SYARIKAT TAKAFUL MALAYSIA KELUARGA BERHAD
(Registration No. 198401019089 (131646-K))
(Incorporated in Malaysia)

Registered Office:
27th Floor, Annexe Block
Menara Takaful Malaysia
No. 4, Jalan Sultan Sulaiman
50000 Kuala Lumpur

11 August 2026

Board of Directors

Dato' Charon Wardini Bin Mokhzani *(Chairman/Independent, Non-Executive Director)*
Datin Paduka Kartini Binti Hj. Abdul Manaf *(Non-Independent, Non-Executive Director)*
Dato' Mustaffa Bin Ahmad *(Independent, Non-Executive Director)*
Ch'ng Sok Heang *(Independent, Non-Executive Director)*
Azizah Binti Ali *(Independent, Non-Executive Director)*

To: Shareholders of STMKB

Dear Sir/Madam,

EXPLANATORY STATEMENT TO AMENDED CIRCULAR TO SHAREHOLDERS IN RELATION TO THE PROPOSED AMENDMENTS TO THE CONSTITUTION OF SYARIKAT TAKAFUL MALAYSIA KELUARGA BERHAD ("STMKB" OR "COMPANY") ("PROPOSED AMENDMENTS")

Unless otherwise stated, the abbreviations used herein shall be the same as those stated in the 'Definitions' page of the Circular to Shareholders dated 24 July 2026.

IMPORTANT NOTICE TO SHAREHOLDERS

Shareholders are advised that there are amendments to the Circular to Shareholders dated 24 July 2026 (Reference No. DCS-24072026-00026) previously announced to Bursa Securities on 24 July 2026.

Further to the above, the Company wishes to make further revisions to the Proposed Amendments as follows:

Revisions	Rules/ Clauses Affected
Reinstatement of the provision of the current Constitution with slight modifications	• Number of the Directors (current Rule 81/ new Clause 80);
Reinstatement of the provision of the current Constitution	• Ground for disqualification of Directors (current Rule 86(e)/ new Clause 85(e)); and • Review and removal of Directors based on attendance (current Rule 88/ new Clause 87).
Consequential amendments pursuant to the above reinstatement	• Quorum for Board meetings (current Rule 95(a)/ new Clause 94(a)); and

	• Chairman’s entitlement to casting vote (current Rule 99/ new Clause 98).

Please refer to the updated Circular dated 11 August 2026 (“**Amended Circular**”) attached together with this Explanatory Statement.

The Amended Circular provides updates to certain sections in the Circular to Shareholders dated 24 July 2026 regarding the Proposed Amendments.

For convenience, we have tabulated the amendments being proposed in the Circular to Shareholders dated 24 July 2026 (before amendment) and the corresponding amended sections on the Amended Circular (after amendment).

For clarity, following the reinstatement of current Rule 88/ new Clause 87, there are consequential amendments to the numbering of subsequent Clauses and the relevant cross-references. These consequential amendments have been reflected in the Amended Circular and are not separately set out within this Explanatory Statement, as they are consequential in nature and do not affect the substance of the Proposed Amendments.

Table of Proposed Amendments to the Constitution relating to Appendix II

Original Constitution		Proposed Amendments to Constitution in Circular dated 24 July 2026		Proposed Amendments to Constitution in Amended Circular dated 11 August 2026	
Rules/Clauses pertaining to Number of the Directors, Quorum for Board Meetings and Consequential Amendments thereto					
81	The number of Directors shall be not less than five (5) and not more than ten (10). Subject to the foregoing, the Company may from time to time by ordinary resolution passed at a general meeting increase or reduce the number of Directors and may also determine in what rotation the reduced or increased number is to go out of office.	~~**81**~~**80**	The number of Directors shall be not less than ~~**five**~~ **two** (~~**5**~~ **2**) and ~~**not more than ten (10),**~~ **shall at all times have a majority of Independent Directors**. Subject to the foregoing, the Company may from time to time by ordinary resolution passed at a general meeting increase or reduce the number of Directors and may also determine in what rotation the reduced or increased number is to go out of office.	~~**81**~~**80**	The number of Directors shall be not less than five (5), and ~~**not more than ten (10)**~~ **shall at all times have a majority of Independent Directors**. Subject to the foregoing, the Company may from time to time by ordinary resolution passed at a general meeting increase or reduce the number of Directors and may also determine in what rotation the reduced or increased number is to go out of office.
95(a)	The Directors may meet together for the despatch of business adjourn and otherwise regulate their meetings as they think fit, and unless otherwise determined by the Directors, the quorum necessary for the transaction of business shall be at least half of the Board of Directors at the time being. A Director interested in a contract or a proposed contract or arrangement shall not be counted for the purposes of determining a quorum.	~~**95(a)**~~ **93(a)**	Directors may meet together for the despatch of business adjourn and otherwise regulate their meetings as they think fit, and unless otherwise determined by the Directors, the quorum necessary for the transaction of business shall **comprise a majority of the Directors of the Company or at least two(2) Directors when there is a minimum number of Directors left** ~~**be at least half of the Board of Directors**~~ at the **commencement of the meeting** ~~**time being**~~. A Director interested in a contract or a proposed contract or arrangement shall not be counted for the purposes of determining a quorum.	~~**95(a)**~~ **94(a)**	Directors may meet together for the despatch of business adjourn and otherwise regulate their meetings as they think fit, and unless otherwise determined by the Directors, the quorum necessary for the transaction of business shall **comprise a majority of the Directors of the Company** ~~**be at least half of the Board of Directors**~~ at the **commencement of the meeting** ~~**time being**~~. A Director interested in a contract or a proposed contract or arrangement shall not be counted for the purposes of determining a quorum.
99	Chairman entitled to casting vote Questions arising at any meeting shall be decided by a majority of votes. In case of an equality of votes, the Chairman (if he is also the Chairman of the Board of Directors) shall have a second or casting vote PROVIDED THAT where the quorum is reduced to less than four	~~**99**~~**97**	Chairman entitled to casting vote Questions arising at any meeting shall be decided by a majority of votes. In case of an equality of votes, the Chairman (if he is also the Chairman of the Board of Directors) shall have a second or casting vote PROVIDED THAT ~~**where the quorum is reduced to less than four (4)**~~	~~**99**~~ **98**	Chairman entitled to casting vote Questions arising at any meeting shall be decided by a majority of votes. In case of an equality of votes, the Chairman (if he is also the Chairman of the Board of Directors) shall have a second or casting vote PROVIDED THAT where the quorum is reduced to less than four (4) pursuant

Original Constitution		Proposed Amendments to Constitution in Circular dated 24 July 2026		Proposed Amendments to Constitution in Amended Circular dated 11 August 2026	
	(4) pursuant to Rule 95(a) the Chairman shall not have a casting vote in the following circumstances: (a) at a meeting at which only two (2) Directors are competent to vote on the question at issue; (b) at a meeting at which the quorum is reduced to two (2).		~~pursuant to Rule 95(a)~~ the Chairman shall not have a casting vote in the following circumstances: (a) at a meeting at which only two (2) Directors are competent to vote on the question at issue; (b) at a meeting at which the quorum is ~~reduced to~~ two (2).		to ~~Rule 95(a)~~ **Clause 94(a)** the Chairman shall not have a casting vote ~~in the following circumstances:~~ ~~(a)~~ at a meeting at which only two (2) Directors are competent to vote on the question at issue~~;~~ ~~(b) at a meeting at which the quorum is reduced to two (2)~~.
Rules/Clauses pertaining to Grounds for Disqualification of Directors					
86(e)	The office of Director shall ipso facto become vacant if the Director: - (a) …; (b) …; (c) …; (d) …; (e) is dismissed from his office by his fellow Directors on account of his failure to attend at least 75% of the meetings of the Board of Directors held in a financial year; (f) is absent from more than 50% of the total Board of Directors' meetings held from the date of his election or appointment as a Director to the end of the then current financial year of the Company, except when an exemption or waiver is obtained from the Exchange or any other relevant authorities; (g) …;	~~86(e)~~ **85(e)**	The office of Director shall ~~ipso facto~~ become vacant if the Director: - (a) …; (b) …; (c) …; (d) …; ~~(e) is dismissed from his office by his fellow Directors on account of his failure to attend at least 75% of the meetings of the Board of Directors held in a financial year;~~ **(e) is absent from more than 50% of the total Board of Directors' meetings held from the date of his election or appointment as a Director to the end of the then current financial year of the Company, except when an exemption or waiver is obtained from the Exchange or any other relevant authorities;** (f) …;		***The Proposed Amendments to Rule 86(e)/Clause 85(e) has been withdrawn and will be reinstated in the Constitution, as can be seen in Appendix III (Proposed New Constitution).*** ***Accordingly, Proposed Amendment to Rule 86(e)/Clause 85(e) will be removed from Appendix II (Table of Proposed Amendments to the Constitution) of the Amended Circular, as no amendment is proposed to this provision.***

Original Constitution		Proposed Amendments to Constitution in Circular dated 24 July 2026		Proposed Amendments to Constitution in Amended Circular dated 11 August 2026	
86(g)	The office of Director shall ipso facto become vacant if the Director: - (a) …; (b) …; (c) …; (d) …; (e) …; (f) …; (g) is convicted by a court of law, whether in Malaysia or elsewhere, in relation to any of the offences set out in Paragraph 15.05 (1) of the Listing Requirements as follows:- (i) … (ii) … an offence under the securities laws (means the Capital Markets and Services Act, 2007, the Securities Industry (Central Depositories) Act, 1991 and the Securities Commission Act, 1993) or the Companies Act, 2016.	~~**86(g)**~~ **85(f)**	The office of Director shall ~~**ipso facto**~~ become vacant if the Director: - (a) …; (b) …; (c) …; (d) …; (e) …; (f) is convicted by a court of law, whether in Malaysia or elsewhere, in relation to any of the offences set out in Paragraph 15.05 (1) of the Listing Requirements as follows:- (i) … (ii) … (iii) an offence under the securities laws (means the Capital Markets and Services Act, 2007, the **Central Depositories Act**~~**Securities Industry (Central Depositories) Act, 1991**~~ and the Securities Commission Act, 1993) or the Companies Act, 2016.	~~**86(g)**~~ **85(g)**	The office of Director shall ~~**ipso facto**~~ become vacant if the Director: - (a) …; (b) …; (c) …; (d) …; (e) …; (f) …; (g) is convicted by a court of law, whether in Malaysia or elsewhere, in relation to any of the offences set out in Paragraph 15.05 (1) of the Listing Requirements as follows:- (i) … (ii) … (iii) an offence under the securities laws (means the Capital Markets and Services Act, 2007, the **Central Depositories Act**~~**Securities Industry (Central Depositories) Act, 1991**~~ and the Securities Commission Act, 1993) or the Companies Act, 2016.
-	-	**85(g)**	The office of Director shall ~~**ipso facto**~~ become vacant if the Director: - (a) …; (b) …; (c) …; (d) …;	**85(h)**	The office of Director shall ~~**ipso facto**~~ become vacant if the Director: - (a) …; (b) …; (c) …; (d) …;

Original Constitution		Proposed Amendments to Constitution in Circular dated 24 July 2026		Proposed Amendments to Constitution in Amended Circular dated 11 August 2026	
			(e) …; (f) …; (g) **is an Active Politician; or** (h) …;		(e) …; (f) …; (g) **…;** (h) **is an Active Politician; or** (i) …;
-	-	**85(h)**	The office of Director shall ~~ipso facto~~ become vacant if the Director: - (a) …; (b) …; (c) …; (d) …; (e) …; (f) …; (g) …; (h) **was either a partner or the officer of a firm who was directly involved in the engagement, where such firm was appointed as external auditor of the Company, during the applicable cooling-off period under the Applicable Laws;**	**85(i)**	The office of Director shall ~~ipso facto~~ become vacant if the Director: - (a) …; (b) …; (c) …; (d) …; (e) …; (f) …; (g) …; (h) **…;** (i) **was either a partner or the officer of a firm who was directly involved in the engagement, where such firm was appointed as external auditor of the Company, during the applicable cooling-off period under the Applicable Laws;**
88.	The Company shall at every Annual General Meeting review the suitability of any Director who has failed without valid reason to attend at least 75% of the meetings of the Board of Directors held in a financial year and shall remove any Director who has so failed for a period of two (2) consecutive years.	**88**	**~~The Company shall at every Annual General Meeting review the suitability of any Director who has failed without valid reason to attend at least 75% of the meetings of the Board of Directors held in a financial year and shall remove any Director who has so failed for a period of two (2) consecutive years.~~**	**87.**	The Company shall at every Annual General Meeting review the suitability of any Director who has failed without valid reason to attend at least 75% of the meetings of the Board of Directors held in a financial year and shall remove any Director who has so failed for a period of two (2) consecutive years.

Table of Proposed Amendments to the Constitution relating to Appendix III

Proposed Amendments to Constitution in Circular dated 24 July 2026	**Proposed Amendments to Constitution in Amended Circular dated 11 August 2026**
Rules/Clauses pertaining to Number of the Directors, Quorum for Board Meetings and Consequential Amendments thereto	
80. Number of Directors The number of Directors shall be not less than two (2) and shall at all times have a majority of Independent Directors. Subject to the foregoing, the Company may from time to time by ordinary resolution passed at a general meeting increase or reduce the number of Directors and may also determine in what rotation the reduced or increased number is to go out of office.	80. Number of Directors The number of Directors shall be not less than **five (5)** and shall at all times have a majority of Independent Directors. Subject to the foregoing, the Company may from time to time by ordinary resolution passed at a general meeting increase or reduce the number of Directors and may also determine in what rotation the reduced or increased number is to go out of office.
93. (a) Proceedings, meetings of Directors and quorum The Directors may meet together for the despatch of business adjourn and otherwise regulate their meetings as they think fit, and unless otherwise determined by the Directors, the quorum necessary for the transaction of business shall comprise a majority of the Directors of the Company or or at least two (2) Directors when there is a minimum number of Directors left, at the commencement of the meeting. A Director interested in a contract or a proposed contract or arrangement shall not be counted for the purposes of determining a quorum.	9**4**. (a) Proceedings, meetings of Directors and quorum The Directors may meet together for the despatch of business adjourn and otherwise regulate their meetings as they think fit, and unless otherwise determined by the Directors, the quorum necessary for the transaction of business shall **comprise a majority of the Directors of the Company** at the commencement of the meeting. A Director interested in a contract or a proposed contract or arrangement shall not be counted for the purposes of determining a quorum.
97. Chairman entitled to casting vote Questions arising at any meeting shall be decided by a majority of votes. In case of an equality of votes, the Chairman (if he is also the Chairman of the Board of Directors) shall have a second or casting vote PROVIDED THAT the Chairman shall not have a casting vote in the following circumstances: (a) at a meeting at which only two (2) Directors are competent to vote on the question at issue; or (b) at a meeting at which the quorum is two (2).	9**8**. Chairman entitled to casting vote Questions arising at any meeting shall be decided by a majority of votes. In case of an equality of votes, the Chairman (if he is also the Chairman of the Board of Directors) shall have a second or casting vote PROVIDED THAT **where the quorum is reduced to less than four (4) pursuant to Clause 94(a)** the Chairman shall not have a casting vote **at a meeting at which only two (2) Directors are competent to vote on the question at issue.**

Proposed Amendments to Constitution in Circular dated 24 July 2026	Proposed Amendments to Constitution in Amended Circular dated 11 August 2026
Rules/Clauses pertaining to Grounds for Disqualification of Directors	
85. <u>Office of Director vacated in certain cases</u> The office of Director shall become vacant if the Director:- (a) is disqualified pursuant to the Applicable Laws; (b) is dismissed from his office by a written resolution of at least 75% of his co-directors; (c) without the consent of the Company in general meeting hold any other office of profit under the Company except that of Managing Director; (d) is directly or indirectly interested in any contract or proposed contract with the Company and fails to declare the nature of this interest in manner required by the Act; (e) is absent from more than 50% of the total Board of Directors' meetings held from the date of his election or appointment as a Director to the end of the then current financial year of the Company, except when an exemption or waiver is obtained from the Exchange or any other relevant authorities; (f) is convicted by a court of law, whether in Malaysia or elsewhere, in relation to any of the offences set out in Paragraph 15.05 (1) of the Listing Requirements as follows:- (i) an offence in connection with the promotion, formation or management of a company; (ii) an offence involving bribery, fraud or dishonesty or where the conviction involved a finding that he acted fraudulently or dishonestly; or	85. <u>Office of Director vacated in certain cases</u> The office of Director shall become vacant if the Director:- (a) is disqualified pursuant to the Applicable Laws; (b) is dismissed from his office by a written resolution of at least 75% of his co-directors; (c) without the consent of the Company in general meeting hold any other office of profit under the Company except that of Managing Director; (d) is directly or indirectly interested in any contract or proposed contract with the Company and fails to declare the nature of this interest in manner required by the Act; **(e) is dismissed from his office by his fellow Directors on account of his failure to attend at least 75% of the meetings of the Board of Directors held in a financial year;** (f) is absent from more than 50% of the total Board of Directors' meetings held from the date of his election or appointment as a Director to the end of the then current financial year of the Company, except when an exemption or waiver is obtained from the Exchange or any other relevant authorities; (g) is convicted by a court of law, whether in Malaysia or elsewhere, in relation to any of the offences set out in Paragraph 15.05 (1) of the Listing Requirements as follows:- (i) an offence in connection with the promotion, formation or management of a company;

Proposed Amendments to Constitution in Circular dated 24 July 2026	Proposed Amendments to Constitution in Amended Circular dated 11 August 2026
(iii) an offence under the securities laws (means the Capital Markets and Services Act, 2007, the Central Depositories Act and the Securities Commission Act, 1993) or the Companies Act, 2016. (g) is an Active Politician involves actively in politics; or (h) was either a partner or the officer of a firm who was directly involved in the engagement, where such firm was appointed as external auditor of the Company, during the applicable cooling-off period under the Applicable Laws.	(ii) an offence involving bribery, fraud or dishonesty or where the conviction involved a finding that he acted fraudulently or dishonestly; or (iii) an offence under the securities laws (means the Capital Markets and Services Act, 2007, the Central Depositories Act and the Securities Commission Act, 1993) or the Companies Act, 2016. (h) is an Active Politician involves actively in politics; or (i) was either a partner or the officer of a firm who was directly involved in the engagement, where such firm was appointed as external auditor of the Company, during the applicable cooling-off period under the Applicable Laws. **87. The Company shall at every Annual General Meeting review the suitability of any Director who has failed without valid reason to attend at least 75% of the meetings of the Board of Directors held in a financial year and shall remove any Director who has so failed for a period of two (2) consecutive years.**

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Save for the above-mentioned amendments, all other information in the Circular remains valid and unchanged.

For shareholders' convenience, each item in the box has been presented with its corresponding section reference in both before and after amended versions.

We regret any inconvenience caused.

Yours faithfully
For and on behalf of the Board of Directors of
SYARIKAT TAKAFUL MALAYSIA KELUARGA BERHAD

DATO' CHARON WARDINI BIN MOKHZANI
Chairman/Independent Non-Executive Director