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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
FORTY-EIGHTH (48TH) ANNUAL GENERAL MEETING**

The resolution in respect of the above proposal will be tabled as Special Business at the Forty-Eighth (48th) Annual General Meeting ("**48th AGM**") of Kenanga Investment Bank Berhad ("**the Company**") to be conducted fully virtual at Level 19, Kenanga Tower, 237, Jalan Tun Razak, 50400 Kuala Lumpur, Wilayah Persekutuan, Malaysia ("**Broadcast Venue**") on Thursday, 26 May 2022 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 website at <https://meeting.boardroomlimited.my/> (Domain Registration No. with MYNIC – D6A357657). Please follow the procedures provided in the Administrative Guide for the 48th 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 NOT BE ALLOWED to be physically present nor admitted at the Broadcast Venue on the day of the 48th AGM.

Last date and time for lodging Proxy Form : Wednesday, 25 May 2022 at 11.00 a.m.
Date and time of AGM : Thursday, 26 May 2022 at 11.00 a.m.

This Statement is dated 27 April 2022

DEFINITIONS

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))
“Code”	: Malaysian Code on Take-Overs and Mergers 2016 read together with Rules on Take-Overs, Mergers and Compulsory Acquisitions as amended from time to time and any re-enactment thereof
“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”	: 31 March 2022, 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
“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
“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 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

1. INTRODUCTION

At the Forty-Seventh (47th) AGM of the Company held on 10 June 2021, 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 Forty-Eighth (48th) AGM ("**48th AGM**") of the Company, unless the mandate is renewed by the shareholders.

The Board had, on 6 April 2022, 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 48th AGM of the Company which will be held fully virtual at Level 19, Kenanga Tower, 237, Jalan Tun Razak, 50400 Kuala Lumpur, Wilayah Persekutuan, Malaysia on Thursday, 26 May 2022 at 11.00 a.m. through live streaming and online remote voting via the RPEV Facilities which are available at Boardroom's website at <https://meeting.boardroomlimited.my/> (Domain Registration No. with MYNIC – D6A357657). The Notice of the 48th AGM and the Proxy Form are dispatched 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 48th 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, a total of up to 73,576,259 KIBB Shares may be purchased by the Company.

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 2021, the retained profits stood at RM624,352,986.

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 Main Market LR;
- (f) transfer the Treasury Shares, or any of the said shares for the purposes of or under an employee's 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 2021, the retained profits stood at RM624,352,986.

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.

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 two (2) scenarios:

- Minimum Scenario** : Assuming none of the 22,700,259 outstanding ESOS and ESGP under ESS as at LPD are exercised into new KIBB Shares
- Maximum Scenario** : Assuming all 22,700,259 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	-	22,700,259
Enlarged total number of issued shares of KIBB after the exercise of the outstanding ESOS and ESGP under the ESS	735,762,599	758,462,858
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)	(75,846,285)
Total number of issued shares after the Proposed Renewal of Share Buy-Back Authority	662,186,340	682,616,573

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 ⁽²⁾ Minimum Scenario			
	Direct	% ⁽¹⁾	Indirect	% ⁽¹⁾	Direct	% ⁽³⁾	Indirect	% ⁽³⁾
Directors								
Tan Sri Dato' Seri Syed Zainol Anwar Ibni Syed Putra Jamalullail	-	-	-	-	-	-	-	-
Luigi Fortunato Ghirardello	631,700	0.09	-	-	631,700	0.10	-	-
Ismail Harith Merican	-	-	-	-	-	-	-	-
Luk Wai Hong, William	-	-	-	-	-	-	-	-
Jeremy Nasrulhaq	187,900	0.03	-	-	187,900	0.03	-	-
Norazian Ahmad Tajuddin	10,000	*	-	-	10,000	*	-	-
Kanagaraj Lorenz	388,000	0.05	-	-	388,000	0.06	-	-
Choy Khai Choon	-	-	-	-	-	-	-	-
Substantial Shareholders								
CMS Capital Sdn Bhd	136,823,000	18.60	-	-	136,823,000	20.66	-	-
Cahaya Mata Sarawak Berhad	-	-	⁽⁴⁾ 136,823,000	18.60	-	-	⁽⁴⁾ 136,823,000	20.66
Tan Sri Dato' Paduka Tengku Noor Zakiah Tengku Ismail	100,969,770	13.72	⁽⁵⁾ 98,100	0.01	100,969,770	15.25	⁽⁵⁾ 98,100	0.01

Notes

* Negligible

(1) Calculated based on 735,762,599 KIBB 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 CMS 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 ⁽²⁾ Maximum Scenario			
	Direct	% ⁽¹⁾	Indirect	% ⁽¹⁾	Direct	% ⁽³⁾	Indirect	% ⁽³⁾
Directors								
Tan Sri Dato' Seri Syed Zainol Anwar Ibni Syed Putra Jamalullail	-	-	-	-	-	-	-	-
Luigi Fortunato Ghirardello	631,700	0.09	-	-	631,700	0.09	-	-
Ismail Harith Merican	-	-	-	-	-	-	-	-
Luk Wai Hong, William	-	-	-	-	-	-	-	-
Jeremy Nasrulhaq	187,900	0.03	-	-	187,900	0.03	-	-
Norazian Ahmad Tajuddin	10,000	*	-	-	10,000	*	-	-
Kanagaraj Lorenz	388,000	0.05	-	-	388,000	0.06	-	-
Choy Khai Choon	-	-	-	-	-	-	-	-
Substantial Shareholders								
CMS Capital Sdn Bhd	136,823,000	18.60	-	-	136,823,000	20.04	-	-
Cahaya Mata Sarawak Berhad	-	-	⁽⁴⁾ 136,823,000	18.60	-	-	⁽⁴⁾ 136,823,000	20.04
Tan Sri Dato' Paduka Tengku Noor Zakiah Tengku Ismail	100,969,770	13.72	⁽⁵⁾ 98,100	0.01	100,969,770	14.79	⁽⁵⁾ 98,100	0.01

Notes

* Negligible

(1) Calculated based on 735,762,599 KIBB 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 682,616,573 KIBB Shares (which excludes 75,846,285 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 CMS 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 endeavor 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 65.37%. 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 61.62%, 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 CODE

Pursuant to the Code, 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 Code, 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 Code 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 Code before a mandatory offer is triggered.

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

The Company has purchased 15,878,800 units of its own Shares in the preceding twelve (12) months up to the LPD and kept the same as Treasury Shares as detailed in **Appendix 1** of this Statement. Out of these 15,878,800 Treasury Shares, 13,492,500 of which have been transferred to RHB Trustees Berhad, the appointed Trustee of KIBB to facilitate the implementation and administration of the ESS approved by the shareholders of KIBB at an Extraordinary General Meeting held on 25 May 2017.

The details of Treasury Shares transferred to RHB Trustees Berhad in the preceding twelve (12) months up to the LPD are provided as follows:

Date of Transfer	Number of Treasury Shares Transferred	Transfer Price¹	Total Consideration
6 September 2021	1,200,000	RM1.32	RM1,584,000
14 September 2021	1,000,000	RM1.31	RM 1,310,000
30 September 2021	2,000,000	RM1.29	RM 2,580,000
15 December 2021	4,000,000	RM1.16	RM 4,640,000
22 March 2022	2,247,500	RM1.33	RM 2,989,175
24 March 2022	2,241,500	RM1.35	RM 3,026,025
29 March 2022	803,500	RM1.36	RM 1,092,760
Total	13,492,500		RM17,221,960

The Company has also not resold and cancelled any Treasury Shares in the preceding twelve (12) months. As at the LPD, a total of 2,386,300 KIBB Shares were held 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 2021 to March 2022 are as follows:

	High (RM)	Low (RM)
<u>2021</u>		
April	1.751	1.550
May	1.560	1.470
June	1.570	1.370
July	1.400	1.270
August	1.370	1.110
September	1.330	1.270
October	1.310	1.270
November	1.270	1.210
December	1.210	1.140
<u>2022</u>		
January	1.180	1.120
February	1.310	1.180
March	1.264	1.126

(Source: Bloomberg)

¹ The transfer price is based on the WAMP of the shares for the five (5) market days immediately before the transfer.

Note

The last transacted market price of KIBB Shares on Bursa Securities as at the LPD was RM1.240 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 48th 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 (if any in the future).

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 48th AGM.

15. FURTHER INFORMATION

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

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PURCHASE OF SHARES MADE IN THE PRECEDING TWELVE (12) MONTHS

Date of Purchase	No. of KIBB Shares Purchased and Kept as Treasury Shares	Highest Price Paid (RM)	Lowest Price Paid (RM)	Average Price Paid (RM)	Total Consideration (RM)
16 August 2021	250,000	1.110	1.080	1.098	275,642.72
20 August 2021	100,000	1.220	1.210	1.216	122,185.32
23 August 2021	49,400	1.230	1.220	1.228	61,152.09
24 August 2021	83,700	1.340	1.330	1.332	112,021.13
26 August 2021	260,000	1.350	1.340	1.347	351,617.90
27 August 2021	420,000	1.350	1.310	1.325	558,687.20
1 September 2021	110,000	1.300	1.290	1.297	143,339.30
2 September 2021	140,000	1.320	1.320	1.320	185,628.10
3 September 2021	71,700	1.320	1.310	1.316	95,067.63
6 September 2021	96,100	1.320	1.320	1.320	127,420.45
7 September 2021	180,000	1.330	1.310	1.324	239,280.72
8 September 2021	205,000	1.330	1.310	1.320	271,640.89
9 September 2021	260,000	1.320	1.280	1.305	340,555.54
10 September 2021	245,000	1.330	1.290	1.308	321,834.21
13 September 2021	160,000	1.310	1.300	1.304	209,548.41
14 September 2021	150,000	1.310	1.290	1.301	196,095.87
15 September 2021	64,100	1.300	1.290	1.295	83,666.99
17 September 2021	65,800	1.300	1.290	1.295	85,856.56
20 September 2021	509,500	1.280	1.220	1.248	638,151.20
21 September 2021	90,400	1.270	1.260	1.268	115,122.06
22 September 2021	500,000	1.280	1.260	1.270	637,194.06
23 September 2021	40,000	1.280	1.280	1.280	51,592.99
24 September 2021	210,000	1.290	1.270	1.284	270,729.89
27 September 2021	55,400	1.290	1.280	1.283	71,611.31
28 September 2021	80,000	1.300	1.290	1.298	104,265.22
29 September 2021	321,900	1.300	1.270	1.283	414,777.08
30 September 2021	45,000	1.290	1.290	1.290	58,495.62
1 October 2021	80,000	1.290	1.280	1.284	103,198.94
4 October 2021	5,000	1.290	1.290	1.290	6,501.34
5 October 2021	92,800	1.290	1.290	1.290	120,248.61
6 October 2021	400,000	1.290	1.240	1.271	510,513.74
7 October 2021	60,000	1.290	1.280	1.285	77,667.34
8 October 2021	200,000	1.290	1.270	1.274	255,786.36
11 October 2021	20,000	1.280	1.270	1.275	25,695.83
12 October 2021	115,000	1.300	1.270	1.284	148,311.48
14 October 2021	300,000	1.300	1.260	1.277	384,518.80
15 October 2021	80,000	1.280	1.270	1.278	102,658.66
18 October 2021	35,000	1.290	1.280	1.289	45,446.32

Date of Purchase	No. of KIBB Shares Purchased and Kept as Treasury Shares	Highest Price Paid (RM)	Lowest Price Paid (RM)	Average Price Paid (RM)	Total Consideration (RM)
20 October 2021	25,000	1.290	1.280	1.284	32,346.79
21 October 2021	55,000	1.280	1.260	1.274	70,587.74
22 October 2021	144,700	1.280	1.250	1.268	184,238.23
25 October 2021	26,900	1.280	1.270	1.278	34,645.96
26 October 2021	20,000	1.290	1.270	1.282	25,842.81
27 October 2021	30,000	1.290	1.280	1.283	38,795.31
28 October 2021	70,000	1.290	1.270	1.279	90,183.86
29 October 2021	30,000	1.290	1.280	1.282	38,745.18
1 November 2021	30,000	1.280	1.260	1.267	38,293.10
2 November 2021	205,000	1.270	1.240	1.256	258,522.55
3 November 2021	60,000	1.270	1.240	1.256	75,966.89
5 November 2021	177,000	1.260	1.240	1.247	221,628.49
8 November 2021	27,700	1.260	1.250	1.257	35,090.82
9 November 2021	38,400	1.260	1.250	1.254	48,517.51
10 November 2021	14,400	1.260	1.260	1.260	18,283.84
11 November 2021	19,700	1.260	1.250	1.259	24,998.24
12 November 2021	27,400	1.260	1.250	1.255	34,647.99
15 November 2021	20,000	1.260	1.250	1.258	25,343.50
16 November 2021	12,000	1.260	1.250	1.256	15,186.34
17 November 2021	95,000	1.270	1.250	1.258	120,042.09
18 November 2021	100,000	1.260	1.250	1.256	126,112.92
19 November 2021	34,000	1.260	1.250	1.252	42,886.29
22 November 2021	45,000	1.250	1.250	1.250	56,681.63
23 November 2021	175,000	1.250	1.230	1.238	217,524.92
24 November 2021	85,000	1.240	1.230	1.235	105,440.20
25 November 2021	220,000	1.240	1.210	1.227	271,094.85
26 November 2021	950,000	1.250	1.150	1.221	1,163,786.24
29 November 2021	280,000	1.230	1.190	1.211	340,479.67
30 November 2021	230,000	1.220	1.190	1.205	278,427.58
1 December 2021	150,000	1.210	1.200	1.209	182,212.77
2 December 2021	70,000	1.200	1.190	1.199	84,593.41
6 December 2021	292,300	1.200	1.180	1.195	350,840.19
7 December 2021	151,000	1.190	1.170	1.175	178,185.59
8 December 2021	50,000	1.170	1.160	1.161	58,495.62
9 December 2021	450,000	1.170	1.160	1.161	524,626.18
10 December 2021	180,000	1.180	1.160	1.166	210,794.13
13 December 2021	30,000	1.160	1.150	1.152	34,815.21
14 December 2021	50,000	1.150	1.140	1.144	57,663.11
15 December 2021	120,000	1.150	1.110	1.132	136,466.78
16 December 2021	160,000	1.150	1.130	1.143	183,725.12
17 December 2021	120,000	1.150	1.130	1.144	137,907.78

Date of Purchase	No. of KIBB Shares Purchased and Kept as Treasury Shares	Highest Price Paid (RM)	Lowest Price Paid (RM)	Average Price Paid (RM)	Total Consideration (RM)
20 December 2021	30,000	1.150	1.130	1.149	34,724.61
21 December 2021	65,000	1.150	1.130	1.138	74,536.65
22 December 2021	62,000	1.150	1.130	1.147	71,676.47
23 December 2021	30,000	1.150	1.140	1.148	34,694.40
24 December 2021	50,000	1.150	1.140	1.147	57,805.05
27 December 2021	50,000	1.150	1.140	1.147	57,789.96
28 December 2021	95,000	1.150	1.140	1.147	109,437.00
29 December 2021	30,000	1.150	1.150	1.150	34,764.77
30 December 2021	199,900	1.160	1.150	1.153	231,565.02
31 December 2021	100,000	1.170	1.160	1.169	117,373.64
3 January 2022	270,000	1.160	1.140	1.150	312,045.33
4 January 2022	100,000	1.150	1.120	1.132	113,744.56
5 January 2022	60,000	1.120	1.120	1.120	67,725.36
6 January 2022	100,000	1.120	1.110	1.117	112,257.68
7 January 2022	20,000	1.120	1.120	1.120	22,575.62
10 January 2022	20,000	1.150	1.120	1.135	22,877.51
11 January 2022	25,000	1.180	1.140	1.155	29,093.38
12 January 2022	30,000	1.180	1.170	1.178	35,606.68
13 January 2022	40,000	1.170	1.140	1.155	46,561.56
14 January 2022	18,600	1.160	1.150	1.156	21,674.56
17 January 2022	65,000	1.160	1.150	1.153	75,504.80
19 January 2022	150,000	1.150	1.140	1.141	171,902.07
20 January 2022	20,000	1.150	1.150	1.150	23,179.40
21 January 2022	85,000	1.150	1.140	1.149	98,392.22
24 January 2022	35,000	1.150	1.140	1.145	40,373.83
25 January 2022	100,000	1.140	1.130	1.139	114,446.87
26 January 2022	70,000	1.140	1.130	1.139	80,330.47
27 January 2022	100,000	1.160	1.150	1.157	116,255.81
28 January 2022	14,300	1.160	1.150	1.158	16,694.84
31 January 2022	55,000	1.170	1.160	1.163	64,457.89
3 February 2022	25,000	1.180	1.170	1.178	29,680.54
4 February 2022	42,100	1.180	1.170	1.177	49,945.24
7 February 2022	10,000	1.180	1.180	1.180	11,892.34
8 February 2022	45,200	1.230	1.230	1.230	56,030.26
9 February 2022	30,000	1.230	1.210	1.222	36,946.46
10 February 2022	5,000	1.220	1.220	1.220	6,152.33
18 February 2022	30,000	1.250	1.240	1.247	37,712.65
21 February 2022	60,000	1.250	1.240	1.247	75,383.95
22 February 2022	80,000	1.250	1.230	1.245	100,383.93
23 February 2022	30,000	1.250	1.240	1.246	37,672.50
24 February 2022	150,000	1.250	1.220	1.236	186,253.20
25 February 2022	19,000	1.250	1.230	1.238	23,704.09
28 February 2022	191,400	1.290	1.270	1.282	246,553.54
1 March 2022	10,000	1.280	1.280	1.280	12,900.14

Date of Purchase	No. of KIBB Shares Purchased and Kept as Treasury Shares	Highest Price Paid (RM)	Lowest Price Paid (RM)	Average Price Paid (RM)	Total Consideration (RM)
2 March 2022	10,000	1.270	1.270	1.270	12,799.51
3 March 2022	100,000	1.270	1.260	1.269	127,509.27
4 March 2022	10,000	1.270	1.260	1.269	12,789.45
7 March 2022	125,000	1.260	1.230	1.245	156,365.04
8 March 2022	130,000	1.240	1.220	1.231	160,843.95
9 March 2022	110,000	1.240	1.220	1.222	135,027.46
10 March 2022	235,000	1.230	1.210	1.220	288,187.43
11 March 2022	100,000	1.240	1.220	1.237	124,306.26
14 March 2022	160,000	1.280	1.270	1.277	205,240.76
15 March 2022	80,000	1.280	1.270	1.280	102,862.73
16 March 2022	30,000	1.330	1.330	1.330	40,211.37
17 March 2022	20,000	1.350	1.350	1.350	27,210.60
23 March 2022	50,000	1.340	1.340	1.340	67,522.60
24 March 2022	150,000	1.330	1.320	1.325	199,734.48
30 March 2022	400,000	1.250	1.190	1.224	492,119.24
31 March 2022	130,000	1.240	1.210	1.233	161,070.90
Total	15,878,800				

- END OF APPENDIX 1 OF THIS STATEMENT -

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 48th AGM:

- (a) Constitution of KIBB;
- (b) Audited Financial Statements of KIBB and its subsidiaries for the last two (2) financial years ended 31 December 2020 and 31 December 2021; and
- (c) Unaudited Quarterly Financial Results of the Group for the fourth (4th) quarter ended 31 December 2021.

- END OF APPENDIX 2 OF THIS STATEMENT -

Kenanga

KENANGA INVESTMENT BANK BERHAD

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

EXTRACT OF NOTICE OF THE FORTY-EIGHTH (48TH) ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Forty-Eighth (48th) Annual General Meeting ("**48th AGM**") of Kenanga Investment Bank Berhad ("**the Company**" or "**KIBB**") will be held fully virtual at Level 19, Kenanga Tower, 237, Jalan Tun Razak, 50400 Kuala Lumpur, Wilayah Persekutuan, Malaysia ("**Broadcast Venue**") on Thursday, 26 May 2022 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 website at <https://meeting.boardroomlimited.my/> (Domain Registration No. with MYNIC – D6A357657) to transact the following businesses:

AS A SPECIAL BUSINESS

8. 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 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 shareholding 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 RM624,352,986 as at 31 December 2021;
- c. the authority conferred by this 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 the shares so purchased as Treasury Shares;
 - iii. retain part of the shares so purchased as Treasury Shares and cancel the remainder;
 - 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 employee's 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 Consumer Affairs 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
27 April 2022