



**MARINE & GENERAL
BERHAD**

THIS ERRATA IS DATED 19 DECEMBER 2019 AND IS TO ACCOMPANY THE CIRCULAR TO SHAREHOLDERS DATED 16 DECEMBER 2019 (“CIRCULAR”)

To: The Shareholders of Marine & General Berhad

Dear Sir/Madam,

ERRATA TO CIRCULAR TO SHAREHOLDERS IN RELATION TO:

PART A:

- (I) PROPOSED ISSUANCE OF 1.5 BILLION NEW ORDINARY SHARES IN MARINE & GENERAL BERHAD (“M&G”) (“M&G SHARES”) AT THE ISSUE PRICE OF RM0.10 PER M&G SHARE AMOUNTING TO RM150.0 MILLION UPON THE SURRENDER OF 150.0 MILLION IRREDEEMABLE PREFERENCE SHARES OF RM1.00 EACH IN JASA MERIN (MALAYSIA) SDN BHD (“JMM”) (“JMM PS”) (“PROPOSED ISSUANCE”); AND**
- (II) PROPOSED SUBSCRIPTION OF UP TO 150.0 MILLION NEW CUMULATIVE NON-CONVERTIBLE REDEEMABLE PREFERENCE SHARES (“CN-RPS”) IN JMM FOR A TOTAL SUBSCRIPTION OF RM150.0 MILLION (“PROPOSED SUBSCRIPTION”)**

(COLLECTIVELY REFERRED TO AS THE “PROPOSALS”)

PART B:

INDEPENDENT ADVICE LETTER TO THE NON-INTERESTED DIRECTORS AND NON-INTERESTED SHAREHOLDERS OF M&G IN RELATION TO THE PROPOSED ISSUANCE

All capitalised terms herein shall have the same meanings as those set out in the Circular and the Independent Advice Letter (“IAL”) unless otherwise stated.

Reference is made to Part B of the Circular dated 16 December 2019. The Board of Directors of M&G wishes to inform the shareholders of M&G that the following sections of the IAL shall be amended (as highlighted in bold and underlined):

Section 5.4 of the IAL (Page 52)

Effects of the

Proposed Issuance

Our Comments

Substantial shareholders' shareholdings

Pursuant to the Call Option Agreements, the collective shareholdings of the Promoters and persons connected to them are expected to be maintained before and after the Proposed Issuance. We note that should the Promoters only acquire such number of JMM PS to maintain their direct and indirect shareholdings in M&G, the Banks will collectively hold approximately **33.6%** equity interest in M&G after the completion of the Proposals. Save for the Promoters, the remaining substantial shareholder, namely Johan Zainuddin bin Dzulkifli will have his direct interest diluted from 5.57% to 1.81%.

Paragraph 2, Section 8 of the IAL (Page 54)

8. CONCLUSION AND RECOMMENDATION

After taking into consideration the pertinent factors above and on an overall basis, we are of the opinion that, on the basis of the information available to us, the Proposed **Issuance** is **FAIR AND REASONABLE** insofar as you are concerned and is not detrimental to you.

Accordingly, we recommend that you **VOTE IN FAVOUR** of the **ordinary** resolution pertaining to the Proposed Issuance to be tabled at M&G's forthcoming EGM.

Save for the above, all other information in the Circular and IAL remains unchanged.

We apologise for any inconvenience caused.

Yours faithfully
For and on behalf of
MARINE & GENERAL BERHAD

TAI KEAT CHAI
Non-Independent Non-Executive Director