

**THIS CIRCULAR TO SHAREHOLDERS OF RCE CAPITAL BERHAD (“RCE” OR THE “COMPANY”) IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.**

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

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**RCE CAPITAL BERHAD**

Registration No.: 195301000151 (2444-M)  
(Incorporated in Malaysia)

**CIRCULAR TO SHAREHOLDERS IN RELATION TO THE**

- (I) PROPOSED DISTRIBUTION OF UP TO 18,778,370 TREASURY SHARES ON THE BASIS OF 1 TREASURY SHARE FOR EVERY 20 ORDINARY SHARES HELD IN THE COMPANY (“SHARES”) ON AN ENTITLEMENT DATE TO BE DETERMINED (“ENTITLEMENT DATE”) (“PROPOSED SHARE DIVIDEND”); AND**
  
- (II) PROPOSED BONUS ISSUE OF UP TO 360,251,432 NEW SHARES (“BONUS SHARES”) ON THE BASIS OF 19 BONUS SHARES FOR EVERY 21 SHARES HELD ON THE ENTITLEMENT DATE (“PROPOSED BONUS ISSUE”)**

**AND**

**NOTICE OF EXTRAORDINARY GENERAL MEETING FOR THE PROPOSED BONUS ISSUE**

*Principal Adviser*



**AmInvestment Bank**

**AmInvestment Bank Berhad**

(Registration No.: 197501002220 (23742-V))  
(A Participating Organisation of Bursa Malaysia Securities Berhad)

The Proposed Bonus Issue will be tabled as Ordinary Resolution at the Extraordinary General Meeting (“EGM”) of RCE which will be held as a fully virtual meeting conducted entirely through live streaming and remote voting using the remote participation and voting facilities hosted on the Securities Services e-Portal at <https://sshb.net.my/> provided by SS E Solutions Sdn. Bhd. at Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur, Malaysia on Wednesday, 22 December 2021 at 10.30 a.m. or at any adjournment thereof. The Notice of EGM together with the Form of Proxy are enclosed in this Circular. The Administrative Guide is available for download from the Company’s website at [www.rce.com.my](http://www.rce.com.my). Please follow the procedures provided in the Administrative Guide in order to register, participate and vote remotely at the EGM.

The Form of Proxy must be completed and lodged at SS E Solutions Sdn. Bhd. at Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur, Malaysia not less than 48 hours before the time set for holding the EGM or at any adjournment thereof. Alternatively, you may submit the Form of Proxy electronically via the Securities Services e-Portal at <https://sshb.net.my/> before the aforesaid lodgement cut-off time.

Last date and time for lodging the Form of Proxy : Monday, 20 December 2021 at 10.30 a.m.  
Date and time of the EGM : Wednesday, 22 December 2021 at 10.30 a.m.

This Circular is dated 2 December 2021

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## DEFINITIONS

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

<b>Act</b>	: Companies Act 2016
<b>AmInvestment Bank</b>	: AmInvestment Bank Berhad (Registration No.: 197501002220 (23742-V))
<b>Board</b>	: Board of Directors of the Company
<b>Bonus Share(s)</b>	: Up to 360,251,432 new Shares to be issued pursuant to the Proposed Bonus Issue
<b>Bursa Depository</b>	: Bursa Malaysia Depository Sdn Bhd (Registration No.: 198701006854 (165570-W))
<b>Bursa Securities</b>	: Bursa Malaysia Securities Berhad (Registration No.: 200301033577(635998-W))
<b>By-Laws</b>	: By-Laws governing the ESS as amended, modified, altered and/or supplemented from time to time
<b>Circular</b>	: This circular dated 2 December 2021 to Shareholders in relation to the Proposals
<b>Director(s)</b>	: A natural person who holds a directorship in the Company, whether in an executive or non-executive capacity, and shall have the meaning given in Section 2 of the Act and Section 2(1) of the Capital Markets and Services Act 2007
<b>EGM</b>	: Extraordinary General Meeting
<b>Eligible Person(s)</b>	: An executive director or employee of RCE Group who fulfils the criteria of eligibility to participate in the ESS as indicated in the By-Laws
<b>Entitled Shareholders</b>	: Shareholders whose names appear in the Record of Depositors of the Company on the Entitlement Date
<b>Entitlement Date or BCD</b>	: A date to be determined and announced later by the Board, on which the names of the Shareholders must appear in the Record of Depositors of the Company as at 5.00 p.m., in order to be entitled to the Proposed Share Dividend and the Proposed Bonus Issue
<b>EPS</b>	: Earnings per share
<b>ESS</b>	: Employees' share scheme of the Company which was implemented on 20 October 2020
<b>FYE</b>	: Financial year ended/ending, as the case may be
<b>Interim Cash Dividend</b>	: First interim dividend for the FYE 31 March 2022 of 7 sen per Share which was declared by RCE on 9 November 2021 and to be paid on 6 December 2021
<b>Listing Requirements</b>	: Main Market Listing Requirements of Bursa Securities
<b>LPD</b>	: 18 November 2021, being the latest practicable date prior to the date of this Circular
<b>Market Day(s) or MD</b>	: Day(s) on which Bursa Securities is open for trading of securities

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**DEFINITIONS (CONT'D)**

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<b>Maximum Scenario</b>	:	Assuming all 10,137,400 outstanding Options as at the LPD are exercised on or prior to the Entitlement Date
<b>Minimum Scenario</b>	:	Assuming none of the 10,137,400 outstanding Options as at the LPD are exercised on or prior to the Entitlement Date
<b>NA</b>	:	Net assets
<b>Option(s)</b>	:	The right of an Eligible Person to subscribe for new and/or existing RCE Shares at an exercise price pursuant to the contract constituted by the acceptance of an offer by an Eligible Person in the manner indicated in the By-Laws
<b>Proposals</b>	:	Collectively, the Proposed Share Dividend and Proposed Bonus Issue
<b>Proposed Bonus Issue</b>	:	Proposed bonus issue of up to 360,251,432 Bonus Shares on the basis of 19 Bonus Shares for every 21 Shares held on the Entitlement Date
<b>Proposed Share Dividend</b>	:	Proposed distribution of up to 18,778,370 Treasury Shares on the basis of 1 Treasury Share for every 20 Shares held on the Entitlement Date
<b>RCE or Company</b>	:	RCE Capital Berhad (Registration No.: 195301000151 (2444-M))
<b>RCE Group or Group</b>	:	RCE and its subsidiaries
<b>RCE Share(s) or Share(s)</b>	:	Ordinary shares in the Company
<b>Record of Depositors</b>	:	A record of securities holders established and maintained by Bursa Depository under the rules of Bursa Depository as issued pursuant to the Securities Industry (Central Depositories) Act 1991
<b>RM and sen</b>	:	Ringgit Malaysia and sen, respectively
<b>Shareholders</b>	:	Shareholders of the Company
<b>Treasury Shares</b>	:	RCE Shares held by the Company as treasury shares
<b>VWAP</b>	:	Volume weighted average market price

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

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

Any reference in this Circular to any provision of a statute, rule, regulation, enactment or rule of stock exchange shall (where the context admits) be construed as a reference to the provision of such statute, rule, regulation, enactment or rule of stock exchange (as the case may be) as modified by any written law or (if applicable) amendment or re-enactment to the statute, rule, regulation, enactment or rule of stock exchange for the time being in force.

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

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**EXECUTIVE SUMMARY**

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**THIS EXECUTIVE SUMMARY HIGHLIGHTS THE SALIENT INFORMATION OF THE PROPOSALS. YOU ARE ADVISED TO READ AND CAREFULLY CONSIDER THE ENTIRE CONTENTS OF THIS CIRCULAR WITHOUT RELYING SOLELY ON THIS EXECUTIVE SUMMARY BEFORE VOTING ON THE ORDINARY RESOLUTION PERTAINING TO THE PROPOSED BONUS ISSUE AT THE FORTHCOMING EGM OF THE COMPANY.**

<b>Key information</b>	<b>Description</b>	<b>Reference to the Circular</b>
<b>Summary of the Proposals</b>	<p><b><u>The Proposals</u></b> The Proposals are intended to enable Entitled Shareholders to receive 1 new Share for every 1 existing Share held upon the completion of both corporate exercises. The combined effect from the Proposals would lead to doubling up of the total number of Shares held by Entitled Shareholders, while minimising incidences of odd lots.</p> <p><b><u>Proposed Share Dividend</u></b> The Proposed Share Dividend entails a distribution of up to 18,778,370 Treasury Shares on the basis of 1 Treasury Share for every 20 Shares held by Entitled Shareholders on the Entitlement Date.</p> <p><b><u>Proposed Bonus Issue</u></b> The Proposed Bonus Issue entails the issuance of up to 360,251,432 Bonus Shares on the basis of 19 Bonus Shares for every 21 existing Shares held by Entitled Shareholders on the Entitlement Date.</p> <p>The Company intends to implement the Proposed Share Dividend by distributing the Treasury Shares to Entitled Shareholders before the Proposed Bonus Issue. Hence, the entitlement to the Proposed Bonus Issue will be based on the increased number of Shares held by Entitled Shareholders after the Proposed Share Dividend.</p>	Section 2
<b>Rationale</b>	<p>The Proposals will:-</p> <ul style="list-style-type: none"><li>(i) provide Shareholders with greater equity participation in terms of number of Shares held while maintaining their percentage of equity interest in the Company; and</li><li>(ii) be able to encourage the trading liquidity of RCE Shares on Bursa Securities via greater participation by a broader range of investors with the increase in the number of Shares available in the market.</li></ul>	Section 3
<b>Approvals required</b>	<p>The Proposed Share Dividend is conditional upon the approval being obtained from Bursa Depository for the transfer of the Treasury Shares from the Company to the Entitled Shareholders pursuant to the Proposed Share Dividend.</p> <p>The Proposed Bonus Issue is conditional upon the following approvals being obtained:-</p>	Section 6

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**EXECUTIVE SUMMARY (CONT'D)**

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<b>Key information</b>	<b>Description</b>	<b>Reference to the Circular</b>
	<p>(i) Bursa Securities for the listing of and quotation for the Bonus Shares which was obtained vide its letter dated 18 November 2021;</p> <p>(ii) Shareholders at the forthcoming EGM to be convened; and</p> <p>(iii) Any other relevant authorities (where applicable).</p>	
<b>Interests of Directors, major Shareholders, chief executive and/or persons connected with them</b>	None of the Directors, major Shareholders and/or chief executive of the Company and/or persons connected with them have any interest, either direct or indirect, in the Proposals, save for their respective entitlements as Shareholders, to which all other Shareholders are similarly entitled.	Section 8
<b>Board's recommendation</b>	<p>The Board having considered all aspects of the Proposed Bonus Issue, including but not limited to the rationale and effects of the Proposed Bonus Issue, is of the opinion that the Proposed Bonus Issue is in the best interest of the Company.</p> <p>Accordingly, the Board recommends that you vote in favour of the ordinary resolution pertaining to the Proposed Bonus Issue to be tabled at the forthcoming EGM of the Company.</p>	Section 9

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**RCE CAPITAL BERHAD**

Registration No.: 195301000151 (2444-M)  
(Incorporated in Malaysia)

**Registered Office:**

802, 8th Floor, Block C  
Kelana Square  
17 Jalan SS 7/26  
47301 Petaling Jaya  
Selangor, Malaysia

2 December 2021

**Board of Directors:**

Shahman Azman (*Non-Independent Non-Executive Chairman*)  
Tan Sri Mazlan bin Mansor (*Independent Director*)  
Datuk Mohamed Azmi bin Mahmood (*Independent Director*)  
Tan Bun Poo (*Independent Director*)  
Mahadzir bin Azizan (*Independent Director*)  
Thein Kim Mon (*Independent Director*)  
Soo Kim Wai (*Non-Independent Non-Executive Director*)  
Shalina Azman (*Non-Independent Non-Executive Director*)  
Lum Sing Fai (*Non-Independent Non-Executive Director*)

**To: The Shareholders**

Dear Sir/Madam,

- (I) PROPOSED SHARE DIVIDEND**
- (II) PROPOSED BONUS ISSUE**

**(COLLECTIVELY REFERRED TO AS THE “PROPOSALS”)**

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**1. INTRODUCTION**

On 9 November 2021, AmInvestment Bank had, on behalf of the Board, announced that the Company proposes to undertake the Proposals.

On 19 November 2021, AmInvestment Bank had, on behalf of the Board, announced that Bursa Securities had, vide its letter dated 18 November 2021, approved the listing of and quotation for the Bonus Shares on the Main Market of Bursa Securities, subject to the conditions as set out in Section 6 of this Circular.

**THE PURPOSE OF THIS CIRCULAR IS TO PROVIDE YOU WITH THE RELEVANT INFORMATION ON THE PROPOSALS AND TO SEEK YOUR APPROVAL FOR THE ORDINARY RESOLUTION PERTAINING TO THE PROPOSED BONUS ISSUE TO BE TABLED AT THE FORTHCOMING EGM OF THE COMPANY. THE NOTICE OF EGM AND THE FORM OF PROXY ARE ENCLOSED IN THIS CIRCULAR.**

**YOU ARE ADVISED TO READ AND CONSIDER CAREFULLY THE CONTENTS OF THIS CIRCULAR TOGETHER WITH THE APPENDIX CONTAINED HEREIN BEFORE VOTING ON THE ORDINARY RESOLUTION PERTAINING TO THE PROPOSED BONUS ISSUE TO BE TABLED AT THE FORTHCOMING EGM OF THE COMPANY.**

## **2. DETAILS OF THE PROPOSALS**

The Proposals are intended to enable Entitled Shareholders to receive 1 new Share for every 1 existing Share held upon the completion of both corporate exercises. The combined effect from the Proposals would lead to doubling up of the total number of Shares held by Entitled Shareholders, while minimising incidences of odd lots.

For illustrative purpose, a Shareholder holding 1,000 Shares on the Entitlement Date shall hold 2,000 Shares after the completion of the Proposals. However, Entitled Shareholders who hold lesser than 20 Shares will not be entitled to receive the Treasury Shares to be distributed pursuant to the Proposed Share Dividend as well as the Bonus Shares.

The Proposals will be implemented concurrently with a single Entitlement Date. For avoidance of doubt, the Treasury Shares shall be distributed to Entitled Shareholders before the Proposed Bonus Issue. Therefore, the entitlement to the Proposed Bonus Issue will be based on the increased number of Shares held by Entitled Shareholders after the Proposed Share Dividend.

In order to facilitate the concurrent crediting and/or listing of the Treasury Shares and Bonus Shares, the Treasury Shares and Bonus Shares will not be credited, listed and/or traded on the next Market Day after the Entitlement Date. The date on which the Treasury Shares and Bonus Shares will be credited, listed and/or traded will be announced in due course.

Subject to necessary approvals being obtained from relevant authorities for the crediting and/or listing of the Treasury Shares and Bonus Shares, the indicative timetable for the implementation of the Proposals is illustrated as follows:-

<b>Estimated timeline</b>	<b>Events</b>
BCD - 10 MD	- Announcement of Entitlement Date/BCD
BCD	- Entitlement Date/BCD
BCD + 2 MD	- Determination of the total number of Treasury Shares to be credited pursuant to the Proposed Share Dividend
BCD + 4 MD	- Determination of the total number of Bonus Shares to be allotted pursuant to the Proposed Bonus Issue based on the enlarged shareholdings of Entitled Shareholders after the Proposed Share Dividend
BCD + 7 MD	- Additional listing announcement in relation to the final quantum as well as the listing date of the Bonus Shares
BCD + 8 MD	- Crediting of the Treasury Shares - Crediting and listing of the Bonus Shares

**Note:-**

(1) Further details of the estimated timeframe for the implementation of the Proposals are set out in section 11 of this Circular.

In conjunction with the Proposals, the Company has undertaken not to grant any additional Options under the ESS prior to the Entitlement Date.

The Entitlement Date will be determined and announced at a later date upon the receipt of all relevant approvals for the Proposals. Please refer to the ensuing sections for further details of the Proposals.



## **2.1 DETAILS OF THE PROPOSED SHARE DIVIDEND**

### **2.1.1 Basis and number of Treasury Shares to be distributed**

As at the LPD, the Company has:-

- (i) 388,035,236 issued Shares (including 22,605,225 Treasury Shares); and
- (ii) 10,137,400 outstanding Options governed by the By-Laws which have not been exercised.

The Proposed Share Dividend entails a distribution of up to 18,778,370 Treasury Shares on the basis of 1 Treasury Share for every 20 Shares held by Entitled Shareholders on the Entitlement Date.

The actual number of Treasury Shares to be distributed under the Proposed Share Dividend will depend on the total number of issued Shares as at the Entitlement Date.

Fractional entitlements arising from the Proposed Share Dividend, if any, will be disregarded and/or dealt with by the Board in such manner as the Board in its absolute discretion deems fit and expedient and in the best interest of the Company.

The Proposed Share Dividend will not involve any cash pay-out as dividend and is not subject to Shareholders' approval.

The cost of the Treasury Shares to be distributed is up to approximately RM20.9 million based on the average acquisition cost of RM1.111 per Treasury Share.

### **2.1.2 Ranking of the Treasury Shares to be distributed**

Save for the entitlement to the Proposed Bonus Issue, the Treasury Shares to be distributed pursuant to the Proposed Share Dividend shall rank *pari passu* in all respects with the existing Shares, save and except that they shall not be entitled to any dividends, rights, allotments and/or any other forms of distribution which may be declared, made or paid to the Shareholders, the entitlement date of which is prior to the date of distribution of the said Treasury Shares.

## **2.2 DETAILS OF THE PROPOSED BONUS ISSUE**

### **2.2.1 Basis and number of Bonus Shares to be issued**

The Proposed Bonus Issue entails the issuance of up to 360,251,432 Bonus Shares on the basis of 19 Bonus Shares for every 21 existing Shares held by Entitled Shareholders on the Entitlement Date.

The Company intends to implement the Proposed Share Dividend by distributing the Treasury Shares to Entitled Shareholders before the Proposed Bonus Issue. Hence, the entitlement to the Proposed Bonus Issue will be based on the increased number of Shares held by Entitled Shareholders after the Proposed Share Dividend.

For avoidance of doubt, the remaining Treasury Shares held by the Company after the Proposed Share Dividend shall also be entitled to the Bonus Shares pursuant to the Proposed Bonus Issue and will be treated as Treasury Shares to be held by the Company upon allotment and issuance.

The actual number of Bonus Shares to be issued pursuant to the Proposed Bonus Issue will depend on the total number of issued Shares as at the Entitlement Date (which shall include the total number of Treasury Shares distributed under the Proposed Share Dividend).

The basis of 19 Bonus Shares for every 21 Shares was determined after taking into consideration, among others, the intention to double the number of Shares held by Shareholders via the combined Proposals while minimising incidences of odd lots.

Fractional entitlements arising from the Proposed Bonus Issue, if any, will be disregarded and/or dealt with by the Board in such manner as the Board in its absolute discretion deems fit and expedient and in the best interest of the Company.

The Board takes cognisance of the maximum number of Bonus Shares allowable under Paragraph 6.30(1A) of the Listing Requirements. Pursuant to Paragraph 6.30(1A) of the Listing Requirements, the share price adjusted for the Proposed Bonus Issue should not be less than RM0.50 based on the daily VWAP during the past 3-month period prior to the date of the listing application to Bursa Securities.

For illustrative purposes, the effects of the Proposals on the Company's share price are as follows:-

	<b>Before the Proposals</b>	<b>(I) After the Proposed Share Dividend</b>	<b>(II) After (I) and the Proposed Bonus Issue</b>
	<b>Market price</b>	<b>Theoretical adjusted reference price</b>	<b>Theoretical adjusted reference price</b>
	<b>RM</b>	<b>RM</b>	<b>RM</b>
5-day VWAP up to and including LPD	3.8662	3.6821	1.9331
Lowest of 3-month daily VWAP up to and including 11 November 2021 <sup>(1)</sup> , i.e., before the application date	2.7375	2.6071	1.3687

**Note:-**

(1) Being the last trading date prior to the submission of the listing application to Bursa Securities.

Based on the above, the Board confirms that the share price adjusted for the Proposals is not less than RM0.50 based on the daily VWAP during the past 3-month period up to and including the LPD in accordance with Paragraph 6.30(1A) of the Listing Requirements.

The Proposed Bonus Issue will be implemented as one single tranche and not on a staggered basis over a period of time.

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### **2.2.2 No capitalisation of reserves**

The Bonus Shares in respect of the Proposed Bonus Issue will be issued as fully paid, at nil consideration and without any capitalisation of the Company's reserves.

The Proposed Bonus Issue will increase the number of Shares in issue but will not increase the value of RCE's issued share capital.

### **2.2.3 Ranking of the Bonus Shares**

The Bonus Shares shall, upon allotment and issuance, rank *pari passu* in all respects with the existing Shares, save and except that they shall not be entitled to any dividends, rights, allotments and/or any other forms of distribution which may be declared, made or paid to the Shareholders, the entitlement date of which is prior to the date of allotment and issuance of the Bonus Shares.

### **2.2.4 Listing of and quotation for the Bonus Shares**

Bursa Securities had, vide its letter dated 18 November 2021, approved the listing of and quotation for the Bonus Shares on the Main Market of Bursa Securities, subject to the conditions as set out in Section 6 of this Circular.

## **3. RATIONALE AND JUSTIFICATIONS FOR THE PROPOSALS**

The Board intends to undertake the Proposals to reward the existing Shareholders for their loyalty and continuing support as the Proposals serve to increase the number of Shares held by Shareholders with no cash outlay by them, while maintaining their percentage of shareholdings in the Company.

In addition, the Proposals will:-

- (i) provide Shareholders with greater equity participation in terms of number of Shares held while maintaining their percentage of equity interest in the Company; and
- (ii) be able to encourage the trading liquidity of RCE Shares on Bursa Securities via greater participation by a broader range of investors with the increase in the number of Shares available in the market.

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#### 4. EFFECTS OF THE PROPOSALS

##### 4.1 Issued share capital

The pro forma effects of the Proposals on the issued share capital of the Company are set out below:-

	Minimum Scenario				Maximum Scenario <sup>(1)</sup>			
	No. of Treasury Shares	No. of Shares outstanding	Issued share capital (includes Treasury Shares)		No. of Treasury Shares	No. of Shares outstanding	Issued share capital (includes Treasury Shares)	
	('000)	('000)	('000)	RM'000	('000)	('000)	('000)	RM'000
Issued share capital as at LPD	22,605	365,430	388,035	199,700	22,605	365,430	388,035	199,700
Exercise of outstanding Options	-	-	-	-	-	10,137	10,137	29,525
<b>Enlarged issued Shares after exercise of Options</b>	<b>22,605</b>	<b>365,430</b>	<b>388,035</b>	<b>199,700</b>	<b>22,605</b>	<b>375,567</b>	<b>398,173</b>	<b>229,225</b>
Proposed Share Dividend	(18,271)	18,271	-	-	(18,778)	18,778	-	-
<b>Enlarged issued Shares after the Proposed Share Dividend</b>	<b>4,334</b>	<b>383,701</b>	<b>388,035</b>	<b>199,700</b>	<b>3,827</b>	<b>394,346</b>	<b>398,173</b>	<b>229,225</b>
Proposed Bonus Issue	3,921	347,159	351,080	-	3,462	356,789	360,251	-
<b>Enlarged issued share capital after the Proposals</b>	<b>8,255</b>	<b>730,860</b>	<b>739,115</b>	<b>199,700</b>	<b>7,289</b>	<b>751,135</b>	<b>758,424</b>	<b>229,225</b>

Note:-

Some figures may not add up due to rounding differences.

- (1) Assuming all the 10,137,400 Options outstanding as at the LPD are fully exercised into new Shares at an exercise price of (a) RM2.17 for 1,069,400 Options and (b) RM3.00 for 9,068,000 Options.

## 4.2 NA per Share and gearing

Based on the latest audited consolidated financial statements of the Company as at 31 March 2021, the pro forma effects of the Proposals on the NA per Share and gearing of the Group are set out below:-

### Minimum Scenario

	<b>Audited as at 31 March 2021 (RM'000)</b>	<b>(I) (1) Subsequent events (RM'000)</b>	<b>(II) (2) After (I) and payment of Interim Cash Dividend (RM'000)</b>	<b>(III) (3) After (II) and the Proposed Share Dividend (RM'000)</b>	<b>(IV) (4) After (III) and the Proposed Bonus Issue (RM'000)</b>
Share capital	188,026	199,700	199,700	199,700	199,700
Exchange translation reserve	(1)	(1)	(1)	(1)	(1)
ESS reserve	2,136	3,708	3,708	3,708	3,708
Treasury shares	(25,910)	(25,910)	(25,910)	(5,611)	(5,611)
Retained earnings	609,781	582,719	557,139	536,839	536,599
<b>Shareholders' funds/NA</b>	<b>774,031</b>	<b>760,216</b>	<b>734,636</b>	<b>734,636</b>	<b>734,395</b>
No. of Shares in issue (excluding Treasury Shares) ('000)	360,050	365,430	365,430	383,702	730,860
No. of Treasury Shares ('000)	22,605	22,605	22,605	4,334	8,255
NA per Share (RM)	2.15	2.08	2.01	1.91	1.00
Net financing liabilities <sup>(5)</sup> (RM'000)	1,072,719	1,072,719	1,072,719	1,072,719	1,072,719
Gearing (times)	1.39	1.41	1.46	1.46	1.46

#### Notes:-

Some figures may not add up due to rounding differences.

(1) Subsequent events up till LPD comprise:-

- (i) exercise of 5,380,000 Options at the exercise price of RM2.17 each and cancellation of 22,500 Options;
- (ii) payment of interim dividend of 7 sen per Share amounting to approximately RM25.5 million on 29 July 2021; and
- (iii) grant of 9,068,000 new Options with an exercise price of RM3.00 per Option on 21 October 2021.

(2) After Interim Cash Dividend amounting to approximately RM25.6 million assuming no outstanding Options are exercised prior to the entitlement date of the Interim Cash Dividend.

(3) Assuming total cost of Treasury Shares of approximately RM20.3 million based on the average acquisition cost of RM1.111 per Treasury Share.

(4) After deducting estimated expenses of RM240,000 for the Proposed Bonus Issue.

(5) Financing liabilities are net of deposits, cash and bank balances.

### Maximum Scenario

	Audited as at 31 March 2021 (RM'000)	(I) <sup>(1)</sup> Subsequent events (RM'000)	(II) <sup>(2)</sup> After (I) and full exercise of outstanding Options (RM'000)	(III) <sup>(3)</sup> After (II) and payment of Interim Cash Dividend (RM'000)	(IV) <sup>(4)</sup> After (III) and Proposed Share Dividend (RM'000)	(V) <sup>(5)</sup> After (IV) and Proposed Bonus Issue (RM'000)
Share capital	188,026	199,700	229,225	229,225	229,225	229,225
Exchange translation reserve	(1)	(1)	(1)	(1)	(1)	(1)
ESS reserve	2,136	3,708	-	-	-	-
Treasury shares	(25,910)	(25,910)	(25,910)	(25,910)	(5,047)	(5,047)
Retained earnings	609,781	582,719	586,427	560,137	539,274	539,034
<b>Shareholders' funds/NA</b>	<b>774,031</b>	<b>760,216</b>	<b>789,741</b>	<b>763,451</b>	<b>763,451</b>	<b>763,211</b>
No. of Shares in issue (excluding Treasury Shares) (‘000)	360,050	365,430	375,567	375,567	394,346	751,135
No. of Treasury Shares (‘000)	22,605	22,605	22,605	22,605	3,827	7,289
NA per Share (RM)	2.15	2.08	2.10	2.03	1.94	1.02
Net financing liabilities <sup>(6)</sup> (RM'000)	1,072,719	1,072,719	1,072,719	1,072,719	1,072,719	1,072,719
Gearing (times)	1.39	1.41	1.36	1.41	1.41	1.41

#### Notes:-

Some figures may not add up due to rounding differences.

- (1) Subsequent events till LPD comprise:-
  - (i) exercise of 5,380,000 Options at the exercise price of RM2.17 each and cancellation of 22,500 Options;
  - (ii) payment of interim dividend of 7 sen per Share amounting to approximately RM25.5 million on 29 July 2021; and
  - (iii) grant of 9,068,000 new Options with an exercise price of RM3.00 per Option on 21 October 2021.
- (2) Assuming all 10,137,400 outstanding Options as at the LPD are fully exercised into new Shares at an exercise price of (a) RM2.17 for 1,069,400 Options and (b) RM3.00 for 9,068,000 Options, and after accounting for the reversal of ESS reserve.
- (3) After Interim Cash Dividend amounting to approximately RM26.3 million based on the enlarged issued share capital after full exercise of outstanding Options.
- (4) Assuming total cost of Treasury Shares of approximately RM20.9 million based on the average acquisition cost of RM1.111 per Treasury Share.
- (5) After deducting estimated expenses of RM240,000 for the Proposed Bonus Issue.
- (6) Financing liabilities are net of deposits, cash and bank balances.

#### 4.3 Earnings and EPS

The Proposals are not expected to have any material effect on the earnings of the Group for the FYE 31 March 2022. Notwithstanding that, the Group's EPS will be proportionately diluted due to the increase in the number of Shares in issue upon completion of the Proposals.

#### 4.4 Substantial Shareholders' shareholdings

The Proposals will not have any effect on the shareholding percentage as the Treasury Shares and Bonus Shares will be allotted on a pro-rata basis to Shareholders. However, there will be a proportionate increase in the number of Shares held by each substantial Shareholder. The pro forma effects of the Proposals on the substantial Shareholders' shareholdings are set out below:-

##### Minimum Scenario

Substantial Shareholders	As at the LPD				(I) After the Proposed Share Dividend			
	Direct		Indirect		Direct		Indirect	
	No. of Shares	(1)%	No. of Shares	(1)%	No. of Shares	(2)%	No. of Shares	(2)%
Cempaka Empayar Sdn Bhd	195,359,784	53.46	-	-	205,127,773	53.46	-	-
Amcorp Group Berhad	-	-	(4)195,359,784	53.46	-	-	(4)205,127,773	53.46
Clear Goal Sdn Bhd	-	-	(4)195,359,784	53.46	-	-	(4)205,127,773	53.46
Tan Sri Azman Hashim	750,000	0.21	(5)212,307,784	58.10	787,500	0.21	(5)222,923,173	58.10

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Substantial Shareholders	(II) After (I) and the Proposed Bonus Issue			
	Direct		Indirect	
	No. of Shares	<sup>(3)</sup> %	No. of Shares	<sup>(3)</sup> %
Cempaka Empayar Sdn Bhd	390,719,567	53.46	-	-
Amcorp Group Berhad	-	-	<sup>(4)</sup> 390,719,567	53.46
Clear Goal Sdn Bhd	-	-	<sup>(4)</sup> 390,719,567	53.46
Tan Sri Azman Hashim	1,500,000	0.21	<sup>(5)</sup> 424,615,567	58.10

Notes:-

- (1) Based on total number of 365,430,011 Shares in issue (excluding 22,605,225 Treasury Shares) as at LPD.
- (2) Based on the enlarged total number of 383,701,511 Shares in issue (excluding 4,333,725 Treasury Shares).
- (3) Based on the enlarged total number of 730,860,020 Shares in issue (excluding 8,254,714 Treasury Shares).
- (4) Deemed interested by virtue of Section 8(4) of the Act through Cempaka Empayar Sdn Bhd.
- (5) Deemed interested by virtue of Section 8(4) of the Act through Cempaka Empayar Sdn Bhd and the interest held under Rockwills Trustee Berhad – RCE Trust.

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**Maximum Scenario**

Substantial Shareholders	As at the LPD				(I) After full exercise of outstanding Options			
	Direct		Indirect		Direct		Indirect	
	No. of Shares	(1)%	No. of Shares	(1)%	No. of Shares	(2)%	No. of Shares	(2)%
Cempaka Empayar Sdn Bhd	195,359,784	53.46	-	-	195,359,784	52.02	-	-
Amcorp Group Berhad	-	-	<sup>(5)</sup> 195,359,784	53.46	-	-	<sup>(5)</sup> 195,359,784	52.02
Clear Goal Sdn Bhd	-	-	<sup>(5)</sup> 195,359,784	53.46	-	-	<sup>(5)</sup> 195,359,784	52.02
Tan Sri Azman Hashim	750,000	0.21	<sup>(6)</sup> 212,307,784	58.10	750,000	0.20	<sup>(6)</sup> 212,307,784	56.53

Substantial Shareholders	(II) After (I) and the Proposed Share Dividend				(III) After (II) and the Proposed Bonus Issue			
	Direct		Indirect		Direct		Indirect	
	No. of Shares	(3)%	No. of Shares	(3)%	No. of Shares	(4)%	No. of Shares	(4)%
Cempaka Empayar Sdn Bhd	205,127,773	52.02	-	-	390,719,567	52.02	-	-
Amcorp Group Berhad	-	-	<sup>(5)</sup> 205,127,773	52.02	-	-	<sup>(5)</sup> 390,719,567	52.02
Clear Goal Sdn Bhd	-	-	<sup>(5)</sup> 205,127,773	52.02	-	-	<sup>(5)</sup> 390,719,567	52.02
Tan Sri Azman Hashim	787,500	0.20	<sup>(6)</sup> 222,923,173	56.53	1,500,000	0.20	<sup>(6)</sup> 424,615,567	56.53

**Notes:-**

- (1) Based on total number of 365,430,011 Shares in issue (excluding 22,605,225 Treasury Shares) as at LPD.
- (2) Based on the enlarged total number of 375,567,411 Shares in issue (excluding 22,605,225 Treasury Shares).
- (3) Based on the enlarged total number of 394,345,781 Shares in issue (excluding 3,826,855 Treasury Shares).
- (4) Based on the enlarged total number of 751,134,821 Shares in issue (excluding 7,289,247 Treasury Shares).
- (5) Deemed interested by virtue of Section 8(4) of the Act through Cempaka Empayar Sdn Bhd.
- (6) Deemed interested by virtue of Section 8(4) of the Act through Cempaka Empayar Sdn Bhd and the interest held under Rockwills Trustee Berhad – RCE Trust.

#### **4.5 Convertible securities**

As at the LPD, the Company has 10,137,400 outstanding Options which have not been exercised. Save for the Options, RCE does not have any other outstanding convertible securities as at LPD.

##### **Options**

The Proposals may give rise to adjustments to the exercise price and/or number of Shares to be allotted and issued pursuant to the exercise of Options in accordance with the provisions of the By-Laws.

Hence, any necessary adjustments arising from the Proposals will only be finalised by the Company at a later date. The rights and obligations to the holders of the Options will remain unchanged, save for the adjustment to the exercise price and number of unexercised Options.

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## 5. HISTORICAL SHARE PRICES

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

	<u>High</u>	<u>Low</u>
	RM	RM
<b><u>2020</u></b>		
December	2.83	2.20
<b><u>2021</u></b>		
January	2.75	2.35
February	2.94	2.48
March	2.79	2.57
April	2.80	2.54
May	2.79	2.54
June	3.02	2.71
July	2.95	2.69
August	2.95	2.68
September	3.25	2.91
October	3.52	3.20
November	3.98	3.35

The last transacted market price of RCE Shares on 8 November 2021 (being the last trading day prior to the announcement of the Proposals) 3.74

The last transacted market price of RCE Shares as at LPD 3.80

(Source: Bloomberg)

## 6. APPROVALS REQUIRED

The Proposed Share Dividend is conditional upon the approval being obtained from Bursa Depository for the transfer of the Treasury Shares from the Company to the Entitled Shareholders pursuant to the Proposed Share Dividend.

The Proposed Bonus Issue is conditional upon the following approvals being obtained:-

- (i) Bursa Securities for the listing of and quotation for the Bonus Shares which was obtained vide its letter dated 18 November 2021 and subject to, *inter alia*, the following conditions:-
  - (a) RCE and AmInvestment Bank must fully comply with the relevant provisions under the Listing Requirements pertaining to the implementation of the Proposed Bonus Issue;
  - (b) RCE and AmInvestment Bank to inform Bursa Securities upon completion of the Proposed Bonus Issue;
  - (c) RCE/AmInvestment Bank to furnish Bursa Securities with a certified true copy of the resolution passed by Shareholders at the forthcoming general meeting for the Proposed Bonus Issue;
  - (d) RCE and AmInvestment Bank to furnish Bursa Securities with a written confirmation of its compliance with the terms and conditions of Bursa Securities' approval once the Proposed Bonus Issue is completed; and

- (e) RCE and AmlInvestment Bank are required to make the relevant announcements pursuant to Paragraphs 6.35(3) and 6.35(5) of the Listing Requirements.
- (ii) Shareholders at the forthcoming EGM to be convened; and
- (iii) Any other relevant authorities (where applicable).

## **7. CONDITIONALITY OF THE PROPOSALS**

The Proposals are not inter-conditional, and the Proposals are not conditional upon any other corporate proposal undertaken or to be undertaken by the Company.

## **8. INTERESTS OF DIRECTORS, MAJOR SHAREHOLDERS, CHIEF EXECUTIVE AND/OR PERSONS CONNECTED WITH THEM**

None of the Directors, major Shareholders and/or chief executive of the Company and/or persons connected with them have any interest, either direct or indirect, in the Proposals, save for their respective entitlements as Shareholders, to which all other Shareholders are similarly entitled.

## **9. DIRECTORS' STATEMENT AND RECOMMENDATION**

The Board having considered all aspects of the Proposed Bonus Issue, including but not limited to the rationale and effects of the Proposed Bonus Issue, is of the opinion that the Proposed Bonus Issue is in the best interest of the Company.

Accordingly, the Board recommends that you vote in favour of the ordinary resolution pertaining to the Proposed Bonus Issue to be tabled at the forthcoming EGM of the Company.

## **10. CORPORATE EXERCISES ANNOUNCED BUT PENDING COMPLETION**

Save for the Proposals (which is the subject matter of this Circular) and as disclosed below, there are no outstanding corporate exercises/schemes or proposals that have been announced by the Company which are pending completion before the issuance of this Circular:-

- (i) On 30 June 2021, the Company announced that it has joined a consortium led by Paramount Corporation Berhad which has submitted an application to Bank Negara Malaysia for a digital banking licence pursuant to the Licensing Framework for Digital Banks And Application Procedures For New Licences under the Financial Services Act 2013. The Company will enter into a definitive agreement that sets out the obligations of the consortium partners in due course.

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## 11. ESTIMATED TIMEFRAME FOR COMPLETION

Barring any unforeseen circumstances and subject to all the required approvals being obtained, the Board expects the Proposals to be completed in the 1st quarter of 2022.

The tentative timetable for the implementation of the Proposals is as follows:-

<b>Date</b>	<b>Events</b>
22 December 2021	- EGM - Announcement of Entitlement Date/BCD
Early-January 2022	- Entitlement Date/BCD
Mid-January 2022 <sup>(1)</sup>	- Crediting of the Treasury Shares - Crediting and listing of the Bonus Shares

**Note:-**

(1) In order to facilitate the concurrent crediting and/or listing of the Treasury Shares and Bonus Shares, the Treasury Shares and Bonus Shares will not be credited, listed and/or traded on the next Market Day after the Entitlement Date.

## 12. EGM

The EGM, the notice of which is enclosed in this Circular, will be held as a fully virtual meeting conducted entirely through live streaming and remote voting using the remote participation and voting facilities hosted on the Securities Services e-Portal at <https://sshshb.net.my/> provided by SS E Solutions Sdn. Bhd. at Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur, Malaysia on Wednesday, 22 December 2021 at 10.30 a.m. or at any adjournment thereof, for the purpose of considering and if thought fit, passing with or without modifications, the ordinary resolution to give effect to the Proposed Bonus Issue.

If you decide to appoint a proxy or proxies to participate and vote on your behalf at our forthcoming EGM, please complete and deposit the enclosed Form of Proxy in accordance with the instructions therein, so as to arrive at SS E Solutions Sdn. Bhd. at Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur, Malaysia not less than 48 hours before the time set for holding the EGM or at any adjournment thereof. Alternatively, you may submit the Form of Proxy electronically via the Securities Services e-Portal at <https://sshshb.net.my/> before the aforesaid lodgement cut-off time. The lodging of the Form of Proxy will not preclude you from participating and voting in person at the EGM should you subsequently wish to do so. Should you subsequently decide to participate in the EGM, you are requested to revoke your earlier appointment of proxy by notifying SS E Solutions Sdn. Bhd. in writing, not later than Monday, 20 December 2021 at 10.30 a.m..

## 13. FURTHER INFORMATION

You are advised to refer to the attached appendix of this Circular for further information.

Yours faithfully  
For and on behalf of the Board of  
**RCE CAPITAL BERHAD**

**SHAHMAN AZMAN**  
Non-Independent Non-Executive Chairman

**1. DIRECTORS' RESPONSIBILITY STATEMENT**

This Circular has been seen and approved by the Directors of the Company, and they collectively and individually accept full responsibility for the accuracy of the information contained herein and confirm that, after making all reasonable enquiries 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 OF INTEREST****2.1 Consent**

AmInvestment Bank, being the Principal Adviser for the Proposals, has before the issuance of this Circular, given and has not subsequently withdrawn its written consent for the inclusion in this Circular of its name and all references thereto in the form and context in which they appear in this Circular.

**2.2 Conflict of interest**

AmInvestment Bank is a wholly-owned subsidiary of AMMB Holdings Berhad. AmInvestment Bank, its related and associated companies, as well as its holding company, AMMB Holdings Berhad and the subsidiaries and associated companies of its holding company ("**AmBank Group**") forms a diversified financial group and are engaged in a wide range of transactions relating to amongst others, investment banking, commercial banking, private banking, brokerage, securities trading, asset and funds management and credit transaction services businesses. AmBank Group's securities business is primarily in the areas of securities underwriting, trading and brokerage activities, foreign exchange, commodities and derivatives trade.

In the ordinary course of their businesses, any member of AmBank Group may at any time extend services to any company as well as hold long or short positions, and trade or otherwise effect transactions, for its own account or the account of its other clients, in debt or equity securities or senior loans of any company. Accordingly, there may be situations where parts of the AmBank Group and/or its clients now have or in the future, may have interests or take actions that may conflict with the interests of the Group.

As at LPD, AmBank Group has extended a revolving credit facility amounting to approximately RM66.5 million to the Group. The said credit facility represents less than 1% compared to the total audited loans, advances and financing of AMMB Holdings Berhad (being the holding company of AmBank Group) as at 31 March 2021.

In addition, Tan Sri Azman Hashim, is a common substantial shareholder of AmInvestment Bank (held via his shareholding in AMMB Holdings Berhad) and the Company.

Notwithstanding the above, AmInvestment Bank is of the opinion that its role as the Principal Adviser for the Proposals does not give rise to a conflict of interest situation in view that AmBank Group form a diversified financial group and are engaged in a wide range of transactions relating to amongst others, investment banking, commercial banking, private banking, brokerage, securities trading, asset and funds management and credit transaction services businesses. Further, save for the professional fees charged in relation to the Proposals, AmInvestment Bank will not be deriving any direct monetary benefit from the Proposals outside of its aforesaid capacities.

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**3. MATERIAL LITIGATION, CLAIM OR ARBITRATION**

As at LPD, the Group is not engaged in any material litigation, claim or arbitration either as plaintiff or defendant and the Board is not aware of any proceedings pending or threatened against the Group, or of any facts likely to give rise to any proceedings which may materially and adversely affect the financial position or business of the Group.

**4. MATERIAL COMMITMENTS**

There are no material commitments incurred or known to be incurred by the Group as at LPD, which upon becoming due or enforceable, may have a material impact on the financial position or business of the Group.

**5. CONTINGENT LIABILITIES**

There are no contingent liabilities incurred or known to be incurred by the Group as at LPD, which upon becoming due or enforceable, may have a material impact on the financial position or business of the Group.

**6. DOCUMENTS AVAILABLE FOR INSPECTION**

Copies of the following documents are available for inspection at the Registered Office of RCE at 802, 8th Floor, Block C, Kelana Square, 17 Jalan SS 7/26, 47301 Petaling Jaya, Selangor, Malaysia during normal business hours from Mondays to Fridays (except public holidays) from the date of this Circular up to and including the date of the EGM:-

- (i) the Constitution of the Company;
- (ii) the audited consolidated financial statements of RCE for FYE 31 March 2020 and FYE 31 March 2021, and the latest unaudited consolidated financial results of RCE for the financial period ended 30 September 2021; and
- (iii) the letter of consent and declaration of conflict of interests referred to in Section 2 of this Appendix.

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## **RCE CAPITAL BERHAD**

Registration No.: 195301000151 (2444-M)  
(Incorporated in Malaysia)

### **NOTICE OF EXTRAORDINARY GENERAL MEETING**

**NOTICE IS HEREBY GIVEN THAT** an Extraordinary General Meeting (“**EGM**”) of RCE Capital Berhad (“**RCE**” or the “**Company**”) will be held as a fully virtual meeting conducted entirely through live streaming and remote voting using the remote participation and voting facilities hosted on the Securities Services e-Portal at <https://sshsb.net.my/> provided by SS E Solutions Sdn. Bhd. at Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur, Malaysia on Wednesday, 22 December 2021 at 10.30 a.m. or at any adjournment thereof, for the purpose of considering and if thought fit, passing with or without modifications, the following ordinary resolution:

#### **ORDINARY RESOLUTION**

**PROPOSED BONUS ISSUE OF UP TO 360,251,432 NEW ORDINARY SHARES IN RCE (“BONUS SHARES”) ON THE BASIS OF 19 BONUS SHARES FOR EVERY 21 ORDINARY SHARES IN RCE (“SHARES”) HELD ON AN ENTITLEMENT DATE TO BE DETERMINED (“PROPOSED BONUS ISSUE”)**

“**THAT** subject to all approvals being obtained from the relevant authorities and other parties (where applicable), approval be and is hereby given to the Directors of the Company (“**Board**”) to allot and issue up to 360,251,432 Bonus Shares by way of a bonus issue to the shareholders of the Company whose names appear in the Record of Depositors of the Company as at the close of business on a day to be determined and announced later (“**Entitled Shareholders**”) on the basis of 19 Bonus Shares for every 21 existing Shares held by Entitled Shareholders;

**THAT** the Bonus Shares shall be issued as fully paid Shares at nil consideration and without any capitalisation of the Company’s reserves;

**THAT** fractional entitlements arising from the Proposed Bonus Issue, if any, shall be disregarded and/or dealt with by the Board in such manner as the Board may in its absolute discretion deems fit and expedient and in the best interest of the Company;

**THAT** the Bonus Shares shall, upon allotment and issuance, rank *pari passu* in all respects with the then existing Shares, save and except that the Bonus Shares shall not be entitled to any dividends, rights, allotments and/or any other forms of distribution which may be declared, made or paid to shareholders, the entitlement date of which is prior to the date of allotment and issuance of the Bonus Shares;

**AND THAT** the Board be and is hereby authorised to take all such steps and to execute all necessary documents as the Board may deem fit to give effect to the Proposed Bonus Issue with full power to assent to any conditions, variations, modifications and/or amendments in any manner as may be required or imposed by any relevant authorities and to deal with all matters relating thereto and to take all such steps and do all such acts and things in any manner as the Board may consider necessary and/or expedient in the best interest of the Company in order to implement, finalise, complete and to give full effect to the Proposed Bonus Issue.”



By Order of the Board

**JOHNSON YAP CHOON SENG (MIA 20766) (SSM PC No. 202008000685)**  
**SEOW FEI SAN (MAICSA 7009732) (SSM PC No. 201908002299)**  
Company Secretaries

Petaling Jaya  
2 December 2021

**Notes:**

1. The EGM will be held as a fully virtual meeting conducted entirely through live streaming and remote voting using the remote participation and voting facilities hosted on the Securities Services e-Portal at <https://sshbsb.net.my/>. Should you wish to personally participate at the EGM remotely, please register electronically via the Securities Services e-Portal at <https://sshbsb.net.my/> by the registration cut-off time. Please refer to the Administrative Guide for the EGM for further details. The Administrative Guide for the EGM is available for download from the Company's website at [www.rce.com.my](http://www.rce.com.my).
2. In respect of deposited securities, only members whose names appear in the Record of Depositors as at 16 December 2021 shall be eligible to participate and vote at the EGM.
3. A member entitled to participate and vote at the EGM is entitled to appoint not more than two (2) proxies to participate and vote in his/her stead. A proxy may but need not be a member of the Company and a member may appoint any person to be his/her proxy without limitation. There shall be no restriction as to the qualification of the proxy.
4. Where a member appoints two (2) proxies, he/she shall specify the proportion of his/her shareholdings to be represented by each proxy.
5. Where a member is an authorised nominee as defined in the Securities Industry (Central Depositories) Act 1991, it may appoint at least one (1) proxy but not more than two (2) proxies in respect of each securities account it holds with the ordinary shares of the Company standing to the credit of the said account.
6. A member who is an exempt authorised nominee is entitled to appoint multiple proxies for each omnibus account it holds.
7. The instrument appointing a proxy ("**Form of Proxy**") shall be in writing under the hand of the appointer or his/her attorney duly authorised in writing or if the appointer is a corporation, either under its common seal or under the hand of an officer or attorney duly authorised.
8. The Form of Proxy and the power of attorney (if any) under which it is signed or a notarially certified copy thereof must be deposited at SS E Solutions Sdn. Bhd. at Level 7, Menara Milenium, Jalan Damanela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur, Malaysia not less than 48 hours before the time set for holding the EGM or at any adjournment thereof. Alternatively, you may submit the Form of Proxy electronically via the Securities Services e-Portal at <https://sshbsb.net.my/>.

**PERSONAL DATA PRIVACY:**

By registering for the remote participation and electronic voting meeting and/or submitting an instrument appointing a proxy(ies) and/or representative(s) to participate and vote at the EGM and/or any adjournment thereof, a shareholder of the Company (i) consents to the collection, use and disclosure of the shareholder's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the EGM (including any adjournment thereof), and the preparation and compilation of the attendance lists and other documents relating to the EGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing requirements, regulations and/or guidelines (collectively, the "Purposes"), (ii) warrants that where the shareholder discloses the personal data of the shareholder's proxy(ies) and/or representative(s) to the Company (or its agents), the shareholder has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the shareholder will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the shareholder's breach of warranty.



**RCE CAPITAL BERHAD**  
Registration No.: 195301000151 (2444-M)

**FORM OF PROXY**

I/We \_\_\_\_\_ NRIC No./Passport No./Company No./Registration No.: \_\_\_\_\_  
of \_\_\_\_\_

being a member/members of **RCE CAPITAL BERHAD**, hereby appoint:

- (1) Name of Proxy: \_\_\_\_\_ NRIC No./Passport No.: \_\_\_\_\_  
Address: \_\_\_\_\_  
Email: \_\_\_\_\_ Tel No.: \_\_\_\_\_
- (2) Name of Proxy: \_\_\_\_\_ NRIC No./Passport No.: \_\_\_\_\_  
Address: \_\_\_\_\_  
Email: \_\_\_\_\_ Tel No.: \_\_\_\_\_

or failing him/her, the Chairman of the Meeting as my/our proxy to vote for me/us and on my/our behalf at the Extraordinary General Meeting of the Company to be held as a fully virtual meeting conducted entirely through live streaming and remote voting using the remote participation and voting facilities hosted on the Securities Services e-Portal at <https://sshsb.net.my/> provided by SS E Solutions Sdn. Bhd. at Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur, Malaysia on Wednesday, 22 December 2021 at 10.30 a.m. or at any adjournment thereof, in the manner as indicated below:

ORDINARY RESOLUTION	FOR	AGAINST
Proposed Bonus Issue		

Please indicate with an "X" in the space provided above on how you wish your vote to be cast. In the absence of specific directions, your proxy will vote or abstain at his/her discretion.

Signed this \_\_\_\_\_ day of \_\_\_\_\_, 2021.

\_\_\_\_\_  
Signature of Shareholder/Common Seal

No. of Shares Held		
CDS Account No.		
Proportion of holdings to be represented by each proxy	Proxy 1 %	Proxy 2 %

Tel No. (During office hours): \_\_\_\_\_

**Notes:**

- The Extraordinary General Meeting ("EGM") will be held as a fully virtual meeting conducted entirely through live streaming and remote voting using the remote participation and voting facilities hosted on the Securities Services e-Portal at <https://sshsb.net.my/>. Should you wish to personally participate at the EGM remotely, please register electronically via the Securities Services e-Portal at <https://sshsb.net.my/> by the registration cut-off time. Please refer to the Administrative Guide for the EGM for further details. The Administrative Guide for the EGM is available for download from the Company's website at [www.rce.com.my](http://www.rce.com.my).
- In respect of deposited securities, only members whose names appear in the Record of Depositors as at 16 December 2021 shall be eligible to participate and vote at the EGM.
- A member entitled to participate and vote at the EGM is entitled to appoint not more than two (2) proxies to participate and vote in his/her stead. A proxy may but need not be a member of the Company and a member may appoint any person to be his/her proxy without limitation. There shall be no restriction as to the qualification of the proxy.
- Where a member appoints two (2) proxies, he/she shall specify the proportion of his/her shareholdings to be represented by each proxy.
- Where a member is an authorised nominee as defined in the Securities Industry (Central Depositories) Act 1991, it may appoint at least one (1) proxy but not more than two (2) proxies in respect of each securities account it holds with the ordinary shares of the Company standing to the credit of the said account.
- A member who is an exempt authorised nominee is entitled to appoint multiple proxies for each omnibus account it holds.
- The instrument appointing a proxy ("**Form of Proxy**") shall be in writing under the hand of the appointer or his/her attorney duly authorised in writing or if the appointer is a corporation, either under its common seal or under the hand of an officer or attorney duly authorised.
- The Form of Proxy and the power of attorney (if any) under which it is signed or a notarially certified copy thereof must be deposited at SS E Solutions Sdn. Bhd. at Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur, Malaysia not less than 48 hours before the time set for holding the EGM or at any adjournment thereof. Alternatively, you may submit the Form of Proxy electronically via the Securities Services e-Portal at <https://sshsb.net.my/>.

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**RCE CAPITAL BERHAD**

c/o SS E Solutions Sdn. Bhd.  
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Malaysia

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