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**KENANGA INVESTMENT BANK BERHAD**

Company Registration No. 197301002193 (15678-H)  
(Incorporated in Malaysia)

**SHARE BUY-BACK STATEMENT**

**IN RELATION TO**

**THE PROPOSED RENEWAL OF AUTHORITY FOR THE COMPANY TO PURCHASE ITS OWN SHARES OF UP TO TEN PERCENT (10%) OF THE TOTAL NUMBER OF ISSUED SHARES OF THE COMPANY**

**AND**

**IN CONJUNCTION WITH THE SPECIAL BUSINESS AT THE FIFTIETH (50<sup>TH</sup>) ANNUAL GENERAL MEETING**

The resolution in respect of the above proposal will be tabled as Special Business at the Fiftieth (50<sup>th</sup>) Annual General Meeting ("**50<sup>th</sup> AGM**") of Kenanga Investment Bank Berhad ("**the Company**") to be conducted virtually at Level 19, Kenanga Tower, 237, Jalan Tun Razak, 50400 Kuala Lumpur, Wilayah Persekutuan, Malaysia ("**Broadcast Venue**") on Thursday, 30 May 2024 at 11.00 a.m. through live streaming and online remote voting via the Remote Participation and Electronic Voting Facilities ("**RPEV Facilities**") which are available at Boardroom Share Registrars Sdn Bhd ("**Boardroom**")'s Online platform at <https://meeting.boardroomlimited.my> (Domain Registration No. with MYNIC – D6A357657). Please follow the procedures provided in the Administrative Guide for the 50<sup>th</sup> AGM in order to register, participate and vote remotely via the RPEV Facilities.

The Broadcast Venue is for the purpose of complying with Section 327(2) of the Companies Act 2016 and Shareholder(s)/ Proxy(ies)/ Corporate Representative(s) will **NEITHER BE ALLOWED** to be physically present nor admitted at the Broadcast Venue on the day of the 50<sup>th</sup> AGM.

Last Date and Time for Lodging Proxy Form : Wednesday, 29 May 2024 at 11.00 a.m.  
Date and Time of AGM : Thursday, 30 May 2024 at 11.00 a.m.

This Statement is dated 30 April 2024

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## DEFINITIONS

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

“Act”	:	The Companies Act 2016, as amended from time to time and any re-enactment thereof
“AGM”	:	Annual General Meeting
“Board”	:	The Board of Directors of the Company
“Boardroom”	:	Boardroom Share Registrars Sdn Bhd (199601006647 (378993-D))
“Bursa Depository”	:	Bursa Malaysia Depository Sdn Bhd (198701006854 (165570-W))
“Bursa Securities”	:	Bursa Malaysia Securities Berhad (200301033577 (635998-W))
“Director”	:	Directors of KIBB and shall have the meaning given in Section 2(1) of the Capital Markets and Services Act 2007
“ESGP”	:	Employee Share Grant Plan
“EPS”	:	Earnings Per Share
“ESOS”	:	Employees’ Share Options Scheme
“ESS”	:	Employees’ Share Scheme
“KIBB” or “Company”	:	Kenanga Investment Bank Berhad (197301002193 (15678-H))
“KIBB Group” or “Group”	:	KIBB and its subsidiary companies, collectively
“KIBB Shares” or “Shares”	:	Ordinary share(s) of KIBB
“LPD”	:	2 April 2024, being the latest practicable date prior to the printing and despatch of this Statement
“Market Day”	:	A day on which the stock market of Bursa Securities is open for trading in securities, which may include 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.
“Main Market LR”	:	Main Market Listing Requirements of Bursa Securities as at the date of this Statement
“NA”	:	Net Assets
“Proposed Renewal of Share Buy-Back Authority”	:	Proposed renewal of share buy-back authority for KIBB to purchase up to ten percent (10%) of the total number of issued shares of the Company
“Purchased Shares”	:	KIBB Shares purchased or to be purchased by the Company pursuant to the proposed share buy-back authority

“Record of Depositors”	:	A record provided by Bursa Depository to the Company under Chapter 24.0 of the Rules of Bursa Depository
“RM” and “sen”	:	Ringgit Malaysia and sen, respectively
“RPEV Facilities”	:	Remote Participation and Electronic Voting Facilities
“Rules”	:	Rules on Take-Overs, Mergers and Compulsory Acquisitions issued by the SC, as amended from time to time and any re-enactment thereof
“SC”	:	Securities Commission Malaysia
“Treasury Shares”	:	The Shares purchased by the Company which are or will be retained in treasury and shall have the meaning given under Section 127 of the Act
“WAMP”	:	Weighted average market price

Words incorporating the singular shall, where applicable, include the plural and vice versa. Words incorporating the masculine gender shall, where applicable, include the feminine and neuter genders and vice versa. Reference to persons shall include a corporation, unless otherwise specified.

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

Certain figures in this Statement have been subject to rounding adjustments.

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# Kenanga

**KENANGA INVESTMENT BANK BERHAD**  
Company Registration No. 197301002193 (15678-H)  
(Incorporated in Malaysia)

## **SHARE BUY-BACK STATEMENT IN RELATION TO THE PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY**

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### **1. INTRODUCTION**

At the Forty-Ninth (49<sup>th</sup>) AGM of the Company held on 25 May 2023, the Company had obtained its Shareholders' approval to purchase up to ten percent (10%) of the total number of issued shares of the Company. The aforesaid Shareholders' mandate shall, in accordance with the Main Market LR, lapse at the conclusion of the forthcoming Fiftieth (50<sup>th</sup>) AGM ("**50<sup>th</sup> AGM**") of the Company, unless the mandate is renewed by the Shareholders.

The Board had, on 4 April 2024, announced to Bursa Securities its intention to seek the Shareholders' approval to renew the Shareholders' mandate to enable the Company to purchase up to ten percent (10%) of the total number of issued shares of the Company pursuant to Section 127 of the Act, Main Market LR and any prevailing laws, rules, regulations and guidelines issued by the relevant authorities at the time of purchase.

The purpose of this Statement is to provide you with the relevant information on the Proposed Renewal of Share Buy-Back Authority and to seek your approval for the Ordinary Resolution pertaining to the Proposed Renewal of Share Buy-Back Authority to be tabled at the forthcoming 50<sup>th</sup> AGM of the Company which will be held virtually at Level 19, Kenanga Tower, 237, Jalan Tun Razak, 50400 Kuala Lumpur, Wilayah Persekutuan, Malaysia on Thursday, 30 May 2024 at 11.00 a.m. through live streaming and online remote voting via the RPEV Facilities which are available at Boardroom's Online platform at <https://meeting.boardroomlimited.my> (Domain Registration No. with MYNIC – D6A357657). The Notice of the 50<sup>th</sup> AGM and the Proxy Form are despatched together with this Statement.

### **2. DETAILS OF THE PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY**

The Board proposes to seek approval from the Shareholders for a renewal of the existing authority to buy back up to a maximum of ten percent (10%) of the total number of issued shares of KIBB as quoted on the Main Market of Bursa Securities.

The Proposed Renewal of Share Buy-Back Authority, if approved at the forthcoming 50<sup>th</sup> AGM will be effective immediately and shall continue to be in force until -

- (a) the conclusion of the next AGM of the Company following the general meeting at which such resolution was passed at which time it will lapse unless by Ordinary Resolution passed at that meeting, the authority is renewed, either unconditionally or subject to conditions; or
- (b) the expiration of the period within which the next AGM after that date is required by law to be held; or
- (c) revoked or varied by an Ordinary Resolution passed by the Shareholders of the Company in general meeting,

whichever occurs first.

## **2.1 Maximum Number or Percentage of the Purchased Shares**

Based on the Company's total issued share capital as at LPD of RM253,833,942.25 comprising 735,762,599 KIBB Shares, the number of KIBB Shares that can be purchased by the Company shall be up to 73,576,259 KIBB Shares representing up to 10% of the total number of issued shares of the Company inclusive of the 9,308,300 KIBB Shares that have been purchased and retained as Treasury Shares. As such, the balance that can be purchased by the Company shall be up to 64,267,959 KIBB Shares.

The maximum amount of funds to be utilised by the Company for the Proposed Renewal of Share Buy-Back Authority will not exceed the Company's retained profits. Based on the Company's latest available Audited Financial Statements as at 31 December 2023, the retained profits stood at RM609,023,921.16.

## **2.2 Treatment of the Purchased Shares**

Pursuant to Section 127 of the Act, the Board may deal with the Purchased Shares in the following manner:

- (a) cancel the Shares so purchased;
- (b) retain the Shares so purchased as Treasury Shares;
- (c) retain part of the Shares so purchased as Treasury Shares and cancel the remainder;
- (d) distribute the Treasury Shares as share dividends to Shareholders;
- (e) resell the Treasury Shares or any of the said shares in accordance with the relevant rules of Bursa Securities;
- (f) transfer the Treasury Shares, or any of the said shares for the purposes of or under an employees' share scheme;
- (g) transfer the Treasury Shares, or any of the said shares as purchase consideration;
- (h) cancel the Treasury Shares or any of the said shares; or
- (i) sell, transfer or otherwise use the Treasury Shares for such other purposes as the Minister of Domestic Trade and Consumer Affairs may by order prescribe.

The decision to deal with the Purchased Shares as above, or in any manners as permitted by the Act, will be made by the Board at the appropriate time.

While the Purchased Shares are held as Treasury Shares, the rights attached to these shares in relation to attending or voting at meetings and receiving dividends or participating in other distribution, whether cash or otherwise, of the Company's assets including any distribution of assets upon winding up of the Company shall not be conferred. The Treasury Shares shall not be taken into account in calculating the number or percentage of shares or of a class of shares in the Company for any purposes including substantial shareholdings, takeovers, notices, the requisitioning of meetings, the quorum for a meeting and the result of a vote on a resolution at a meeting.

Where Treasury Shares are distributed as share dividends, the costs of the Shares on the original purchase shall be applied in the reduction of the funds otherwise available for distribution as dividends.

Where the Shares so purchased are cancelled or to cancel any Treasury Shares, the costs of the Shares shall be applied in the reduction of the profits otherwise available for distribution as dividends. The issued capital of the Company shall be diminished by the Shares so cancelled.

In the case of resale or transfer of Treasury Shares, the Company may only resell the Treasury Shares or transfer the Treasury Shares pursuant to Paragraph 12.18 of the Main Market LR at -

- (a) a price which is not less than the WAMP for the KIBB Shares for the five (5) Market Days immediately before the resale or transfer; or
- (b) a discounted price of not more than five percent (5%) to the WAMP for the KIBB Shares for the five (5) Market Days immediately before the resale or transfer provided that -
  - (i) the resale or transfer takes place not earlier than thirty (30) days from the date of purchase; and
  - (ii) the resale or transfer price is not less than the cost of purchase of the KIBB Shares being resold or transferred.

### **3. RATIONALE FOR THE PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY**

The Proposed Renewal of Share Buy-Back Authority will enable the Company to utilise its surplus financial resources more efficiently and this may help to stabilise the supply and demand of KIBB Shares traded on the Main Market of Bursa Securities and thereby support its fundamental value.

Any Shares purchased under the Proposed Renewal of Share Buy-Back Authority, whether to be held as Treasury Shares or subsequently cancelled, will effectively reduce the number of KIBB Shares carrying voting and participation rights. Therefore, the Shareholders of the Company may enjoy an increase in the value of their investment in KIBB due to the increase in its EPS.

The purchased KIBB Shares could be held as Treasury Shares and resold on Bursa Securities at a higher price with the intention of realising potential gain without affecting the total issued share capital of the Company. Should any Treasury Shares be distributed as share dividends, this would serve to reward the Shareholders of the Company.

The Proposed Renewal of Share Buy-Back Authority is not expected to have any potential material disadvantage to the Company and its Shareholders, and it will only be exercised after due consideration of the financial resources of KIBB and any resultant impact on the Shareholders of the Company. The Board, in exercising any decision to buy back any KIBB Shares, will be mindful of the interests of the Company and its Shareholders.

### **4. POTENTIAL ADVANTAGES AND DISADVANTAGES OF THE PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY**

The potential advantages of the Proposed Renewal of Share Buy-Back Authority, if implemented, to the Company and its Shareholders are as follows:

- (a) the Proposed Renewal of Share Buy-Back Authority will allow the Company to utilise its financial resources where there are no immediate use, to purchase the KIBB Shares. If the KIBB Shares purchased are held as Treasury Shares or cancelled immediately, this may strengthen the consolidated EPS of the Group;
- (b) the Proposed Renewal of Share Buy-Back Authority will also stabilise the supply and demand of KIBB Shares traded on Bursa Securities and reduce the volatility of KIBB Share prices. The stability of KIBB Share prices is important to maintain investors' confidence to facilitate future fund raising exercises of the Company via the equity market;

- (c) the Proposed Renewal of Share Buy-Back Authority will provide the Company opportunities for potential gains if the purchased KIBB Shares which are retained as Treasury Shares are resold at prices higher than the purchase prices;
- (d) in the event the Treasury Shares are distributed as share dividends, it will serve to reward the Shareholders of KIBB; and
- (e) in the event the Treasury Shares are transferred for the purpose of or under an employees' share scheme, it will serve to reward the employees of KIBB Group.

The potential disadvantages of the Proposed Renewal of Share Buy-Back Authority, if implemented, to the Company and its Shareholders are as follows:

- (a) it will reduce the financial resources of the Company. However, the financial resources of the Company may recover or increase if the Purchased Shares held as Treasury Shares are resold in the market;
- (b) the funds allocated for the share buy-back could be used for other better investment opportunities which may emerge in the future; and
- (c) as the funds to be allocated for the share buy-back must be made wholly out of the Company's retained profits, the amount available from these accounts for distribution of dividends to Shareholders of the Company may decrease accordingly.

## 5. FUNDING FOR THE PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY

The maximum amount of funds to be utilised by the Company for the Proposed Renewal of Share Buy-Back Authority shall not exceed the Company's retained profits. Based on the Company's latest available Audited Financial Statements as at 31 December 2023, the retained profits stood at RM609,023,921.16.

Any KIBB Shares to be bought by KIBB pursuant to the Proposed Renewal of Share Buy-Back Authority will be funded from internally generated funds and/ or funded by external borrowings, if so required. At the moment, the Company does not have any external borrowings for such purpose. In the event that the Company intends to purchase its own shares using external borrowings, the Board shall ensure that the Company shall have sufficient funds to repay the external borrowings and interest expense and that the repayment would not have any material effect on the cash flow of the Company. In addition, the Board shall ensure that the Company satisfies the solvency test as stated in Section 112(2) of the Act before execution of the Proposed Share Buy-Back.

The actual amount of internal funds and/ or external borrowings to be utilised will depend on, among others, the available internally generated funds, actual number of KIBB Shares to be purchased and other relevant cost factors at the time of purchase(s).

## 6. FINANCIAL EFFECTS OF THE PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY

The financial effects of the Proposed Renewal of Share Buy-Back Authority shown below are based on the following two (2) scenarios:

**Minimum Scenario** : Assuming none of the 19,337,259 outstanding ESOS and ESGP under ESS as at LPD are exercised into new KIBB Shares

**Maximum Scenario** : Assuming all 19,337,259 outstanding ESOS and ESGP under ESS as at LPD are exercised into new KIBB Shares



The proforma effects of the Proposed Renewal of Share Buy-Back Authority (assuming no resale, cancellation or distribution of Treasury Shares and KIBB purchased up to ten percent (10%) of the total number of its issued shares) are set out below.

## 6.1 Share Capital

Assuming the Proposed Renewal of Share Buy-Back Authority is implemented in full and all the purchased KIBB Shares are cancelled, the effect of the minimum and maximum number of KIBB Shares to be bought back as permitted under the Proposed Renewal of Share Buy-Back Authority on the issued share capital of the Company are illustrated below.

Details	Minimum Scenario	Maximum Scenario
Total number of issued shares of KIBB (including Treasury Shares)	735,762,599	735,762,599
Assuming full exercise of the outstanding ESOS and ESGP under the ESS via issuance of new shares	-	19,337,259
Enlarged total number of issued shares of KIBB after the exercise of the outstanding ESOS and ESGP under the ESS	735,762,599	755,099,858
Less: Maximum number of KIBB Shares which may be purchased and cancelled pursuant to the Proposed Renewal of Share Buy-Back Authority	(73,576,259)*	(75,509,985)*
Total number of issued shares after the Proposed Renewal of Share Buy-Back Authority	662,186,340	679,589,873

\* Inclusive of 9,308,300 KIBB Shares as at LPD that have been purchased and retained as Treasury Shares.

The actual quantum of Shares purchased under the Proposed Renewal of Share Buy-Back Authority is limited to the availability of the retained earnings of KIBB.

## 6.2 Net Assets

The effect of the Proposed Renewal of Share Buy-Back Authority on the NA per Share of the Company will depend on the number of KIBB Shares purchased, the purchase price(s) of the KIBB Shares, the effective cost of funding and the treatment of the KIBB Shares purchased.

The Proposed Renewal of Share Buy-Back Authority will reduce the NA per Share if the purchase price per Purchased Share exceeds the NA per Share at the relevant point in time, and vice versa.

### **6.3 Gearing**

The Proposed Renewal of Share Buy-Back Authority is not expected to have any material effect on the Company's gearing.

### **6.4 Working Capital**

The Proposed Renewal of Share Buy-Back Authority will reduce the funds available for working capital purposes of the Company, the quantum of which depends on the purchase price(s) of the KIBB Shares, the actual number of Purchased Shares and any associated costs incurred in making the purchase.

### **6.5 Earnings and EPS**

The effects of the Proposed Renewal of Share Buy-Back Authority on the earnings and EPS of KIBB Group will depend on the purchase price(s) of the KIBB Shares, the number of KIBB Shares purchased and the effective funding cost of KIBB Group. The effective reduction in the issued shares of the Company pursuant to the Proposed Renewal of Share Buy-Back Authority will, generally, all else being equal, have a positive impact on the consolidated EPS of the Company.

### **6.6 Dividend**

Barring any unforeseen circumstances, the Proposed Renewal of Share Buy-Back Authority is not expected to have any effect on the Company's Dividend Policy. The decision to declare and pay dividends in the future would depend on the performance, cash flow position and financing requirements of KIBB Group. The Board may also have the option to distribute future dividends in the form of the Treasury Shares pursuant to the Proposed Renewal of Share Buy-Back Authority.

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## 7. DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' SHAREHOLDINGS

Based on the Record of Depositors as at the LPD and assuming that the Proposed Renewal of Share Buy-Back Authority is implemented in full (up to ten percent (10%) of the total number of issued shares) and that the Purchased Shares are from the Shareholders other than the Directors and substantial shareholders of KIBB, the effect of the Proposed Renewal of Share Buy-Back Authority on the shareholdings of the Directors and substantial shareholders of KIBB are set out below.

### Minimum Scenario

	Number of Shares Held as at LPD				Number of Shares Held After the Proposed Renewal of Share Buy-Back Authority <sup>(2)</sup>			
	Direct	% <sup>(1)</sup>	Indirect	% <sup>(1)</sup>	Minimum Scenario			
	Direct	% <sup>(3)</sup>	Indirect	% <sup>(3)</sup>	Direct	% <sup>(3)</sup>	Indirect	% <sup>(3)</sup>
<b>Directors</b>								
Tan Sri Dato' Seri Syed Zainol Anwar Ibni Syed Putra Jamalullail	-	-	-	-	-	-	-	-
Ismail Harith Merican	-	-	-	-	-	-	-	-
Luk Wai Hong, William	-	-	-	-	-	-	-	-
Jeremy Nasrulhaq	-	-	-	-	-	-	-	-
Norazian Ahmad Tajuddin	10,000	*	-	-	10,000	*	-	-
Kanagaraj Lorenz	388,000	0.05	-	-	388,000	0.06	-	-
Choy Khai Choon	-	-	-	-	-	-	-	-
Chin Siew Siew	-	-	-	-	-	-	-	-
<b>Substantial Shareholders</b>								
Cahaya Mata Capital Sdn Bhd	136,823,000	18.83	-	-	136,823,000	20.66	-	-
Cahaya Mata Sarawak Berhad	-	-	<sup>(4)</sup> 136,823,000	18.83	-	-	<sup>(4)</sup> 136,823,000	20.66
Tan Sri Dato' Paduka Tengku Noor Zakiah Tengku Ismail	100,969,770	13.90	<sup>(5)</sup> 198,100	0.03	100,969,770	15.25	<sup>(5)</sup> 198,100	0.03

### Notes

\* Negligible

- (1) Calculated based on 726,454,299 KIBB Shares as at LPD (which excludes 9,308,300 KIBB Shares that have been purchased and retained as Treasury Shares).
- (2) Assuming that (i) the Proposed Renewal of Share Buy-Back Authority is implemented in full, i.e. up to ten percent (10%) of the total number of issued shares of the Company, (ii) the Purchased Shares are cancelled, and (iii) that the Directors and substantial shareholders' shareholdings in KIBB remain unchanged.
- (3) Calculated based on 662,186,340 KIBB Shares (which excludes 73,576,259 KIBB Shares, being ten percent (10%) of the total number of issued shares).
- (4) Deemed interest pursuant to Section 8(4) of the Act by virtue of shares held by Cahya Mata Capital Sdn Bhd.
- (5) Deemed interest by virtue of shares held by person connected.

## Maximum Scenario

	Number of Shares Held as at LPD				Number of Shares Held After the Proposed Renewal of Share Buy-Back Authority <sup>(2)</sup>			
	Direct	% <sup>(1)</sup>	Indirect	% <sup>(1)</sup>	Direct	% <sup>(3)</sup>	Indirect	% <sup>(3)</sup>
<b>Directors</b>								
Tan Sri Dato' Seri Syed Zainol Anwar Ibni Syed Putra Jamalullail	-	-	-	-	-	-	-	-
Ismail Harith Merican	-	-	-	-	-	-	-	-
Luk Wai Hong, William	-	-	-	-	-	-	-	-
Jeremy Nasrulhaq	-	-	-	-	-	-	-	-
Norazian Ahmad Tajuddin	10,000	*	-	-	10,000	*	-	-
Kanagaraj Lorenz	388,000	0.05	-	-	388,000	0.06	-	-
Choy Khai Choon	-	-	-	-	-	-	-	-
Chin Siew Siew	-	-	-	-	-	-	-	-
<b>Substantial Shareholders</b>								
Cahaya Mata Capital Sdn Bhd	136,823,000	18.83	-	-	136,823,000	20.13	-	-
Cahaya Mata Sarawak Berhad	-	-	<sup>(4)</sup> 136,823,000	18.83	-	-	<sup>(4)</sup> 136,823,000	20.13
Tan Sri Dato' Paduka Tengku Noor Zakiah Tengku Ismail	100,969,770	13.90	<sup>(5)</sup> 198,100	0.03	100,969,770	14.86	<sup>(5)</sup> 198,100	0.03

### Notes

\* Negligible

(1) Calculated based on 726,454,299 KIBB Shares as at LPD (which excludes 9,308,300 KIBB Shares that have been purchased and retained as Treasury Shares).

(2) Assuming that (i) the Proposed Renewal of Share Buy-Back Authority is implemented in full, i.e. up to ten percent (10%) of the total number of issued shares of the Company, (ii) the Purchased Shares are cancelled, and (iii) that the Directors and substantial shareholders' shareholdings in KIBB remain unchanged.

(3) Calculated based on 679,589,873 KIBB Shares (which excludes 75,509,985 KIBB Shares, being ten percent (10%) of the enlarged total number of issued shares of KIBB after exercise of the outstanding option under ESS).

(4) Deemed interest pursuant to Section 8(4) of the Act by virtue of shares held by Cahya Mata Capital Sdn Bhd.

(5) Deemed interest by virtue of shares held by person connected.

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## **8. PUBLIC SECURITY HOLDING SPREAD**

The Proposed Renewal of Share Buy-Back Authority will be carried out in accordance with the prevailing laws at the time of the purchase including compliance with at least twenty-five percent (25%) public security holding spread as required under Paragraph 8.02(1) of the Main Market LR.

The Board will endeavour to ensure that the Company complies with the public security holding spread requirements and shall not buy-back the Company's own shares if the purchase would result in the public security holding spread requirements not being met.

The public security holding spread of the Company based on the Record of Depositors as at the LPD was approximately 65.32%. For illustrative purposes, assuming that the purchase by the Company of the KIBB Shares pursuant to the Proposed Renewal of Share Buy-Back Authority is implemented in full, i.e. up to ten percent (10%) of the total number of the issued shares of the Company, the public security holding spread will be reduced to 61.95%, on the basis that all the KIBB Shares are purchased from public shareholders and the KIBB Shares so purchased are held as Treasury Shares or cancelled.

## **9. IMPLICATION OF THE PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY IN RELATION TO THE RULES**

Pursuant to the Rules, a person or a group of persons acting in concert will be required to make a mandatory general offer if his/ their stake(s) in the Company is/ are increased to beyond thirty-three percent (33%) of the voting shares of KIBB or if his/ their existing shareholding(s) is/ are more than thirty-three percent (33%) but less than fifty percent (50%) and it exceeds by another two percent (2%) in any six (6) months period.

In the event that the share buy-back exercise results in the shareholdings of any of the above parties being affected, the said person or group of persons acting in concert will be obliged to make a mandatory general offer for the remaining KIBB Shares not held by him/ them. However, an exemption from a mandatory offer obligation may be granted by the SC under the Rules, subject to the affected person and the parties acting in concert complying with certain conditions, if the obligation is triggered as a result of action outside their direct participation.

As it is not intended for the share buy-back exercise to trigger the obligation to undertake a mandatory general offer by any of its substantial shareholders and/ or parties acting in concert with them, the Company is mindful that only such number of shares are purchased, retained as Treasury Shares, cancelled or distributed such that the Rules will not be triggered. However, in the event that an obligation to undertake a mandatory offer should arise with respect to any parties from the share buy-back exercise, the relevant parties shall make necessary application to the SC for an exemption from undertaking a mandatory offer under the Rules before a mandatory offer is triggered.

## **10. PURCHASE, RESALE, TRANSFER AND CANCELLATION OF TREASURY SHARES MADE IN THE PRECEDING TWELVE (12) MONTHS**

There was no share buy-back, resale, transfer or cancellation of any Treasury Shares during the last twelve (12) months preceding the LPD.

As at the LPD, a total of 9,308,300 KIBB Shares were retained as Treasury Shares.

## 11. HISTORICAL SHARE PRICES

The monthly highest and lowest market prices of KIBB Shares traded on the Main Market of Bursa Securities for the past twelve (12) months from April 2023 to March 2024 are as follows:

	High (RM)	Low (RM)
<b>2023</b>		
April	1.030	0.890
May	0.930	0.885
June	0.915	0.860
July	0.925	0.855
August	0.935	0.885
September	0.910	0.865
October	0.880	0.835
November	0.880	0.840
December	0.920	0.865
<b>2024</b>		
January	1.110	0.910
February	1.190	1.040
March	1.190	1.110

(Source: Bloomberg)

### Note

The last transacted market price of KIBB Shares on Bursa Securities as at the LPD was RM1.07 per share.

## 12. APPROVAL REQUIRED

The Proposed Renewal of Share Buy-Back Authority is subject to the approval of the Shareholders of KIBB at the forthcoming 50<sup>th</sup> AGM.

## 13. INTERESTS OF DIRECTORS, MAJOR SHAREHOLDERS AND/ OR PERSONS CONNECTED TO THEM

None of the Directors, major shareholders of KIBB and/ or persons connected to them have any interest, direct or indirect, in the Proposed Renewal of Share Buy-Back Authority or resale of the Treasury Shares.

## 14. DIRECTORS' RECOMMENDATION

The Board, after having considered all aspects of the Proposed Renewal of Share Buy-Back Authority is of the opinion that the Proposed Renewal of Share Buy-Back Authority is in the best interest of the Company. Accordingly, the Board recommends that you vote in favour of the Ordinary Resolution pertaining to the Proposed Renewal of Share Buy-Back Authority to be tabled at the forthcoming 50<sup>th</sup> AGM.

## 15. FURTHER INFORMATION

Shareholders are requested to refer to the attached Appendices of this Statement for further information.

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**FURTHER INFORMATION**

**1. DIRECTORS' RESPONSIBILITY STATEMENT**

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

**2. DOCUMENTS AVAILABLE FOR INSPECTION**

Copies of the following documents are available for inspection at the Registered Office of the Company at Level 17, Kenanga Tower, 237, Jalan Tun Razak, 50400 Kuala Lumpur, Wilayah Persekutuan, Malaysia during normal business hours from Mondays to Fridays (except public holidays) from the date of this Statement up to and including the date of the 50<sup>th</sup> AGM:

- (a) Constitution of KIBB;
- (b) Audited Financial Statements of KIBB and its subsidiaries for the last two (2) financial years ended 31 December 2022 and 31 December 2023; and
- (c) Unaudited Quarterly Financial Results of the Group for the fourth (4<sup>th</sup>) quarter ended 31 December 2023.

**- END OF APPENDIX 1 OF THIS STATEMENT -**

# Kenanga

**KENANGA INVESTMENT BANK BERHAD**  
Company Registration No. 197301002193 (15678-H)  
(Incorporated in Malaysia)

## EXTRACT OF NOTICE OF THE FIFTIETH (50<sup>TH</sup>) ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN THAT** the Fiftieth (50<sup>th</sup>) Annual General Meeting (“**50<sup>th</sup> AGM**”) of Kenanga Investment Bank Berhad (“**the Company**” or “**KIBB**”) will be held virtually at Level 19, Kenanga Tower, 237, Jalan Tun Razak, 50400 Kuala Lumpur, Wilayah Persekutuan, Malaysia (“**Broadcast Venue**”) on Thursday, 30 May 2024 at 11.00 a.m. through live streaming and online remote voting via the Remote Participation and Electronic Voting Facilities (“**RPEV Facilities**”) which are available at Boardroom Share Registrars Sdn Bhd (“**Boardroom**”)’s online platform at <https://meeting.boardroomlimited.my> (Domain Registration No. with MYNIC – D6A357657) to transact the following businesses:

### AS A SPECIAL BUSINESS

#### 7. **ORDINARY RESOLUTION 8 – PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY**

To consider, and if thought fit, to pass the following Ordinary Resolution:

“**THAT** subject to the provisions of the Companies Act 2016, the Company’s Constitution, Bursa Malaysia Securities Berhad’s Main Market Listing Requirements and the approvals of all relevant governmental and/ or regulatory authorities, the Company be and is hereby authorised to purchase such number of ordinary shares of the Company (“**Proposed Renewal of Share Buy-Back Authority**”) as may be determined by the Board of Directors of the Company from time to time through Bursa Malaysia Securities Berhad, upon such terms and conditions as the Board of Directors may deem fit in the interest of the Company, provided that –

- a. the aggregate number of shares to be purchased pursuant to this Ordinary Resolution does not exceed ten percent (10%) of the total number of issued shares for the time being of the Company and in compliance with the public security holding spread requirements as stipulated in Paragraph 8.02(1) of Bursa Malaysia Securities Berhad’s Main Market Listing Requirements or other requirements as may be determined by Bursa Malaysia Securities Berhad from time to time;
- b. the maximum funds to be allocated by the Company for the Proposed Renewal of Share Buy-Back Authority shall not exceed the Company’s latest audited retained profits of RM609,023,921.16 as at 31 December 2023;
- c. the authority conferred by this Ordinary Resolution shall commence immediately upon the passing of this Ordinary Resolution and shall continue to be in force until -
  - i. the conclusion of the next AGM of the Company at which time it will lapse, unless by Ordinary Resolution passed at the AGM, the authority is renewed either unconditionally or subject to conditions; or
  - ii. the expiration of the period within which the next AGM after that date is required by law to be held; or
  - iii. revoked or varied by Ordinary Resolution passed by the Shareholders of the Company in a general meeting,



whichever occurs first; but not so as to prejudice the completion of the purchase of its own shares by the Company before the aforesaid expiry date and, in any event, in accordance with the provisions of Bursa Malaysia Securities Berhad's Main Market Listing Requirements or any other relevant authorities;

- d. upon the purchase by the Company of its own shares, the Board of Directors be and is hereby authorised to -
- i. cancel the shares so purchased;
  - ii. retain part of the shares so purchased as Treasury Shares and cancel the remainder;
  - iii. retain the shares so purchased as Treasury Shares;
  - iv. distribute the Treasury Shares as share dividends to Shareholders;
  - v. resell the Treasury Shares or any of the said shares in accordance with Bursa Malaysia Securities Berhad's Main Market Listing Requirements;
  - vi. transfer the Treasury Shares, or any of the said shares for the purposes of or under an employees' share scheme;
  - vii. transfer the Treasury Shares, or any of the said shares as purchase consideration;
  - viii. cancel the Treasury Shares or any of the said shares; or
  - ix. sell, transfer or otherwise use the Treasury Shares for such other purposes as the Minister of Domestic Trade and Cost of Living may by order prescribe;

**AND THAT** the Board of Directors of the Company be and is hereby authorised to take all steps as are necessary or expedient to implement or to effect the Proposed Renewal of Share Buy-Back Authority with full power to assent to any condition, modification, variation and/ or amendment as may be imposed by the relevant authorities and to take all such steps as may deem necessary or expedient in order to implement, finalise and give full effect in relation thereto."

**BY ORDER OF THE BOARD**

**NORLIZA ABD SAMAD**  
CCM PC No.: 201908002139  
MAICSA 7011089  
Group Company Secretary

Kuala Lumpur  
30 April 2024

**- END OF APPENDIX 2 OF THIS STATEMENT -**