

THIS REDEMPTION NOTICE IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

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

Bursa Malaysia Securities Berhad takes no responsibility for the contents of this Redemption Notice, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Redemption Notice.



S P SETIA BERHAD

(Registration No. 197401002663 (19698-X))
(Incorporated in Malaysia)

**NOTICE TO THE HOLDERS OF CLASS B ISLAMIC REDEEMABLE CONVERTIBLE
PREFERENCE SHARES OF S P SETIA BERHAD ("RCPS-i B")**

IN RELATION TO THE

FULL REDEMPTION OF RCPS-i B

AND

NOTICE OF BOOK CLOSURE DATE

(Stock Name: SPSETIA-PB)

(Stock Code: 8664PB)

Manager



RHB Investment Bank Berhad

(Registration No. 197401002639 (19663-P))
(A Participating Organisation of Bursa Malaysia Securities Berhad)

IMPORTANT RELEVANT DATES AND/OR TIMES:

Last date and time for trading of RCPS-i B	: Tuesday, 13 December 2022 at 5:00 p.m.
Date and time of suspension of trading of RCPS-i B	: Wednesday, 14 December 2022 at 9:00 a.m.
Last date and time for conversion of RCPS-i B into new ordinary share(s)	: Thursday, 15 December 2022 at 5:00 p.m.
Book closure date and time	: Thursday, 22 December 2022 at 5:00 p.m.
Redemption date	: Friday, 30 December 2022
Date and time for delisting of RCPS-i B	: Tuesday, 3 January 2023 at 9:00 a.m.

This Redemption Notice is dated 30 November 2022

DEFINITIONS

Except where the context otherwise requires, the following abbreviations and definitions shall apply throughout this Redemption Notice:

Board	:	Board of Directors of our Company
Book Closure Date	:	Thursday, 22 December 2022 at 5:00 p.m., being the day, date and time on which the names of our RCPS-i B holders must appear in our Record of Depositors in order to be entitled to the Redemption (and the last dividend payment)
Bursa Depository	:	Bursa Malaysia Depository Sdn Bhd
Bursa Securities	:	Bursa Malaysia Securities Berhad
CDS Account	:	Central depository system account, an account established by Bursa Depository for a depositor to record his deposits or withdrawals of securities and to deal in such securities
Conversion Notice	:	A notice to be given by the RCPS-i B holders to our Company for the exercise of his/her/its right to convert the fully-paid RCPS-i B into such number of new fully-paid Shares based on the Conversion Ratio, without payment of any consideration, which a copy is attached to this Redemption Notice
Conversion Ratio	:	Five (5) new Shares for every 18 RCPS-i B held, being the conversion ratio of the RCPS-i B
Issue Date	:	29 December 2017, being the issue date of the RCPS-i B
Market Day	:	A day on which Bursa Securities is open for trading in securities
Official List	:	A list specifying all securities which have been admitted for listing and have not been removed from Bursa Securities
RCPS-i B	:	Class B Islamic redeemable convertible preference shares of our Company which were issued on 29 December 2017
Record of Depositors	:	A record of securities holders established by Bursa Depository under the Rules of Bursa Depository
Redemption	:	Redemption of all the outstanding RCPS-i B on the Redemption Date
Redemption Date	:	Friday, 30 December 2022, being the date on which the Redemption shall take effect
Redemption Notice	:	This notice to our RCPS-i B holders dated 30 November 2022, which sets out the details of the Redemption
RM and sen	:	Ringgit Malaysia and sen
Rules of Bursa Depository	:	The rules of Bursa Depository issued pursuant to the Securities Industry (Central Depositories) Act 1991
S P Setia or Company	:	S P Setia Berhad
Share(s)	:	Ordinary share(s) in our Company
Share Registrar	:	Tricor Investor and Issuing House Services Sdn Bhd

DEFINITIONS (Cont'd)

References to “**our Company**” in this Redemption Notice are to S P Setia and references to “**we**”, “**us**”, “**our**” and “**ourselves**” in this Redemption Notice are to our Company and where the context otherwise requires, shall include our subsidiaries. All references to “**you**” and “**your**” in this Redemption Notice are to our RCPS-i B holders.

Unless specifically referred to, words denoting the singular shall, where applicable, include the plural and vice versa and words denoting the masculine gender shall, where applicable, include the feminine and/or neuter genders and vice versa. References to persons shall include corporations, unless otherwise specified.

Any reference in this Redemption Notice to any statute, rules, regulation or rules of stock exchange shall (where the context admits) be construed as a reference to such statute, rules, regulation or rules of stock exchange (as the case may be) currently in force or as may be amended from time to time and any reenactment thereof.

Any reference to a time of day and date in this Redemption Notice shall be a reference to Malaysian time and date respectively, unless otherwise specified.

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TABLE OF CONTENTS

NOTICE TO OUR RCPS-i B HOLDERS CONTAINING:

	PAGE
1. DETAILS OF THE REDEMPTION	2
2. SUSPENSION OF TRADING.....	3
3. BOOK CLOSURE DATE	3
4. PAYMENT OF REDEMPTION PRICE.....	4
5. CANCELLATION UPON REDEMPTION AND REMOVAL FROM THE OFFICIAL LIST	4
6. CONSENT	4
7. DIRECTORS' RESPONSIBILITY STATEMENT	4
8. ENQUIRIES.....	5

CONVERSION NOTICE**ENCLOSED**

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S P SETIA BERHAD

(Registration No. 197401002663 (19698-X))
(Incorporated in Malaysia)

Registered office

S P Setia Berhad Corporate HQ
No. 12, Persiaran Setia Dagang
Setia Alam, Seksyen U13
40170 Shah Alam
Selangor Darul Ehsan
Malaysia

30 November 2022

Board of Directors

Y.A.M. Tan Sri Dato' Seri Syed Zainol Anwar Ibni Syed Putra Jamalullail (*Non-Independent Non-Executive Chairman*)

Datuk Choong Kai Wai (*President and Chief Executive Officer*)

Dato' Ahmad Pardas Bin Senin (*Senior Independent Non-Executive Director*)

Dato' Halipah Binti Esa (*Independent Non-Executive Director*)

Dato' Seri Ir. Hj. Mohd Noor Bin Yaacob (*Independent Non-Executive Director*)

Dato' Zuraidah Binti Atan (*Independent Non-Executive Director*)

Tengku Dato' Ab. Aziz Bin Tengku Mahmud (*Non-Independent Non-Executive Director*)

Philip Tan Puay Koon (*Independent Non-Executive Director*)

Dato' Azmi Bin Mohd Ali (*Non-Independent Non-Executive Director*)

Dato' Merina Binti Abu Tahir (*Independent Non-Executive Director*)

Dato' Tengku Marina Binti Tunku Annuar (*Independent Non-Executive Director*)

Sheranjiv A/L M Sammanthan (*Independent Non-Executive Director*)

To: Our RCPS-i B holders

Dear Sir/Madam,

NOTICE TO RCPS-i B HOLDERS IN RELATION TO THE FULL REDEMPTION OF RCPS-i B AND NOTICE OF BOOK CLOSURE DATE

NOTICE IS HEREBY GIVEN THAT pursuant to the terms of the RCPS-i B as stipulated in our Constitution, our Company has elected to (and will) make full redemption of all the outstanding RCPS-i B on Friday, 30 December 2022.

In accordance with Clause 13(m)(ii) of our Constitution, our Company shall redeem all (and not some only of) the outstanding RCPS-i B in cash at a redemption price, which shall be the aggregate of:

- (i) the issue price of the RCPS-i B at RM0.88 each;
- (ii) any preferential dividends declared but unpaid as at the Redemption Date; and
- (iii) any deferred dividends as at the Redemption Date.

For the RCPS-i B holders' information, our Company had on 29 November 2022, announced a preferential dividend for RCPS-i B for the period from 1 July 2022 to 30 December 2022, to be payable on 30 December 2022 with an ex-date on 21 December 2022. The total amount of such preferential dividends to be paid is up to approximately RM30,835,019.

In view of the above, on the Redemption Date, our Company shall redeem all the outstanding RCPS-i B by payment in cash for each RCPS-i B held as at the Book Closure Date, at RM0.9062 per RCPS-i B ("**Redemption Price**"), based on the aggregate of:

- (i) the issue price of the RCPS-i B at RM0.88 each;
- (ii) the pro-rated preferential dividend of 5.93% per annum due for the period from 1 July 2022 to 28 December 2022 at RM0.0259 per RCPS-i B; and
- (iii) the stepped-up preferential dividend rate of 6.93% per annum due for the period from 29 December 2022 to 30 December 2022 at RM0.0003 per RCPS-i B.

For information purpose, there is no deferred dividends accumulated for RCPS-i B as at the date of this Redemption Notice.

RCPS-i B holders are advised to carefully read the following:

1. DETAILS OF THE REDEMPTION

On 29 December 2017, our Company issued 1,209,781,427 RCPS-i B at RM0.88 each, on the basis of two (2) RCPS-i B for every five (5) existing Shares held then. The RCPS-i B were issued in conjunction with our Company's rights issue exercise undertaken in 2017.

The RCPS-i B carries the right to receive preferential dividends, out of the distributable profits of our Company earned from the 1st day of the calendar month following the Issue Date ("**Profits**"), when declared and approved by our Board, at the expected preferential dividend rate of 5.93% per annum.

From the period commencing on and including the 5th anniversary of the Issue Date until the redemption date of the RCPS-i B, an additional stepped-up preferential dividend capped at the rate of 1.0% per annum above the expected rate mentioned above, shall be payable on the RCPS-i B on an annual basis, provided that the aggregate of the expected preferential dividend rate (including the stepped-up preferential dividends, if applicable) on any preferential dividend entitlement date shall not exceed a total rate of 20% per annum.

Our Board believes that the additional stepped-up preferential dividend rate would be excessive amid the country's current low interest rate environment and could be detrimental to our Group in the longer run as any savings could instead be channelled to fund our Group's general working capital requirement, capital expenditures and/or continuing growth and expansion plans of our Group. In this regard, our Company intends to redeem all the outstanding RCPS-i B upon the 5th anniversary of the Issue Date.

Subject to the availability of Profits, the preferential dividends (if declared) shall be distributable semi-annually (save in respect of the 1st distribution, and the last distribution prior to the redemption date of the RCPS-i B), with the RCPS-i B holders being entitled to the 1st distribution on such date being the next preferential dividend entitlement date of the existing Islamic redeemable convertible preference shares in S P Setia (i.e. RCPS-i A) (in accordance with its terms) following the Issue Date, and subsequently, at successive intervals of every six (6) months thereafter. For the avoidance of doubt, the preferential dividends for the last distribution prior to the redemption date of the RCPS-i B (if declared), may be paid to the RCPS-i B holders on such distribution date and at such amount (in accordance with its terms) as shall be approved by our Board and announced by our Company from time to time on or before the redemption date of the RCPS-i B.

The tenure of the RCPS-i B is perpetual. However, in accordance with the terms of the RCPS-i B, our Company may at any time on or after the 5th anniversary of the Issue Date, at our discretion, redeem all (and not some only of) the outstanding RCPS-i B at the redemption price by giving not less than 30 days' notice in writing to the RCPS-i B holders of our intention to do so, subject to compliance with the Companies Act 2016. The redemption of the RCPS-i B shall take effect on the 30th day from the date of such notice or such other later date as may be specified in the said notice. During such notice period but not later than nine (9) Market Days prior to the redemption date of the RCPS-i B, the RCPS-i B holders shall be entitled to exercise their rights to convert their fully-paid RCPS-i B into new fully-paid Shares.

In this regard, for RCPS-i B holders whose RCPS-i B have been credited into their CDS Accounts and wish to convert their fully-paid RCPS-i B into new fully-paid Shares before the Redemption Date, the Conversion Notice (a copy is attached herewith) must reach our Share Registrar at the address set out in Section 8 of this Redemption Notice, on or before Thursday, 15 December 2022 at 5:00 p.m.

For RCPS-i B holders who have purchased the RCPS-i B on or before the last time, day and date for trading of the RCPS-i B (i.e. 5:00 p.m. on Tuesday, 13 December 2022) but the RCPS-i B have yet to be credited into their CDS Accounts on or before Thursday, 15 December 2022 at 5:00 p.m. and wish to convert their fully-paid RCPS-i B into new fully-paid Shares before the Redemption Date, RCPS-i B holders should lodge the Conversion Notice (a copy is attached herewith) together with the relevant contract note for the RCPS-i B as evidence of their beneficial ownership of the RCPS-i B (where applicable) with our Share Registrar, on or before Thursday, 15 December 2022 at 5:00 p.m. at the email address set out in Section 8 of this Redemption Notice followed by the hard copy of the Conversion Notice to our Share Registrar at the address set out in Section 8 of this Redemption Notice, so as to arrive within two (2) market days from Thursday, 15 December 2022. This is to facilitate our Company to process the conversion of the fully-paid RCPS-i B into new fully-paid Shares prior to the Book Closure Date.

For information purpose, as at 25 November 2022, there are [1,176,383,600] RCPS-i B which remain in issue and are convertible into new Shares based on the Conversion Ratio.

2. SUSPENSION OF TRADING

To facilitate an orderly Redemption, trading of the RCPS-i B on Bursa Securities will be suspended with effect from 9:00 a.m. on Wednesday, 14 December 2022. Hence, the last time, day and date for trading of the RCPS-i B will be at 5:00 p.m. on Tuesday, 13 December 2022.

3. BOOK CLOSURE DATE

RCPS-i B holders whose names appear in our Record of Depositors at the close of business at 5:00 p.m. on Thursday, 22 December 2022 shall be entitled to the Redemption (and the last dividend payment).

Bursa Depository will not be accepting any request for transfer of RCPS-i B commencing 4:30 p.m. on Thursday, 22 December 2022.

The entitlement of RCPS-i B holders to the Redemption (and the last dividend payment) shall only be in respect of the following:

- (i) RCPS-i B transferred into the depositor's CDS Account before 4:30 p.m. on Thursday, 22 December 2022; and
- (ii) RCPS-i B bought on Bursa Securities on a cum entitlement basis according to the rules of Bursa Securities.

4. PAYMENT OF REDEMPTION PRICE

On the Redemption Date, our Company shall be bound to redeem the RCPS-i B at the Redemption Price (as detailed above). Such redemption moneys will be paid to the RCPS-i B holders whose names appear in our Record of Depositors as at the Book Closure Date, via direct credit into their respective bank accounts registered with Bursa Depository for the purpose of cash dividend/ distribution, or despatch to them the cheques by ordinary post to their respective addresses last shown in our Record of Depositors at their own risk.

5. CANCELLATION UPON REDEMPTION AND REMOVAL FROM THE OFFICIAL LIST

All outstanding RCPS-i B as at Redemption Date will be debited from the respective RCPS-i B holders' CDS Accounts on Friday, 30 December 2022 and will forthwith be cancelled. The RCPS-i B will be delisted and removed from the Official List with effect from 9:00 a.m. on Tuesday, 3 January 2023.

6. CONSENT

RHB Investment Bank Berhad, being the Manager to our Company for the Redemption, has given and has not subsequently withdrawn its written consent to the inclusion of its name and all references thereto in the form and context in which they appear in this Redemption Notice.

7. DIRECTORS' RESPONSIBILITY STATEMENT

This Redemption Notice has been seen and approved by our Board who collectively and individually accept full responsibility for the accuracy of the information given herein. Our Board hereby confirms that after having made all reasonable enquiries, and to the best of their knowledge and belief, there is no false or misleading statement or other facts, the omission of which would make any statement herein false or misleading.

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8. ENQUIRIES

All enquiries concerning this Redemption Notice should be addressed to our Share Registrar at:

Tricor Investor & Issuing House Services Sdn Bhd

Unit 32-01, Level 32, Tower A
Vertical Business Suite
Avenue 3, Bangsar South
No. 8, Jalan Kerinchi
59200 Kuala Lumpur
Malaysia

Tel. No.: +603 2783 9299

Fax. No.: +603 2783 9222

Email: is.enquiry@my.tricorglobal.com

Attention: Pn Siti Zalina (+603 2783 9247)

Ms Wong Pang Yi (+603 2783 9242)

Mr Jia Jin Lim (+603 2783 9246)

Ms Lim Lay Kiow (+603 2783 9232)

Yours faithfully

For and on behalf of our Board

S P SETIA BERHAD

Y.A.M. TAN SRI DATO' SERI SYED ZAINOL ANWAR

IBNI SYED PUTRA JAMALULLAIL

Non-Independent Non-Executive Chairman



S P SETIA BERHAD

(Registration No. 197401002663 (19698-X))
("S P Setia" or "Company")
(Incorporated in Malaysia)

**CONVERSION NOTICE FOR THE
CLASS B ISLAMIC REDEEMABLE CONVERTIBLE PREFERENCE SHARES OF S P SETIA
("RCPS-i B") ("CONVERSION NOTICE")**

Issue Date : 29 December 2017

Maturity Date : The tenure of the RCPS-i B is perpetual.

Conversion Ratio : The conversion ratio shall be **five (5)** new ordinary shares in S P Setia ("**Shares**") for every **18** RCPS-i B held. No cash is payable by the holder of the RCPS-i B upon conversion of the RCPS-i B into Shares.

If the conversion results in a fractional entitlement to Shares, such fractional entitlement shall be disregarded and no refund or credit, whether in the form of RCPS-i B, cash or otherwise, shall be given in respect of the disregarded fractional entitlement.

Conversion Mode : The RCPS-i B shall be convertible, at the option of the RCPS-i B holders, at any time commencing from the Issue Date and up to such date no later than nine (9) Market Days (as defined in the abridged prospectus dated 30 November 2017 issued by S P Setia in relation to, among others, the rights issue of the RCPS-i B) prior to the relevant redemption date of the RCPS-i B, into such number of fully-paid new Shares, without payment of any consideration other than a processing fee, and in accordance with the Conversion Ratio.

PARTICULARS OF THE RCPS-i B HOLDER

* Name of Registered Holder : _____

* New NRIC / Passport /
Armed Forces / Police
Personnel / Company No. : _____

* Correspondence address of
Registered Holder : _____

* Contact No. : _____

* All information given above must be the same as the information in the records of Bursa Malaysia Depository Sdn. Bhd. ("**Bursa Depository**").

To : Share Registrar of S P Setia
Tricor Investor & Issuing House Services Sdn. Bhd.
Unit 32-01, Level 32, Tower A
Vertical Business Suite
Avenue 3, Bangsar South
No. 8, Jalan Kerinchi
59200 Kuala Lumpur
Malaysia

I/We, the undersigned, being the registered holder of such value of RCPS-i B as stated in my/our CDS Account as stated below, irrevocably exercise my/our Conversion Rights attached to the RCPS-i B as stated above ("**Conversion RCPS-i B**") in accordance with the Constitution of the Company and further:

- (i) confirm and declare that the information provided by me/us herein is true and correct and is identical with the information provided by me/us to the Bursa Depository and further agree that in the event that such information differs from the information in the records of the Bursa Depository, the exercise by my/our Conversion Rights may be rejected by you at your sole and absolute discretion;
- (ii) authorise you to instruct the Bursa Depository to debit the quantity(ies) of RCPS-i B from my/our Securities Account(s) as stated below in connection with the exercise of my/our Conversion Rights;
- (iii) declare that the Conversion RCPS-i B stated below in respect of which my/our Conversion Rights are being exercised are/have been designated as "free securities" in accordance with the provisions of the Rules of the Bursa Depository and further agree that if the declaration is not true or correct, the exercise of my/our Conversion Rights may be rejected by you at your sole and absolute discretion;
- (iv) authorise you to instruct the Bursa Depository to credit the quantity(ies) of new Share(s) to my/our Securities Account(s) as stated below and for the notice of allotment to be despatched to me/us at my/our risk to the correspondence address as stated above;
- (v) confirm that after the submission of this Conversion Notice to you, I/we shall not dispose, transfer, charge or encumber the Conversion RCPS-i B until the conversion exercise is completed by the debiting of the Conversion RCPS-i B from my/our Securities Account(s), or the exercise is rejected by you, whichever shall be applicable;
- (vi) undertake to indemnify, and hold S P Setia and you, harmless against any loss, damage, liability, cost or expense (including legal cost) that may be suffered or incurred by S P Setia or you as a result of any demand, action and proceeding made in respect of or arising from the debiting of the Conversion RCPS-i B from my/our Securities Account(s), in reliance upon this Conversion Notice;
- (vii) undertake to pay all stamp, issue, registration or other similar taxes or duties arising from the exercise of my/our Conversion Rights in respect of the Conversion RCPS-i B as you may require to be paid;
- (viii) if applicable, undertake to pay all fees and expenses for certificates for the new Share(s) and expenses for the preparation and submission of any necessary documents required in order to effect the delivery of certificates for the new Share(s) to the Bursa Depository, and to pay all fees and expenses for the crediting of the new Share(s) into my/our Securities Account stated below or my/our nominee(s) (as the case may be) under the provisions of the Securities Industry (Central Depositories) Act 1991 or the Rules of the Bursa Depository;

- (ix) declare that in exercising my/our Conversion Rights, I/we have complied with all exchange control and other statutory requirements as may be applicable; and
- (x) undertake to execute all documents referred to in this Conversion Notice together with such evidence (if any) as you, or as the case may be, as Bursa Depository may require, to determine the due execution of this Conversion Notice by me/us or on my/our behalf.

Source account for debiting the RCPS-i B												
Securities Code	Quantity	CDS Account No. (ADA & Branch Code/Account No.)										
8664PB					-							

Source account for crediting the new Shares												
Securities Code	Quantity	CDS Account No. (ADA & Branch Code/Account No.)										
8664					-							

For individual RCPS-i B Holder:

For corporation RCPS-i B Holder:

The Common Seal of the corporation was hereunto affixed in accordance with its Constitution in the presence of:

Signature

Director

Director/Secretary

Dated this:.....

Notes:

1. No share certificate will be issued or delivered to the holder of RCPS-i B as a result of the conversion of the Conversion RCPS-i B.
2. No holder shall be allowed to instruct the crediting of the new Share(s) into a Securities Account(s) other than the one from which the RCPS-i B are to be debited.
3. If any part of this Conversion Notice is not complied with, Tricor Investor & Issuing House Services Sdn Bhd may, at its absolute discretion and without liability on behalf of itself or S P Setia, refuse to recognize the conversion of the Conversion RCPS-i B and the conversion of the Conversion RCPS-i B may accordingly be delayed or treated as invalid.
4. A processing fee of **RM20.00** shall be made in cheque payable to "**TRICOR INVESTOR & ISSUING HOUSE SERVICES SDN BHD**" as the administrative fee for the conversion of the Conversion RCPS-i B and shall be submitted together with this Conversion Notice.