allotment Date | : | Date of the allotment and issuance of DRP Shares which falls within eight Market Days from the Expiry Date or such date as may be prescribed by Bursa Securities |
| Balance Electable Portion | : | If only a part of the Electable Portion is reinvested, the balance of the Electable Portion not reinvested under the Dividend Reinvestment Plan |
| BNM | : | Bank Negara Malaysia |
| Board | : | The Board of Directors of our Company as at the material date |
| BSIP | : | Boardroom Smart Investor Portal |
| Bursa Securities | : | Bursa Malaysia Securities Berhad |
| CMSA | : | Capital Markets and Services Act 2007 |
| Constitution | : | Constitution of our Company |
| Directors | : | Directors of our Company as at the material date |
| Dividend | : | Cash dividend declared by our Board (whether interim, final, special or any other types of cash dividend) |
| Dividend Payment Account | : | Dividend payment account held in trust for you to facilitate the payment of Dividends |
| DRF | : | Dividend reinvestment form |
| DRP Shares | : | New STMKB Shares to be issued pursuant to the Dividend Reinvestment Plan |
| e-DRF | : | Electronic DRF issued in connection with the Dividend Reinvestment Plan |
| Electable Portion | : | Portion of the Dividend to which the Reinvestment Option applies |
| Entitlement Date | : | The date (which will be a date to be fixed and announced by our Board) on which you must be registered in the record of depositors of our Company to be eligible to participate in the Dividend Reinvestment Plan |
| Expiry Date | : | The last day (which will be a date to be fixed and announced by our Board) by which an election made by you for the Electable Portion must be received by our Share Registrar |
| Group | : | Our Company and our subsidiaries, collectively |

DIVIDEND REINVESTMENT PLAN STATEMENT

| | | |
|-----------------------|---|---|
| IRBM | : | Inland Revenue Board of Malaysia |
| Issue Price | : | Issue price of DRP Shares which is to be determined by our Board on the Price Fixing Date and shall be fixed at not more than a 10% discount to the 5-day VWAP of STMKB Shares immediately before the Price Fixing Date. The 5-day VWAP of STMKB Shares shall be adjusted ex-dividend before applying the aforementioned discount in fixing the Issue Price |
| Listing Requirements | : | Main Market Listing Requirements of Bursa Securities |
| Market Day(s) | : | A day on which Bursa Securities is open for trading in securities, which may include a Surprise Holiday (i.e., a day that is declared as a public holiday in the Federal Territory of Kuala Lumpur that has not been gazetted as a public holiday at the beginning of the calendar year) |
| Notice of Election | : | The notice of election by which you elect to participate in the Reinvestment Option |
| Overseas Shareholders | : | Those of you who currently do not have a registered address in Malaysia |
| Price Fixing Date | : | A date to be determined by our Board on which the Issue Price will be determined |
| Reinvestment Option | : | The option to reinvest all or part of the Dividend into DRP Shares |
| Remaining Portion | : | If the Electable Portion is only applicable for part of and not the whole Dividend declared, the remaining portion of the Dividend |
| RM and sen | : | Ringgit Malaysia and sen, respectively |
| Rules | : | Rules on Take-overs, Mergers and Compulsory Acquisitions issued by the Securities Commission Malaysia |
| Share Registrar | : | Boardroom Share Registrars Sdn Bhd, being the share registrar of our Company |
| Shareholders | : | Shareholders of our Company |
| STAMPS | : | Stamp assessment and payment system |
| STMKB or Company | : | Syarikat Takaful Malaysia Keluarga Berhad |
| STMKB Shares | : | Ordinary shares of our Company |
| VWAP | : | The volume weighted average price |

DIVIDEND REINVESTMENT PLAN STATEMENT

3. ELIGIBILITY

All of you are eligible to participate in the Dividend Reinvestment Plan, subject to the restrictions on Overseas Shareholders and provided that:

- (a) such participation will not result in a breach of any restrictions on your holding of STMKB Shares which may be imposed by any of your contractual obligation, or by any statute, law or regulation in force in Malaysia or any other relevant jurisdiction, as the case may be (unless the requisite approvals under the relevant statute, law or regulation are first obtained or the relevant contractual obligation is otherwise waived in accordance with the terms and conditions of the relevant contracts); or
- (b) there is no restriction for such participation as prescribed in our Constitution.

4. OVERSEAS SHAREHOLDERS

The Dividend Reinvestment Plan will only be offered for subscription in Malaysia. No action has been or will be taken to ensure that the Dividend Reinvestment Plan complies with the laws of any countries or jurisdictions other than the laws of Malaysia. Accordingly, the documents relating to the Dividend Reinvestment Plan including the Notice of Election will not be sent to Overseas Shareholders to avoid any violation on our part of any securities laws applicable outside Malaysia. No Overseas Shareholders shall have any claim whatsoever against our Company, our Directors, our employees and our advisers as a result of the documents relating to the Dividend Reinvestment Plan not being sent to Overseas Shareholders.

Overseas Shareholders who wish to participate in the Dividend Reinvestment Plan may collect the Notice of Election and other documents relating to the Dividend Reinvestment Plan from our Share Registrar at 11th Floor, Menara Symphony, 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor, Malaysia or at such address as may be announced by our Company from time to time in which event, our Share Registrar is entitled to satisfy themselves as to the identity and authority of the person collecting the documents relating to the Dividend Reinvestment Plan.

Overseas Shareholders who wish to permanently change their address for service of documents to an address in Malaysia should inform their respective stockbrokers to effect the change of address. Such notification should be undertaken no later than three Market Days before the relevant Entitlement Date if they wish to participate in the Dividend Reinvestment Plan.

Overseas Shareholders will be solely responsible for seeking advice on the laws of any jurisdiction that they may be subjected to, and participation by Overseas Shareholders in the Dividend Reinvestment Plan will be on the basis that they may lawfully so participate without our Company, our Directors, our employees and our advisers being in breach of the laws of any jurisdictions.

5. NOTICE OF ELECTION

We will despatch a Notice of Election (together with the DRF) to you subsequent to the Entitlement Date. The Notice of Election will specify, among others, the Expiry Date. Instructions will be provided in the Notice of Election for the action you should take if you wish to exercise the Reinvestment Option.

For those of you who have registered your e-mail addresses in your central depository system account, the Notice of Election will be sent to you via e-mail in softcopy. Hardcopy of the Notice of Election will be sent via ordinary mail to those of you who do not have your e-mail addresses registered in your central depository system account.

DIVIDEND REINVESTMENT PLAN STATEMENT

You may elect to participate to reinvest in DRP Shares by either submitting a completed and signed DRF contained in the Notice of Election or by submitting the completed e-DRF to our Share Registrar through BSIP at <https://investor.boardroomlimited.com>, such that it reaches our Share Registrar on or before the Expiry Date and in accordance with the instructions as prescribed therein.

If you receive more than one Notice of Election, you may elect to reinvest in DRP Shares for your entitlement to which one Notice of Election relates and decline to reinvest in DRP Shares for your entitlements to which any other Notices of Election relates. If you receive more than one Notice of Election, and you wish to reinvest in DRP Shares for all your entitlements to the Electable Portion, you must either submit the duly completed and signed DRFs contained in the Notices of Election to our Share Registrar or complete and submit the e-DRFs to our Share Registrar via BSIP at <https://investor.boardroomlimited.com> on or before the Expiry Date. You should note that you are at liberty to decide which particular Notice of Election you wish to elect for the reinvestment in DRP Shares. If any particular Notice of Election is not elected upon, you will receive the Dividend relating thereto in cash in the usual manner.

Once received by our Share Registrar, the DRF contained in the Notice of Election and/or the e-DRF for any Electable Portion shall not be withdrawn or cancelled.

Our Company has the discretion and right to accept or reject any DRF contained in the Notice of Election and/or e-DRF that is incomplete, contains errors or is otherwise defective, does not conform to these Terms and Conditions or which is illegible. Our Company is under no obligation to correct invalid DRFs contained in the Notices of Election and/or e-DRFs on your behalf or to provide any reason for rejecting any DRFs contained in the Notices of Election and/or e-DRFs.

By electing to exercise the Reinvestment Option, you unconditionally:

- (i) warrant to our Company that you have the legal right and full power and authority to participate in the Dividend Reinvestment Plan and that your participation in the Dividend Reinvestment Plan will not result in a breach of any restrictions on your holding of STMKB Shares which may be imposed by any of your contractual obligation, or by any statute, law or regulation in force in Malaysia or any other relevant jurisdiction, as the case may be (unless the requisite approvals under the relevant statute, law or regulation are first obtained or the relevant contractual obligation is otherwise waived in accordance with the terms and conditions of the relevant contracts), or as prescribed in our Constitution;
- (ii) acknowledge that our Company may at any time determine whether your Notice of Election or other form (collectively, "**Form**") is valid, even if the relevant Form is incomplete, contains errors or is otherwise defective;
- (iii) acknowledge that our Company may accept or reject any Form and agree that our Company need not provide any reason thereof;
- (iv) acknowledge that our Company has not provided you with investment advice or any other advice;
- (v) agree to these Terms and Conditions and agree not to do any act or thing which would be contrary to the intention or purpose of the Dividend Reinvestment Plan;
- (vi) submit to the jurisdiction of the Malaysian courts, in each case, at all times until termination of the Dividend Reinvestment Plan; and

DIVIDEND REINVESTMENT PLAN STATEMENT

- (vii) agree that if at any time after our Board has determined that the Dividend Reinvestment Plan shall apply to any Dividend but before the allotment and issuance of the DRP Shares, our Board shall consider that by reason of any event or circumstance (whether arising before or after such determination by our Board) or by reason that it is no longer expedient or appropriate to implement the Dividend Reinvestment Plan for the Electable Portion, our Board may, at its absolute discretion and as it deems fit or expedient, and in our interest and without assigning any reason thereof, cancel the application of the Dividend Reinvestment Plan for the Electable Portion. Further, our Board may cancel the application of the Dividend Reinvestment Plan for the Electable Portion notwithstanding any other provisions, these Terms and Conditions set out herein or otherwise and irrespective of whether an election to exercise the Reinvestment Option has been made. Such cancellation shall be communicated through announcement to Bursa Securities or in such other manner as our Board deems fit or expedient, subject to any requirement or provision imposed by any statute, law or regulation in force in Malaysia, as the case may be. In such event, you shall receive the Electable Portion in cash in the usual manner.

Effective 1 January 2024, the IRBM has terminated the usage of revenue stamps as a stamping method at all IRBM stamping duty counters and district stamping offices.

In connection thereto, the application and payment of stamp duty of RM10.00 for the Dividend Reinvestment Plan is to be performed online via the IRBM system namely, STAMPS at <https://stamps.hasil.gov.my/stamps/>. Thereafter, a stamp certificate will be issued via STAMPS as proof of payment of stamp duty.

IF YOU ELECT TO PARTICIPATE IN THE DIVIDEND REINVESTMENT PLAN VIA PHYSICAL SUBMISSIONS OF THE COMPLETED HARDCOPY DRF, YOU MUST ATTACH A COPY OF THE STAMP CERTIFICATE TO THE COMPLETED DRF BEFORE SUBMITTING THE COMPLETED DRF TO OUR SHARE REGISTRAR.

For those of you who wish to reinvest in DRP Shares electronically through the BSIP, you are advised to read the following instructions:

(a) Sign up as a user of BSIP

- (i) Access into BSIP at <https://investor.boardroomlimited.com>.
- (ii) From web homepage, click on the “Login” button to be re-directed to the user login page. Within the user login page, click on “Register” to sign up as a BSIP user.
- (iii) In the registration page, fill in all necessary information and upload a copy of your national registration identity card (front and back). If you are a corporate or nominee’s representative, complete the information and attach the certificate of appointment of power attorney, if applicable. Once all necessary information has been entered, click on the “Sign up” button.
- (iv) You will receive an e-mail from BSIP for e-mail address verification. You will need to click on “Verify E-mail Address” on the e-mail received from BSIP to complete the e-mail address verification.
- (v) You will be notified within few days once your e-mail address is verified.
- (vi) An e-mail will be sent to you to inform you that you have been granted right to access BSIP. Subsequently, you will be able to login at <https://investor.boardroomlimited.com> via the e-mail address and password provided by you during registration.

DIVIDEND REINVESTMENT PLAN STATEMENT

- (b) Procedure to exercise the Reinvestment Option electronically via BSIP**
- (i) Login into BSIP at <https://investor.boardroomlimited.com>
 - (ii) Select corporate exercise name: STMKB DIVIDEND REINVESTMENT PLAN.
 - (iii) Read and agree to the Terms & Conditions and Declaration. Thereafter, click on the “Next” button.
 - (iv) Select central depository system account number and then click on the “Next” button.
 - (v) Review the pre-populated information (name, address, central depository system account number, national registration identity card number, Dividend entitlement) and enter the desired Reinvestment Option. Once you have confirmed and/or entered the necessary information, click on the “Submit” button. For nominees, click “Download DRP Form As Excel Template” to download list of DRP form as excel file.
 - (vi) Proceed to make the necessary payment for stamp duty of RM10.00 and handling fee of RM5.00 for each e-DRP via the online payment gateway from all available payment channels.
 - (vii) Upon completion of payment, you will be re-directed to BSIP with successful submission message displayed and an e-mail with payment receipt details will be sent to you.

6. EXTENT OF APPLICATION OF DIVIDEND REINVESTMENT PLAN TO EACH ELECTABLE PORTION

Whenever a Dividend is declared, our Board may, at its absolute discretion, determine:

- (a) whether to pay such Dividend in cash or to offer you a Reinvestment Option; and
- (b) if the Reinvestment Option is applicable, the size of the Electable Portion.

The Electable Portion may encompass the whole or part of the Dividend declared. If the Electable Portion is only applicable for part of the Dividend declared, the Remaining Portion will be paid in cash to you. If you do not exercise or do not exercise in whole the Reinvestment Option, the Electable Portion, or any Balance Electable Portion, if applicable, and the Remaining Portion will be paid in cash.

7. SHARE ENTITLEMENT

For any Electable Portion, the number of DRP Shares to be allotted and issued to those of you who elect to reinvest the whole or part of the Electable Portion in DRP Shares for a Notice of Election, shall be calculated in accordance with the following formula:

$$N = \frac{S \times D \times W}{V}$$

Where:

- N = number of DRP Shares to be issued and allotted to you for such Notice of Election
- S = number of STMKB Shares held by you as at the Entitlement Date for which Notice of Election relates

DIVIDEND REINVESTMENT PLAN STATEMENT

- D = Electable Portion per share, expressed in RM
- W = proportion of the Electable Portion chosen by you to be reinvested in DRP Shares, expressed in %
- V = Issue Price

Under the Dividend Reinvestment Plan, if you elect to exercise the Reinvestment Option, you will not be allotted fractional shares and non-board lot shares. As such, the amount of the Electable Portion relating to such fractional entitlement of DRP Shares will be paid in cash to you in the usual manner.

The percentage of your shareholding in our Company may be diluted should you decide not to exercise your Reinvestment Option. However, the extent of the dilution will depend on the number of DRP Shares issued by our Company.

8. TERMS OF ALLOTMENT

The DRP Shares shall, upon allotment and issuance, rank equally in all respects with the then existing STMKB Shares, save and except that the DRP Shares shall not be entitled to any dividends, rights, benefits, entitlements and/or other distributions the entitlement date of which is before the Allotment Date.

9. ODD LOTS

Under the Dividend Reinvestment Plan, if you exercise the Reinvestment Option, you will receive the DRP Shares in multiples of and not less than 100 DRP Shares. The amount of the Dividends relating to the entitlement of DRP Shares which is less than 100 DRP Shares will be added to the Remaining Portion and Balance Electable Portion, and paid in cash to you. For the avoidance of doubt, you will not be receiving odd lots and fractional entitlements of DRP Shares arising from your election to exercise the Reinvestment Option.

10. COST TO THOSE OF YOU WHO ELECT TO PARTICIPATE

The DRP Shares will be issued free from any brokerage fees and other related transaction costs to those of you who elect to participate, unless otherwise provided by any statute, law or regulation. However, those of you who elect to participate are required to pay RM10.00 for stamp duty for each DRF or e-DRF you submit to our Share Registrar.

Additionally, if you elect to participate by:

- (a) physical submission of the completed hardcopy DRF to our Share Registrar, you must attach a copy of the Stamp Certificate issued via STAMPS together with your completed DRF, failing which your DRF will be rejected without notification from our Share Registrar; or
- (b) electronic submission of the completed e-DRF to our Share Registrar through BSIP, a handling fee of RM5.00 is chargeable by our Share Registrar for the Dividend Reinvestment Plan in addition to the stamp duty. The said handling fee and stamp duty payment will be made electronically at BSIP during the submission of the e-DRF.

DIVIDEND REINVESTMENT PLAN STATEMENT

11. AVAILABILITY OF THE DIVIDEND REINVESTMENT PLAN

If at any time after our Board has determined that the Dividend Reinvestment Plan shall apply to any Dividend but before the allotment and issuance of the DRP Shares, our Board shall consider that by reason of any event or circumstance (whether arising before or after such determination by our Board) or by reason that it is no longer expedient or appropriate to implement the Dividend Reinvestment Plan for the Electable Portion, our Board may, at its absolute discretion and as it deems fit or expedient, and in our interest and without assigning any reason thereof, cancel the application of the Dividend Reinvestment Plan for the Electable Portion. Further, our Board may cancel the application of the Dividend Reinvestment Plan for the Electable Portion notwithstanding any other provision, these Terms and Conditions as set out herein or otherwise, and irrespective of whether an election to exercise the Reinvestment Option has been made. Such cancellation shall be communicated through announcement to Bursa Securities or in such other manner as our Board deems fit or expedient, subject to any requirement or provision imposed by any statute, law or regulation in force in Malaysia, as the case may be. In such event, you shall receive the Electable Portion in cash in the usual manner.

12. MODIFICATION, SUSPENSION AND TERMINATION OF THE DIVIDEND REINVESTMENT PLAN

Our Board may as it deems fit or expedient and irrespective of whether you have elected to exercise the Reinvestment Option, modify, suspend (in whole or in part) or terminate at any time and from time to time the Dividend Reinvestment Plan, subject to any requirement or provision imposed by any statute, law or regulation in force in Malaysia. Such development shall be communicated through announcement to Bursa Securities or in such other manner as our Board deems fit or expedient.

In the case of a suspension, the Dividend Reinvestment Plan will be suspended in whole or in part (as the case may be) until such time as our Board resolves to recommence or terminate the Dividend Reinvestment Plan. If the Dividend Reinvestment Plan is recommenced, your Notice of Election confirming your participation under the previously suspended Dividend Reinvestment Plan will be valid and have full force and effect in accordance with these Terms and Conditions and any directions, terms and conditions to you for such commencement of the Dividend Reinvestment Plan which may be notified to you.

13. GENERAL ADMINISTRATION OF THE DIVIDEND REINVESTMENT PLAN

Our Board may implement the Dividend Reinvestment Plan in the manner it deems fit or expedient. Our Board has the power to:

- (a) determine procedures, rules and regulations for administration of the Dividend Reinvestment Plan consistent with these Terms and Conditions, as may be amended or modified from time to time;
- (b) settle in such manner as it thinks fit, any difficulty, anomaly or dispute (including relating to the interpretation of any provision, regulation or procedure or as to any rights under the Dividend Reinvestment Plan) which may arise in connection with the Dividend Reinvestment Plan, whether generally or in relation to any of you or any DRP Share and the determination of our Board will be conclusive and binding on all of you and other persons to whom the determination relates;

DIVIDEND REINVESTMENT PLAN STATEMENT

- (c) delegate to any one or more persons, for such period and on such conditions as our Board may determine, the exercise of any of its powers or discretion under or for the Dividend Reinvestment Plan and references to a decision, opinion or determination of our Board include a reference to the decision, opinion or determination of the person or persons to whom our Board has delegated its authority to, for the purposes of administering the Dividend Reinvestment Plan; and
- (d) waive strict compliance by you or our Company with any of these Terms and Conditions.

14. IMPLICATION OF THE RULES AND OTHER SHAREHOLDING LIMITS
(a) Implication of the Rules

Pursuant to Paragraph 4.01, Part B of the Rules and Sections 217 and 218 of the CMSA, you may be under an obligation to extend a mandatory offer for all the remaining STMKB Shares not already owned by you and persons acting in concert with you (collectively, “**Affected Parties**”) if by participating in the Dividend Reinvestment Plan for the reinvestment of the Electable Portion:

- (i) the Affected Parties have obtained control in our Company via the acquisition or holding of, or entitlement to exercise or control the exercise of more than 33.0% of voting shares or voting rights of our Company or such other amount as may be prescribed in the Rules, howsoever effected; or
- (ii) the Affected Parties have acquired more than 2.0% of the voting shares or voting rights of our Company during the six months period prior to the participation of the Dividend Reinvestment Plan and the Affected Parties hold more than 33.0% but not more than 50.0% of the voting shares or voting rights of our Company during the said six months’ period.

If an obligation to undertake a mandatory offer is expected to arise resulting from the Affected Parties’ participation in the Dividend Reinvestment Plan, the Affected Parties may wish to consult their professional advisers at the earliest opportunity in relation to:

- (i) any obligation to make a mandatory offer under the Rules as a result of any subscription of DRP Shares through your participation in the Dividend Reinvestment Plan; and
- (ii) whether or not to make an application to the Securities Commission Malaysia to obtain an approval for a waiver from the obligation to undertake a mandatory offer before exercising your Reinvestment Option.

The statements herein do not purport to be a comprehensive or exhaustive description of all the relevant provisions of, or all implications that may arise under, the Rules or other relevant legislation or regulations.

(b) Shareholding limits

Our Company is regulated by Islamic Financial Services Act 2013 (“**IFSA**”) and the shareholding limitation prescribed therein. As such, your shareholding in our Company is also subject to the shareholding limits as prescribed under Sections 99 and 104 of the IFSA. Section 99 of the IFSA requires you to obtain the prior written approval of BNM before:

- (a) entering into an agreement or arrangement to acquire any interest in our Company that would result in you holding an aggregate interest of 5% or more in our Company; or

DIVIDEND REINVESTMENT PLAN STATEMENT

- (b) entering into any subsequent agreement or arrangement that would result in you holding an aggregate interest in our Company exceeding
 - (i) any multiple of 5%; or
 - (ii) the percentage holding for a mandatory offer under the Malaysian Code on Take-Overs and Mergers 2016.

In addition, the prior written approval of the Minister of Finance, on the recommendation of BNM, is required before you enter into an agreement or arrangement to acquire any interest in our Company that would result in you holding an aggregate of more than 50% of the interest in our Company. You should further note that Section 104 of the IFSA prohibits an individual from holding more than 10% of interest in our Company unless with prior written approval of BNM is obtained. In the event the shareholding limits are expected to be breached by you as a result of your participation in the Proposed DRP, you are advised to seek the approval of BNM for each exercise of the Reinvestment Option prior to electing to participate in the Proposed DRP.

You are responsible for ensuring that your participation in the Dividend Reinvestment Plan will not result in a breach of any restrictions applicable to your respective holding of STMKB Shares which may be imposed by any of your contractual obligations, or by statute, law or regulation in force in Malaysia or any other relevant jurisdiction, or by any relevant authorities, as the case may be (unless the requisite approvals under the relevant statute, law or regulation or from the relevant authorities are first obtained or the relevant contractual obligation is otherwise waived in accordance with the terms and conditions of the relevant contracts), or as prescribed in our Constitution.

In view of the shareholding limit referred to above, notwithstanding the proportion of Electable Portion which may be determined by our Board to be reinvested, our Board shall be entitled but not obligated to reduce or limit the number of DRP Shares to be issued to you should our Board be aware or be informed in writing of any expected breach of such shareholding limits as a result of you exercising the Reinvestment Option, in which case our Board reserves the right to pay the Electable Portion or any part thereof in cash.

15. DISCLAIMER

Notwithstanding anything to the contrary, our Company, and our respective Directors, officers, employees, agents, affiliates, advisers and representatives, shall not, under any circumstance, be held liable for any damages, cost, loss and expense whatsoever and howsoever arising / incurred / suffered by any person including any of you arising out of or in connection with the Dividend Reinvestment Plan including:

- (a) any obligation of any of you to undertake a mandatory offer as a result of the Dividend Reinvestment Plan;
- (b) a breach of any restrictions on any of your holding of DRP Shares, which may be imposed by any of your contractual obligations, or by any statute, law or regulation in force in Malaysia or any other relevant jurisdiction, as the case may be (unless the requisite approvals under the relevant statute, law or regulation are first obtained or the relevant contractual obligation is otherwise waived in accordance with the terms and conditions of the relevant contracts), or as prescribed in our Constitution;
- (c) any losses that you have suffered due to changes in prices of the STMKB Shares or the quantum of future Dividend after the implementation of the Dividend Reinvestment Plan; and
- (d) any modification, suspension and termination of the Dividend Reinvestment Plan.

DIVIDEND REINVESTMENT PLAN STATEMENT

16. GOVERNING LAW

The Dividend Reinvestment Plan Statement, the Dividend Reinvestment Plan and these Terms and Conditions shall be governed by, and construed in accordance with the laws of Malaysia.

17. NOTICES AND STATEMENTS

Unless otherwise provided in these Terms and Conditions, any notices, documents and statements required to be given by our Company to those of you who elect to participate shall be given in accordance with the provisions of our Constitution.



TAKAFULmalaysia

SYARIKAT TAKAFUL MALAYSIA KELUARGA BERHAD

(Registration Number 198401019089 (131646-K))

(Incorporated in Malaysia)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting (“**EGM**”) of Syarikat Takaful Malaysia Keluarga Berhad (“**STMKB**” or “**Company**”) will be conducted virtually through live streaming and online remote voting via remote participation and electronic voting facility from the broadcast venue at Dewan Ahmad Mohamed Ibrahim, 5th Floor, Annexe Block, Menara Takaful Malaysia, No. 4, Jalan Sultan Sulaiman, 50000 Kuala Lumpur, Malaysia on Thursday, 17 October 2024 at 10:00 a.m., or at any adjournment thereof, to consider and, if thought fit, to pass the following resolutions:

ORDINARY RESOLUTION 1

PROPOSED ESTABLISHMENT OF A DIVIDEND REINVESTMENT PLAN THAT PROVIDES THE SHAREHOLDERS OF STMKB WITH AN OPTION TO ELECT TO REINVEST THEIR CASH DIVIDEND INTO NEW ORDINARY SHARES IN STMKB (“STMKB SHARES”) (“PROPOSED DRP”)

“**THAT** subject to the approvals of the relevant authorities for the Proposed DRP being obtained and to the extent permitted by law:

- (a) the Proposed DRP be and is hereby approved and authorised;
- (b) the Board of Directors of the Company (“**Board**”) be and is hereby authorised:
 - (i) to establish and implement the Proposed DRP based on the terms and conditions of the Dividend Reinvestment Plan Statement; and
 - (ii) to determine, at their sole and absolute discretion, whether the Proposed DRP will apply to any cash dividend declared and/or approved by the Company or by the Board (as the case may be) (whether interim, final, special or any other types of cash dividend);

AND THAT the Board be and is hereby authorised to do all such acts and enter into all such transactions, arrangements, deeds and undertakings and to execute, sign and deliver for and on behalf of the Company, all such documents and impose such terms and conditions or delegate all or any part of its powers as may be necessary or expedient in order to implement, finalise and give full effect to the Proposed DRP, with full powers to assent to any conditions, variations, modifications and/or amendments, including amendment, modification, suspension and termination of the Proposed DRP, as the Board may, in its absolute discretion, deem fit or expedient, and in the best interest of the Company and/or as may be imposed or agreed to by any relevant authorities.”

ORDINARY RESOLUTION 2

ALLOTMENT AND ISSUANCE OF NEW STMKB SHARES PURSUANT TO THE PROPOSED DRP (“DRP SHARES”) (“ISSUANCE OF DRP SHARES”)

“**THAT** subject to the passing of Ordinary Resolution 1 and the approvals of all relevant authorities being obtained, approval be and is hereby given to the Board to allot and issue such number of DRP Shares from time to time as may be required to be allotted and issued, upon the terms and conditions and to such persons as the Board may, in its absolute discretion, deem fit or expedient, and in the best interest of the Company PROVIDED THAT the issue price of the DRP Shares, which will be determined by the Board on the price fixing date to be determined and announced (“**Price Fixing Date**”), shall be fixed by the Board at a price of not more than a 10% discount to the five-day volume weighted average price (“**VWAP**”) of STMKB Shares immediately before the Price Fixing Date. The five-day VWAP of STMKB Shares shall be adjusted ex-dividend before applying the aforementioned discount in fixing the issue price of the DRP Shares and that such authority to allot and issue the DRP Shares shall continue to be in force until the conclusion of the Company’s next annual general meeting.

THAT the DRP Shares shall, upon allotment and issuance, rank equally in all respects with the then existing STMKB Shares, save and except that the DRP Shares shall not be entitled to any dividends, rights, benefits, entitlements and/or other distributions the entitlement date of which is before the date of allotment of the DRP Shares.

AND THAT the Board be and is hereby authorised to do all such acts and enter into all such transactions, arrangements, deeds and undertakings and to execute, sign and deliver for and on behalf of the Company, all such documents and impose such terms and conditions or delegate all or any part of its powers as may be necessary or expedient in order to implement, finalise and give full effect to the Issuance of DRP Shares, with full powers to assent to any conditions, variations, modifications and/or amendments, including amendment, modification, suspension and termination of the Proposed DRP, as the Board may, in its absolute discretion, deem fit or expedient, and in the best interest of the Company and/or as may be imposed or agreed to by any relevant authorities.”

BY ORDER OF THE BOARD

SUHLA AL ASRI
SSM PC No.: 201908002158
MAICSA No.: 7025570
Company Secretary

Kuala Lumpur
3 October 2024

Notes:

1. Save as set out in Note 3 below, a member of the Company entitled to attend and vote at this meeting is entitled to appoint up to two proxies to attend and to vote instead of him/her at the same meeting. A proxy may but need not be a member of the Company.
2. Where a member of the Company appoints two proxies, the appointment shall be invalid unless he/she specifies the proportion of his/her holdings to be represented by each proxy.

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 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. The instrument appointing a proxy in the case of an individual shall be signed by the appointer or his/her attorney and in the case of a corporation, must be under seal or under the hand of an officer or attorney duly authorised.
5. The appointment of a proxy may be made in a hard copy form or by electronic means in the following manner and must be received by the Company not less than 24 hours before the time appointed for holding the general meeting or adjourned general meeting at which the person named in the appointment proposes to vote:
 - (a) *In hard copy form*
By hand or post to the office of the Share Registrar of the Company, Boardroom Share Registrars Sdn Bhd, 11th Floor, Menara Symphony, 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor, Malaysia; or
 - (b) *Online*
Lodged electronically via “Boardroom Smart Investor Portal” at <https://investor.boardroomlimited.com>.
6. Only members whose names appear in the Record of Depositors on 10 October 2024 shall be eligible to attend, speak and vote at the EGM or appoint proxy(ies) to attend, speak and/or vote on their behalf.
7. Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all resolutions set out in the notice of EGM will be put to vote by poll.
8. The EGM of the Company will be conducted virtually through live streaming and online remote voting via remote participation and electronic voting facility from the broadcast venue at Dewan Ahmad Mohamed Ibrahim, 5th Floor, Annexe Block, Menara Takaful Malaysia, No. 4, Jalan Sultan Sulaiman, 50000 Kuala Lumpur, Malaysia. Please follow the procedures provided in the administrative details for the EGM in order to register, participate and vote remotely.
9. The broadcast venue of the EGM is strictly for the purpose of complying with Section 327(2) of the Companies Act 2016 which requires the Chairman of the meeting to be present at the main venue of the meeting. The broadcast venue of the EGM is for organising the virtual meeting and where streaming would be conducted from. Member(s)/proxy(ies) from the public will not be allowed to be physically present at the meeting venue.



SYARIKAT TAKAFUL MALAYSIA KELUARGA BERHAD
(Registration Number 198401019089 (131646-K))

FORM OF PROXY

| | |
|---------------------------|------------------------------|
| CDS Account Number | Number of Shares held |
| | |

I/We _____ Tel: _____
[Full name in block, NRIC/Passport/Company Number]

of _____
[Full Address]

being member(s) of **SYARIKAT TAKAFUL MALAYSIA KELUARGA BERHAD** (“**STMKB**” or “**Company**”) [Registration Number 198401019089 (131646-K)], hereby appoint:

| | | | |
|---|--|-----------------------------|---|
| Full Name (in Block and as per NRIC/Passport) | NRIC/Passport Number and email address | Proportion of Shareholdings | |
| | | Number of Shares | % |
| Address | | | |

and

| | | | |
|---|--|-----------------------------|---|
| Full Name (in Block and as per NRIC/Passport) | NRIC/Passport Number and email address | Proportion of Shareholdings | |
| | | Number of Shares | % |
| Address | | | |

or failing him/her, the Chairman of the Meeting, as my/our proxy to vote for me/us and on my/our behalf at the Extraordinary General Meeting (“**EGM**”) of the Company which will be conducted virtually through live streaming and online remote voting via remote participation and electronic voting facility from the broadcast venue at Dewan Ahmad Mohamed Ibrahim, 5th Floor, Annexe Block, Menara Takaful Malaysia, No. 4, Jalan Sultan Sulaiman, 50000 Kuala Lumpur, Malaysia on Thursday, 17 October 2024 at 10:00 a.m., or at any adjournment thereof.

My/Our proxy is to vote as indicated below:

| Number | Resolution | For | Against |
|--------|--|-----|---------|
| 1. | Ordinary resolution – Proposed DRP | | |
| 2. | Ordinary resolution – Issuance of DRP Shares | | |

Please indicate with an “X” in the space provided whether you wish your votes to be cast for or against the resolution. In the absence of specific direction, your proxy will vote or abstain as he thinks fit.

Signed this _____ day of _____ 2024

Signature / Common seal of Shareholder(s)



Notes:

1. Save as set out in Note 3 below, a member of the Company entitled to attend and vote at this meeting is entitled to appoint up to two proxies to attend and to vote instead of him/her at the same meeting. A proxy may but need not be a member of the Company.
2. Where a member of the Company appoints two proxies, the appointment shall be invalid unless he/she specifies the proportion of his/her holdings to be represented by each proxy.
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 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. The instrument appointing a proxy in the case of an individual shall be signed by the appointer or his/her attorney and in the case of a corporation, must be under seal or under the hand of an officer or attorney duly authorised.
5. The appointment of a proxy may be made in a hard copy form or by electronic means in the following manner and must be received by the Company not less than 24 hours before the time appointed for holding the general meeting or adjourned general meeting at which the person named in the appointment proposes to vote:
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AFFIX
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The Share Registrar

BOARDROOM SHARE REGISTRARS SDN BHD
(Registration Number 199601006647 (378993-D))
11th Floor, Menara Symphony
5, Jalan Prof. Khoo Kay Kim
Seksyen 13
46200 Petaling Jaya
Selangor Darul Ehsan
Malaysia

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