MNRB

EXTRAORDINARY GENERAL MEETING

MNRB HOLDINGS BERHAD

ON 14 AUGUST 2026 AT 10:00 A.M.

STATEROOM 2, GROUND FLOOR

M RESORT & HOTEL
JALAN DAMANSARA, BUKIT KIARA
60000 KUALA LUMPUR

ORDINARY RESOLUTION

PROPOSED ACQUISITION OF 80% EQUITY INTEREST IN LABUAN REINSURANCE (L) LTD BY MNRB HOLDINGS BERHAD FOR A TOTAL CASH CONSIDERATION OF USD100,689,242.02 (EQUIVALENT TO RM400,491,460.14)

STRATEGIC RATIONALE OF THE PROPOSED ACQUISITION

MNRB

Focusing on Core Growth Engines

- Transforming MNRB Group into a **pure-play** Reinsurer & Retakaful operator
- Clearer market identity as a **leading reinsurance group** in Asia

Revenue & Growth Diversification

- **New markets** and alternative income streams
- Balancing and **diversifying MNRB's portfolio**

Strategic Positioning

- Enhancing MNRB's **regional and international footprint**
- **Opportunistic fit** to operate retakaful business from Labuan

Financial Attractiveness

- Acquisition at an **attractive valuation**
- Immediate **bargain purchase gain**
- **Full consolidation** of Labuan Re profits

Value Creation through Strategic Integration

- Operational **synergies** and integration **efficiency**
- Key component of ongoing strategic investments and initiatives to **enhance shareholder value**

Safeguarding National Interest

- Solidifying MNRB's position as the **consolidated national reinsurer group**
- **Optimising the retention** of insurance and takaful premiums within Malaysia by building local capacity and expertise.

PRESENTATION BY PRINCIPAL ADVISER

AFFIN HWANG INVESTMENT BANK BERHAD

14 August 2026

MNRB Holdings Berhad

Extraordinary General Meeting for Proposed Acquisition

Affin Hwang Investment Bank Berhad

Outthink. Outperform.

AFFIN HWANG INVESTMENT BANK

Overview of the Proposed Acquisition

BUYER

MNRB HOLDINGS BERHAD

SELLER

Each selling 10%

CIMB, Tenaga Nasional Berhad, TM, MISC, Petronas, DRB-HICOM (Hicom Holdings Berhad)

Each selling 5%

LTAT, Maybank, Public Bank, RHB Bank

Total of 80%

Target

Labuan Re

80% equity interest in Labuan Re

MNRB currently holds 20% equity interest in Labuan Re through its wholly-owned subsidiary, Malaysian Re

Price

Cash consideration of USD100.69mil (equivalent to RM400.49mil) via

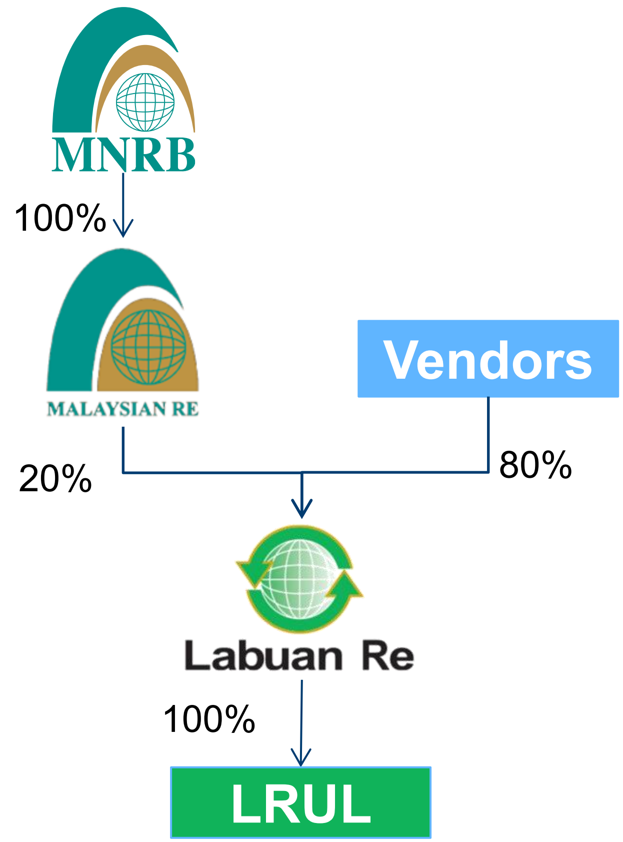
- Cash : RM150.49 mil
- Borrowings via issuance of Commercial Papers : RM250.00 mil

Basis

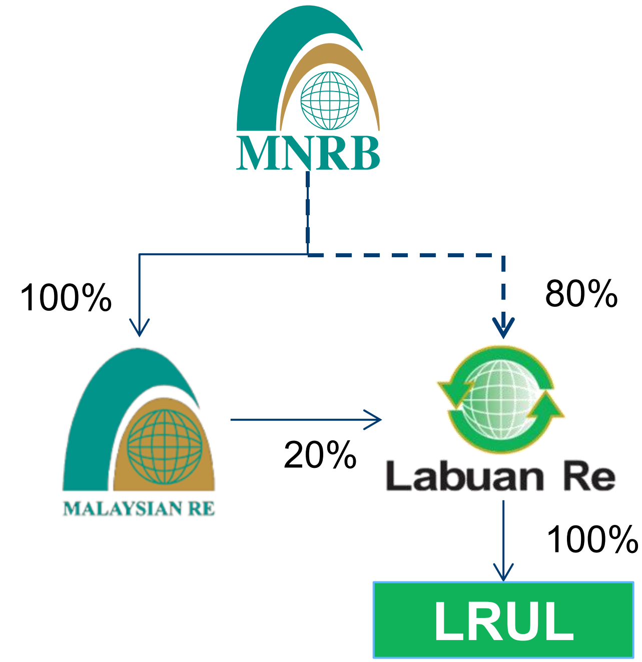
- Precedent M&A Transactions based on P/TNAV ratio
- Peer Analysis using PBR trading multiples of comparable companies

Overview of the Proposed Acquisition

Before the Proposed Acquisition



After the Proposed Acquisition



The objective of this EGM is to seek your approval for the Proposed Acquisition

Basis and Justification for the Initial Consideration

80% Labuan Re's Adjusted TNAV as at 31.12.2024 of **USD114.62 mil**, audited based on MFRS 4

TNAV

Price

P/TNAV (0.88x)

At **lower-end range** and **below median** of **Precedent M&A Transactions' P/TNAV**

Book Value

Price

Implied PBR (0.85x)

For **Peer Companies' PBR** – At the mid range and just above median

For **Peer Companies' Adjusted PBR** – Within the range and above median

Justifiable as MNRB is acquiring a controlling stake in Labuan Re

Rationale for the Proposed Acquisition

Rationale

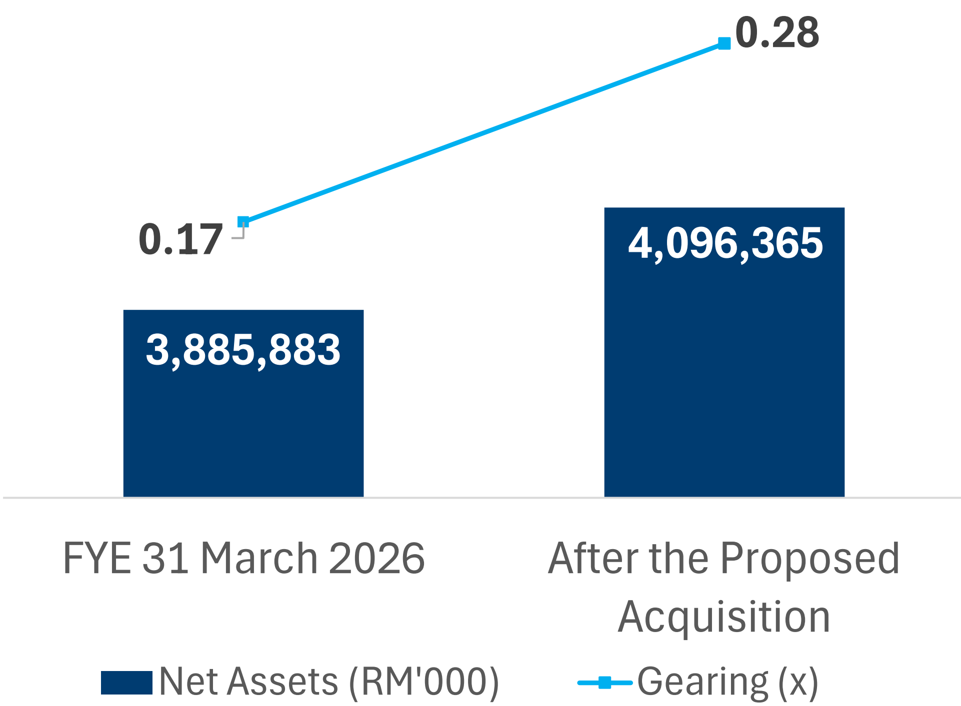
MNRB + Labuan Re

Market Share Growth	Geographic Diversification	Regional Expansion	International Presence	Earnings Accretive
Increase market share of MNRB's reinsurance business	Facilitate geographic diversification & reduce domestic market concentration risk	Labuan Re's established offshore platform and international client base strengthens MNRB's position	Enhance MNRB's international presence as the sole shareholder of Labuan Re	Discount to book value, immediate bargain purchase gain and full consolidation of Labuan Re's financial results

Pro forma Effects of the Proposed Acquisition

- ► **Share capital and substantial shareholders' shareholdings**
  No effect as there is no issuance of MNRB Shares

- ► **Pro forma effects on NA and gearing**



Net assets

RM3.89 bil → **RM4.10 bil**

Recognition of pro forma bargain purchase of RM216.98 million

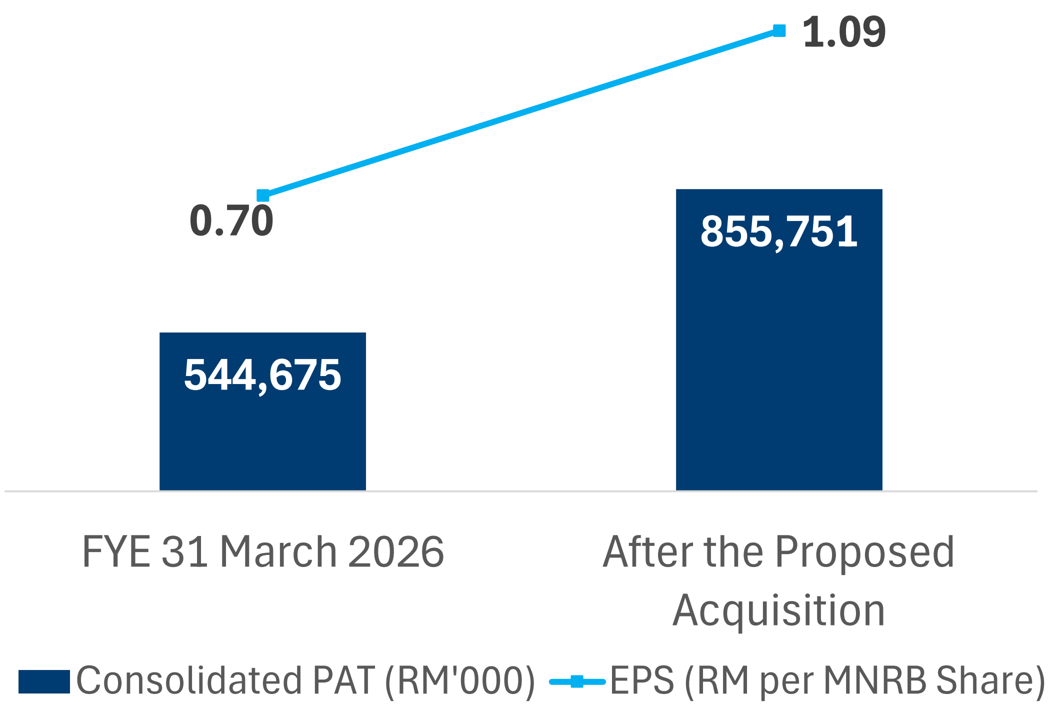
Gearing

0.17x → **0.28x**

Initial Consideration partly funded by financing facility and consolidation of Labuan Re's borrowings

Pro forma Effects of the Proposed Acquisition

► Pro forma effects on Earnings and EPS



Earnings

RM544.68 mil → RM855.75 mil

EPS

RM0.70 → RM1.09

Earnings Accretive - Share of consolidated Labuan Re's PAT of RM126.44 mil and recognition of bargain purchase of RM216.98 mil

Approvals/Consents Required and Conditionality of the Proposed Acquisition

Bank Negara Malaysia	Labuan FSA	Lloyd's of London	RHB Bank (L) Ltd	Non-Interested Shareholders of MNRB
Submitted on 16 June 2026, pending approval	Submitted on 6 August 2026, pending approval	To be submitted post-EGM	Submitted on 12 August 2026, pending consent	Purpose of this EGM

1. Non-interested shareholders' approval is required as the Proposed Acquisition is deemed a **RPT** under Paragraph 10.08 of the Main Market Listing Requirements

2. The Proposed Acquisition is **not conditional** upon any other proposals undertaken or to be undertaken by the Company

Indicative Timeline

EGM

- Expected Labuan FSA approval
- Expected RHB consent
- Expected LLOYD'S approval

14 Aug | Aug | Sept-Oct | Nov

2026

- Expected BNM approval
- Submission of application for LLOYD'S approval

Completion of Proposed Acquisition

THANK YOU

Outthink. Outperform.

AFFIN HWANG INVESTMENT BANK

MNRB

EXTRAORDINARY GENERAL MEETING
MNRB HOLDINGS BERHAD
ON 14 AUGUST 2026 AT 10:00 A.M.

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60000 KUALA LUMPUR

PRESENTATION BY INDEPENDENT ADVISER

QUANTEPHI SDN BHD

MNRB HOLDINGS BERHAD ("MNRB")

Independent Adviser's Presentation to the Shareholders of MNRB in relation to the Proposed Acquisition of 80% Equity Interest in Labuan Reinsurance (L) Limited by MNRB ("Proposed Acquisition")

MNRB HOLDINGS BERHAD
197201001795 (13487-A)

Prepared by:

QuantePhi

EXTRAORDINARY GENERAL MEETING ("EGM")

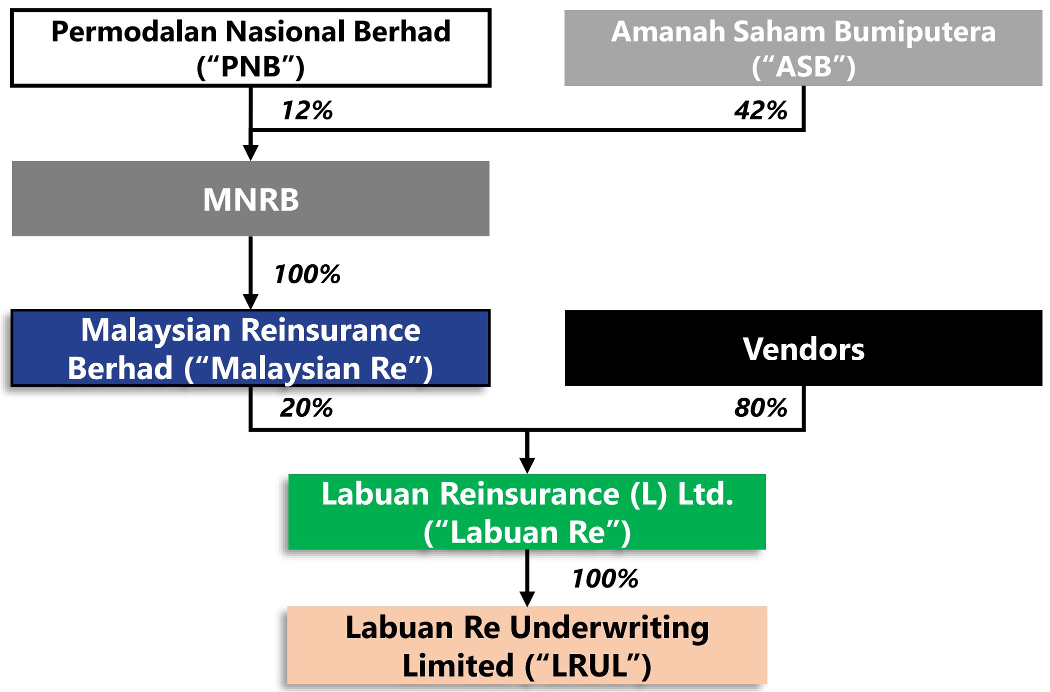
14 August 2026

Section 1.0: Overview of the Proposed Acquisition

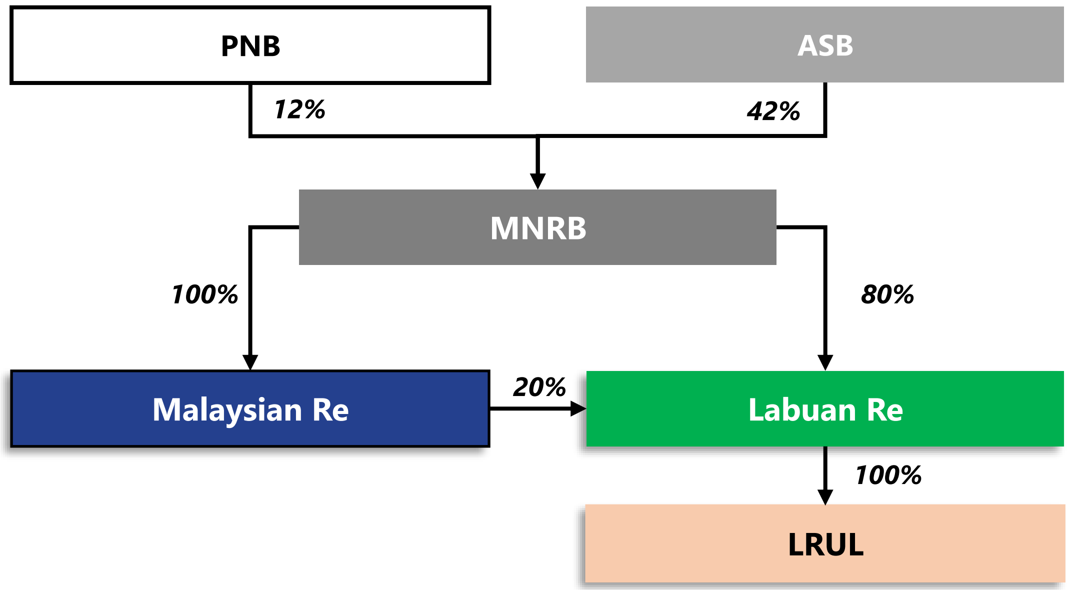
MNRB
MNRB HOLDINGS BERHAD

Structure of the Proposed Acquisition based on the Circular dated 31 July 2026

Before the Proposed Acquisition



After the Proposed Acquisition



1. **Dato' Sulaiman Mohd Tahir and Mr George Oommen** are referred to as the **Interested Directors**
2. **PNB, ASB** and **Yayasan Pelaburan Bumiputra ("YPB")** are referred to as the **Interested Shareholders**
3. MNRB has entered into a conditional Share Purchase Agreement ("**SPA**") with the Vendors (as defined below) for the proposed acquisition of the remaining **80% equity interest** in Labuan Re for a **Cash Consideration of RM400.49 'Mil (USD100.69 'Mil)**[(1)]
4. The Vendors are CIMB Bank Berhad (10%), HICOM Holdings Berhad (10%), MISC Berhad (10%), Petroliam Nasional Berhad (10%), Telekom Malaysia Berhad (10%), Tenaga Nasional Berhad (10%), Lembaga Tabung Angkatan Tentera (5%), Malayan Banking Berhad (5%), Public Bank Berhad (5%) and RHB Bank Berhad (5%)

Note:
(1) Exchange rate of RM3.9775 = USD1 as stated in the Circular dated 31 July 2026 and as published on BNM's website at 12:00 p.m. on 18 May 2026 in accordance with the terms of the SPA

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Section 1.1: QuantePhi's Opinion

Based on QuantePhi's Independent Evaluation and Assessment

Rationale	***Rationale*** *for the Proposed Acquisition is* ***reasonable***
Consideration	***Consideration*** *for the Proposed Acquisition is* ***fair***
Salient Terms	***Salient Terms of the SPA*** *for the Proposed Acquisition are* ***reasonable***
Industry Outlook / Prospects	*Having considered the* ***industry outlook and the prospects of Labuan Re,*** *the Proposed Acquisition is* ***reasonable***
Risk Factors	*Associated* ***Risk Factors*** *for the Proposed Acquisition are* ***reasonable***
Effects	***Effects*** *of the Proposed Acquisition are* ***reasonable***

QuantePhi's Recommendation

The Proposed Acquisition is **fair and reasonable** and is **not detrimental to the interest of the Non-Interested Shareholders of MNRB**

Accordingly, we recommend that the **Non-Interested Shareholders** of MNRB **vote in favour** of the resolution pertaining to the Proposed Acquisition

Section 2.0: QuantePhi's Opinion on Rationale

Based on QuantePhi's Independent Evaluation and Assessment

MNRB HOLDINGS BERHAD

Rationale	***Rationale*** *for the Proposed Acquisition is* ***reasonable***
Consideration	***Consideration*** *for the Proposed Acquisition is* ***fair***
Salient Terms	***Salient Terms of the SPA*** *for the Proposed Acquisition are* ***reasonable***
Industry Outlook / Prospects	*Having considered the* ***industry outlook and the prospects of Labuan Re,*** *the Proposed Acquisition is* ***reasonable***
Risk Factors	*Associated* ***Risk Factors*** *for the Proposed Acquisition are* ***reasonable***
Effects	***Effects*** *of the Proposed Acquisition are* ***reasonable***

QuantePhi's Recommendation

The Proposed Acquisition is **fair and reasonable** and is **not detrimental to the interest of the Non-Interested Shareholders of MNRB**

Accordingly, we recommend that the **Non-Interested Shareholders** of MNRB **vote in favour** of the resolution pertaining to the Proposed Acquisition

MNRB HOLDINGS BERHAD

Section 2.1: Proposed Acquisition's Rationale

Rationale for the Proposed Acquisition

QuantePhi's Commentaries

- **Malaysia's insurance and takaful market is underserved** – *With penetration remaining low at 4.50%, below (i) 2026 BNM target of 4.8% to 5.0% and (ii) OECD average of 6.0% in 2023*
- **Surge in demand from sectors which require enhanced insurance/reinsurance/retakaful protection** – *Such as data centres and renewable energy. For example, Malaysia's data centres' capacity is set to more than double to 2,055 megawatts by end 2026*
- **Aligns with the national agenda** – *To strengthen Malaysia as a regional insurance and reinsurance hub and further developing Labuan as an offshore financial centre promoting efficient allocation of insurance/reinsurance capital, with preferential tax regime and facilitating cross-border reinsurance activities*
- **Enhances MNRB's geographical diversification** – *Through the Lloyd's platform, reduces reliance on Malaysia and Southeast Asia by providing access to Labuan Re's internationally diversified underwriting portfolio*
- **Enables MNRB to broaden participation in specialty reinsurance segments** – *Including cyber, energy ,and credit which offers stronger growth prospects and more resilient underwriting margins, enhancing MNRB's earnings quality and diversification*
- **Expected operational synergies** – *Through shared support functions, governance and risk management, cross-selling of structured reinsurance solutions and optimised capital deployment*
- **Full consolidation of Labuan Re's results** – *Expected to be earnings accretive with (i) a P/TNAV of 0.88x or a 37.14% discount to the historical average transacted P/TNAV of 1.40x and (ii) expected increase in EPS and NA per share by 55.71% and 5.44%, respectively*

QuantePhi's Opinion

Premised on the above, we are of the view that the **Rationale** for the Proposed Acquisition is **reasonable**

MNRB
MNRB HOLDINGS BERHAD

Section 3.0: QuantePhi's Opinion on the Consideration

Based on QuantePhi's Independent Evaluation and Assessment

Rationale	***Rationale*** *for the Proposed Acquisition is* ***reasonable***
Consideration	***Consideration*** *for the Proposed Acquisition is* ***fair***
Salient Terms	***Salient Terms of the SPA*** *for the Proposed Acquisition are* ***reasonable***
Industry Outlook / Prospects	*Having considered the* ***industry outlook and the prospects of Labuan Re,*** *the Proposed Acquisition is* ***reasonable***
Risk Factors	*Associated* ***Risk Factors*** *for the Proposed Acquisition are* ***reasonable***
Effects	***Effects*** *of the Proposed Acquisition are* ***reasonable***

QuantePhi's Recommendation

The Proposed Acquisition is **fair and reasonable** and is **not detrimental to the interest of the Non-Interested Shareholders of MNRB**

Accordingly, we recommend that the **Non-Interested Shareholders** of MNRB **vote in favour** of the resolution pertaining to the Proposed Acquisition

Section 3.1: Valuation Analysis

QuantePhi's Commentaries

Methodologies	Precedent Transaction Approach[1]	Peer Analysis Approach[2]
Selection Criteria	• Reinsurance Industry • 2019 to 2023 • Acquisition of equity stake > 50%	• Reinsurance Industry • NA : RM200.0 'Mil to RM1,500'Mil • Adopted MFRS17 or equivalent • Past 2 years consecutive audited PAT
Precedent Transaction/ Comparable Company	• 6 Precedent Transactions across Singapore, Bermuda and the US	• 2 Comparable Companies with international operations from Oman and Kuwait, one of which has a branch in Labuan
Target Range	***P/TNAV : 0.79x to 1.42x***	***PBR : 0.49x to 0.78x***
Labuan Re	***P/TNAV : 0.88x***	***PBR : 0.66x***

QuantePhi's Opinion

Premised on the above, we are of the view that the **Consideration** for the remaining 80% equity interest in Labuan Re for the Proposed Acquisition is **fair**

Notes:

(1) The P/TNAV multiples are calculated based on MFRS 4, as adopted by both MNRB and the Vendor for negotiation purposes. In addition, the precedent transactions were undertaken under MFRS 4 or its equivalent accounting standard, ensuring consistency and comparability in the valuation analysis.

(2) The Comparable Companies are selected based on Company that have adopted the MFRS17 or its equivalent as Labuan Re have adopted MFRS17 in the latest audited report, Given the relatively recent implementation of MFRS 17 (or its equivalent), with adoption timelines varying across jurisdictions and companies, together with the stringent nature of the selection criteria, the pool of suitable comparable companies is inherently limited;

Section 4.0: QuantePhi's Opinion on the Agreement Salient Terms

MNRB HOLDINGS BERHAD

Based on QuantePhi's Independent Evaluation and Assessment

Rationale	***Rationale*** *for the Proposed Acquisition is* ***reasonable***
Consideration	***Consideration*** *for the Proposed Acquisition is* ***fair***
Salient Terms	***Salient Terms of the SPA*** *for the Proposed Acquisition are* ***reasonable***
Industry Outlook / Prospects	*Having considered the* ***industry outlook and the prospects of Labuan Re,*** *the Proposed Acquisition is* ***reasonable***
Risk Factors	*Associated* ***Risk Factors*** *for the Proposed Acquisition are* ***reasonable***
Effects	***Effects*** *of the Proposed Acquisition are* ***reasonable***

QuantePhi's Recommendation

The Proposed Acquisition is **fair and reasonable** and is **not detrimental to the interest of the Non-Interested Shareholders of MNRB**

Accordingly, we recommend that the **Non-Interested Shareholders** of MNRB **<u>vote in favour</u>** of the resolution pertaining to the Proposed Acquisition

Section 4.1: Summary of the Sale & Purchase Agreement (SPA)

MNRB HOLDINGS BERHAD

Key Terms and Conditions for the Proposed Acquisition

SPA

- ***Proposed Acquisition*** *by MNRB of the remaining 80% equity interest in Labuan Re for a cash consideration of* ***RM400.49 'Mil (USD100.69 'Mil)***
  - ***Vendors*** *– Existing Shareholders of Labuan Re (save for Malaysian Re) holding a total of 80% equity interest*
  - ***Purchaser*** *– MNRB*
- ***Vendors agree to sell*** *and* ***MNRB agrees to purchase*** *the remaining 80% equity interest in Labuan Re at the agreed price, free of encumbrances and together with all rights, benefits, interests and advantages attaching to the sale shares*

Salient Terms of the SPA

Areas of Evaluation

a ***Sale and Purchase***

b ***Consideration***

c ***Costs***

d ***Interest***

e ***Conditions Precedent***

f ***Completion***

g ***Termination***

h ***Third Party Litigation Indemnity and Undertakings***

QuantePhi's Opinion

Premised on the above, we are of the view that the **Salient Terms and Conditions of the SPA** are considered <u>**reasonable**</u>

Section 5.0: QuantePhi's Opinion on the Industry Outlook and Prospects

MNRB HOLDINGS BERHAD

Based on QuantePhi's Independent Evaluation and Assessment

Rationale	***Rationale*** *for the Proposed Acquisition is* ***reasonable***
Consideration	***Consideration*** *for the Proposed Acquisition is* ***fair***
Salient Terms	***Salient Terms of the SPA*** *for the Proposed Acquisition are* ***reasonable***
Industry Outlook / Prospects	*Having considered the* ***industry outlook and the prospects of Labuan Re,*** *the Proposed Acquisition is* ***reasonable***
Risk Factors	*Associated* ***Risk Factors*** *for the Proposed Acquisition are* ***reasonable***
Effects	***Effects*** *of the Proposed Acquisition are* ***reasonable***

QuantePhi's Recommendation

The Proposed Acquisition is **fair and reasonable** and is **not detrimental to the interest of the Non-Interested Shareholders of MNRB**

Accordingly, we recommend that the **Non-Interested Shareholders** of MNRB **vote in favour** of the resolution pertaining to the Proposed Acquisition

Section 5.1: Industry Outlook and Prospects

MNRB HOLDINGS BERHAD

IA's observation on industry outlook and future prospects

	QuantePhi's Commentaries
Malaysian Economy	▪ **Malaysia's economy expanded by 5.4%** in 1Q2026, supported by **resilient domestic demand**, **continued fiscal prudence**, and **government support measures** ▪ In addition, domestic demand increased by 5.2%, resilience of the ringgit and continued foreign investor confidence
Global Economy	▪ Global economic growth remained resilient in 2025, supported by **steady GDP expansion**, trade performance, policy support and **easing of Inflation** as global financial conditions improved ▪ **Global economic growth is expected to moderate in 2026**, with **downside risks** stemming from **trade tensions** and **geopolitical uncertainty supported by Investment in technology and productivity-enhancing sectors**
Insurance Industry in Malaysia and Labuan	▪ **Insurance and takaful sector remains financially resilient**, supported by **strong capital buffers** that help **absorb risks** from **rising medical inflation and claims volatility** ▪ **Labuan's position** as an **international offshore financial centre** strengthens its role in regional insurance/reinsurance providing MNRB with a **stronger platform to capture regional growth** and **expand its cross-border presence across Asia** ▪ **Malaysia is positioning itself as a regional insurance and reinsurance hub**, supported by **rising demand for reinsurance and retakaful solutions** to **enhance risk protection and support economic growth** ▪ The **increasingly complex risk environment** is **driving greater demand** for reinsurance supporting **long-term demand for MNRB's core business**

Section 5.1: Industry Outlook and Prospects

IA's observation on industry outlook and future prospects

MNRB HOLDINGS BERHAD

QuantePhi's Commentaries

Prospects of Labuan Re

- Established a leading market position as **Labuan's first homegrown reinsurance company**.
- The subsequent **recapitalization**, aligned with **Government efforts** to strengthen domestic underwriting capacity and premium retention, further **strengthened its capital base**, **business network, and institutional credibility**
- Introduced **retakaful window in 2006**, leveraging on **Malaysia's well-developed Islamic finance ecosystem** and its A.M. Best A- rating reflects strong balance sheet, appropriate enterprise risk management and stable performance
- Proposed Acquisition is expected to **drive operational synergies**, **strengthened MNRB underwriting capacity, enhance diversification into specialty lines and optimize risk allocation by leveraging on Labuan Re's portfolio**
- Insurance and takaful revenue **recorded a CAGR of 17.9%, average revenue growth of 19.18%** and **average PAT margin of 15.90%** for the past 3 audited financial years

QuantePhi's Opinion

Premised on the above, we are of the view that the **Industry Outlook and Prospects** are considered <u>**reasonable**</u>

MNRB HOLDINGS BERHAD

Section 6.0: QuantePhi's Opinion on the Risk Factors

Based on QuantePhi's Independent Evaluation and Assessment

Rationale	***Rationale*** *for the Proposed Acquisition is* ***reasonable***
Consideration	***Consideration*** *for the Proposed Acquisition is* ***fair***
Salient Terms	***Salient Terms of the SPA*** *for the Proposed Acquisition are* ***reasonable***
Industry Outlook / Prospects	*Having considered the* ***industry outlook and the prospects of Labuan Re,*** *the Proposed Acquisition is* ***reasonable***
Risk Factors	*Associated* ***Risk Factors*** *for the Proposed Acquisition are* ***reasonable***
Effects	***Effects*** *of the Proposed Acquisition are* ***reasonable***

QuantePhi's Recommendation

The Proposed Acquisition is **fair and reasonable** and is **not detrimental to the interest of the Non-Interested Shareholders of MNRB**

Accordingly, we recommend that the **Non-Interested Shareholders** of MNRB **<u>vote in favour</u>** of the resolution pertaining to the Proposed Acquisition

MNRB HOLDINGS BERHAD

Section 6.1: Risk Factors Associated with the Proposed Acquisition

Risk Factors to MNRB in relation to the Proposed Acquisition

Identified risks could be mitigated through various mitigation strategies

QuantePhi's Commentaries

a Operation Risk

Enhance risk management framework to address evolving integration, operational and external risks

b Completion Risk

Mitigated through the MNRB's timely updates to the Board on any material developments

c Contractual Risk

Robust compliance monitoring processes to minimise the risk of warranty breaches.

d FV Assessment at Completion

Earnings-accretive consolidation of Labuan Re mitigates potential financial impact

e Integration Risk

Active monitoring of the integration process and by leveraging the combined expertise and knowledge

f Financing Risk

Increase in gearing is expected as the acquisition is part financed through debt

g Acquisition/ Synergy Realisation Risk

Establishing clear post-acquisition key performance indicators

h Regulatory Risk

Typical risk as regulatory approval is required

QuantePhi's Opinion

Premised on the above, we are of the view that the **Risk Factors** are **reasonable**, and **not detrimental** to the interests of the Non-Interested Shareholders of MNRB

Section 7.0: QuantePhi's Opinion on the Effects of the Proposed Acquisition

Based on QuantePhi's Independent Evaluation and Assessment

Rationale	***Rationale*** *for the Proposed Acquisition is* ***reasonable***
Consideration	***Consideration*** *for the Proposed Acquisition is* ***fair***
Salient Terms	***Salient Terms of the SPA*** *for the Proposed Acquisition are* ***reasonable***
Industry Outlook / Prospects	*Having considered the* ***industry outlook and the prospects of Labuan Re,*** *the Proposed Acquisition is* ***reasonable***
Risk Factors	*Associated* ***Risk Factors*** *for the Proposed Acquisition are* ***reasonable***
Effects	***Effects*** *of the Proposed Acquisition are* ***reasonable***

QuantePhi's Recommendation

The Proposed Acquisition is **fair and reasonable** and is **not detrimental to the interest of the Non-Interested Shareholders of MNRB**

Accordingly, we recommend that the **Non-Interested Shareholders** of MNRB **vote in favour** of the resolution pertaining to the Proposed Acquisition

Section 7.1: Effects of the Proposed Acquisition

MNRB HOLDINGS BERHAD

Effects to MNRB's Financial Position in relation to the Proposed Acquisition

	QuantePhi's Commentaries
Issued Share Capital and Substantial Shareholders' Shareholding	▪ The Proposed Acquisition will **not have any effect** on the issued share capital of MNRB and the shareholdings of the substantial shareholders of MNRB ▪ It does not involve the issuance of new shares in MNRB
Net Assets ("NA") per Share and Gearing	**NA and NA per Share** ▪ Post-acquisition, NA is expected to increase from **RM3,885.88 'Mil** to **RM4,096.37 'Mil** ▪ Consequently, the NA per share will increase from **RM4.96** to **RM5.23** **Gearing** ▪ Gearing Ratio expected increase from **0.17x**[(1)] to **0.28x** arising from consolidation of Labuan Re's RM222.53 'Mil debt and RM250.00 'Mil acquisition financing ▪ Remains higher than **global peer's average Gearing Ratio of 0.04x** ▪ Notwithstanding the above: (a) MNRB **raised Tier 2 Capital financing** which is quasi-equity in nature to meet the requirement of Supervisory Target Capital Level of 130% imposed by Bank Negara Malaysia **under the Risk-Based Capital framework**[(2)] (b) Post-acquisition Gearing Ratio of 0.28x is still within RAM Rating's threshold

Notes:

(1) Based on the latest audited financial statements for the FYE 2025

(2) Reference to Risk-Based Capital Framework for Insurers and Risk-Based Capital Framework for Takaful issued by Bank Negara Malaysia

Section 7.1: Effects of the Proposed Acquisition

MNRB HOLDINGS BERHAD

Effects to MNRB's Financial Position in relation to the Proposed Acquisition

	QuantePhi's Commentaries
Earnings and Earnings per Share ("EPS")	▪ **Consolidated PAT** expected to **increase** from **RM544.68 'Mil** to **RM855.75 'Mil** – *after taking into account the potential financing costs and estimated expenses for the Proposed Acquisition* ▪ Increase mainly attributable to the **negative goodwill / bargain purchase** of RM216.98 'Mil ▪ MNRB is also expecting to benefit from **consolidation of Labuan Re's full earnings**, as MNRB will increase its stake from 20% to 100%, compared to previously recognising only Labuan Re's 20% share of PAT ▪ Consequently, the **EPS** of MNRB is expected to **increase** from **RM0.70 per Share** to **RM1.09 per Share**
Convertible Securities	▪ As at the LPD, MNRB does not have any convertible securities

QuantePhi's Opinion

Premised on the above, we are of the view that the overall **Effects** of the Proposed Acquisition are **reasonable**, and **not detrimental** to the interests of the Non-Interested Shareholders of MNRB

MNRB HOLDINGS BERHAD

THANK YOU

Prepared by:

QuantePhi

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MNRB

EXTRAORDINARY GENERAL MEETING

MNRB HOLDINGS BERHAD

ON 14 AUGUST 2026 AT 10:00 A.M.

STATEROOM 2, GROUND FLOOR

M RESORT & HOTEL
JALAN DAMANSARA, BUKIT KIARA
60000 KUALA LUMPUR

QUESTIONS RECEIVED FROM

MINORITY SHAREHOLDERS WATCH GROUP (MSWG)

No	Question	Answer
1	**On 4 August 2026, MNRB announced the proposed disposal of its Takaful IKHLAS businesses to Bank Rakyat for RM1.64 billion in cash.**	
	While the proposed disposal is subject to regulatory and shareholders' approvals, could the Board explain the overall strategic rationale underpinning both the Proposed Acquisition of Labuan Re and the proposed disposal of Takaful IKHLAS?	Although the Proposed Acquisition of Labuan Re and the proposed divestment of Takaful Ikhlas Family Bhd and Takaful Ikhlas General Bhd (collectively "Takaful IKHLAS") are separate transactions, each subject to its respective approvals and conditions, the two exercises are complementary strategic enablers of a wider transformation to become a leading Asian reinsurance group with a strong Malaysian foundation and meaningful regional and international reach. The proposed divestment of Takaful IKHLAS allows us to unlock the value of a business that MNRB has nurtured since 2004. More importantly, it allows us to streamline our portfolio and focus our growth, capital, capabilities, Board stewardship and management attention on our core reinsurance and retakaful franchise. The Proposed Acquisition of Labuan Re is expected to accelerate the growth by providing greater access to international and specialty reinsurance opportunities, supported by an offshore platform that is advantageous from a capital and tax viewpoints. Together with Malaysian Re, this would give the MNRB Group a presence across both onshore and offshore markets.

No	Question	Answer
1	**On 4 August 2026, MNRB announced the proposed disposal of its Takaful IKHLAS businesses to Bank Rakyat for RM1.64 billion in cash.**	
	Taking into account both the Proposed Acquisition and the proposed disposal, what are the combined pro forma effects on balance sheet, earnings, cash flow and liquidity position, and regulatory capital requirement?	The pro forma financial effects disclosed in the Circular for the Proposed Acquisition were prepared on a stand-alone basis. As the proposed divestment of Takaful IKHLAS is at a preliminary stage, the combined pro forma effects on the Group's cash, balance sheet, earnings and capital position can only be assessed once the transaction mechanics and terms are finalised.
	Given the material development represented by the proposed RM1.64 billion disposal, do the directors and the independent adviser continue to maintain their respective recommendations regarding the transaction? If the recommendations remain unchanged, why?	The Board has carefully considered the two exercises and remains steadfast that the strategic and financial rationale underlying the Proposed Acquisition of Labuan Re remains unchanged. Accordingly, the Board continues to recommend that the non-interested shareholders vote in favour of the Proposed Acquisition as it is a vital component of the Group's broader transformation strategy. The Independent Adviser's recommendation for the non-interested shareholders to vote in favour of the Proposed Acquisition also remains unchanged.

No	Question	Answer
2	**What alternative uses of the RM400.49 million acquisition consideration were considered and evaluated by the Board and Management before proceeding to the Proposed Acquisition? Kindly elaborate on the alternatives deliberated.**	Prior to proceeding with the Proposed Acquisition, the Board and Management evaluated various alternative uses of capital and strategic options against MNRB's broader strategic and capital priorities. Consideration was given to strategic fit, expected returns and value creation, growth potential, valuation, capital impact and execution risk. The key alternatives considered included: a) Recapitalization of the Group reinsurance subsidiary, Malaysian Reinsurance Berhad ("Malaysian Re") to support its organic growth. However, the capital and tax structure of an offshore platform is more conducive and hence the growth of the international market can be sustainably accelerated through Labuan Re. b) Mergers & Acquisition ("M&A") opportunities were also considered. The Board viewed Labuan Re as a good fit, given that it is already a 20% associate of MNRB through Malaysian Re, has an established and profitable business, and its existing shareholders were willing to exit at a disciplined valuation. The Proposed Acquisition was not evaluated in isolation, but as one component of the broader transformation strategy.

No	Question	Answer
2	**Additionally, please explain the considerations that led the Board to conclude that the Proposed Acquisition represented the most appropriate and value-enhancing use of the Group's capital.**	The reinsurance industry is becoming increasingly complex, but there are also pockets of opportunity that MNRB has not fully tapped into. Capturing these opportunities requires scale, diversification, market and data access, technical capabilities, technology and disciplined capital allocation. The Board reviewed international precedents where reinsurers successfully accelerated growth, diversified portfolios and expanded geographically through acquisitions, and identified Labuan Re as the most suitable near-term opportunity aligned with the Group's strategic objectives. Labuan Re offers immediate scale, broadening of international portfolio, general retakaful capabilities, access to Lloyd's and full strategic control. The Proposed Acquisition is also being undertaken at 0.88 times Adjusted TNAV, representing a discount to Labuan Re's net assets and is expected to deliver immediate value alongside strategic benefits and long-term growth potential. Labuan Re has demonstrated continued earnings growth, with year-on-year Profit After Tax ("PAT") increasing by 10.9% in FYE 31 December 2024 and 83.8% in FYE 31 December 2025. Upon completion, MNRB will benefit from the full consolidation of Labuan Re's future earnings, while gaining greater flexibility over its capital deployment, business development and the upstreaming of profits to the Group. Beyond the financial benefits, the Proposed Acquisition is expected to strengthen the Group's underwriting capabilities through greater access to international expertise, market intelligence and data, while providing greater flexibility to deploy the most appropriate platform based on customer, market, tax and regulatory considerations.

No	Question	Answer
3	**The Proposed Acquisition will enable MNRB to leverage Labuan Re's internationally diversified underwriting portfolio, thereby enhancing geographical diversification.**	
a	**Which areas of Labuan Re's underwriting portfolio are complementary to MNRB's existing portfolio? What additional classes of business, markets, capabilities or risk exposures would Labuan Re bring to MNRB that are currently underrepresented or absent from MNRB's portfolio?** **Please identify the key classes of business, geographic markets and/or industry segments where both entities currently have a significant underwriting presence.**	Labuan Re has a more internationally weighted portfolio with overseas business making up ~80%, whereas Malaysian Re's business is broadly balanced between domestic and overseas markets. Labuan Re also brings access to the Lloyd's market through its wholly-owned corporate member, Labuan Re Underwriting Limited ("LRUL"). Its Lloyd's portfolio is more concentrated in the US and Europe which provides an additional source of international business, underwriting expertise, and market intelligence that is not available through an equivalent platform within Malaysian Re. In general retakaful, both entities have established capabilities but with complementary market reach. Labuan Re's target markets extend into MENA, while MNRB's retakaful presence is more focused on Southeast Asia. Similarly, Labuan Re can provide an additional offshore platform for selected international Managing General Agents ("MGA") and specialty opportunities in a more internationally oriented and relatively capital-efficient regulatory framework. Lastly, there is some natural overlap between Malaysian Re and Labuan Re as both are established general reinsurers, particularly in Property business and selected Asian markets such as Malaysia.

No	Question	Answer
3	**The Proposed Acquisition will enable MNRB to leverage Labuan Re's internationally diversified underwriting portfolio, thereby enhancing geographical diversification.**	
b	**Following the Proposed Acquisition, how would the enlarged underwriting portfolio differ from MNRB's existing portfolio in terms of business mix, geographic exposure, and risk concentration?** **Additionally, how will the enlarged group increase MNRB's market share in the reinsurance business?** **Kindly illustrate how the Acquisition represents genuine portfolio diversification rather than primarily an increase in scale.**	One of the key strategic objectives under MNRB's transformation strategy to become a leading Asian reinsurer is to diversify the Malaysian and ASEAN portfolio by broadening its international presence. MNRB has a strong domestic position but remains under-represented in many international reinsurance markets compared to established regional and international peers. The proposed acquisition strengthens the enlarged Group's geographic and business mix diversification by: • Increasing participation in international risks and specialty segments; • Reducing dependence on any single domestic market cycle; • Providing a dual-platform flexibility to deploy business through the platform most appropriate to the customer, market, risk and regulatory environment.

No	Question	Answer
3	**The Proposed Acquisition will enable MNRB to leverage Labuan Re's internationally diversified underwriting portfolio, thereby enhancing geographical diversification.**	
c	**Following the proposed acquisition and integration of Labuan Re into MNRB, what is the extent and nature of the potential overlap between the Malaysian Re and Labuan Re portfolios, analysed by cedant, treaty, class of business and geographic territory?** **What is the proportion of the combined portfolio that would be affected by such overlap? Consequently, would the portfolio overlap and subsequent integration of the two businesses affect the Group's operational and financial performance?**	Overlap at a broad class or geographic level does not necessarily represent duplication of the same underlying risks, as the cedants, treaties, programmes, layers and individual risk participations may differ. The Group plans to maintain both Malaysian Re and Labuan Re as distinct but complementary platforms within the enlarged Group, as follows: • Malaysian Re focusing on its position as Malaysia's national reinsurer and regional market participant, and • Labuan Re serving as a platform for international growth and specialty offshore opportunities. The proposed operating model is intended to manage and minimise portfolio overlap between Malaysian Re and Labuan Re, improve business segmentation and, support more disciplined capital allocation. Accordingly, our Group does not expect portfolio overlap or integration to materially disrupt the operational or financial performance of the enlarged Group, as the dual-platform structure is expected to enhance capital and tax efficiency over time and strengthen the Group's ability to compete more effectively. Shared technical capabilities and common governance will support stronger risk selection, pricing discipline, portfolio allocation, capital deployment and retrocession planning across both platforms.

No	Question	Answer
4	**A key rationale of the Proposed Acquisition is to cater for the surge in demand for protection from expanding sectors such as renewable energy and data centres.** **What specific underwriting capabilities, portfolios, or market access does Labuan Re currently possess in these sectors that MNRB does not, and how would the acquisition enable MNRB to capture these opportunities?**	From an underwriting perspective, Labuan Re's international exposure, including through the Lloyd's market and its US and European portfolio, can provide MNRB with access to underwriting experience and market knowledge from some of the world's largest and most developed data-centre markets. This is particularly relevant for complex Property and Engineering risks involving significant mechanical and electrical and business interruption exposures. The enlarged Group would also have greater flexibility to develop specialised protection solutions and to provide facultative reinsurance support for large or complex individual risks that may require additional capacity or bespoke underwriting.

QUESTION & ANSWER SESSION

MNRB

EXTRAORDINARY GENERAL MEETING
MNRB HOLDINGS BERHAD
ON 14 AUGUST 2026 AT 10:00 A.M.

STATEROOM 2, GROUND FLOOR

M RESORT & HOTEL
JALAN DAMANSARA, BUKIT KIARA
60000 KUALA LUMPUR

EXTRAORDINARY GENERAL MEETING

MNRB HOLDINGS BERHAD

14 AUGUST 2026

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SCRUTINEERS' VERIFICATION

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14 AUGUST 2026

ANNOUNCEMENT OF POLL RESULTS BY THE CHAIRMAN

Thank You

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