

**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.**

If you are in any doubt as to the course of action to be taken, you should consult your stockbroker, banker, solicitor, accountant or other professional advisers immediately.

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**SYMPHONY LIFE BERHAD**  
(Company No. 5572-H)  
(Incorporated in Malaysia)

**CIRCULAR TO SHAREHOLDERS**

**IN RELATION TO THE**

**PROPOSED ESTABLISHMENT OF A DIVIDEND REINVESTMENT PLAN THAT PROVIDES THE SHAREHOLDERS OF SYMPHONY LIFE BERHAD ("SYMLIFE" OR "COMPANY") WITH AN OPTION TO REINVEST IN WHOLE OR IN PART, THEIR CASH DIVIDEND(S) DECLARED BY SYMLIFE (WHETHER INTERIM, FINAL, SPECIAL OR ANY OTHER CASH DIVIDENDS) IN NEW ORDINARY SHARES IN SYMLIFE ("PROPOSED DRP")**

*Principal Adviser*



**AFFIN HWANG INVESTMENT BANK BERHAD (14389-U)**  
(A Participating Organisation of Bursa Malaysia Securities Berhad)

The ordinary resolution for the Proposed DRP will be tabled at the 56<sup>th</sup> Annual General Meeting ("**AGM**") of SymLife which is scheduled to be held at the Auditorium, 3A Floor, Menara Symphony, No. 5, Jalan Semangat, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan on Wednesday, 28 August 2019 at 9.30 a.m. The Notice of the AGM together with the Form of Proxy are enclosed in the Company's Annual Report for the financial year ended 31 March 2019.

A member entitled to attend and vote at the AGM is entitled to appoint a proxy or proxies to attend and vote on his/her behalf. In such event, you must complete and lodge the Form of Proxy for the AGM at the registered office of the Company at 01-3, 3<sup>rd</sup> Floor, Menara Symphony, No. 5, Jalan Semangat, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, not less than 24 hours before the time appointed for holding the AGM or at any adjournment thereof. The lodging of the Form of Proxy shall not preclude you from attending and voting in person at the AGM should you subsequently decide to do so.

Last date and time for lodging the Form of Proxy : Tuesday, 27 August 2019 at 9.30 a.m.

Date and time of the AGM : Wednesday, 28 August 2019 at 9.30 a.m.

This Circular is dated 29 July 2019

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## DEFINITIONS

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Except where the context otherwise requires, the following terms and abbreviations shall apply throughout this Circular:

Act	:	Companies Act 2016
Affin Hwang IB	:	Affin Hwang Investment Bank Berhad (14389-U)
AGM	:	Annual General Meeting
Announcement	:	Announcement dated 18 June 2019 in relation to the Proposed DRP
Board	:	The Board of Directors of SymLife
Book Closure Date	:	The date to be determined and announced later by the Board, on which shareholders' names must appear in the Record of Depositors of the Company in order to be eligible to participate in the Proposed DRP applicable to a Dividend
Bursa Depository	:	Bursa Malaysia Depository Sdn Bhd (165570-W)
Bursa Securities	:	Bursa Malaysia Securities Berhad (635998-W)
CDS	:	Central Depository System
Circular	:	This circular to the shareholders of SymLife in relation to the Proposed DRP dated 29 July 2019
Dividend(s)	:	Cash dividend(s) declared by SymLife, whether interim, final, special or any other cash dividend(s)
Dividend Payment Account	:	The non-interest bearing account opened by SymLife to facilitate the payment of Dividends
Electable Portion	:	The whole or a portion of a Dividend that may be declared by the Company to which the Board, in its absolute discretion, determines whether the Reinvestment Option applies
EPS	:	Earnings per Share
Expiry Date	:	The last day (which will be a date to be determined and announced by the Board) by which an election to be made by a shareholder in relation to the Electable Portion must be received by the Share Registrar or at such address as may be determined by the Company from time to time and which would be at least 14 days from the date of despatch of the Notice of Election
First and Final Dividend	:	First and final single tier dividend of RM0.01 per SymLife Share for the FYE 31 March 2019 as recommended by the Board on 18 June 2019 for approval by the shareholders at the forthcoming AGM
Foreign Addressed Shareholder(s)	:	Shareholder(s) whose address in the Company's ROD is not in Malaysia
FYE	:	Financial year ended/ending, as the case may be
Issue Price	:	The issue price of the new SymLife Shares to be issued pursuant to the Proposed DRP in accordance to the provisions as set out in Section 2.4 of this Circular

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## DEFINITIONS (CONT'D)

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Listing Requirements	:	Main Market Listing Requirements of Bursa Securities
LPD	:	30 June 2019, being the latest practicable date prior to the printing of this Circular
NA	:	Net assets
Non-Electable Portion	:	The portion of a Dividend that may be declared by the Company to which the Reinvestment Option does not apply, as determined by the Board
Notice of Election	:	Notice of election (in such form as the Board may approve) by which shareholders confirm their exercise of the Reinvestment Option
Proposed DRP	:	Proposed establishment of a dividend reinvestment plan that provides the shareholders of SymLife with an option to reinvest, in whole or in part, their Dividends in new SymLife Shares
Reinvestment Option	:	The option given to the shareholders pursuant to the Proposed DRP, to reinvest the Electable Portion of a Dividend into new SymLife Shares
Record of Depositors or ROD	:	A record of securities holders established by Bursa Depository under the rules of Bursa Depository as issued pursuant to the Securities Industry (Central Depositories) Act, 1991
RM and sen	:	Ringgit Malaysia and sen, respectively
Rules	:	Rules on Take-overs, Mergers and Compulsory Acquisitions
Share Registrar	:	Boardroom Share Registrars Sdn Bhd (378993-D)
SymLife or Company	:	Symphony Life Berhad (5572-H)
SymLife Group or Group	:	SymLife and its subsidiaries, collectively
SymLife Share(s) or Share(s)	:	Ordinary share(s) in SymLife
VWAP	:	Volume weighted average market price

References to “we”, “us”, “our” and “ourselves” are to our Company, and where the context otherwise requires, our subsidiaries. All references to “you” are to our shareholders.

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. Any reference to persons shall include a corporation, unless otherwise specified.

Any reference in this Circular to any statutes, rules, regulations or rules of the stock exchange is a reference to such statutes, rules, regulations or rules of the stock exchange currently in force and as may be amended from time to time and any re-enactment thereof.

Any reference to a time or date in this Circular shall be a reference to Malaysian time, unless otherwise stated.

Any discrepancy in the tables included in this Circular between the amounts listed, actual figures and the totals thereof are due to rounding.

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**SYMPHONY LIFE BERHAD**  
(Company No. 5572-H)  
(Incorporated in Malaysia)

**Registered Office:**

01-3, 3<sup>rd</sup> Floor  
Menara Symphony  
No. 5, Jalan Semangat  
Seksyen 13  
46200 Petaling Jaya  
Selangor Darul Ehsan

29 July 2019

**Board of Directors:**

Tan Sri Mohamed Azman bin Yahya (*Non-Independent Executive Chairman*)  
Dato' Robert Teo Keng Tuan (*Independent Non-Executive Director*)  
Chin Jit Pyng (*Non-Independent Non-Executive Director*)  
Puan Sri Datuk Seri Rohani Parkash binti Abdullah (*Independent Non-Executive Director*)  
Dato' Jasmy bin Ismail (*Independent Non-Executive Director*)  
Phang Tuck Keong (*Independent Non-Executive Director*)

**To: The Shareholders of Symphony Life Berhad**

Dear Sir/Madam,

**PROPOSED DRP**

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**1. INTRODUCTION**

On 18 June 2019, Affin Hwang IB had, on behalf of the Board, announced that the Company proposed to undertake the Proposed DRP.

In addition, on 18 June 2019, the Board announced the First and Final Dividend and determined that the Proposed DRP, subject to the approvals set out in Section 7 of this Circular, will be applicable to the First and Final Dividend. The Board will determine and announce the Electable Portion applicable to the First and Final Dividend prior to the Book Closure Date. In the event all the relevant approvals including the shareholders' approval for the Proposed DRP is not obtained, the First and Final Dividend will be paid wholly in cash.

The purpose of this Circular is to provide you with information on the Proposed DRP and to seek your approval for the ordinary resolution relating to the Proposed DRP to be tabled at the forthcoming AGM. The Notice of AGM and Form of Proxy are enclosed in the Company's Annual Report for the financial year ended 31 March 2019, which will be despatched together with this Circular.

The details of the Proposed DRP are set out in the ensuing sections of this Circular.

**SHAREHOLDERS ARE ADVISED TO READ AND CAREFULLY CONSIDER THE CONTENTS TOGETHER WITH THE APPENDICES OF THIS CIRCULAR BEFORE VOTING ON THE ORDINARY RESOLUTION PERTAINING TO THE PROPOSED DRP TO BE TABLED AT THE FORTHCOMING AGM OF THE COMPANY.**

## 2. DETAILS OF THE PROPOSED DRP

The Proposed DRP will provide the shareholders of the Company with an option to reinvest in whole or in part of such Dividend(s) in new SymLife Shares in lieu of receiving cash in the future.

In relation to the Dividend(s) to be declared, the Board may, at its absolute discretion, determine whether to offer the shareholders with an option to reinvest in whole or in part of such Dividend(s) in new SymLife Shares and if the Reinvestment Option is applied, the portion of such Dividend(s) to which the Reinvestment Option applies. Shareholders should note that the Company is not obliged to undertake the Proposed DRP for every Dividend(s) declared.

In this respect, the Electable Portion may encompass the whole Dividend(s) declared or only a portion of the Dividend(s). In the event the Electable Portion is not applicable for the whole Dividend(s) declared (as determined by the Board), the remaining portion of the Dividend(s) will be paid wholly in cash.

Unless determined by the Board that the Reinvestment Option will apply to a particular Dividend (whether in whole or in part), all Dividend(s) as may be declared by SymLife will be paid wholly in cash to the shareholders in the usual manner through a Dividend Payment Account. An immediate announcement will be made by the Company if the Board has determined that the Reinvestment Option will apply to a particular Dividend (whether in whole or in part).

### 2.1 Election to reinvest Dividend(s) in new SymLife Shares

The shareholders shall have the following options in respect of the Reinvestment Option announced by the Board under the Proposed DRP:

- (i) to elect to participate by reinvesting in whole or in part the Electable Portion at the Issue Price for new SymLife Shares and, in the event only part of the Electable Portion is so reinvested, to receive wholly in cash for the following:
  - (a) the remaining portion of the Electable Portion not reinvested; and
  - (b) the Non-Electable Portion; or
- (ii) to elect not to participate in the Reinvestment Option and thereby receive the entire Dividend(s) wholly in cash.

The election to reinvest the Dividend(s) in new SymLife Shares can be made via a Notice of Election in relation to the Reinvestment Option which will be despatched to the shareholders after the Book Closure Date. Instructions will be provided in the Notice of Election in respect of the action to be taken by the shareholders should they wish to exercise the Reinvestment Option. The Expiry Date will also be stated in the Notice of Election and shall be at least 14 days from the date of despatch of Notice of Election.

After the Expiry Date, the Company shall transfer funds amounting to the total net Dividend(s) (after the deduction of any Dividend(s) reinvested in new SymLife Shares and the deduction of any applicable income tax) from its account to the Dividend Payment Account held in trust for the shareholders.

In accordance with Paragraph 6.09 of the Listing Requirements, SymLife will allot and issue the new SymLife Shares and despatch notices of allotment to the shareholders who exercise the Reinvestment Option within 8 market days from the Expiry Date or such date as may be prescribed by Bursa Securities ("**Allotment Date**").

Further, in accordance with Paragraphs 8.26(2) and 9.19(2)(a)(ii) of the Listing Requirements, a cash dividend must be paid within 1 month from the Book Closure Date and in any event, within 3 months from the date of the declaration of the dividend or the date on which the approval is obtained in a general meeting of the Company, whichever is applicable. For avoidance of doubt, Dividend(s) for the shareholders who do not exercise their Reinvestment Option will also be paid concurrently on the Allotment Date, in cash, in the usual manner.

An announcement in respect of the day on which the new SymLife Shares to be issued pursuant to the Proposed DRP will be listed and quoted on the Main Market of Bursa Securities will also be released by the Company accordingly.

For further information on the administration of the Proposed DRP, please refer to the flow chart in Appendix I of this Circular.

Shareholders will receive the Electable Portion in cash if they do not expressly elect in writing to exercise the Reinvestment Option in accordance with the instructions set out in the Notice of Election. As such, shareholders who wish to receive their Dividend(s) wholly in cash need not take any action with regards to the Notice of Election. Shareholders who wish to receive entire Electable Portion in new SymLife Shares or part of the Electable Portion in new SymLife Shares must complete and return the Notice of Election before the Expiry Date.

The percentage shareholding of a shareholder of SymLife will be diluted should he/she do not exercise his/her Reinvestment Option. However, the extent of the dilution will depend on the number of new SymLife Shares issued pursuant to the level of the Reinvestment Option exercised by the other shareholders.

## **2.2 Eligibility to participate in the Proposed DRP**

All shareholders of SymLife are eligible to participate in the Proposed DRP provided that:

- (i) such participation will not result in a breach of any restrictions applicable to such shareholder's holdings in SymLife Shares which may be imposed by any contractual obligations, or by any statute, law or regulation in force in Malaysia or any other relevant jurisdiction, as the case may be (unless the requisite approvals under the relevant statute, law or regulation 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
- (ii) there are no restrictions for such participation as prescribed in the Company's Constitution.

The Notice of Election will not be sent to Foreign Addressed Shareholder(s) to avoid any violation on the part of the Company of any securities laws applicable outside Malaysia.

Foreign Addressed Shareholders who wish to participate in the Proposed DRP are strongly advised to collect the documents relating to the Proposed DRP from the Company's Share Registrar located at Level 6, Symphony House, Pusat Dagangan Dana 1, Jalan PJU 1A/46, 47301 Petaling Jaya, Selangor Darul Ehsan, Malaysia or at such address in Malaysia as may be announced by the Company from time to time and the Share Registrar may in such an event be entitled to satisfy itself as to the identity and authority of the person collecting the documents relating to the Proposed DRP. Alternatively, the Foreign Addressed Shareholders who wish to participate in the Proposed DRP may provide the Share Registrar with their respective address in Malaysia not later than 3 market days before the relevant Book Closure Date in respect of any particular Dividend to which the Board has determined that the Proposed DRP shall apply.

The Foreign Addressed Shareholders who wish to permanently change their address for service of documents to an address in Malaysia should inform their respective stockbrokers to effect the change of address. Such notification should be done no later than 3 market days before the Book Closure Date if they wish to participate in the Proposed DRP.

The 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 Foreign Addressed Shareholders in the Proposed DRP will be on the basis that he/she may lawfully so participate without the Company, its Directors and employees and its advisers and the employees of the advisers being in breach of the laws of any jurisdiction.

### **2.3 Taxation**

Irrespective of whether an election is made by the shareholders to exercise the Reinvestment Option, a tax voucher will be despatched to all shareholders. For income tax purposes, a shareholder is regarded as having received a cash distribution equivalent to the amount of Dividend(s) declared, notwithstanding that the shareholder may elect to exercise the Reinvestment Option (in whole or in part). Hence, the election for the Reinvestment Option does not relieve the shareholder from any income tax obligations (if applicable) and there is no tax advantage to be gained in exercising the Reinvestment Option or otherwise.

### **2.4 Pricing of new SymLife Shares**

The Issue Price will be determined by the Board, at its absolute discretion, on a price fixing date to be announced later relating to the relevant Dividend(s). The Issue Price shall not be more than 10% discount to the 5-day VWAP of the SymLife Shares immediately preceding the price fixing date to be determined. For avoidance of doubt, the 5-day VWAP shall be adjusted ex-Dividend(s) before applying the said discount in fixing the Issue Price.

The new SymLife Shares will be issued to the shareholders free from any brokerage fees and other related transaction costs unless otherwise provided by any statute, law or regulation.

The Issue Price will be announced on or before the announcement of the Book Closure Date in relation to a Dividend to which the Reinvestment Option applies. An approval for the listing of and quotation for the new SymLife Shares to be issued pursuant to the Proposed DRP on the Main Market of Bursa Securities will be sought from Bursa Securities and the announcement of the Book Closure Date will be made after receipt of the said approval from Bursa Securities and such approval from other relevant authorities, if any.

### **2.5 Odd lots and fractional shares**

Under the Proposed DRP, shareholders who exercise the Reinvestment Option may be allotted with new SymLife Shares in odd lots depending on his/her entitlement of the new SymLife Shares. Shareholders who receive odd lots of new SymLife Shares and who wish to trade such odd lots may do so via the Odd Lots Market of Bursa Securities which allows the trading of odd lots (with a minimum of 1 SymLife Share).

Fractional new SymLife Shares will not be allotted and any amount of the Dividend(s) payment that is insufficient for the issuance of 1 whole new SymLife Share will be received in cash by the shareholders in the usual manner together with the Non-Electable Portion (if any).



## **2.6 Maximum number of new SymLife Shares**

The maximum number of new SymLife Shares to be issued under the Proposed DRP will depend on, amongst others:

- (i) the quantum of the Dividend(s);
- (ii) the Board's decision on the proportion/size of the Electable Portion;
- (iii) the number of shareholders who elect to exercise the Reinvestment Option and the extent of their election;
- (iv) the Issue Price; and
- (v) any necessary downward adjustment by the Board to the final number of new SymLife Shares to be allotted and issued to any of the shareholders.

The new SymLife Shares to be issued pursuant to the Proposed DRP will not be underwritten.

## **2.7 Ranking of new SymLife Shares**

The new SymLife Shares to be issued pursuant to the Proposed DRP shall, upon allotment and issuance, rank *pari passu* in all respects with the existing SymLife Shares, save and except that the holders of the new SymLife Shares shall not be entitled to any dividends, rights, allotments and/or other distributions that may be declared, made or paid prior to the date of allotment and issuance of the new SymLife Shares.

As the new SymLife Shares to be issued pursuant to the Proposed DRP are prescribed securities, the new SymLife Shares will be credited directly into the respective CDS accounts of the shareholders who have elected to reinvest their Electable Portion. No physical share certificates will be issued.

## **2.8 Modification, suspension and termination**

Subject to any statute, law or regulation currently in force in Malaysia, as the case may be, the Proposed DRP 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, notwithstanding any other provision of the terms and conditions of the Proposed DRP stating the contrary and irrespective of whether an election to exercise the Reinvestment Option has been made.

## **2.9 General**

The grant of the right to participate in the Proposed DRP will be made to all shareholders, including Directors of SymLife, major shareholders and other interested persons (including persons connected with a Director or major shareholders) of the Company who hold SymLife Shares, subject to the restrictions referred to in Section 2.2 of this Circular.

The shareholders' approval for the Proposed DRP (including the first shareholders' approval for issuance of new SymLife Share pursuant to the Proposed DRP) will be sought at the forthcoming AGM. Subsequently, shareholders' approval for future issuance of new SymLife Shares as may be required pursuant to the exercise of the Reinvestment Option by the shareholders may be obtained specifically at the AGM of SymLife on an annual basis.

For avoidance of doubt, the specific approval to be obtained from the shareholders for the issuance of new SymLife Shares arising from the Proposed DRP is in addition to the general mandate i.e. the shareholders' approval under Section 75 of the Act for general purpose, where the SymLife Shares to be issued during the preceding 12 months, shall not exceed 10% of the total number of issued Shares (excluding treasury shares, if any) sought at the Company's AGM on an annual basis.

Amendments to the Constitution of SymLife are not required under the Proposed DRP as neither the Constitution of SymLife nor the Act prohibits the implementation of any dividend reinvestment plan.

## **2.10 Implication of the Rules**

Under Paragraph 4.01, Part B of the Rules and Sections 217 and 218 of the Capital Markets and Services Act 2007, a shareholder may be under an obligation to extend a mandatory take-over offer for the remaining SymLife Shares not already owned by him/her and persons acting in concert with him/her (collectively referred to as “**Affected Parties**”), if:

- (i) by participating in the Proposed DRP in relation to the reinvestment of the Electable Portion, the Affected Party has obtained control via the acquisition or holding of, or entitlement to exercise or control the exercise of voting shares or voting rights of 33% or more or such other amount as may be prescribed in the Rules, in the Company, howsoever effected; or
- (ii) the Affected Party acquire (including by participating in the Proposed DRP in relation to any Electable Portion) more than 2% of the voting shares or voting rights of the Company in any 6 months period, and the Affected Party holds more than 33% but not more than 50% of the voting shares or voting rights of the Company during the said 6 months period.

Therefore, in the event an obligation to undertake a mandatory take-over offer is expected to arise resulting from the exercise of the Reinvestment Option, the Affected Parties may wish to consult their professional adviser(s) in relation to:

- (i) any obligation to undertake a mandatory take-over offer under the Rules as a result of any subscription of new SymLife Shares through his/her participation in the Proposed DRP; and
- (ii) whether to make an application to the Securities Commission Malaysia to obtain approval for an exemption from an obligation to undertake a mandatory take-over offer pursuant to the Rules prior to exercising their Reinvestment Option.

**The statements herein do not purport to be a comprehensive or exhaustive description of all the relevant provisions of, or all implications that may arise under, the Rules or other relevant legislation or regulations. Shareholders who are in doubt as to whether they would incur any obligation to undertake a mandatory take-over offer under the Rules as a result of any subscription of new SymLife Shares through their participation in the Proposed DRP are advised to consult their professional advisers at the earliest opportunity.**

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## 2.11 Other shareholding limits

Shareholders are reminded to ensure that their participation will not result in a breach of any restrictions on their respective holding of SymLife 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, as the case may be (unless the requisite approvals under the relevant statute, law or regulation or from the relevant authorities are first obtained or the relevant contractual obligation is otherwise waived in accordance with the terms and conditions of the relevant contracts), or as prescribed in the Company's Constitution.

If the above scenario on shareholding limits materialises, the Board shall be entitled but not obligated to (save and except where required by law) reduce or limit the number of new SymLife Shares to be issued to any shareholder should the Board be aware or be informed in writing of any expected breach of such shareholding limits as a result of the exercise of the Reinvestment Option by such shareholder, in which case the Board reserves the right to pay the remaining portion of the Electable Portion in cash.

## 2.12 Illustration

For illustrative purposes, the number of new SymLife Shares that the Company could potentially issue pursuant to the Proposed DRP is based on the following parameters/assumptions:

- (i) illustrative Dividend of RM0.01 per SymLife Share;
- (ii) assuming that the Reinvestment Option applies to the entire illustrative Dividend;
- (iii) assuming that all shareholders of the Company elect to participate in the Proposed DRP and choose to receive the illustrative Dividend wholly in new SymLife Shares; and
- (iv) assuming all the treasury shares are resold in the market prior to the Book Closure Date.

Based on the above, the illustrative maximum number of new SymLife Shares to be issued pursuant to the Proposed DRP in respect of the illustrative Dividend can be estimated as follows:

Number of issued shares as at the LPD	A	<sup>(i)</sup> 590,281,641
Illustrative Dividend per SymLife Share	B	RM0.01
Illustrative total Dividend payout	$C = A \times B$	RM5,902,816.41
Indicative Issue Price <sup>(ii)</sup>	D	RM0.36
Number of new Shares to be issued pursuant to the Proposed DRP	$E = C / D$	16,396,712

Notes:

- (i) Including 438,329 treasury shares.
- (ii) Calculated based on the 5-day VWAP of SymLife Shares prior to and including the LPD of RM0.41 per Share after deducting the illustrative Dividend of RM0.01 per SymLife Share and thereafter applying the maximum allowable discount of approximately 10%.

### **3. UTILISATION OF PROCEEDS FROM THE PROPOSED DRP**

The Proposed DRP will potentially result in cash retention for the Company if shareholders elect to reinvest their Dividend(s) in new SymLife Shares. The amount of cash reinvested into the Company arising from the Proposed DRP can only be ascertained on or after a relevant Expiry Date. Therefore, the time frame for utilisation of such cash cannot be determined at this juncture. Nonetheless, the net cash reinvested into the Company arising from the Proposed DRP (after the deduction of any related expenses) will be utilised for future working capital requirements of SymLife Group. Such cash to be utilised for each component of working capital are subject to SymLife Group's operating requirements at the time of utilisation and therefore cannot be determined at this juncture. The estimated expenses in relation to the establishment of the Proposed DRP amount to approximately RM150,000.

### **4. RATIONALE FOR THE PROPOSED DRP**

The establishment of the Proposed DRP is intended to:

- (i) reduce cash outlay as any cash so retained within SymLife Group, that would otherwise be made payable by way of Dividend(s), will be preserved to fund the SymLife Group's future working capital requirements;
- (ii) strengthen SymLife's capital position as issuance of new SymLife Shares pursuant to the Proposed DRP will lessen the reduction in the NA arising from otherwise full cash dividend;
- (iii) potentially improve the liquidity of SymLife Shares currently listed on the Main Market of Bursa Securities due to enlarged number of SymLife Shares pursuant to the Proposed DRP;
- (iv) provide the shareholders with greater flexibility in meeting their investment objectives as they would have the option of either receiving Dividend(s) in cash or reinvesting in new SymLife Shares; and
- (v) provide an opportunity to the shareholders to participate in the Proposed DRP to potentially enjoy better return as the new SymLife Shares may be issued at a discount and their subscription of such new SymLife Shares will be free from any brokerage fees and other related transaction costs unless otherwise provided by any statute, law or regulation.

The Proposed DRP provides shareholders with Reinvestment Option, and does not impose any obligation on the shareholders, to reinvest their Dividend(s), in whole or in part, in new SymLife Shares. Shareholders will not be immediately worse off as a result of the implementation of the Proposed DRP as those who elect not to exercise the Reinvestment Option will receive the entire Dividend(s) in cash. However, those who do not elect to reinvest the Electable Portion or elect to reinvest only part of their Electable Portion while some or all of other shareholders elect to reinvest in whole or only part of their Electable Portion, their shareholding percentage will be diluted.

### **5. EFFECTS OF THE PROPOSED DRP**

#### **5.1 Issued share capital**

The Proposed DRP is not expected to have any immediate material effect on the issued share capital of the Company until such time when the new SymLife Shares are issued upon the exercise of Reinvestment Option by the shareholders of the Company. The issued share capital of SymLife may increase progressively depending on the number of new SymLife Shares which may be issued upon the Reinvestment Option is applied by the Board and exercised by the shareholders of the Company.

## **5.2 NA, NA per Share and gearing**

The Proposed DRP will not have any immediate effect on the consolidated NA per Share and gearing level of the SymLife Group until such time when such Reinvestment Option under the Proposed DRP is exercised. In any event, the NA per Share will not be higher than the pre-dividend payout position.

Any effect of the Proposed DRP on the SymLife Group's NA would depend on factors such as the actual number of new SymLife Shares issued and the Issue Price after taking into account, *inter alia*, the Dividend(s) declared, the 5-day VWAP of SymLife Shares as well as the discount that may be applied to the issuance of new SymLife Shares.

In the event none of the shareholders elect to exercise their Reinvestment Option, the amount of Dividend(s) declared would be paid out entirely in cash resulting in a corresponding decrease in the Company's retained earnings. On the other hand, if all the shareholders elect to exercise their Reinvestment Option, the amount of Dividend(s) declared will be reinvested for new SymLife Shares at the Issue Price.

As compared with paying Dividend(s) wholly in cash, the exercise of the Reinvestment Option under the Proposed DRP by the shareholders will preserve cash in SymLife Group and result in lower reduction of the NA of SymLife. Hence, the consolidated gearing position of the Company is expected to improve when the Reinvestment Option is exercised, while the NA base remains the same. The quantum of the improvement in consolidated gearing position will depend on the extent to which shareholders elect to exercise the Reinvestment Option.

## **5.3 Earnings and EPS**

The EPS of the Group will be diluted depending on the extent the shareholders elect to reinvest the Electable Portion into new Shares. However, such reinvestment amount will be retained to fund future working capital requirements of the Group and is expected to contribute positively to the future earnings of SymLife Group.

## **5.4 Substantial shareholders' shareholdings**

The Proposed DRP is not expected to have any immediate effect on the shareholdings of the substantial shareholders of the Company until such time as and when the Reinvestment Option pursuant to the Proposed DRP is exercised. Any potential effect on the substantial shareholders' shareholdings in SymLife will depend on the number of new SymLife Shares issued at the relevant point in time. The substantial shareholders' shareholdings will not be affected if all shareholders elect to reinvest their respective Electable Portion. However, the shareholding percentage of the substantial shareholders (who elect to reinvest) will increase in the event some or all of the other shareholders do not elect to reinvest their Electable Portion. Conversely, where the substantial shareholders of SymLife elect not to reinvest their respective Electable Portion while some or all of other shareholders elect to reinvest their Electable Portion or elect to reinvest only part of their Electable Portion, the shareholding percentage of those substantial shareholders will be diluted.

## **5.5 Convertible securities**

The Proposed DRP is not expected to have any effects on the 149,292,368 outstanding warrants 2013/2020 in SymLife.

## 6. HISTORICAL SHARE PRICES

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

	Low RM	High RM
<b>2018</b>		
July	0.57	0.64
August	0.54	0.61
September	0.51	0.58
October	0.35	0.52
November	0.35	0.39
December	0.32	0.37
<b>2019</b>		
January	0.34	0.38
February	0.36	0.42
March	0.39	0.44
April	0.42	0.45
May	0.41	0.44
June	0.41	0.43

Last transacted price of SymLife Shares as at 14 June 2019 (immediately before the Announcement) 0.42

Last transacted market price on 23 July 2019 (being the latest practicable date prior to the printing of this Circular) 0.42

*(Source: Bloomberg)*

## 7. APPROVALS REQUIRED

The Proposed DRP is conditional upon the following approvals being obtained:

- (i) Bursa Securities, for the listing of and quotation for the new SymLife Shares to be issued pursuant to the Proposed DRP on the Main Market of Bursa Securities.

The application to Bursa Securities for the listing of and quotation for any new SymLife Shares to be issued pursuant to the Proposed DRP on the Main Market of Bursa Securities would be made prior to the announcement of the price fixing and Book Closure Date for the Proposed DRP;

- (ii) the shareholders of SymLife, at the forthcoming AGM of the Company to be convened.

The first shareholders' approval for the issuance of the new SymLife Shares pursuant to the Proposed DRP will be sought at the forthcoming AGM. Subsequent approvals for future issuance of new SymLife Shares pursuant to the Proposed DRP will be sought at the Company's AGM on an annual basis, where applicable.

For avoidance of doubt, the approval to be obtained from the shareholders for future issuance of new SymLife Shares arising from the Proposed DRP is in addition to Section 75 of the Act, where the shares to be issued shall not exceed 10% of the total number of issued Shares (excluding treasury shares, if any); and

- (iii) any other relevant authorities/parties, or such other approvals, waiver and/or consent, if required.

## 8. INTER-CONDITIONALITY

The Proposed DRP is not conditional upon any other corporate exercise undertaken or to be undertaken by the Company.

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

None of the Directors, major shareholders of the Company and/or persons connected with them have any interest, direct or indirect, in the Proposed DRP except for their respective entitlements to Dividend(s) and the Reinvestment Option as shareholders, to which all other shareholders are similarly entitled to.

## 10. DIRECTORS' STATEMENT AND RECOMMENDATION

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

Accordingly, the Board recommends that you vote in favour of the resolution pertaining to the Proposed DRP to be tabled at the forthcoming AGM of the Company.

## 11. ESTIMATED TIMEFRAME FOR COMPLETION

Barring any unforeseen circumstances and subject to the receipt of the necessary approvals as stated in Section 7 of this Circular, the Proposed DRP is expected to be ready for implementation in the 3<sup>rd</sup> quarter of 2019.

An illustrative timeline for the implementation of the Proposed DRP in respect of Dividend to be declared to which the Reinvestment Option is applicable is set out as follows:

<b>Event</b>	<b>Indicative timeline (market days)</b>
Approval from Bursa Securities on the additional listing application in relation to the Proposed DRP	T – 17
Announcement of Issue Price and Book Closure Date	T – 10
Book Closure Date	T
Despatch Notice of Election	T + 2
Expiry Date	T + 12
Issuance and allotment of new SymLife Shares as well as payment of cash Dividend	T + 20
Listing of new SymLife Shares on the Main Market of Bursa Securities	T + 21

**12. CORPORATE EXERCISE ANNOUNCED BUT NOT YET COMPLETED**

Save for the Proposed DRP, the Board confirms that there is no other outstanding corporate exercise which has been announced but pending completion as at the LPD.

**13. AGM**

The AGM is scheduled to be held at the Auditorium, 3A Floor, Menara Symphony, No. 5, Jalan Semangat, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan on Wednesday, 28 August 2019 at 9.30 a.m., for the purpose of considering and if thought fit, passing, *inter alia*, with or without modification, the resolution to give effect to the Proposed DRP.

If you are unable to attend and vote in person at the AGM, you are requested to complete, sign and return the enclosed Form of Proxy in accordance with the instructions contained therein to be deposited at the Registered Office of the Company at 01-3, 3<sup>rd</sup> Floor, Menara Symphony, No. 5, Jalan Semangat, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, not less than 24 hours before the time appointed for holding the AGM or at any adjournment thereof.

The completion and lodgement of the Form of Proxy shall not preclude you from attending and voting in person at the AGM should you subsequently decide to do so.

**14. FURTHER INFORMATION**

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

Yours faithfully,  
For and on behalf of the Board of  
**SYMPHONY LIFE BERHAD**

**TAN SRI MOHAMED AZMAN BIN YAHYA**  
Executive Chairman



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**DIVIDEND REINVESTMENT PLAN STATEMENT**

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**SYMPHONY LIFE BERHAD**  
(Company No. 5572-H)  
(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 of the Dividend Reinvestment Plan Statement)*

This Dividend Reinvestment Plan Statement contains the terms and conditions of the Dividend Reinvestment Plan of SymLife as may be amended from time to time ("**Terms and Conditions**") under which persons registered in the Record of Depositors of the Company, as shareholders on the Book Closure Date may, in relation to any Dividend(s), be given the option to reinvest as the Board may, in its absolute discretion, make available ("**Dividend Reinvestment Plan**").

**SUMMARY OF THE DIVIDEND REINVESTMENT PLAN**

The Dividend Reinvestment Plan will provide shareholders with an option to reinvest in whole or in part of their Dividend(s) which includes any interim, final, special or other Dividend(s) in new SymLife Shares in lieu of receiving cash.

In relation to Dividend(s) to be declared, the Board may, at its absolute discretion, determine whether to offer shareholders the Reinvestment Option and where applicable, the Electable Portion of the Dividend(s) to which the Reinvestment Option applies. Shareholders should note that the Company is not obliged to undertake the Dividend Reinvestment Plan for every Dividend(s) to be declared.

In this respect, the Electable Portion may encompass the whole Dividend(s) declared or only a portion of the Dividend(s). In the event the Electable Portion is not applicable for the whole Dividend(s) declared (as determined by the Board), the remaining portion of the Dividend(s) will be paid wholly in cash.

SymLife will issue new SymLife Shares to shareholders who elect to participate in the Reinvestment Option under the Dividend Reinvestment Plan. The Issue Price will be determined by the Board, at its absolute discretion, on the price fixing date to be announced later relating to the relevant Dividend(s). The Issue Price shall not be more than 10% discount to the 5-day VWAP of the SymLife Shares immediately preceding the price fixing date to be determined. The 5-day VWAP shall be adjusted ex-Dividend(s) before applying the said discount in fixing the Issue Price.

The Issue Price shall be announced on or before the announcement of the Book Closure Date. Approval for the listing of and quotation for the new SymLife Shares to be issued pursuant to the Dividend Reinvestment Plan on the Main Market of Bursa Securities will be sought from Bursa Securities and the announcement of the Book Closure Date will be made after receipt of the said approval from Bursa Securities and such approval from other relevant authorities, if any.

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**DIVIDEND REINVESTMENT PLAN STATEMENT (CONT'D)**

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Shareholders will have the following options in respect of the Reinvestment Option:

- (i) to elect to participate by reinvesting in whole or in part the Electable Portion at the Issue Price for new SymLife Shares and, in the event only part of the Electable Portion is so reinvested, to receive wholly in cash for the following:
  - (a) the remaining portion of the Electable Portion not reinvested; and
  - (b) the Non-Electable Portion; or
- (ii) to elect not to participate in the Reinvestment Option and thereby receive the entire Dividend(s) wholly in cash.

The new SymLife Shares will be issued free from any brokerage fees and other related transaction costs to the shareholders unless otherwise provided by any statute, law or regulation.

Subsequent to the Book Closure Date, a Notice of Election will be despatched to shareholders. The Notice of Election will specify, amongst others, the Expiry Date. Instruction will be provided in the Notice of Election in respect of the action to be taken by shareholders should they wish to exercise the Reinvestment Option. The new SymLife Shares to be issued pursuant to the Dividend Reinvestment Plan will not be underwritten. As the new SymLife Shares to be issued pursuant to the Dividend Reinvestment Plan are prescribed securities, the new SymLife Shares will be credited directly into the respective CDS accounts of shareholders who elect to exercise the Reinvestment Option. No physical share certificates will be issued.

The new SymLife Shares to be issued pursuant to the Dividend Reinvestment Plan shall, upon allotment and issuance, rank *pari passu* in all respects with the existing SymLife Shares, save and except that the holders of the new SymLife Shares shall not be entitled to any dividends, rights, allotments and/or other distributions that may be declared, made or paid prior to the date of allotment and issuance of the new SymLife Shares.

All shareholders are eligible to participate in the Dividend Reinvestment Plan subject to the restrictions described in the terms and conditions of the Dividend Reinvestment Plan.

**HOW TO PARTICIPATE**

Participation in the Dividend Reinvestment Plan is optional and not transferable. A shareholder wishing to reinvest in new SymLife Shares in respect of any Electable Portion to which a Notice of Election is received by him/her must complete the Notice of Election and return it to the office of the Share Registrar in accordance with the instructions as prescribed therein. A shareholder wishing to receive his/her Dividend(s) wholly in cash does not have to take any action with regards to a Notice of Election received by him/her.

Shareholders who receive more than 1 Notice of Election and wish to reinvest in new SymLife Shares in respect of all of his/her entitlement to the Electable Portion must complete all Notices of Election received by him/her and return the completed Notices of Election to the Share Registrar. Shareholders should note that they are at liberty to decide which particular Notice of Election they wish to elect for the reinvestment in new SymLife Shares. Where any particular Notice of Election is not elected upon or not received by the Share Registrar or such address as may be determined by the Company from time to time by the Expiry Date, the Dividend(s) relating thereto will be received in cash by Shareholders 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 Notice of Election must be received by the Share Registrar no later than the Expiry Date stated in the Notice of Election in respect of that particular Reinvestment Option.

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**DIVIDEND REINVESTMENT PLAN STATEMENT (CONT'D)**

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

- (i) such participation will not result in a breach of any restrictions on such shareholder's holdings in SymLife Shares which may be imposed by any contractual obligations, or by any statute, law or regulation in force in Malaysia or any other relevant jurisdiction, as the case may be (unless the requisite approvals under the relevant statute, law or regulation 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
- (ii) there are no restrictions for such participation as prescribed in the Company's Constitution.

Notices of Election will not be sent to shareholders who do not have an address in Malaysia to avoid any violation on the part of SymLife of any securities laws applicable outside Malaysia.

**Shareholders who currently do not have a registered address in Malaysia and who wish to participate in the Dividend Reinvestment Plan are strongly advised to provide SymLife's Share Registrar with a registered address in Malaysia no later than 3 Market Days before the relevant Book Closure Date in respect of any particular Dividend to which the Reinvestment Option is applied by the Board.**

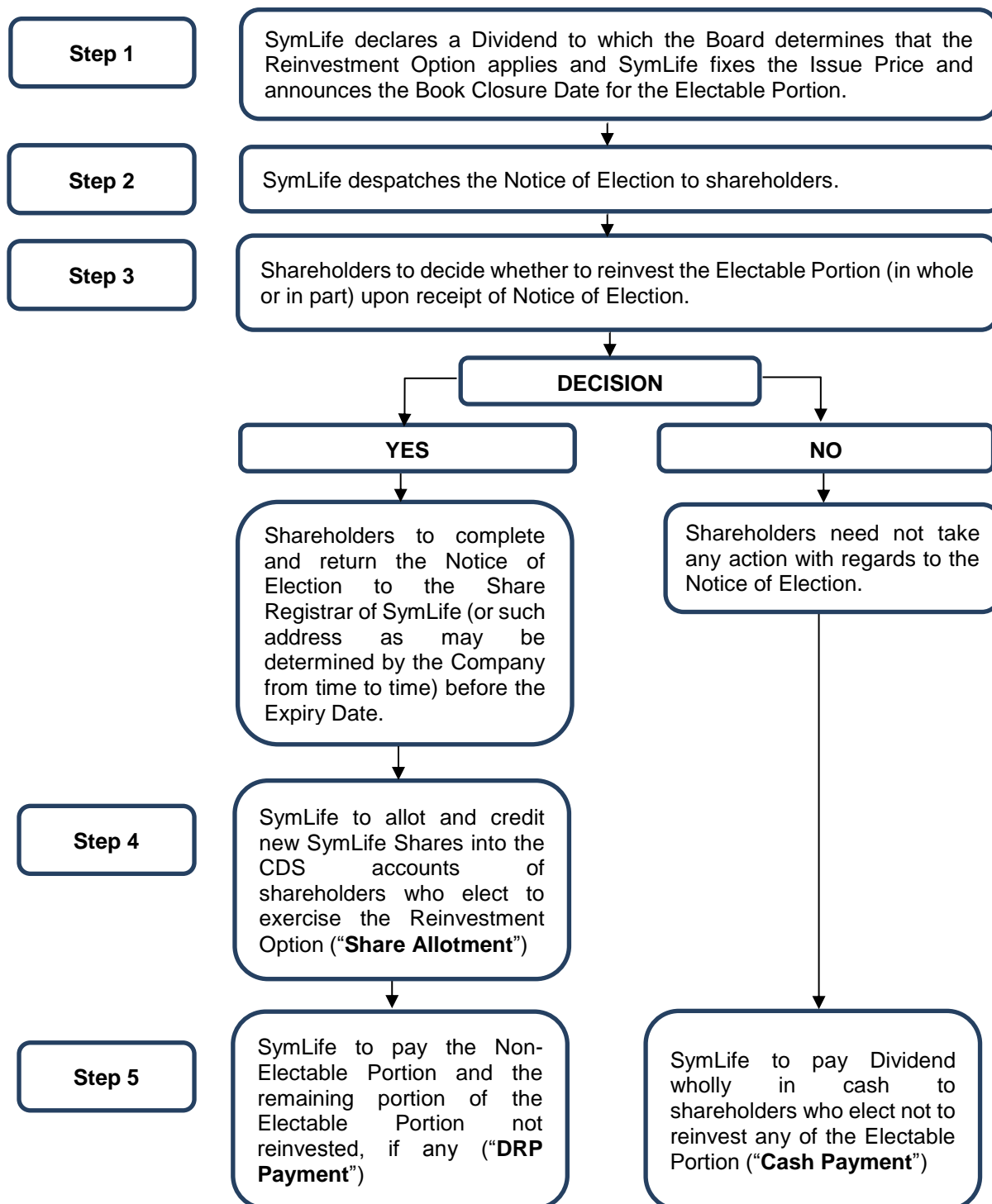
Shareholders should note that under the Dividend Reinvestment Plan:

- (i) in exercising the Reinvestment Option, shareholders are at liberty to reinvest the entire Electable Portion or a part thereof to which a Notice of Election relates; and
- (ii) their right to exercise the Reinvestment Option is non-transferable.

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**DIVIDEND REINVESTMENT PLAN STATEMENT (CONT'D)**

A brief process flow chart in relation the administrative of the Dividend Reinvestment Plan is shown below:



**Note:**

In respect of Step 5, shareholders should note that the DRP Payment, Cash Payment, and Share Allotment will take place on the same day, which shall be within 1 month from the Book Closure Date and in any event, not later than 3 months from the date of the declaration of the Dividend(s) or the date on which the approval is obtained in a general meeting of the Company, whichever is applicable.

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**DIVIDEND REINVESTMENT PLAN STATEMENT (CONT'D)**


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

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

**2. DEFINITIONS**

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

Allotment Date	:	Date of the issuance of new SymLife Shares which falls within 8 Market Days from the Expiry Date or such period as may be prescribed by Bursa Securities
Board	:	Board of Directors of SymLife
Book Closure Date	:	The date as at the close of business (to be determined and announced later by the Board) on which Shareholders' names appear in the Record of Depositors of the Company in order to participate in the Dividend Reinvestment Plan applicable to a Dividend
Bursa Depository	:	Bursa Malaysia Depository Sdn Bhd (165570-W)
Bursa Securities	:	Bursa Malaysia Securities Berhad (635998-W)
CDS	:	Central Depository System
Dividend(s)	:	Cash dividend(s) declared by SymLife, whether interim, final, special or any other cash dividends
Dividend Account	Payment	: The non-interest bearing account opened by SymLife to facilitate the payment of Dividend(s)
Electable Portion	:	The whole or a portion of a Dividend that may be declared by the Company in which the Board, in its absolute discretion, determines whether the Reinvestment Option applies
Expiry Date	:	The last day (which will be a date to be determined and announced by the Board which shall be at least 14 days from the date of Notice of Election is despatched) by which an election made by the Participating Shareholder in relation to the Electable Portion must be received by the Company's Share Registrar or such address as may be determined by the Company from time to time
Foreign Shareholder(s)	Addressed	: Shareholder(s) whose address in the Company's Record of Depositors is not in Malaysia

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**DIVIDEND REINVESTMENT PLAN STATEMENT (CONT'D)**


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Issue Price	:	The issue price for the new SymLife Shares to be determined by the Board on the price fixing date to be announced later, which shall be an issue price at a discount of not more than 10% to the 5-day VWAP of SymLife Shares immediately preceding the price fixing date. The 5-day VWAP shall be adjusted ex-Dividend(s) before applying the said discount in fixing the Issue Price
Listing Requirements	:	Main Market Listing Requirements of Bursa Securities as amended from time to time
Market Day(s)	:	Any day(s) between Monday and Friday (inclusive) which is not a public holiday and on which Bursa Securities is open for trading of securities
Non-Selectable Portion	:	The portion of the Dividend(s) to which the Reinvestment Option does not apply, as determined by the Board
Notice(s) of Election	:	The notice(s) of election in relation to the Reinvestment Option by which shareholders confirm their exercise thereof
Official List	:	A list specifying all securities listed on Bursa securities
Record of Depositors	:	A record of securities holders established by Bursa Depository under the rules of Bursa Depository as issued pursuant to the Securities Industry (Central Depositories) Act, 1991
Reinvestment Option	:	The option given to shareholders pursuant to the Dividend Reinvestment Plan, to reinvest the Electable Portion of a Dividend into new SymLife Shares, as the Board may, in its absolute discretion, make available
RM and sen	:	Ringgit Malaysia and sen, respectively
Rules	:	Rules on Take-overs, Mergers and Compulsory Acquisitions as may be amended from time to time and any re-enactment thereof
Share Registrar	:	Boardroom Share Registrars Sdn Bhd (378993-D)
SymLife or Company	:	Symphony Life Berhad (5572-H)
SymLife Shares or Shares	:	Ordinary shares in SymLife
Terms and Conditions	:	The terms and conditions of the Dividend Reinvestment Plan as amended, modified and supplemented from time to time
VWAP	:	Volume-weighted average market price

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**DIVIDEND REINVESTMENT PLAN STATEMENT (CONT'D)**

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**3. ELIGIBILITY**

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

- (i) such participation will not result in a breach of any restrictions on such shareholder's holdings in SymLife Shares which may be imposed by any contractual obligations, or by any statute, law or regulation in force in Malaysia or any other relevant jurisdiction, as the case may be (unless the requisite approvals under the relevant statute, law or regulation 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
- (ii) there are no restrictions for such participation as prescribed in the Company's Constitution.

**4. SHAREHOLDER(S) WITH FOREIGN ADDRESS**

Notices of Election will not be sent to Foreign Addressed Shareholders to avoid any violation on the part of the Company of any securities laws applicable outside Malaysia. Accordingly, the 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 a 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 this Dividend Reinvestment Plan Statement, 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 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 laws and regulations relating to the Dividend Reinvestment Plan as may be applicable to them.

Foreign Addressed Shareholders who wish to participate in the Dividend Reinvestment Plan are strongly advised to collect the documents relating to the Dividend Reinvestment Plan from the Company's Share Registrar located at Level 6, Symphony House, Pusat Dagangan Dana 1, Jalan PJU 1A/46, 47301 Petaling Jaya, Selangor Darul Ehsan, Malaysia or at such address in Malaysia as may be announced by the Company from time to time and the Share Registrar may in such an event be entitled to satisfy itself as to the identity and authority of the person collecting the documents relating to the Dividend Reinvestment Plan. Alternatively, the Foreign Addressed Shareholders who wish to participate in the Dividend Reinvestment Plan may provide the Share Registrar with their respective address in Malaysia no later than 3 Market Days before the relevant Book Closure Date in respect of any particular Dividend to which the Reinvestment Option is applied by the Board.

Foreign Addressed Shareholders who wish to permanently change their address for service of documents to an address in Malaysia should inform their respective stockbrokers to effect the change of address. Such notification should be done no later than 3 Market Days before the Book Closure Date if they wish to participate in the Dividend Reinvestment Plan.

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 he may lawfully so participate without the Company, its Directors and employees and its advisers and the employees of the advisers being in breach of the laws of any jurisdiction.

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**DIVIDEND REINVESTMENT PLAN STATEMENT (CONT'D)**

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**5. LEVEL OF PARTICIPATION**

The Participating Shareholder(s) may elect to participate in the Dividend Reinvestment Plan to the extent of the Electable Portion in respect of his holding of SymLife Shares as at each Book Closure Date to which each Notice of Election received by him.

**6. NOTICE OF ELECTION TO PARTICIPATE**

Subsequent to the Book Closure Date, the Company will, in its absolute discretion, send to each shareholder 1 or more Notices of Election in relation to each CDS account held by the shareholder. The Notice of Election will contain the instructions with respect to the action that is required to be taken by the shareholders to exercise the Reinvestment Option and will also state the Expiry Date.

To be effective in respect of any Electable Portion, a Notice of Election must be duly completed and executed by the shareholder as to the confirmation of his election to reinvest in new SymLife Shares and must be received by the Share Registrar, no later than the Expiry Date. Shareholders who receive more than 1 Notice of Election may elect to reinvest in new SymLife Shares in respect of his entitlement to which 1 Notice of Election relates and decline to reinvest in new SymLife Shares in respect of his entitlement to which any other Notice(s) of Election relates.

Shareholders who receive more than 1 Notice of Election and wishing to reinvest in new SymLife Shares in respect of his total aggregate entitlement to the Electable Portion in respect of his entire holding of SymLife Shares to which the Notices of Election relate must complete all the Notices of Election received by him and return the completed Notices of Election to the office of the Share Registrar at such address as may be announced by the Company from time to time, no later than the Expiry Date specified in the Notice of Election.

Notwithstanding the date of receipt by the Share Registrar of the completed Notices of Election, in accordance with Paragraph 6.09 of the Listing Requirements, the Allotment Date of the new SymLife Shares will occur within 8 Market Days from the Expiry Date or such date as may be prescribed by Bursa Securities, provided always that the completed Notice(s) of Election are received by the Share Registrar no later than the Expiry Date. A Notice of Election to participate in the Dividend Reinvestment Plan in any other form will not be accepted by the Company.

A Notice of Election in respect of any Electable Portion is irrevocable and shall not be withdrawn or cancelled by the submitting shareholder.

The Company has the discretion and right to accept or reject any Notice of Election that is incomplete, contains errors or is otherwise defective. The Company is under no obligation to correct invalid Notices of Election on behalf of any shareholder or to provide any reason for rejecting any Notices of Election. Any Notice of Election received after the Expiry Date shall be invalid.

By submitting 1 or more Notices of Election, the Participating Shareholder is electing to participate in the Dividend Reinvestment Plan, and unconditionally and irrevocably:

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



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**DIVIDEND REINVESTMENT PLAN STATEMENT (CONT'D)**

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- (ii) acknowledges that the Company may at any time in its absolute discretion determine that the Participating Shareholder's Notice of Election or other form (collectively referred to as "Form") is valid, even if the relevant Form is incomplete, contains errors or is otherwise defective;
- (iii) acknowledges that the Company may accept or reject any Form and agrees that the Company need not provide any reason therefor;
- (iv) acknowledges that the Company has not provided and is not obliged to provide the Participating Shareholder with investment advice or any other advice;
- (v) agrees to these 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;
- (vi) submits to the jurisdiction of the Malaysian Courts, in each case, at all times until termination of the Dividend Reinvestment Plan; and
- (vii) agrees that notwithstanding anything to the contrary, the Terms and Conditions set out herein or otherwise and irrespective of whether an election to exercise the Reinvestment Option has been made, if any time after the Board has determined that the Dividend Reinvestment Plan shall apply to any Dividend(s) and before the allotment and issuance of the new SymLife 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 or whatsoever it is no longer expedient or appropriate to implement the Dividend Reinvestment Plan in respect of the Electable Portion, the Board may, in its absolute discretion and as it deems fit in the interest of the Company and without assigning any reason thereof, 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, shareholders shall receive the Electable Portion in cash in the usual manner from the Dividend Payment Account.

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 will receive a cash distribution equivalent to the amount of the Dividend(s) declared which or part of which may be reinvested in new SymLife Shares depending on whether they elect to exercise the Reinvestment Option, if applicable. Hence, the election for the Reinvestment Option does not relieve shareholder of any income tax obligation (if applicable) and there is no tax advantage to be gained in exercising the Reinvestment Option or otherwise.

An announcement will also be made on the listing of and quotation for the new SymLife Shares to be issued pursuant to the Dividend Reinvestment Plan on the Main Market of Bursa Securities.

Shareholders will receive the Electable Portion in cash, if they do not expressly elect in writing to exercise the Reinvestment Option by the Expiry Date. As such, shareholders who wish to receive their Dividend(s) wholly in cash need not take any action with regards to the Notice of Election.

**7. EXTENT OF APPLICATION OF DIVIDEND REINVESTMENT PLAN TO EACH ELECTABLE PORTION**

The Board may, at its absolute discretion, determine in respect of any Dividend(s), whether the Dividend Reinvestment Plan shall apply and if so, the size of the Electable Portion. In this respect, the Electable Portion may apply to the whole Dividend(s) declared or only a portion of the Dividend(s) declared.

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**DIVIDEND REINVESTMENT PLAN STATEMENT (CONT'D)**


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If, in its absolute discretion, the Board has not determined that the Dividend Reinvestment Plan is to apply to a particular Dividend, such Dividend shall be paid wholly in cash to shareholders in the usual manner through the Dividend Payment Account.

**8. SHARE ENTITLEMENT**
**Maximum 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 the Electable Portion to which such Notice of Election relates.

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

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

Where:

- N : means the number of new SymLife Shares to be issued and allotted as fully paid-up to the Participating Shareholder in respect of such Notice of Election, rounded down to 1 SymLife Share.
- S : means the number of SymLife Shares held by the Participating Shareholder as at the Book Closure Date to which such Notice of Election relates.
- D : means the Electable Portion or part thereof (after deduction of applicable income tax).
- V : means the Issue Price, which, for the purpose of the Dividend Reinvestment Plan, shall be an amount in RM as determined by the Board based on 5-day VWAP immediately prior to the price fixing date after applying a discount of not more than 10%. The VWAP shall be adjusted ex-Dividend(s) before applying the discount in fixing the Issue Price.

Any fractional entitlement of new SymLife Shares computed in accordance with the above formula will be paid in cash to the Participating Shareholders in the usual manner through the Dividend Payment Account.

The percentage shareholding of a shareholder of the Company will be diluted if he/she does not exercise his/her Reinvestment Option. However, the extent of the dilution will depend on the number of new SymLife Shares to be issued pursuant to the level of the Reinvestment Option exercised by the other Participating Shareholders.

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**DIVIDEND REINVESTMENT PLAN STATEMENT (CONT'D)**


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**Balance of the Electable Portion**

In respect of any Electable Portion, the balance of the Electable Portion in respect of a Notice of Election which is not reinvested into new SymLife Shares and/or fractional entitlement of new SymLife Shares and/or amount yielding odd lot in relation to the Electable Portion under the Dividend Reinvestment Plan, whichever is applicable, of which will be paid to the Participating Shareholder in cash in the usual manner (“**Balance of the Electable Portion**”) shall be calculated in accordance with the following formula:

$$B = (S \times D) - (A \times V)$$

Where:

- B : means the Balance of the Electable Portion in respect of such Notice of Election relates.
- S : means the number of SymLife Shares held by the Participating Shareholder as at the Book Closure Date to which such Notice of Election relates.
- D : means the Electable Portion or part thereof (after deduction of applicable income tax).
- A : means the number of new SymLife Shares that the Participating Shareholder elects to subscribe for in respect of the Electable Portion to which such Notice of Election relates.
- V : means the Issue Price, which, for the purpose of the Dividend Reinvestment Plan, shall be an amount in RM as determined by the Board based on the 5-day VWAP immediately prior to the price fixing date after applying a discount of not more than 10%. The VWAP shall be adjusted ex-Dividend(s) before applying the discount in fixing the Issue Price.

**9. TERMS OF ALLOTMENT**

Unless the Board otherwise determines, all new SymLife Shares issued under the Dividend Reinvestment Plan will be allotted as fully paid-up. All such new SymLife Shares shall, upon allotment and issuance, rank *pari passu* in all respects with the existing SymLife Shares, save and except that the holders of the new SymLife Shares shall not be entitled to any dividends, rights, allotments and/or other distributions that may be declared, made or paid prior to the date of allotment and issuance of the new SymLife Shares.

As the new SymLife Shares to be issued pursuant to the Dividend Reinvestment Plan are prescribed securities, the new SymLife Shares will be credited directly into the respective CDS account(s) of the participating Shareholders who have elected to reinvest their Electable Portion. No physical share certificates will be issued.

**10. ODD LOTS AND FRACTIONAL SHARES**

Shareholders who exercise the Reinvestment Option may be allotted with new SymLife Shares in odd lots depending on his/her entitlement of the new SymLife Shares. Shareholders who receive odd lots of new SymLife Shares and who wish to trade such odd lots may do so via the Odd Lots Market of Bursa Securities which allows the trading of odd lots (with a minimum of 1 SymLife Share).

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**DIVIDEND REINVESTMENT PLAN STATEMENT (CONT'D)**

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Fractional new SymLife Shares will not be allotted and any amount of the Dividend(s) payment that is insufficient for the issuance of 1 whole new SymLife Share will be received in cash by the shareholders in the usual manner together with the Non-Electable Portion (if any).

**11. NOTIFICATION LETTERS TO PARTICIPATING SHAREHOLDERS**

SymLife shall within 8 Market Days from the Expiry Date or such other period as may be prescribed by Bursa Securities, allot and issue the new SymLife Shares and despatch notices of allotment to Participating Shareholders by ordinary post at the Participating Shareholders' own risk to the address shown in Bursa Depository's record and apply for quotation for the new SymLife Shares, where applicable. Concurrently on the Allotment Date, the Non-Electable Portion and the Electable Portion not exercised (if applicable) under the Reinvestment Option will be paid to the respective Shareholders in cash. The tax voucher for such Dividend(s) will be despatched to Shareholders who are entitled to such Dividend(s).

An announcement will also be made on the listing of and quotation for the new SymLife Shares to be issued pursuant to the Dividend Reinvestment Plan on the Main Market of Bursa Securities.

**12. COST TO THE PARTICIPATING SHAREHOLDERS**

The new SymLife Shares will be issued free of any brokerage fees and related transaction costs, unless otherwise provided by any statute, law or regulation.

**13. CANCELLATION OF APPLICATION OF DIVIDEND REINVESTMENT PLAN**

Notwithstanding any other provisions, the Terms and Conditions of the Dividend Reinvestment Plan set out herein or otherwise and irrespective of whether an election to exercise the Reinvestment Option has been made, if at any time after the Board has determined that the Dividend Reinvestment Plan shall apply to any Dividend(s) and before the allotment and issuance of new SymLife Shares in respect of the Electable Portion, the Board shall consider that by reason of any event or circumstances (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 in the interest of the Company and without assigning any reason thereof, 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, shareholders shall receive the Electable Portion in cash in the usual manner from Dividend Payment Account.

**14. 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 provision or the terms and conditions of the Dividend Reinvestment Plan stating to the contrary and irrespective of whether an election to exercise the Reinvestment Option has been made.

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**DIVIDEND REINVESTMENT PLAN STATEMENT (CONT'D)**

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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 in its absolute discretion, to recommence or terminate the Dividend Reinvestment Plan. If the Dividend Reinvestment Plan is recommenced, Participating Shareholders' Notice of Election confirming their participation under the previously suspended Dividend Reinvestment Plan will be valid and have full force and effect in accordance with these Terms and Conditions and any directions, terms and conditions for such commencement of the Dividend Reinvestment Plan which may be notified to all shareholders.

**15. GENERAL ADMINISTRATION OF THE DIVIDEND REINVESTMENT PLAN**

The Board may implement the Dividend Reinvestment Plan in the manner as it deems fit in its absolute discretion. The Board has the power to:

- (i) determine procedures, rules and regulations for administration of the Dividend Reinvestment Plan consistent with the Terms and Conditions, as may be amended or modified from time to time;
- (ii) 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 SymLife Shares and the determination of the Board will be conclusive and binding on all shareholders and other persons to whom the determination relates;
- (iii) delegate to any 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 person or persons to whom the Board has delegated its authority to, for the purposes of administering the Dividend Reinvestment Plan; and
- (iv) waive strict compliance by the Company or any shareholder with any of these Terms and Conditions.

**16. IMPLICATIONS OF THE RULES AND SHAREHOLDING LIMITS**

Under Paragraph 4.01, Part B of the Rules and Sections 217 and 218 of the Capital Markets and Services Act, 2007. In particular, a shareholder should note that he/she may be under an obligation to extend a mandatory take-over offer for the remaining SymLife Shares not already owned by him/her and persons acting in concert with him/her (collectively referred to as "**Affected Parties**"), if:

- (i) by participating in the Dividend Reinvestment Plan in relation to the reinvestment of the Electable Portion, the Affected Party has obtained control via the acquisition or holding of, or entitlement to exercise or control the exercise of voting shares or voting rights of 33% or more or such other amount as may be prescribed in the Rules, in the Company, howsoever effected; or
- (ii) the Affected Party acquire (including by participating in the Dividend Reinvestment Plan in relation to any Electable Portion) more than 2% of the voting shares or voting rights of the Company in any 6 months period, and the Affected Party holds more than 33% but not more than 50% of the voting shares or voting rights of the Company during the said 6 months period.

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**DIVIDEND REINVESTMENT PLAN STATEMENT (CONT'D)**

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Therefore, in the event an obligation to undertake a mandatory take-over offer is expected to arise resulting from the exercise of the Reinvestment Option, the Affected Parties may wish to consult their professional adviser(s) in relation to:

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

**The statements herein do not purport to be a comprehensive or exhaustive description of all the relevant provisions of, or all implications that may arise under the Rules or other relevant legislation or regulations. Shareholders who are in doubt as to whether they would incur any obligation to undertake a mandatory take-over offer under the Rules as a result of any subscription of new SymLife Shares through their participation in the Dividend Reinvestment Plan are advised to consult their professional advisers at the earliest opportunity.**

Shareholders are reminded to ensure that their participation will not result in a breach of any restrictions on their respective holding of SymLife 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, as the case may be (unless the requisite approvals under the relevant statute, law or regulation or from the relevant authorities are first obtained or the relevant contractual obligation is otherwise waived in accordance with the terms and conditions of the relevant contracts), or as prescribed in the Company's Constitution.

**17. GOVERNING LAW**

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

**18. NOTICES AND STATEMENTS**

Unless otherwise provided in these 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 provisions of the Company's Constitution.

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**FURTHER INFORMATION**

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**1. RESPONSIBILITY STATEMENT**

The Board has seen and approved the contents of this Circular, and they collectively and individually, accept full responsibility for the accuracy of the information given in this Circular. The Board confirms that after making all reasonable enquires and to the best of their knowledge and belief, there are no other facts, the omission of which would make any statement in this Circular false or misleading.

**2. CONSENT AND DECLARATION OF CONFLICT IN INTEREST**

Affin Hwang IB, being the Principal Adviser for the Proposed DRP, has given and has not subsequently withdrawn its written consent to the inclusion in this Circular of its name and all references thereto in the form and context in which they appear in this Circular.

Affin Hwang IB hereby declares that there is no situation of conflict of interest that exists or is likely to exist in relation to the role of Affin Hwang IB as the Principal Adviser to the Company in relation to the Proposed DRP.

Affin Bank Berhad (the holding company of Affin Hwang IB) and its related and associated companies (“**Affin Group**”) form a diversified financial group and are engaged in a wide range of investment and commercial banking, brokerage, securities trading, assets and fund management and credit transaction services businesses. Affin Group has engaged and may in the future, engage in transaction with and perform services for the Company and/or the Company’s affiliates, in addition to the roles set out in the Circular. In addition, in the ordinary course of business, any member of Affin Group may at any time offer or provide its services to or engage in any transaction (on its own account or otherwise) with any member of SymLife and its subsidiaries (“**SymLife Group**”), the Company’s shareholders, the Company’s affiliates and/or any other entity or person, hold long or short positions in securities issued by the Company and/or the Company’s affiliates, and may trade or otherwise effect transactions for its own account or the account of its other customers in debt or equity securities or senior loans of any members of SymLife Group and/or the Company’s affiliates.

As at the LPD, Affin Group has in the ordinary course of its business extended credit facilities / services to SymLife Group, its directors and its shareholders. Affin Group may also in the future extend credit facilities/ services to SymLife Group, its directors and its shareholders.

Affin Hwang IB has considered the factors involved and believes its objective and independence as the Principal Adviser to the Company in relation to the Proposed DRP are maintained at all times notwithstanding the aforementioned roles and services performed as these are mitigated by the following:

- (i) the businesses of Affin Group generally act independently of each other, and accordingly, there may be situations where parts of Affin Group and/or its customers now have or in the future, may have interest or take actions that may conflict with the interest of the SymLife Group. Nonetheless, Affin Group is required to comply with applicable laws and regulations issued by the relevant authorities governing its advisory business, which require, among others, segregation between dealing and advisory activities and Chinese Walls between different business divisions;
- (ii) the said credit facilities / services, where relevant, have been extended by Affin Group in its ordinary course of business;
- (iii) the conduct of Affin Group in its banking business is strictly regulated by the Financial Services Act 2013, the Islamic Financial Services Act 2013, the Capital Markets and Services Act 2007 and Affin Group’s own internal controls and checks; and

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**FURTHER INFORMATION (CONT'D)**


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- (iv) as at the LPD, SymLife Group has existing credit facilities of RM132.50 million with Affin Group. The outstanding amount of the credit facilities extended by Affin Group to SymLife Group is not material compared to the latest audited NA of Affin Group as at 31 December 2018 of RM8.67 billion.

Accordingly, the Board has been fully informed and is aware of the roles of Affin Hwang IB mentioned above and is agreeable to the role of Affin Hwang IB as the Principal Adviser to the Company in relation to the Proposed DRP.

### 3. MATERIAL LITIGATION

Save as disclosed below, as at the LPD, our Group is not engaged in any material litigation, claims or arbitration, either as plaintiff or defendant, and our Board is not aware and does not have any knowledge of any proceedings pending or threatened against our Group, or of any fact likely to give rise to any proceedings which may materially and adversely affect the financial position or business of our Group:

- (i) Tijani (Bukit Tunku) Sdn Bhd (“**Tijani**” or “**Respondent**”), a wholly-owned subsidiary of SymLife, had on 20 August 2015 received a Notice of Arbitration served by T.J. Civil & Structural Contractor Sdn Bhd (“**Claimant**”) to seek redress on the disputes arisen from a project, including among others Tijani and its servants, agents or consultants had failed, neglected and/or refused to grant the Claimant extension of time, thereby causing delay on the part of the Claimant in completing the contracted works.

On 2 February 2016, the Claimant served its Statement of Claim claiming loss and damages for a total sum of RM9,130,119.85, the details of which are as follows:

- (a) Outstanding final value for works done in the sum of RM900,316.73;
- (b) Release of Retention in the sum of RM1,616,450;
- (c) Losses from Prolongation in the sum of RM2,216,989.26;
- (d) Late payment interest in the sum of RM331,183.52;
- (e) Cost of consultants and experts in the sum of RM159,000.00;
- (f) Wrongful deduction of liquidated damages in the sum of RM2,970,000.00; and
- (g) Wrongful set-offs in the sum of RM936,180.34.

Tijani defended the claim and submitted a counterclaim against the Claimant seeking, amongst others:

- (a) Liquidated damages in the sum of RM3,880,665.27 or alternatively in the sum of RM2,530,665.27, after deducting the amount payable by Tijani to the Claimant based on the Re-Re-Amended Statement of Defence and Counterclaim dated 10.01.2019; and
- (b) Damages suffered by Tijani in the sum of RM1,065,697.49.

As at the LPD, the arbitration proceedings is still on-going and the next hearing before the arbitrator is scheduled for end of July 2019.

The Respondent has been advised by its solicitors from the facts of its case, that Tijani has a fair chance of success in the arbitration proceedings.

- (ii) TWY Development Sdn Bhd (“**TWY**” or “**Defendant**”), a wholly-owned subsidiary of SymLife has on 23 August 2018 terminated the services from Top International Engineering (Malaysia) Sdn Bhd (“**Plaintiff**”) on the account that the Plaintiff’s default and failure to proceed regularly and/or diligently with the contracted works. Following the termination, the Defendant has on the even date, made a written demand to RHB Bank



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**FURTHER INFORMATION (CONT'D)**

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Berhad to claim for the sum of RM9,093,400.00 under a performance bond (i.e. Bank Guarantee No. TCXG887261CG dated 23 August 2016 issued by RHB Bank Berhad in favour of Defendant) ("**Bank Guarantee**").

On 27 August 2018, the Plaintiff filed an Originating Summons accompanied with a Notice of Application for an *ex-parte* interim injunction seeking, amongst others:

- (a) An interim injunction order restraining the Defendant from receiving proceeds of any demand made under the Bank Guarantee, or in the event that the said proceeds have been received, an order restraining the Defendant from transferring, utilising or dealing howsoever with the said proceeds, until the final disposal of this action; and
- (b) An interim injunction to restrain the Defendant from making any further demand under the Bank Guarantee until the final disposal of this action.

On 28 August 2018, the Plaintiff obtained an *ex-parte* interim injunction from the High Court of Malaya restraining the Defendant from receiving payment under the performance bond pending the disposal of this action.

On 7 September 2018, the Defendant filed a Notice of Application to set aside the *ex-parte* interim injunction dated 28 August 2018 and seeking, amongst others:

- (a) Damages in the form of interest at the rate of 8.00% per annum on the sum of RM9,093,400.00 under a performance bond from the date of the interim injunction until a date to be determined by the High Court of Malaya; and/or
- (b) An order for the assessment of damages suffered by the Defendant resulting from the interim injunction.

The hearing of the Originating Summons, the *inter-partes* interim injunction application and the setting aside application was fixed on 22 October 2018 and was subsequently adjourned to 31 October 2018 pending the outcome of a Court assisted mediation.

On 16 November 2018, the Plaintiff and the Defendant had entered into a Consent Order and the salient details of the Consent Order are summarised as follows:

- (a) The Plaintiff to pay the Defendant upfront cash payment of RM6,000,000.00 within 28 days from the date of the Consent Order, the amount of which shall be accounted for in the Arbitral Award between the Plaintiff and the Defendant;
- (b) The validity of the Performance Bond dated 23 August 2016 shall be extended by the Plaintiff until 3 months after Arbitral Award between the Plaintiff and the Defendant is published in the pending arbitration proceedings between the parties. The Plaintiff shall give a copy of the extended Performance Bond to the Defendant within 28 days after the withdrawal of the Defendant's written demand on the Performance Bond made to RHB Bank Berhad dated 23 August 2018;
- (c) In the alternative, in the event the Plaintiff is unable to procure RHB Bank Berhad to extend the validity of the Performance Bond pursuant to item (b) above, the Plaintiff shall provide to the Defendant, a new Performance Bond within 56 days of this Consent Order. This New Performance Bond shall be valid within 3 months after the Arbitral Award is published.
- (d) The Plaintiff shall not commence any payment claim and adjudication proceedings under the Construction Industry Payment and Adjudication Act 2012 against the Defendant;

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**FURTHER INFORMATION (CONT'D)**


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- (e) The Plaintiff agrees to allow the Defendant to retain the retention sum of RM4,594,830.71 as certified under the last Payment Certificate No. 23 under the Contract, pending outcome of arbitration proceedings stated in item (f) below;
- (f) All the disputes between the parties arising from and in connection with the Contract shall be referred to and resolved in the arbitration proceedings;
- (g) In respect of the balance payment of RM1,013,754.51 due under Payment Certificate No. 23, the Plaintiff authorises and the Defendant agrees to pay off the balance by making direct payments amounting to RM1,013,754.51 to the Plaintiff's domestic sub-contractors and suppliers involved in the project as indicated in Annexure "A" of the Consent Order ("**Annexure A**");
- (h) The Defendant agrees to deposit RM500,000.00 with Messrs Azman Davidson & Co within 28 days after the Plaintiff satisfies both terms (a), and (b) or (c) above and Messrs Azman Davidson & Co shall hold this sum as a stakeholder pending the outcome of the arbitration proceedings stated in term (f) above;
- (i) Subject to the Plaintiff giving the Defendant a written consent from RHB Bank Berhad to extend the validity of the Performance Bond under term (b) above, the Defendant agrees to withdraw the written demand on the Performance Bond made to RHB Bank Berhad on 23 August 2018 within 7 days after receipt of the payment from the Plaintiff as stated in term (a) above; and
- (j) In the event the Plaintiff fails to comply with any of the terms in the Consent Order, the Defendant shall be immediately entitled to demand on any of the Performance Bond mentioned in terms (b) or (c) above (whichever is applicable). In addition, if the Plaintiff fails to comply with any of the terms in the Consent Order, the Defendant shall be released and discharged of its obligations under the terms (g), (h) and (i) above.

On 24 January 2019, the Defendant has received a Notice of Application filed by the Plaintiff to High Court in respect of proposed amendments to Annexure A. The Application was fixed for hearing on 24 January 2019 and with consent of both parties, the Application was allowed with no order as to costs. Based on the Court Order dated 24 January 2019, the list of domestic sub-contractors and suppliers in Annexure A was amended.

In respect of the proposed arbitration between TWY and the Plaintiff, the parties were not able to agree on the appointment of the arbitrator and on 11 January 2019, the parties requested for the Director of the Asian International Arbitration Centre (AIAC) to appoint an arbitrator pursuant to the Arbitration Act 2015. On 25 January 2019, the AIAC notified the parties of the appointment of Mr Chong Thaw Sing as the arbitrator.

The arbitration hearings have been scheduled in the months of April, May and June 2020.

The Defendant has been advised by its solicitors from the facts of its case, that TWY has a reasonable chance of success in the present arbitration proceedings.

#### 4. MATERIAL COMMITMENTS

As at the LPD, the Board is not aware of any material commitments incurred or known to be incurred by the Group that has not been provided for which, upon becoming enforceable, may have a material effect on the business or financial position of the Group.

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**FURTHER INFORMATION (CONT'D)**

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**5. CONTINGENT LIABILITIES**

As at the LPD, the Board is not aware of any contingent liabilities incurred or known to be incurred by the Group, which upon becoming enforceable may have a material effect on the business or financial position of the Group.

**6. DOCUMENTS AVAILABLE FOR INSPECTION**

Copies of the following documents will be available for inspection during normal office hours (except for Saturday, Sunday and public holidays) from the date of this Circular up to and including the date of the AGM, at the registered office of the Company at 01-3, 3rd Floor, Menara Symphony, No. 5, Jalan Semangat, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan:

- (i) Constitution of SymLife;
- (ii) the audited consolidated financial statements of SymLife for the FYE 31 March 2018 and FYE 31 March 2019;
- (iii) the letter of consent and declaration of conflict of interest referred to in Section 2 above; and
- (iv) the relevant cause papers in respect of the material litigation referred to in Section 3 above.

<b>RESOLUTION TO APPROVE THE PROPOSED DIVIDEND REINVESTMENT PLAN</b>
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*The resolution below is for information purposes only. Please refer to the Notice of AGM in the Company's Annual Report for the financial year ended 31 March 2019.*

**SPECIAL BUSINESS  
ORDINARY RESOLUTION 9**

**PROPOSED ESTABLISHMENT OF A DIVIDEND REINVESTMENT PLAN THAT PROVIDES THE SHAREHOLDERS OF SYMPHONY LIFE BERHAD (“SYMLIFE” OR “COMPANY”) WITH AN OPTION TO REINVEST IN WHOLE OR IN PART, THEIR CASH DIVIDEND(S) DECLARED BY SYMLIFE (WHETHER INTERIM, FINAL, SPECIAL OR ANY OTHER CASH DIVIDENDS) IN NEW ORDINARY SHARES IN SYMLIFE (“SYMLIFE SHARES”) (“PROPOSED DRP”)**

**“THAT** subject to the approvals of the relevant authorities and/or parties (where required) being obtained and to the extent permitted by law, the Board be and is hereby authorised for the following:

- (i) to establish and implement the Proposed DRP;
- (ii) to determine, at its absolute discretion, whether the Proposed DRP will apply to any cash dividend(s) (whether interim, final, special or any other cash dividends) (“**Dividend(s)**”) declared and/or approved by the Company; and
- (iii) to allot and issue such number of new SymLife Shares from time to time as may be required to be allotted and issued pursuant to the Proposed DRP;

**THAT** the new SymLife Shares to be issued pursuant to the Proposed DRP shall, upon allotment and issuance, rank *pari passu* in all respects with the existing SymLife Shares, save and except that the new SymLife Shares shall not be entitled to any dividends, rights, allotments and/or other distributions that may be declared, made or paid prior to the date of allotment and issuance of the new SymLife Shares;

**THAT** the Board be and is hereby authorised to do all acts, deeds and things and execute all necessary documents as they may consider necessary, expedient and/or appropriate, in the best interests of the Company, with full powers to assent to any conditions, modifications, variations and/or amendments as may be required by the relevant authorities and/or parties, and to take all steps and actions as the Board may deem fit or expedient in order to carry out, finalise and give full effect to the Proposed DRP;

**AND THAT** no documents pertaining to the Proposed DRP shall be issued or sent to shareholders having a registered address outside Malaysia or who have not provided an address in Malaysia at which such documents may be delivered to.”