



**MALAYSIA BUILDING SOCIETY BERHAD**  
(Registration No. 197001000172 (9417-K))  
(Incorporated in Malaysia)

## **DIVIDEND REINVESTMENT PLAN STATEMENT**

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

This Dividend Reinvestment Plan Statement contains the Terms and Conditions under which persons registered in the ROD as the holders of MBSB Shares on the Books Closure Date may, in relation to any Dividend, be given an option to reinvest the whole or part of such Dividend into new MBSB Shares as the Board may, at its absolute discretion, make available (“**Dividend Reinvestment Plan**”).

### **SUMMARY OF THE DIVIDEND REINVESTMENT PLAN**

The Dividend Reinvestment Plan will provide Shareholders the option to reinvest their Dividends into new MBSB Shares in lieu of receiving cash.

Whenever a Dividend is announced, the Board may, at its absolute discretion, determine whether to offer the Shareholders the Option to Reinvest and where applicable, the size of the Electable Portion. Shareholders should note that MBSB is not obliged to undertake the Dividend Reinvestment Plan for every Dividend declared.

In this respect, the Electable Portion may encompass the whole Dividend declared or only a portion of the Dividend. In the event the Electable Portion is not applicable for the whole Dividend declared, the remaining portion of the Dividend will be wholly satisfied in cash.

**Unless the Board has determined that the Option to Reinvest will apply to a particular Dividend declared or a part thereof, all Dividends as may be declared by MBSB will be wholly satisfied in cash in the usual manner.**

MBSB will issue new MBSB Shares to Shareholders who elect to exercise the Option to Reinvest under the Dividend Reinvestment Plan. For the purpose of calculating the number of new MBSB Shares to be issued pursuant to the Dividend Reinvestment Plan, the issue price of such new MBSB Shares shall not be at more than ten percent (10%) discount to the VWAP of MBSB Shares for the five (5) days immediately prior to the price-fixing date. The VWAP shall be adjusted ex-dividend before applying the discount in fixing the Issue Price. The Issue Price shall be announced on or before the announcement of the Books Closure Date.

Bursa Securities’ approval had been obtained for the listing of and quotation for the new MBSB Shares on the Main Market of Bursa Securities on 11 June 2021.

Subsequent to the Books Closure Date, a Notice of Election will be sent to the Shareholders. For Shareholders who have registered their e-mail addresses in their CDS accounts, the Notice of Election will be sent to such Shareholders via e-mail in softcopy. Hardcopies of the Notice of Election will be sent via ordinary mail to Shareholders who do not have their e-mail addresses registered in their CDS accounts. Instructions will be provided in the Notice of Election in respect of the action to be taken by the Participating Shareholders. The Notice of Election will also state, *inter alia*, the Expiry Date. A Participating Shareholder whose name appears in the ROD as at the Books Closure Date, may elect to exercise their Option to Reinvest through submission of the hardcopy DRF contained in the Notice of Election or electronically through the e-DRF via TIIH Online. Please refer to Section 5.2 of this Dividend Reinvestment Plan Statement for instructions as well as terms and conditions of the electronic election of the Dividend Reinvestment Plan via TIIH Online.

MBSB will, within eight (8) Market Days from the Expiry Date or such other date as may be prescribed by Bursa Securities, allot and issue the new MBSB Shares and despatch notices of allotment to the Participating Shareholders.

MBSB will also release an announcement in respect of the day on which the new MBSB Shares will be listed and quoted on the Main Market of Bursa Securities.

The Dividend Reinvestment Plan will allow Shareholders to have the following options in respect of the Electable Portion:

- (a) elect to exercise the Option to Reinvest and thereby reinvest the entire Electable Portion (or a part thereof) at the Issue Price and to receive cash for the remaining portion of the Dividend (in the event that only part of the Electable Portion is reinvested); or
- (b) elect not to exercise the Option to Reinvest and thereby receive their entire Dividend entitlement wholly in cash.

There are no brokerage fee and other related transaction costs payable by Participating Shareholders on the new MBSB Shares allotted (unless otherwise provided by any statute, law or regulation). In the event any Participating Shareholders confirm his election via TIIH Online, a handling fee is chargeable by the Share Registrar.

The new MBSB Shares to be issued pursuant to the Dividend Reinvestment Plan will rank equally in all respects with the then existing MBSB Shares, save and except that the new MBSB Shares will not be entitled to any dividends, rights, allotments and/or other distributions that may be declared, made or paid to the Shareholders, the entitlement date of which is prior to date of allotment of the new MBSB Shares to be issued pursuant to the Dividend Reinvestment Plan.

Notice of allotment will be despatched on the allotment date to the Participating Shareholders. The new MBSB Shares will be credited directly into the respective CDS accounts of the Participating Shareholders. Subsequently, the Company will make an announcement on the day the new MBSB Shares are listed and quoted on the Main Market of Bursa Securities.

All Shareholders are eligible to participate in the Dividend Reinvestment Plan subject to the restrictions described in the Terms and Conditions.

## HOW TO PARTICIPATE

Participation in the Dividend Reinvestment Plan is optional and the Option to Reinvest is neither renounceable nor transferable. A Shareholder wishing to reinvest into new MBSB Shares in respect of any Electable Portion to which the Notice of Election received by him relates must complete the DRF and return it to the Share Registrar in accordance with the instructions as prescribed therein or complete the e-DRF via TIIH Online in accordance with the instructions stipulated therein.

A Shareholder who has more than one (1) CDS account, and wishing to reinvest into new MBSB Shares in respect of all of his entitlement to the Electable Portion arising from his entire shareholding of MBSB Shares must complete all DRFs (contained in the Notice of Election) received by him and return the completed DRF to the Share Registrar or complete the e-DRF via TIIH Online in accordance with the instructions as prescribed therein. Shareholders should note that they are at liberty to decide which particular Notices of Election they wish to elect for the reinvestment into new MBSB Shares. Where any particular Notice of Election is not elected upon, the Dividend relating thereto will be paid in cash by the Company to the relevant Shareholders who have not elected, in the usual manner.

To be effective in respect of any Electable Portion to which a Notice of Election relates, such duly completed and signed DRF (contained in the Notice of Election) must be received by the Share Registrar or to complete the e-DRF via TIIH Online, no later than the date to be specified by the Board and stated in the Notice of Election in respect of that particular Option to Reinvest.

All Shareholders are eligible to participate in the Dividend Reinvestment Plan, provided that:

- (a) such participation will not result in a breach of any restrictions on their shareholding of MBSB Shares which may be imposed by any of their contractual obligations, or by any 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 approval 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); and
- (b) there are no restrictions for such participation as prescribed in the Company's Constitution.

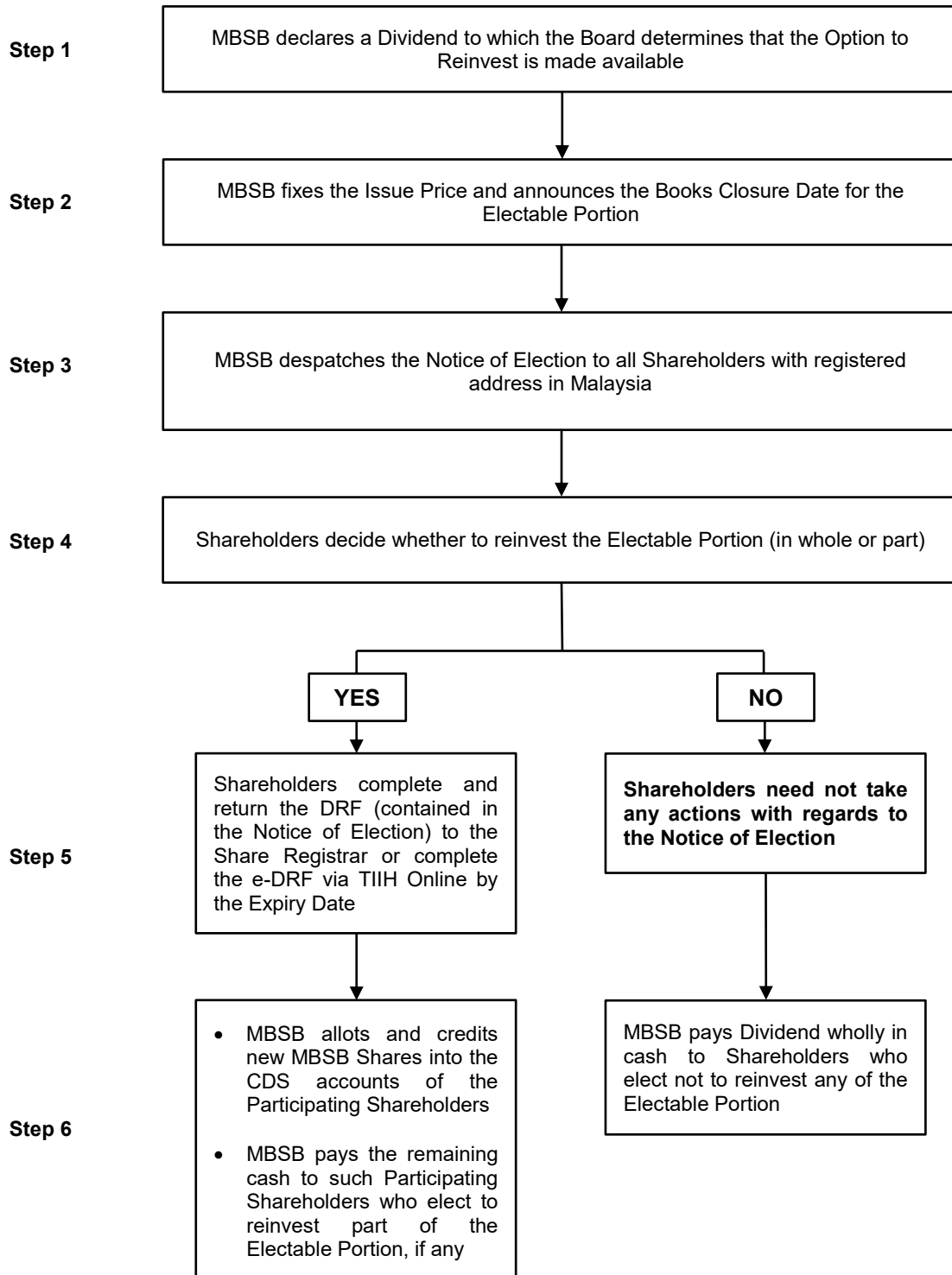
**Shareholders should however note that to avoid any violation on the part of MBSB of the securities laws applicable outside Malaysia, the Notice of Election will not be sent to Foreign Addressed Shareholders unless such Foreign Addressed Shareholders provide the Share Registrar with their respective registered address in Malaysia no later than the relevant Books Closure Date.**

Shareholders should note that under the Dividend Reinvestment Plan:

- (i) in exercising the Option to Reinvest, they are at their liberty to reinvest the entire Electable Portion or a part thereof to which a Notice of Election relates, either via the DRF or the e-DRF via TIIH Online; and
- (ii) their right to exercise the Option to Reinvest is non-transferable.

## THE PROCESS FLOW CHART

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



### **Note:**

*In respect of Step 6, the Shareholders should note that the cash payment and the share allotment will occur on the same day, which shall be within one (1) month from the Books Closure Date and in any event, within three (3) months from the date of declaration of the Dividend or the date on which approval is obtained in a general meeting of the Company, whichever is applicable.*

## TERMS AND CONDITIONS OF THE DIVIDEND REINVESTMENT PLAN

### 1. Establishment

The Dividend Reinvestment Plan has been established by the Board and the administration of the Dividend Reinvestment Plan, including the Option to Reinvest and the Electable Portion shall be determined by the Board at its absolute discretion.

### 2. Definitions

The following definitions shall apply in these Terms and Conditions:

Allotment Date	:	Date of allotment and issuance of new MBSB Shares which falls within eight (8) Market Days from the Expiry Date or such date as may be prescribed by Bursa Securities
Board	:	Board of Directors of MBSB
Books Closure Date	:	Books closure date in relation to a Dividend to which the Dividend Reinvestment Plan applies
Bursa Depository	:	Bursa Malaysia Depository Sdn Bhd
Bursa Securities	:	Bursa Malaysia Securities Berhad
CDS	:	Central Depository System
Constitution	:	Constitution of the Company, as amended, supplemented and/or modified from time to time
CMSA	:	Capital Markets and Services Act 2007, as amended from time to time
Dividend(s)	:	Dividend (including any interim, final, special and/or other dividend) declared/proposed by MBSB for the respective financial year
DRF	:	Dividend reinvestment form which is contained in the Notice of Election
e-DRF	:	Electronic DRF
Electable Portion	:	The whole or a portion of the Dividend declared by MBSB to which the Board, in its absolute discretion, determines that the Option to Reinvest applies
Expiry Date	:	The last date and time (which will be fixed and announced by the Board) by which an election made by the Shareholders in relation to the Electable Portion must be received by the Share Registrar
Foreign Addressed Shareholders	:	Shareholders whose registered addresses are outside of Malaysia

Issue Price	:	The issue price for the new MBSB Shares determined by the Board on the price-fixing date announced which is at a discount not more than ten percent (10%) to the five (5)-day VWAP of MBSB Shares immediately preceding the price-fixing date. The VWAP had been adjusted ex-dividend before applying the discount in fixing the Issue Price
Listing Requirements	:	The Main Market Listing Requirements of Bursa Securities including all amendments thereto and any practice notes issued in relation thereto
Market Day	:	A day on which Bursa Securities is open for the trading of securities
MBSB or Company	:	Malaysia Building Society Berhad
MBSB Share(s)	:	Ordinary share(s) in MBSB
Notice of Election	:	The notice of election (in such form as the Board may approve) pursuant to the Dividend Reinvestment Plan by which the Shareholders confirm their exercise of the Option to Reinvest through the DRF contained therein
Official List	:	A list specifying all securities which have been admitted for listing on Bursa Securities and are not removed
Option to Reinvest	:	The option given to the Shareholders pursuant to the Dividend Reinvestment Plan, to reinvest the Electable Portion of their Dividend into new MBSB Shares as the Board may, at its absolute discretion, make available
Participating Shareholder(s)	:	Shareholder(s) who elect(s) to exercise the Option to Reinvest pursuant to the Dividend Reinvestment Plan to the extent of the Electable Portion as determined by the Board at its absolute discretion in respect of his shareholding of MBSB Shares as at the Books Closure Date to which the Notice of Election received by him relates
Registered Shareholder(s)	:	Shareholder(s) who have successfully registered with TIIH Online
RM and sen	:	Ringgit Malaysia and sen respectively, being the lawful currency of Malaysia
ROD	:	Record of Depositors of MBSB
Rules	:	Rules on Take-overs, Mergers and Compulsory Acquisitions issued by the Securities Commission Malaysia, as amended, supplemented and/or modified from time to time
Shareholder(s)	:	Shareholder(s) of MBSB
Share Registrar	:	The registrar of MBSB, namely Tricor Investor & Issuing House Services Sdn Bhd
Terms and Conditions	:	The terms and conditions of the Dividend Reinvestment Plan as amended, modified and supplemented from time to time

TIIH Online : Tricor Investor & Issuing House Services Sdn Bhd's online system at <https://tiih.online>

VWAP : Volume weighted average price

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

### **3. Eligibility**

All Shareholders are eligible to participate in the Dividend Reinvestment Plan provided that:

- (a) such participation will not result in a breach of any restrictions on their shareholdings of MBSB Shares which may be imposed by any of their contractual obligations, or by any 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 approval under the relevant statute, law or regulation 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); and
- (b) there are no restrictions for such participation as prescribed in the Company's Constitution.

### **4. Foreign Addressed Shareholders**

To avoid any violation on the part of MBSB of the securities laws applicable outside Malaysia, the Dividend Reinvestment Plan will only be offered for subscription in Malaysia, and will not be offered for subscription in any country other than Malaysia. Accordingly, all documents relating to the Dividend Reinvestment Plan, including the Notice of Election will not be sent to the Foreign Addressed Shareholders. No Foreign Addressed Shareholder shall have any claim whatsoever against the Company as a result of the documents relating to the Dividend Reinvestment Plan not being sent to such Foreign Addressed Shareholder. Foreign Addressed Shareholders who receive or come to have in their possession the Notice of Election and/or any other documents relating to the Dividend Reinvestment Plan may not treat the same as being applicable to them (except where the Notice of Election, DRF and/or documents relating to the Dividend Reinvestment Plan have been collected from the Share Registrar in the manner specified below) and are, in any event, advised to inform themselves of, and to observe, any prohibitions and restrictions, and to comply with any applicable laws and regulations relating to the Dividend Reinvestment Plan as may be applicable to them.

Foreign Addressed Shareholders who wish to change their addresses for service of documents to an address in Malaysia should inform their respective stockbrokers to effect the change of address. Such notification should be done prior to the Books Closure Date.

Alternatively, such Foreign Addressed Shareholders may collect the Notice of Election and/or other documents relating to the Dividend Reinvestment Plan from the Share Registrar at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or such address as may be announced by MBSB from time to time and the Share Registrar may in such event be entitled to satisfy itself as to the identity and authority of the person collecting the Notice of Election or other documents relating to the Dividend Reinvestment Plan; or alternately provide the Share Registrar with their respective address in Malaysia not later than three (3) Market Days prior to the relevant Books Closure Date in respect of which the Board has determined that the Option to Reinvest applies.

Foreign Addressed Shareholders will be solely responsible for seeking advice as to the laws of any jurisdiction that they may be subjected to, and participation by the Foreign Addressed Shareholders in the Dividend Reinvestment Plan will be on the basis that they may lawfully so participate in the Dividend Reinvestment Plan without the Company, its Directors and its employees and its advisers and the employees of the advisers being in breach of the laws of any jurisdiction. This Dividend Reinvestment Plan Statement, together with the Notice of Election, have not been and will not be registered with or be made to comply with any applicable securities legislation or equivalent legislation (or with or by any regulatory authority or other relevant body) of any country/jurisdiction other than Malaysia.

## **5. Mode of Election**

### **5.1 Manual submission through the DRF**

Subsequent to the Books Closure Date, the Company will, at its discretion, send to each Shareholder one (1) or more Notices of Election in relation to each CDS account held by the Shareholder. The Notice of Election will state the instructions in relation to the action that is required to be taken by the Shareholders to exercise their respective Option to Reinvest and will also specify the Expiry Date.

To be effective in respect of any Electable Portion, the DRF (contained in the Notice of Election) must be duly completed and executed by the Shareholder as to the confirmation of his election to reinvest the Electable Portion and must be received by the Share Registrar, no later than the Expiry Date.

A Shareholder who receives more than one (1) Notice of Election and wishes to reinvest into new MBSB Shares in respect of all of his entitlement to the Electable Portion arising from his entire shareholding of MBSB Shares must complete all the DRFs received by him and return all the completed DRFs to the Share Registrar no later than the Expiry Date specified in the Notice of Election. Shareholders who receive more than one (1) Notice of Election may elect to reinvest into new MBSB Shares in respect of his entitlement to which one (1) Notice of Election relates and declines to reinvest into new MBSB Shares in respect of his entitlement to which another or any other Notice of Election relates. Shareholders should note that they are at liberty to decide which particular Notice of Election they wish to elect for the reinvestment into new MBSB Shares. Where any particular Notice of Election is not elected upon, the Dividend relating thereto will be paid in cash by the Company.

Notwithstanding the date of receipt by the Share Registrar of the completed DRF, in accordance with Paragraph 6.09 of the Listing Requirements, the Allotment Date of the new MBSB Shares will take place within eight (8) Market Days from the Expiry Date or such other date as may be prescribed by Bursa Securities, provided that the completed DRF is received by the Share Registrar no later than the Expiry Date. For clarification, only duly completed and signed DRF will be accepted.

A DRF in respect of any Electable Portion shall not, upon receipt by the Company or the Share Registrar, be withdrawn or cancelled.

The Company has the discretion and right to accept or reject any DRF that is incomplete, contains errors or is otherwise defective. The Company is under no obligation to correct any invalid DRF on behalf of any Shareholder or to provide any reason for rejecting any DRF.

By electing to participate in the Option to Reinvest under the Dividend Reinvestment Plan via the form election, the Participating Shareholder unconditionally:

- (a) warrants to the Company that he has the legal right, full power and authority to participate in the Dividend Reinvestment Plan and that his participation in the Dividend Reinvestment Plan will not result in a breach of any law or regulation or contractual obligation by which he is bound;



- (b) acknowledges that the Company may at any time determine whether the Participating Shareholder's DRF is valid, even if, the DRF is incomplete, contains errors or is otherwise defective;
- (c) acknowledges that the Company may accept or reject the Participating Shareholder's DRF and the decision of the Company is final and conclusive and agrees that the Company need not provide any reason therefore;
- (d) acknowledges that the Company has not provided the Participating Shareholder with investment advice or any other advice;
- (e) agrees to the Terms and Conditions and agrees not to do any act or thing which would be contrary to the intention or purpose of the Dividend Reinvestment Plan;
- (f) submits to the jurisdiction of the Malaysian Courts, in each case, at all times until the termination of the Dividend Reinvestment Plan; and
- (g) agrees that notwithstanding any other provisions, the Terms and Conditions set out herein or otherwise and irrespective of whether an election to exercise the Option to Reinvest has been made, if at any time after the Board has determined that the Dividend Reinvestment Plan shall apply to any Dividend and before the allotment and issuance of the new MBSB Shares in respect of the Electable Portion, the Board shall consider that by reason of any event or circumstance (whether arising before or after such determination) or by reason of matter whatsoever it is no longer expedient or appropriate to implement the Dividend Reinvestment Plan in respect of the Electable Portion, the Board may, at its absolute discretion and as when it deem fit in the interest of the Company and without assigning any reason thereof/therefore, cancel the application of the Dividend Reinvestment Plan in relation to the Electable Portion 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, the Shareholders shall receive the Electable Portion in cash in the usual manner.

MBSB shall, on the Participating Shareholders' behalf, affix the Malaysian Revenue Stamp of RM10.00 on the DRF. Hence, the Participating Shareholders are not required to affix any Malaysian Revenue Stamp on the DRF.

## **5.2 Electronic submission through the e-DRF via TIIH Online**

Subsequent to the Books Closure Date, Shareholders who wish to exercise their respective Option to Reinvest electronically may do so via TIIH Online at <https://tiih.online>. To use the electronic services to exercise their Option to Reinvest, Shareholders are required to do a one-time registration (at no charge) as a user with TIIH Online. For a Registered Shareholder, TIIH Online will send him an electronic notification via e-mail to notify him that the Dividend Reinvestment Plan is available for him to exercise his Option to Reinvest electronically. Shareholders are advised to read the instructions as well as the terms and conditions of the electronic election before making an election electronically.

Participating Shareholders who wish to opt for electronic election via TIIH Online shall take note of the following instructions:

- (a) any electronic election of Electable Portion received by the Share Registrar after the Expiry Date shall be regarded as null and void and of no legal effect unless the Board in its sole discretion determines otherwise and such Registered Shareholder who is entitled to the Dividend based on his entitlement on the Books Closure Date, as the case may be, shall be deemed to have elected to receive the Dividend entitlement in cash. An electronic election, once received by the Share Registrar from the Participating Shareholder, is irrevocable and shall be binding on him;

- (b) the Registered Shareholder will receive one (1) notification to login to TIIH Online in relation to all CDS accounts held by the shareholder. For each CDS account, the Registered Shareholder can have the option to elect to participate and thereby reinvest the entire Electable Portion or a part thereof into new MBSB Shares and, if applicable, receive the balance Electable Portion wholly in cash. Accordingly, for each CDS account, the Registered Shareholder can elect to exercise the Option to Reinvest in full or partial as stipulated in his entitlement to the Dividend Reinvestment Plan or if the Registered Shareholder does not so elect, he will receive his Dividend entitlement wholly in cash;
- (c) multiple submissions in relation to the same CDS account, or those appearing to be, or suspected of being multiple submissions in relation to the same CDS account, may be rejected at the discretion of the Board, and such Registered Shareholders shall be treated as having elected to receive their Dividend entitlement in cash;
- (d) the electronic election made must be in accordance with the notes and instructions in TIIH Online, this Dividend Reinvestment Plan Statement and the Notice of Election. Any electronic election submitted that does not conform to the terms of TIIH Online, this Dividend Reinvestment Plan Statement and the Notice of Election or which are illegible may not be accepted at the sole discretion of the Company. The Company reserves the right at its absolute discretion to reject any electronic election which are incomplete, incorrectly completed, and/or illegible, and such Registered Shareholders shall be treated as having elected to receive their Dividend entitlement in cash;
- (e) the maximum number of new MBSB Shares available under the Option to Reinvest that is set out in the Notice of Election have been computed based on the Registered Shareholders' shareholdings as stated in the ROD, the Registered Shareholders' Dividend entitlement as at the Books Closure Date and the Issue Price. Participating Shareholders are not allowed to enter a number of new MBSB Shares to invest which is higher than the maximum number of new MBSB Shares available under the Option to Reinvest;
- (f) a handling fee is payable should the Participating Shareholder opt for the electronic election of the Option to Reinvest via TIIH Online. MBSB shall, on the Participating Shareholders' behalf, pay a stamp duty of RM10.00. Hence, Participating Shareholders are not required to pay any stamp duty; and
- (g) the new MBSB Shares arising from the Option to Reinvest will be issued and credited into the Participating Shareholder's CDS account as stated in the ROD as at the Books Closure Date.

The procedures to exercise the Electable Portion electronically and submit the e-DRF are set out below:

**(i) Sign Up as a User of TIIH Online**

- (a) Access TIIH Online at <https://tiih.online>.
- (b) Under e-Services, select "**Sign Up**" – "**Create Individual Account**", which is applicable for individual shareholders. For corporation or institutional shareholders, its authorised or nominated representative is to select "**Create Corporate Holder Account**". You may refer to the tutorial guide posted on the homepage for assistance.
- (c) Registration will be verified and you will be notified by email within 1 to 2 working days.
- (d) Proceed to activate your account with the temporary password given in the email and re-set your own password.

**Note:**

*An email address is allowed to be used once to register a user account. The same email address cannot be used to register another user account. If you are already a user of TIIH Online, you are not required to sign up again. If you are signing up to represent a corporate holder account, please contact the Share Registrar for further details and requirements.*

**(ii) Procedures to Exercise Electable Portion**

**Individual Registered Shareholder**

- (a) Login to TIIH Online at <https://tiih.online>.
- (b) Select the corporate exercise name : MBSB DIV 67- DIVIDEND REINVESTMENT PLAN.
- (c) Read and agree to the Terms & Conditions and Declaration.
- (d) Select your CDS account.
- (e) Review your election and click "Confirm".
- (f) Proceed to pay a handling fee of RM5.00 for each e-DRF via online payment gateway either through Maybank2U or any Financial Process Exchange (FPX) participating bank which you have an internet banking account.
- (g) Upon completion of payment, print the payment receipt and your e-DRF for your record.

**Corporation or Institutional Registered Shareholder**

- (a) Login to TIIH Online at <https://tiih.online>.
- (b) Select the corporate exercise name : MBSB DIV 67- DIVIDEND REINVESTMENT PLAN.
- (c) Read and agree to the Terms & Conditions and Declaration.
- (d) Proceed to download the entitlement file.
- (e) Preview the respective CDS account details and your Electable Portion.
- (f) Proceed to pay a handling fee of RM2.00 for each e-DRF submission once you confirm on your election of payment into the bank account of the Share Registrar, details of which are as follows:

Account Name	Tricor Investor & Issuing House Services Sdn Bhd
Bank	Malayan Banking Berhad
Bank Account No.	514012025081
Bank Swift Code	MBBEMYKL

- (g) Upon completion of payment, prepare the submission of your election by inserting the required information into the entitlement file.
- (h) Login to TIIH Online, select corporate exercise name : MBSB DIV 67- DIVIDEND REINVESTMENT PLAN and proceed to upload the duly completed entitlement file.
- (i) Select "Submit" to complete your submission.
- (j) Print the confirmation report of your submission for your record.

The electronic election made via TIIH Online shall be made on, and subject to the terms and conditions of the Dividend Reinvestment Plan and those appearing herein:

- (i) by making and completing the Option to Reinvest via TIIH Online, the Registered Shareholder, if successful, requests and authorises Bursa Depository to credit the new MBSB Shares allotted to the Participating Shareholder into his CDS account, the new MBSB Shares arising from the Option to Reinvest will be issued and credited into his CDS account as stated in the ROD as at the Books Closure Date;
- (ii) this Dividend Reinvestment Plan Statement, the Dividend Reinvestment Plan and the Terms and Conditions shall be governed by, and construed in accordance with the laws of Malaysia and Registered Shareholders shall be deemed to have irrevocably and unconditionally submitted to the exclusive jurisdiction of the Malaysian Courts in respect of any matters in connection with the Dividend Reinvestment Plan;
- (iii) Registered Shareholder's confirmation for the number of new MBSB Shares elected for Option to Reinvest shall signify, and shall be treated as the Participating Shareholders' acceptance of new MBSB Shares available for the Option to Reinvestment that may be allotted to him;
- (iv) Registered Shareholder acknowledges that his election made via TIIH Online is subject to the risks of electrical, electronic, technical, transmission, communication and computer-related faults and breakdowns, fires and other events beyond the control of the Company or the Share Registrar and irrevocably agree that if the Company or Share Registrar does not receive the Registered Shareholder's election via TIIH Online or data relating to his election are wholly or partially lost, corrupted or inaccessible, or not transmitted or communicated to the Company or the Share Registrar by the Expiry Date, the Registered Shareholder's shall be deemed not to have made an election and he shall not make any claim whatsoever against the Company or the Share Registrar for the new MBSB Shares subscribe for or for any compensation, loss or damage relating to the subscription for the Dividend Reinvestment Plan;
- (v) all particulars of the Registered Shareholder including his nationality and place of residence, in the records of the relevant internet participating financial institution at the time the Registered Shareholder makes his election via TIIH Online shall be true and correct, and the Company, the Share Registrar, the authorised financial institution and Bursa Depository shall be entitled to rely on the accuracy thereof;
- (vi) the Registered Shareholder must inform Bursa Depository promptly of any change in address failing which the Notice of Allotment will be sent to his correspondence address last maintained with Bursa Depository; and
- (vii) by making and completing an election via TIIH Online, the Registered Shareholder agrees that:
  - (a) in consideration of the Company agreeing to allow and accept the Participating Shareholder's election under the Dividend Reinvestment Plan via TIIH Online at his respective internet services website, his election is irrevocable and cannot be subsequently withdrawn;
  - (b) the Company, the internet participating financial institution, Bursa Depository and the Share Registrar shall not be liable for any delays, failures or inaccuracies in the processing of data relating to his electronic election due to a breakdown or failure of transmission or communication facilities or to any cause beyond the Company's, the internet participating financial institution's, Bursa Depository's and the Share Registrar's control;

- (c) in relation to any legal action, proceedings or dispute arising out of or in relation with the contract between the parties and/or TIIH Online and/or any terms herein, all rights, obligations and liabilities shall be construed and determined in accordance with the laws of Malaysia and with all directives, rules, regulations and notices from regulatory bodies and that the Participating Shareholder irrevocably submit to the jurisdiction of the Malaysian Courts;
- (d) the Share Registrar, on the authority of the Company, reserves the right to reject electronic election which do not conform to these instructions;
- (e) any election made via TIIH Online that does not comply with the Terms and Condition shall be treated as invalid;
- (f) should the Registered Shareholder fail to meet or comply with the terms and conditions stipulated herein or fail to provide the information required accurately, the Company and/or the Share Registrar has the absolute and unfettered right to reject the Participating Shareholder's electronic election under the Dividend Reinvestment Plan;
- (g) in the event the Company and/or the Share Registrar rejects the electronic election or exercises its discretion to accept the electronic election made notwithstanding the non-compliance with any or all of the Terms and Conditions, the Company and/or the Share Registrar shall be absolved from any or all forms of liabilities, losses, damages, costs and claims that may be incurred or suffered by them as a result thereof;
- (h) the Company and/or the Share Registrar reserves the right not to accept or accept any electronic election made under the Dividend Reinvestment Plan via TIIH Online, in part or in full without assigning reason;
- (i) any invalid or rejected electronic election shall be treated as having elected to receive the Dividend entitlement in cash;
- (j) he acknowledges that the Company has not provided the Registered Shareholder with investment advice or any other advice; and
- (k) any electronic election via TIIH Online received by the Share Registrar after the Expiry Date shall be regarded as null and void and of no legal effect unless the Board at its sole discretion determines otherwise and such Registered Shareholder who is entitled to the Dividend based on his entitlement on the Books Closure Date, as the case may be, shall be deemed to have elected to receive the Dividend entitlement in cash.

Irrespective of whether an election is made by a Shareholder, a tax voucher will be despatched to all Shareholders. For income tax purposes, a Shareholder shall be treated as having received cash distribution equivalent to the amount of the Dividend declared, notwithstanding that the Shareholder may elect to exercise the Option to Reinvest. Hence, the election for the Option to Reinvest does not relieve the Shareholder of any income tax obligation (if applicable) and there is no tax advantage to be gained in exercising the Option to Reinvest or otherwise.

## **6. Extent of Application of Dividend Reinvestment Plan to Each Electable Portion**

The Board may, at its absolute discretion, determine in respect of any Dividend, whether the Dividend Reinvestment Plan shall apply and if so, whether the Electable Portion is for the whole or a portion of the Dividend. If the Board has, in its absolute discretion, determined that the Dividend Reinvestment Plan is not applicable to a particular Dividend, such Dividend shall be paid in cash to the Shareholders in the usual manner.

## 7. Share Entitlement

By electing to participate in the Dividend Reinvestment Plan in respect of any Notice of Election received by him, a Participating Shareholder elects to reinvest whole or part of the Electable Portion, to which such Notice of Election relates, into new MBSB Shares.

In respect of any Electable Portion, the number of new MBSB Shares to be allotted and issued to the Participating Shareholder electing to reinvest the whole or, if applicable, part of the Electable Portion into new MBSB Shares in respect of a Notice of Election shall be calculated in accordance with the following formula:

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

where:

- N = is the number of new MBSB Shares to be issued and allotted to the Participating Shareholder in respect of such Notice of Election.
- S = is the number of MBSB Shares held by the Participating Shareholder as at the Books Closure Date to which a Notice of Election relates.
- D = is the Electable Portion or part thereof (after deduction of applicable income tax) expressed in RM.
- W = is the proportion of the Electable Portion chosen by the Participating Shareholder to be reinvested into new MBSB Shares expressed in %, if applicable.
- V = is the Issue Price, which, for the purposes of the Dividend Reinvestment Plan, shall be an amount in RM as determined by the Board based on the five (5)-day VWAP of MBSB Shares immediately preceding the price-fixing date to which a discount of not more than ten percent (10%) may be applied. The VWAP shall be adjusted ex-dividend before applying the discount in fixing the Issue Price

Any fractional entitlement of new MBSB Shares computed in accordance with the above formula will be paid in cash to the Participating Shareholders in the usual manner.

The shareholding of a Shareholder in the Company will be diluted should he not exercise his Option to Reinvest while other Shareholders choose to exercise their Option to Reinvest. However, the extent of the dilution will depend on the number of new MBSB Shares issued by MBSB pursuant to the level of exercise of the Option to Exercise by the other Shareholders as a whole.

## 8. Odd Lots

Participating Shareholders who elect to exercise the Option to Reinvest may be allotted such new MBSB Shares in odd lots. Participating Shareholders who receive odd lots of new MBSB Shares and wish to trade such odd lots on Bursa Securities should do so on the odd lots market, which allows the trading of odd lots. A Participating Shareholder who does not wish to receive new MBSB Shares in odd lots may round down the number of new MBSB Shares elected such that he will receive new MBSB Shares in multiples of and not less than 100 new MBSB Shares.

## **9. Terms of Allotment**

Unless the Board otherwise determines, all new MBSB Shares allotted under the Dividend Reinvestment Plan shall upon allotment and issuance rank equally in all respects with the existing MBSB Shares, save and except that the new MBSB Shares will not be entitled to any dividends, rights, allotments and/or other distributions that may be declared, made or paid to the Shareholders, the entitlement of which is prior to the Allotment Date. It should be noted that since fractional new MBSB Shares will not be allotted, Participating Shareholders shall receive any amount of the Dividend payment that is insufficient for the issuance of one new MBSB Share, in cash, in the usual manner.

As the new MBSB Shares to be issued pursuant to the Dividend Reinvestment Plan are prescribed securities, the new MBSB Shares will be credited directly into the respective CDS accounts of Participating Shareholders and no physical share certificates will be issued.

## **10. Notification to Participating Shareholders**

MBSB will, within eight (8) Market Days from the Expiry Date or such other date as may be prescribed by Bursa Securities, allot and issue the new MBSB Shares and despatch notices of allotment to the Participating Shareholders. Concurrently, on the Allotment Date:

- (a) the cash portion (in the case of Participating Shareholders who elect to exercise part of their Option to Reinvest); and
- (b) the entire Dividend declared (in the case of Shareholders who do not exercise their Option to Reinvest),

will be paid in cash to the respective Shareholders in the usual manner.

An announcement will be made in respect of the day on which the new MBSB Shares will be listed and quoted on the Main Market of Bursa Securities.

## **11. Cost to the Participating Shareholders**

The new MBSB Shares will be issued free of any brokerage or fees to the Participating Shareholders unless otherwise provided by any statute, law or regulation. In the event that the Participating Shareholders confirm their election via TIIH Online, a handling fee is chargeable by the Share Registrar.

## **12. Cancellation of Application to the Dividend Reinvestment Plan**

Notwithstanding any other provisions, the Terms and Conditions as set out herein or otherwise and irrespective of whether an election to exercise the Option to Reinvest has been made, if at any time after the Board has determined that the Dividend Reinvestment Plan shall apply to any Dividend and before the allotment and issuance of new MBSB Shares in respect of the Electable Portion, the Board shall consider that by reason of any event or circumstance (whether arising before or after such determination) or by reason of any matter whatsoever it is no longer expedient or appropriate to implement the Dividend Reinvestment Plan in respect of the Electable Portion, the Board may, at its absolute discretion and as it deems fit and in the interests of the Company and without assigning any reason thereof/therefore, cancel the application of the Dividend Reinvestment Plan to the Electable Portion subject to any requirement or provision imposed by any statute, law or regulation in force in Malaysia. In such event, the Electable Portion shall be received in cash by the Shareholders in the usual manner.

### 13. **Modification, Suspension and Termination of the Dividend Reinvestment Plan**

Subject to any requirement or provision imposed by any statute, law or regulation in force in Malaysia, as the case may be, the Dividend Reinvestment Plan and the Terms and Conditions may be modified, suspended (in whole or in part) or terminated at any time by the Board as it deems fit or expedient by giving notice in writing to all Shareholders in such manner as the Board deems fit, notwithstanding any other terms and conditions of the Dividend Reinvestment Plan and irrespective of whether an election to exercise the Option to Reinvest has been made by a Shareholder.

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 the Board may resolve to recommence or terminate the Dividend Reinvestment Plan. If the Dividend Reinvestment Plan is recommenced, Participating Shareholders' DRF or their e-DRF confirming their participation under the previously suspended Dividend Reinvestment Plan will be valid and have full force and effect in accordance with the Terms and Conditions and any directions and other terms and conditions for such commencement of the Dividend Reinvestment Plan which may be notified to Shareholders.

### 14. **General Administration of the Dividend Reinvestment Plan**

The Board may implement the Dividend Reinvestment Plan in such manner as it deems fit.

The Board has the power to:

- (a) determine procedures, rules and regulations for the administration of the Dividend Reinvestment Plan which are consistent with the 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 Participating Shareholder or any MBSB Share and the determination of the Board will be conclusive and binding on all Shareholders and other persons to whom the determination relates;
- (c) delegate to any one (1) or more persons, for such period and on such conditions as the Board may determine, the exercise of any of its powers or discretion under or in respect of the Dividend Reinvestment Plan and references to a decision, opinion or determination of the Board include a reference to the decision, opinion or determination of the person or persons to whom the Board has delegated its authority for the purposes of administering the Dividend Reinvestment Plan; and
- (d) waive strict compliance by the Company or any Shareholder with any of the Terms and Conditions

### 15. **Implications of the Rules**

Shareholders should take note of Rule 4.01 Note 4, Part B of the Rules and Section 217 of the CMSA. In particular, a Shareholder should be aware that he may be under an obligation to extend a mandatory take-over offer for the remaining MBSB Shares not already owned by him and persons acting in concert with him ("**Affected Parties**"), if:

- (a) by participating in the Dividend Reinvestment Plan in relation to the reinvestment of the Electable Portion, the Affected Parties have obtained control via the acquisition or shareholding of, or entitlement to exercise or control the exercise of more than thirty three per cent (33%) of the voting shares or voting rights in MBSB, or such other amount as may be prescribed in the Rules; or



- (b) the Affected Parties acquire, including by participating in the Dividend Reinvestment Plan in relation to any Electable Portion, more than two percent (2%) of the voting shares or voting rights in MBSB in any period of six (6) months and the Affected Parties' shareholding were more than thirty-three percent (33%) but not more than fifty percent (50%) of the voting shares or voting rights of MBSB during that six (6) months period, or such other amount as may be prescribed in the Rules, howsoever effected.

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 any other relevant legislation or regulations in force in Malaysia. Therefore, in the event an obligation to undertake a mandatory offer is expected to arise resulting from the exercise of the Option to Reinvest, Affected Parties may wish to consult their respective professional advisers in relation to:

- (i) any obligation to make a take-over offer under the Rules as a result of any subscription for new MBSB Shares pursuant to their participation in the Dividend Reinvestment Plan; and
- (ii) making an application to the Securities Commission Malaysia for a waiver from the obligation to undertake a mandatory offer pursuant to the Rules prior to exercising their Option to Reinvest.

## **16. Shareholding Limits**

As MBSB and its wholly owned subsidiary company, MBSB Bank Berhad are engaged in the Islamic banking business, both MBSB and MBSB Bank Berhad are regulated under the Islamic Financial Services Act, 2013 and as such are subject to the shareholding limitations as prescribed under the aforementioned acts.

In the event that such prescribed shareholding limits are expected to be breached by any Shareholder (whether alone or together with any party acting in concert or associate) as a result of that Shareholder exercising his Option to Reinvest, the relevant Shareholder shall make and shall ensure such other relevant parties (if any) shall make the necessary applications to the relevant authority prior to their exercising of the Option to Reinvest.

All Shareholders are responsible for ensuring that their participation in the Dividend Reinvestment Plan will not result in a breach of any restrictions on their respective shareholding of MBSB Shares which may be imposed by any of the Shareholders' contractual obligations, or by statute, law or regulation in force in Malaysia or any other relevant jurisdiction, or by any relevant authorities (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 the Constitution, as the case may be.

In view of the aforementioned shareholding limits, notwithstanding any other provisions, should the Directors be aware of or be informed in writing of any expected breach of such shareholding limits as a result of the participation in the Dividend Reinvestment Plan by such Shareholder, the Directors shall be entitled, but not obligated (save and except where required by such law), to reduce or limit the number of new MBSB Shares to be issued to such Shareholder and/or to pay to such Shareholder, the Electable Portion or any part thereof in cash.

## **17. Disclaimer**

Notwithstanding anything to the contrary, the Board and the Company including any of its subsidiaries and its respective directors, officers, employees, agents, affiliates 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 Shareholder arising out of or in connection with the Dividend Reinvestment Plan including:

- (a) any obligation of any Shareholder to undertake a mandatory offer as a result of the Dividend Reinvestment Plan;
- (b) a breach of any restrictions on any Shareholder's shareholding of MBSB Shares which may be imposed by the Shareholder's contractual obligations, or by statute, law or regulation in force in Malaysia or any other relevant jurisdiction, or by any relevant authorities; and
- (c) any losses suffered by any Shareholders due to changes in prices of the MBSB Shares or the quantum of future Dividends after the implementation of the Dividend Reinvestment Plan.

## **18. Governing Law**

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

## **19. Notices and Statements**

Unless otherwise provided in the Terms and Conditions, any notices, documents and statements required to be given by the Company to a Participating Shareholder shall be given in accordance with the applicable provisions of the Constitution.