



TAMBUN INDAH LAND BERHAD

(Company No. 810446-U)

(Incorporated in Malaysia under the Companies Act, 1965)

DIVIDEND REINVESTMENT SCHEME STATEMENT

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

The Dividend Reinvestment Scheme Statement contains terms and conditions of the Dividend Reinvestment Scheme of Tambun Indah Land Berhad ("**Tambun Indah**" or the "**Company**"), 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 may, in relation to any Dividend, be given an option to reinvest the whole or part of such Dividend in New Shares ("**Reinvestment Option**") as the Board of Directors of the Company ("**Board**") may, at its absolute discretion, make available ("**Dividend Reinvestment Scheme**").

SUMMARY OF THE DIVIDEND REINVESTMENT SCHEME

The Dividend Reinvestment Scheme will provide Shareholders with an opportunity to reinvest their Dividends in New Shares in lieu of receiving cash.

In relation to Dividends declared, the Board may, at its absolute discretion, determine whether to offer Shareholders the Reinvestment Option and where applicable, the size of the Electable Portion.

In this respect, the Electable Portion may apply to the whole or part of the Dividend declared. In the event the Electable Portion is applicable for part of the Dividend declared, the remaining portion of the Dividend will be paid wholly in cash.

Unless the Board has determined that the Reinvestment Option will apply to a particular Dividend declared (whether in whole or in part), all Dividends as may be declared by Tambun Indah will be paid wholly in cash to its Shareholders in the usual manner through the Dividend Payment Account.

Tambun Indah will issue New Shares to Shareholders who elect to exercise the Reinvestment Option under the Dividend Reinvestment Scheme. The Issue Price which will be determined by the Board on a price fixing date to be announced later, shall be the higher of the following:-

- (i) at an issue price not more than ten percent (10%) discount to the five (5)-Market Day VWAP of Tambun Indah Shares immediately prior to the price fixing date to be determined; or
- (ii) the par value of Tambun Indah Shares at the material time.

The Issue Price shall be announced on the same day or before the announcement is made of the Books Closure Date. An approval for the listing of and quotation for the New Shares on the Main Market of Bursa Securities will be sought from Bursa Securities and the announcement of the Books Closure Date will be made after receiving the said approval from Bursa Securities.

Subsequent to the Books Closure Date, a Notice of Election will be despatched to Shareholders. The Notice of Election will contain instructions with respect to the action that is required to be taken by Shareholders to exercise the Reinvestment Option and will also state the Expiry Date.

APPENDIX I – DIVIDEND REINVESTMENT SCHEME STATEMENT (Cont'd)

The Dividend Reinvestment Scheme will allow Shareholders to have the following options in respect of the Reinvestment Option announced by the Board:-

(i) Option 1

Elect to participate and thereby reinvest the whole or part of the Electable Portion at the Issue Price for New Shares and, in the event that only part of the Electable Portion is reinvested, to receive in cash:-

- (a) the Balance Electable Portion; and
- (b) the Non-Electable Portion; or

(ii) Option 2

Elect not to participate in the Reinvestment Option and thereby receive the entire Dividend entitlement wholly in cash.

The New Shares to be issued under the Electable Portion will be issued free of any brokerage fees or other related transaction costs to the Participating Shareholders unless otherwise provided by any statute, law or regulation. Notices of allotment will be despatched on the Allotment Date to the Participating Shareholders. The New Shares will not be underwritten and will be credited directly into the respective Central Depository System accounts of the Participating Shareholders.

The New Shares to be issued pursuant to the Dividend Reinvestment Scheme will rank *pari passu* in all respects with the existing Tambun Indah Shares, save and except that the holders of New Shares shall not be entitled to any dividends, rights, allotments and/or any other distributions which may be declared, made or paid prior to the Allotment Date.

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

HOW TO PARTICIPATE

Participation in the Dividend Reinvestment Scheme is optional and not transferable. A Shareholder wishing to reinvest in New Shares in respect of any Electable Portion to which a Notice of Election received by him relates must complete the Notice of Election and return it to the Share Registrar in accordance with the instructions as prescribed therein.

Shareholders who receive more than one (1) Notice of Election and wishing to reinvest in New Shares in respect of all of his entitlement to the Electable Portion must complete all Notices of Election received by him 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 Shares. Where any particular Notice of Election is not elected upon, the Dividend relating thereto will be received in cash by the 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 date to be specified by the Board and stated in the Notice of Election in respect of that particular Reinvestment Option.

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

- (i) such participation will not result in a breach of any restrictions on such Shareholder's holding of Tambun Indah Shares which may be imposed by any contractual obligation of the Shareholder, or by 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 law, statute or regulation are first obtained); and
- (ii) there are no restrictions as prescribed in the Memorandum and Articles of Association of the Company to participating in the Dividend Reinvestment Scheme.

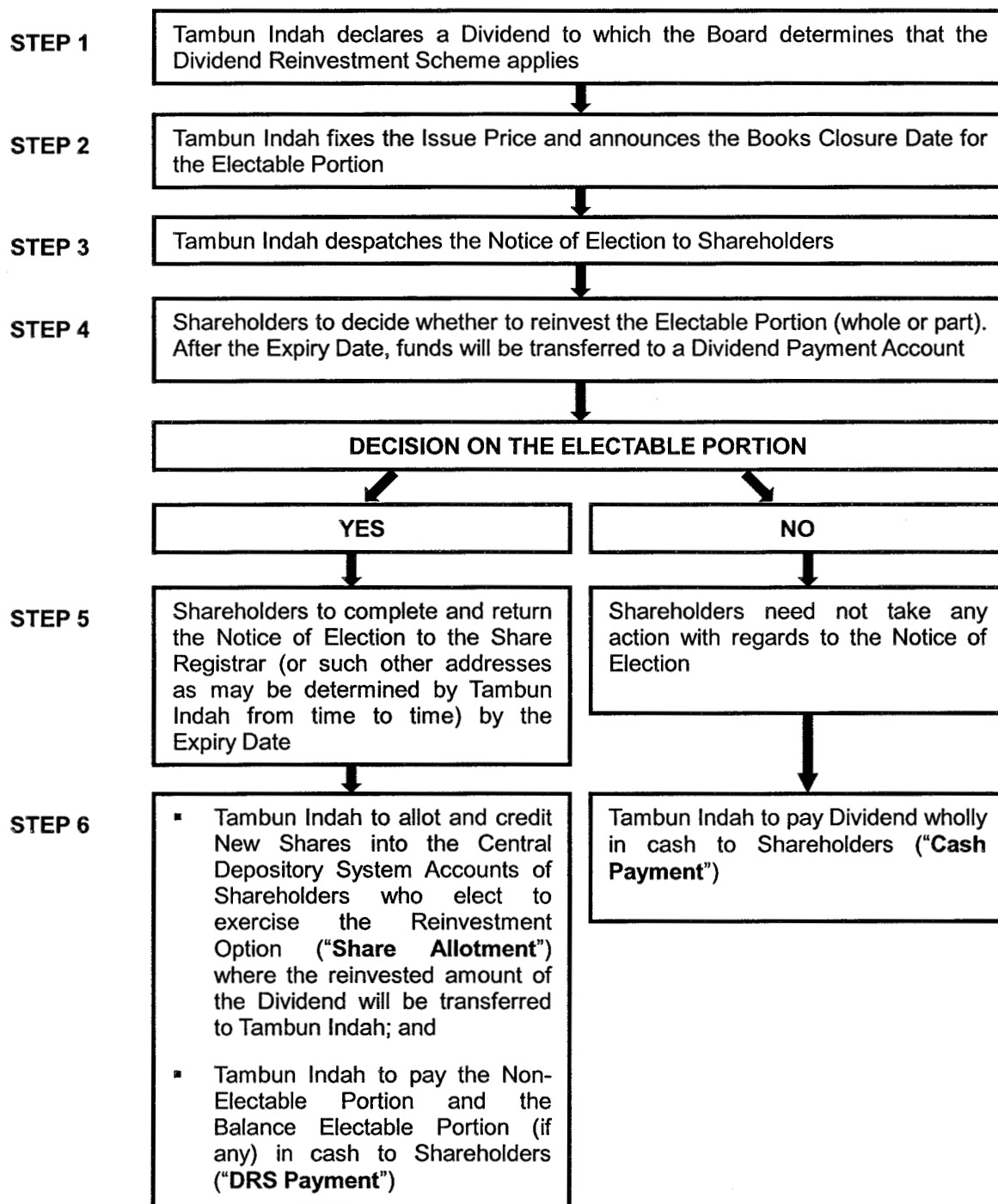
To avoid any violation on the part of the Company of any securities laws applicable outside Malaysia, the Notice of Election will not be sent to Shareholders who do not have an address in Malaysia.

APPENDIX I – DIVIDEND REINVESTMENT SCHEME STATEMENT (Cont'd)

Shareholders should note that under the Dividend Reinvestment Scheme:-

- (i) in exercising the Reinvestment Option, they 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.

A brief process flow chart in relation to the administration of the Proposed DRS is illustrated below:-



Note:-

In respect of Step 6, Shareholders should note that the Cash Payment, Share Allotment and the DRS Payment will occur on the same day, which will be a date falling within one (1) month from the Books Closure Date and in any event, within three (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 Tambun Indah, whichever is applicable.

TERMS AND CONDITIONS OF THE DIVIDEND REINVESTMENT SCHEME**1. ESTABLISHMENT**

The Dividend Reinvestment Scheme has been established by the Board and the administration of the Scheme, 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 Shares which falls within eight (8) Market Days from the Expiry Date or such date as may be prescribed by Bursa Securities
Balance Electable Portion	— The remaining portion of the Electable Portion not reinvested, where applicable
Books Closure Date	— Books closure date in relation to a Dividend to which the Dividend Reinvestment Scheme applies
Bursa Securities	— Bursa Malaysia Securities Berhad
CMSA	— Capital Market and Services Act 2007, as amended from time to time
Code	— Malaysian Code on Take-Overs and Mergers 2010, as amended from time to time
Dividend(s)	— Cash dividend(s) declared by the Company, whether interim, final, special or any other cash dividend
Dividend Payment Account	— The non-interest bearing account opened by Tambun Indah to facilitate the payment of Dividends
Electable Portion	— The whole or a portion of a Dividend that may be declared by Tambun Indah to which the Board, at its absolute discretion, determines that the Reinvestment Option applies
Expiry Date	— The last day (which will be a date to be fixed and announced by the Board) by which an election made by a Shareholder in relation to the Electable Portion must be received by the Company
Issue Price	— The issue price of the New Shares, to be determined by the Board on a price fixing date to be announced later, and which shall be the higher of:- (i) an issue price which is not more than ten percent (10%) discount to the five (5)-Market Day VWAP of Tambun Indah Shares transacted on Bursa Securities immediately prior to the price fixing date to be determined; or (ii) the par value of Tambun Indah Shares at the material time.

APPENDIX I – DIVIDEND REINVESTMENT SCHEME STATEMENT (Cont'd)

Listing Requirements	— The Main Market Listing Requirements of Bursa Securities including all amendments thereto and any Practice Notes issued in relation thereto
Market Day(s)	— Any day between Monday and Friday (both days inclusive) which is not a public holiday and on which Bursa Securities is open for trading of securities
New Share(s)	— New Tambun Indah Shares to be issued pursuant to the Dividend Reinvestment Scheme
Non-Selectable Portion	— The remaining portion of the Dividend (where the Selectable Portion is not for the entire amount of the Dividend declared) which will be paid in cash
Notice of Election	— The notice of election (in such form as the Board may approve) in relation to the Reinvestment Option by which Shareholders confirm their exercise of the Reinvestment Option
Overseas Shareholders	— Shareholders who do not have an address in Malaysia
Participating Shareholder(s)	— A Shareholder who elects to exercise the Reinvestment Option pursuant to the Dividend Reinvestment Scheme to the extent of the Selectable Portion as determined by the Board at its absolute discretion in respect of his holding of Tambun Indah Shares as at each Books Closure Date to which each Notice of Election received by him relates
RM and sen	— Ringgit Malaysia and sen respectively
Share(s) or Tambun Indah Share(s)	— Ordinary share(s) of RM0.50 each in Tambun Indah
Shareholders	— Shareholders of Tambun Indah
Share Registrar	— Company's share registrar
Terms and Conditions	— The terms and conditions of the Dividend Reinvestment Scheme as amended, modified and supplemented from time to time
VWAP	— Volume weighted average market price

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3. ELIGIBILITY

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

- (i) such participation will not result in a breach of any restrictions on such Shareholder's holding of Tambun Indah Shares which may be imposed by any contractual obligation of the Shareholder, or by 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 law, statute or regulation are first obtained); and
- (ii) there are no restrictions as prescribed in the Memorandum and Articles of Association of the Company to participating in the Dividend Reinvestment Scheme.

4. SHAREHOLDERS WITH ADDRESSES OUTSIDE MALAYSIA

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

Overseas Shareholders who wish to 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 prior to the Books Closure Date.

Alternatively, such Overseas Shareholders may collect the Notice of Election and other documents relating to the Dividend Reinvestment Scheme from the Share Register, Equiniti Services Sdn Bhd, Level 8, Menara MIDF, 82, Jalan Raja Chulan, 50200 Kuala Lumpur, Malaysia or at such address 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 Notice of Election and other documents relating to the Dividend Reinvestment Scheme; or alternatively, provide the Share Registrar with their respective address in Malaysia not later than three (3) Market Days before the relevant Books Closure Date in respect of any Dividend to which the Board has determined that the Dividend Reinvestment Scheme shall apply.

Overseas Shareholders will be solely responsible for seeking advice as to the laws of any jurisdiction that they may be subjected to, and participation by Overseas Shareholders in the Dividend Reinvestment Scheme 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.

5. NOTICE OF ELECTION

Subsequent to the Books Closure Date, the Company will, at its discretion, send to each Shareholder one (1) or more Notices of Election in relation to each Central Depository System 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 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 and must be received by the Share Registrar, no later than the Expiry Date. Shareholders who receive more than one (1) Notice of Election may elect to reinvest in New Shares in respect of his entitlement to which one (1) Notice of Election relates and decline to reinvest in New Shares in respect of his entitlement to which any other Notice(s) of Election relates. Shareholders who receive more than one (1) Notice of Election and wishing to reinvest in New Shares in respect of all of his entitlement to the Electable Portion in respect of all his holding of Tambun Indah Shares must duly complete all the Notices of Election received by him and return the completed Notices of Election to the office of the Share Registrar, 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 Shares will occur within eight (8) Market Days from the Expiry Date or such date as may be prescribed by Bursa Securities, provided always that the completed Notices of Election are received by the Share Registrar no later than the Expiry Date. A Notice of Election to participate in the Dividend Reinvestment Scheme in any other form will not be accepted by the Company.

A Notice of Election in respect of any Electable Portion shall not, upon its receipt by the Company, be withdrawn or cancelled.

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 Notice of Election.

By electing to exercise the Reinvestment Option under the Dividend Reinvestment Scheme, the Participating Shareholder unconditionally:-

- (i) warrants to the Company that it has the legal right and full power and authority to participate in the Dividend Reinvestment Scheme and that its participation in the Dividend Reinvestment Scheme will not result in a breach of any law or regulation or contractual obligation by which it is bound;
- (ii) acknowledges that the Company may at any time determine whether the Participating Shareholder's Notice of Election or other form (collectively "**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 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 Scheme;
- (vi) submits to the jurisdiction of the Malaysia Courts, in each case, at all times until termination of the Dividend Reinvestment Scheme; and

- (vii) agrees that notwithstanding any other provisions, Terms and Conditions of the Dividend Reinvestment Scheme 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 Scheme shall apply to any Dividend and before the allotment and issuance of the New Shares in respect of the Electable Portion, the Board shall consider that by reason of any event or circumstance (whether arising before or after such determination) or by reason of any matter whatsoever it is no longer expedient or appropriate to implement the Dividend Reinvestment Scheme 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 Scheme in relation to the Electable Portion subject to any requirement or provision imposed by any statute, law or regulation in force in Malaysia, as the case may be. In such event, the Shareholders shall receive the Electable Portion in cash in the usual manner through 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, Shareholders shall be taken as having received a cash distribution equivalent to the amount of the Dividends declared, notwithstanding that the Shareholder may elect to exercise the Reinvestment Option, if applicable. Hence, the election for the Reinvestment Option does not relieve the 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 Shares to be issued pursuant to the Dividend Reinvestment Scheme on the Official List 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 Dividends wholly in cash need not take any action with regard to the Notice of Election.

6. EXTENT OF APPLICATION OF DIVIDEND REINVESTMENT SCHEME TO EACH ELECTABLE PORTION

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

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7. SHARE ENTITLEMENT

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

In respect of any Electable Portion, the number of New 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 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 : is the number of New Shares to be allotted and issued as fully paid-up to the Participating Shareholder in respect of such Notice of Election.
- S : is the number of participating Shares held by the Participating Shareholder as at the Books Closure Date in respect of which Notice of Election relates.
- D : is the Electable Portion or part thereof (after deduction of applicable income tax) expressed in %.
- V : is the Issue Price, which, for the purpose of the Dividend Reinvestment Scheme, shall be an amount in RM as determined by the Board based on the adjusted VWAP for the five (5)-Market Days immediately prior to a price fixing date after applying a discount of not more than ten percent (10%). The Issue Price may not be less than the par value of Tambun Indah Shares at the material time.

Any fractional entitlement of New Shares computed in accordance with the above formula will be received in cash by Shareholders in the usual manner through the Dividend Payment Account.

The percentage shareholding of a Shareholder in the Company will be diluted should he not exercise his Reinvestment Option. However, the extent of the dilution will depend on the number of New Shares to be issued by the Company pursuant to the level of exercise of the Reinvestment Option to be exercised by the other Shareholders as a whole.

8. TERMS OF ALLOTMENT

Unless the Board otherwise determines, all New Shares allotted under the Dividend Reinvestment Scheme will be allotted as fully paid-up. All such New Shares shall upon allotment and issuance, rank *pari passu* in all respects with the existing Tambun Indah Shares, save and except that the holders of New Shares shall not be entitled to any dividends, rights, allotments and/or any other distributions which may be declared, made or paid, the entitlement date of which is prior to the Allotment Date. It should be noted that since fractional and odd lots of New Shares will not be allotted, any amount of the dividend payment that is insufficient for the issuance of one hundred (100) whole New Shares will be received in cash by Shareholders in the usual manner through the Dividend Payment Account.

As the New Shares to be issued pursuant to the Dividend Reinvestment Scheme are prescribed securities, the New Shares will be credited directly into the respective Central Depository System accounts of the Shareholders who have elected to reinvest the Electable Portion. No physical share certificates will be issued.

9. ODD LOTS

Under the Dividend Reinvestment Scheme, Shareholders who exercise the Reinvestment Option and receive New Shares shall be allotted such New Shares in multiples of and not less than one hundred (100) New Shares. The amount of the Dividends relating to the entitlement of New Shares of less than one hundred (100) Shares will be added to the Non-Selectable Portion and paid in cash to the Shareholders in the usual manner through the Dividend Payment Account. For the avoidance of doubt, the Shareholders will not be receiving odd lots of New Shares arising from their election to exercise the Reinvestment Option.

10. COST TO THE PARTICIPATING SHAREHOLDERS

The New Shares will be issued free of any brokerage fees or other related transaction costs to the Participating Shareholders unless otherwise provided by any statute, law or regulation.

11. CANCELLATION OF APPLICATION OF THE DIVIDEND REINVESTMENT SCHEME

Notwithstanding any other provisions, Terms and Conditions of the Dividend Reinvestment Scheme 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 Scheme shall apply to any Dividend and before the allotment and issuance of the New Shares in respect of the Selectable Portion, the Board shall consider that by reason of any event or circumstance (whether arising before or after such determination) or by reason of any matter whatsoever it is no longer expedient or appropriate to implement the Dividend Reinvestment Scheme in respect of the Selectable 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 Scheme in relation to the Selectable Portion subject to any requirement or provision imposed by any statute, law or regulation in force in Malaysia, as the case may be. In such event, the Shareholders shall receive the Selectable Portion in cash in the usual manner through the Dividend Payment Account.

12. MODIFICATION, SUSPENSION AND TERMINATION OF THE DIVIDEND REINVESTMENT SCHEME

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 Scheme 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 Scheme stating the contrary and irrespective of whether an election to exercise the Reinvestment Option has been made by a Shareholder.

In the case of suspension, the Dividend Reinvestment Scheme will be suspended (in whole or in part, as the case may be) until such time as the Board resolves to recommence or terminate the Dividend Reinvestment Scheme. If the Dividend Reinvestment Scheme is recommenced, Participating Shareholders' Notice of Election confirming their participation under the previously suspended Dividend Reinvestment Scheme will be valid and have full force and effect in accordance with these Terms and Conditions and any directions, terms and conditions to Shareholders for such commencement of the Dividend Reinvestment Scheme which may be notified to all Shareholders.

13. GENERAL ADMINISTRATION OF THE DIVIDEND REINVESTMENT SCHEME

The Board may implement the Dividend Reinvestment Scheme in the manner it deems fit. The Board has the power to:-

- (i) determine procedures, rules and regulations for administration of the Dividend Reinvestment Scheme consistent with these Terms and Conditions, as may be amended or modified from time to time;
- (ii) settle in such manner as they think 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 Scheme) which may arise in connection with the Dividend Reinvestment Scheme, whether generally or in relation to any Participating Shareholder or any Tambun Indah Share 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 one (1) or more persons, for such period and on such conditions as the Board may determine, the exercise of any of its powers or discretion under or in respect of the Dividend Reinvestment Scheme and references to a decision, opinion or determination of the Board include a reference to the decision, opinion or determination of the person or persons to whom the Board has delegated its authority for the purposes of administering the Dividend Reinvestment Scheme; and
- (iv) waive strict compliance by the Company or any Shareholder with any of these Terms and Conditions.

14. IMPLICATIONS OF THE CODE AND OTHER SHAREHOLDING LIMITS

Under Section 9(1) of Part III of the Code and Section 217 of the CMSA, a Shareholder should note that he may be under an obligation to extend a take-over offer for the remaining Shares in the Company not already owned by him and persons acting in concert with him (collectively, the “Affected Parties”), if:-

- (i) by participating in the Dividend Reinvestment Scheme in relation to the reinvestment of the Electable Portion, the Affected Parties have obtained control via the acquisition or holding of, or entitlement to exercise or control the exercise of voting shares or rights of thirty-three percent (33%) or more, or such other amount as may be prescribed in the Code, in the Company, howsoever effected; or
- (ii) the Affected Parties acquire (including by participating in the Dividend Reinvestment Scheme in relation to any Electable Portion), more than two percent (2%) of the voting shares or voting rights of the Company in any six (6) months period, and the Affected Parties hold more than thirty-three percent (33%) but not more than fifty percent (50%) of the voting shares or voting rights of the Company during the said six (6) months period.

Therefore, in the event an obligation to undertake a mandatory offer is expected to arise resulting from a Shareholder's participation in the Dividend Reinvestment Scheme, the said shareholder may wish to consult his professional adviser(s) in relation to:-

- (i) any obligation to make a take-over offer under the Code as a result of any subscription of New Shares through his participation in the Dividend Reinvestment Scheme; and
- (ii) make an application to the Securities Commission of Malaysia to obtain an approval for a waiver from the obligation to undertake a mandatory offer pursuant to the Code prior to exercising his Reinvestment Option.

APPENDIX I – DIVIDEND REINVESTMENT SCHEME STATEMENT (Cont'd)

All Shareholders are responsible in ensuring that their participation will not result in a breach of any restrictions on their respective holding of Tambun Indah Shares whether by contract, statute, law or regulation in force in Malaysia or any other relevant foreign jurisdiction (and if any such approval is required to be obtained from a relevant foreign jurisdiction, the Shareholder has obtained the requisite approvals of the relevant foreign jurisdiction for its participation in the Dividend Reinvestment Scheme).

In view of the above, notwithstanding the proportion of Electable Portion which may be determined by the Board to be reinvested, the Board shall be entitled but not obliged to reduce or limit the number of New 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 results 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.

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 Code, or other relevant legislations or regulations.

15. GOVERNING LAW

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

16. 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 provisions of the Company's Memorandum and Articles of Association.

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APPENDIX II – FURTHER INFORMATION

1. RESPONSIBILITY STATEMENT

This Circular has been seen and approved by the Board 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 herein misleading.

2. WRITTEN CONSENTS AND CONFLICT OF INTEREST

KIBB, being the Adviser for the Proposed DRS, has given and has not subsequently withdrawn its written consent to the inclusion in this Circular of its name and all references to it in the form and context in which they so appear in the Circular.

KIBB is also not aware of any possible conflict of interest which exists or is likely to exist in its capacity as the Adviser to the Company for the Proposed DRS.

3. MATERIAL LITIGATION, CLAIMS OR ARBITRATION

As at the LPD, neither Tambun Indah nor any of its subsidiaries are engaged in any material litigation, claims or arbitration, either as plaintiff or defendant, which has a material effect on the business or financial position of Tambun Indah and/or its subsidiaries and the Board has no knowledge of any proceedings pending or threatened against Tambun Indah and/or its subsidiaries or of any fact likely to give rise to any proceedings which might materially and adversely affect the business or financial position of Tambun Indah and/or its subsidiaries.

4. MATERIAL COMMITMENTS AND CONTINGENT LIABILITIES

Save as disclosed below, as at the LPD, the Board is not aware of any material commitments and contingent liabilities incurred or known to be incurred by the Group which upon becoming enforceable may have a material impact on the financial results or position of the Group:-

(i) Material Commitments

	Group RM'000
Approved and contracted for:-	
▪ Acquisition of lands	110,959

The acquisition of lands is expected to be funded through bank borrowings and internally generated funds.

The capital commitment above is pursuant to the Land Acquisition as set out in Section 11 of this Circular.

APPENDIX II – FURTHER INFORMATION (Cont'd)

(ii) Contingent Liabilities

	RM'000
Contractual liabilities in respect of:-	
▪ Corporate guarantee in favour of OCBC Bank (M) Bhd for banking facilities granted to Tambun Indah Development Sdn Bhd	18,900
▪ Corporate guarantee in favour of Malayan Banking Berhad for banking facilities granted to Hong Hong Development Sdn Bhd	5,200
▪ Corporate guarantee in favour of OCBC Bank (M) Bhd for banking facilities granted to Palmington Sdn Bhd	30,925
▪ Corporate guarantee in favour of HSBC Bank Malaysia Berhad for banking facilities granted to Palmington Sdn Bhd	39,000
Total Contingent Liabilities	94,025

5. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at the Registered Office of Tambun Indah at 51-21-A, Menara BHL Bank, Jalan Sultan Ahmad Shah, 10050 Penang 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:-

- (a) The Memorandum and Articles of Association of Tambun Indah;
- (b) The audited consolidated financial statements of Tambun Indah for the past two (2) financial years ended 31 December 2011 and 31 December 2012, and the unaudited consolidated financial statements of Tambun Indah for the three (3) months period ended 31 March 2013; and
- (c) The letter of consent referred to in Section 2 of this Appendix.

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TAMBUN INDAH LAND BERHAD

(Company No. 810446-U)

(Incorporated in Malaysia under the Companies Act, 1965)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting of Tambun Indah Land Berhad ("Tambun Indah" or the "Company") will be held at Salon V, Level 2, G Hotel, 168A, Persiaran Gurney, 10250, Penang on Wednesday, 19 June 2013 at 11.00 a.m., or immediately after the conclusion or adjournment (as the case may be) of the Fifth Annual General Meeting of the Company to be held at the same venue and on the same day at 10.00 a.m., whichever is the later or at any adjournment thereof, for the purpose of considering and, if thought fit, passing with or without modifications the following resolution:-

ORDINARY RESOLUTION

PROPOSED DIVIDEND REINVESTMENT SCHEME THAT PROVIDES THE SHAREHOLDERS OF TAMBUN INDAH ("SHAREHOLDERS") THE OPTION TO ELECT TO REINVEST THEIR CASH DIVIDEND IN NEW ORDINARY SHARES OF RM0.50 EACH IN TAMBUN INDAH ("TAMBUN INDAH SHARES") ("PROPOSED DRS")

"THAT subject to the approvals of all relevant authorities or parties (where required) being obtained and to the extent permitted by law, the Proposed DRS be and is hereby approved, and that the Board of Directors of the Company ("**Board**") be and is hereby authorised:-

- (a) to establish and implement the Proposed DRS;
- (b) to determine, at their sole and absolute discretion, whether the Proposed DRS will apply to any cash dividend(s) (whether interim, final, special or any other cash dividend) declared and/or approved by the Company;
- (c) to allot and issue such number of new Tambun Indah Shares from time to time as may be required to be allotted and issued pursuant to the Proposed DRS until the conclusion of the next annual general meeting of the Company, upon such terms and conditions as the Board may, in its absolute discretion deem fit and in the best interest of the Company;
- (d) to do all such acts and enter into all such transactions, arrangements and documents as may be necessary or expedient in order to give full effect to the Proposed DRS with full power to assent to any conditions, modifications, variations and/or amendments, or as the Board, in its absolute discretion, deems fit and in the best interest of the Company;

THAT the new Tambun Indah shares shall, upon allotment and issue, rank *pari passu* in all respects with the existing Tambun Indah Shares, save and except that the new Tambun Indah Shares shall not be entitled to any dividends, rights, allotments and/or any other distributions which may be declared, made or paid, the entitlement date of which is prior to the allotment of the new Tambun Indah Shares issued pursuant to the Proposed DRS."

BY ORDER OF THE BOARD

LEE PENG LOON (MACS 01258)

P'NG CHIEW KEEM (MAICSA 7026443)

Secretaries

Penang

28 May 2013

Notes:

- 1. A proxy may but need not be a member of the Company and the provisions of Section 149(1)(b) of the Companies Act, 1965 shall not apply to the Company.*
- 2. A member shall be entitled to appoint a maximum of two (2) proxies to attend and vote at the same meeting.*
- 3. Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he specifies the proportions of his shareholdings to be represented by each proxy.*
- 4. Where a member is an Exempt Authorised Nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account") there is no limit to the number of proxies which Exempt Authorised Nominee may appoint in respect of each omnibus account it holds.*
- 5. For a proxy to be valid, the Proxy Form, duly completed must be deposited at the Registered Office of the Company, 51-21-A, Menara BHL Bank, Jalan Sultan Ahmad Shah, 10050 Penang not less than forty-eight (48) hours before the time appointed for holding the meeting.*
- 6. In the case of a corporate member, the Proxy Form must be executed under the corporation's common seal or under the hand of an officer or attorney duly authorised.*



TAMBUN INDAH LAND BERHAD
(Company No. 810446-U)
(Incorporated in Malaysia under the Companies Act, 1965)

PROXY FORM

*I/We.....

(*I/C No. / Passport No. / Company No.) of.....

being a *member/members of the abovenamed Company, hereby appoint.....

..... (*I/C No. / Passport No.) of

.....or failing whom, the Chairman of the meeting as *my/our proxy to vote for *me/us on *my/our behalf at the Extraordinary General Meeting of the Company to be held at Salon V, Level 2, G Hotel, 168A, Persiaran Gurney, 10250, Penang on Wednesday, 19 June 2013 at 11.00 a.m., or immediately after the conclusion or adjournment (as the case may be) of the Fifth Annual General Meeting of the Company to be held at the same venue and on the same day at 10.00 a.m., whichever is the later or at any adjournment thereof.

ORDINARY RESOLUTION	FOR	AGAINST
Proposed Dividend Reinvestment Scheme		

Please indicate with "X" how you wish your vote to be cast. If no specific direction as to voting is given, the proxy will vote or abstain at his discretion.

Signed this day of, 2013.

No. of shares held

For appointment of two (2) proxies, percentage of shareholdings to be represented by the proxies:

	No. of Shares	%
Proxy 1		
Proxy 2		
		100

Signature(s)/Common Seal of member(s)

Notes:

1. A proxy may but need not be a member of the Company and the provisions of Section 149(1)(b) of the Companies Act, 1965 shall not apply to the Company.
2. A member shall be entitled to appoint a maximum of two (2) proxies to attend and vote at the same meeting.
3. Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he specifies the proportions of his shareholdings to be represented by each proxy.
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6. In the case of a corporate member, the Proxy Form must be executed under the corporation's common seal or under the hand of an officer or attorney duly authorised.

*strike out whichever is not desired.



Fold this flap for sealing

Then fold here

AFFIX
STAMP

The Company Secretary
Tambun Indah Land Berhad (810446-U)
51-21-A, Menara BHL Bank
Jalan Sultan Ahmad Shah
10050 Penang

1st fold here