

---

## ANNEXURE C - THE REPATRIATION OF CAPITAL AND REMITTANCE OF PROFIT FROM FOREIGN SUBSIDIARIES UNDER FOREIGN LAW

---

As at the LPD, save as disclosed below, there are no governmental decrees, regulations or other legislations that may affect the repatriation of capital and the remittance of profits of our material foreign subsidiaries:

### A. USA

The imposition of United States of America (“**U.S.**”) withholding tax on repatriation of capital and the remittance of profits from a U.S. company to a Malaysian parent company will depend on the form in which the funds are transferred. Because there is no income tax treaty between the U.S. and Malaysia, no reduced rates or relief is available to the Malaysian parent company.

(i) Tax on interest

Interest paid by a U.S. corporation to a non-U.S. person is generally subject to a 30.00% withholding tax. There is an exemption from the withholding tax for certain “portfolio interest,” however the Malaysian parent company as an owner of 10.00% or more of the voting stock of the U.S. corporation is not eligible for the exemption.

(ii) Tax on dividends

In general, any distributions (including constructive distributions) made by an U.S. corporation to its parent entity, as a non-U.S. holder of shares of its common stock, to the extent paid out of the current or accumulated earnings and profits of the U.S. corporation (as determined under U.S. federal income tax principles), will constitute dividends for U.S. federal income tax purposes and the U.S. corporation will be required to withhold tax from the gross amount of the dividend at a rate of 30.00%. Any distributions in excess of a U.S. company’s earnings and profits are treated as recovery of basis and/or gain and are not subject to withholding tax.

(iii) Tax on capital gain from the sale of shares, redemptions, or share buybacks

There is generally no U.S. withholding tax on any capital gains from the sale of shares, redemptions, or buybacks by a non-U.S. person of shares of a U.S. corporation. A non-U.S. person is generally not subject to U.S. tax on any gain from the sales of shares of a U.S. company, unless the non-U.S. person is engaged in a trade or business in the U.S. or is a U.S. resident. Certain redemptions and share buybacks may be treated as dividends for tax purposes. Under the Foreign Investment in Real Property Tax Act (“**FIRPTA**”) rules, if more than 50.00% of the fair market value of a U.S. corporation’s business assets are U.S. real estate and related assets (“**USRPHC**”), then a non-U.S. person will generally be subject to tax payment and return filing obligations on any gain from the sale of a USRPHC and a withholding tax of 15.00% is imposed on the gross proceeds from any sale, capital transaction, or redemption.

(iv) Tax on royalties

Royalties paid to a non-U.S. person are generally subject to a 30.00% withholding tax.

---

**ANNEXURE C - THE REPATRIATION OF CAPITAL AND REMITTANCE OF PROFIT FROM FOREIGN SUBSIDIARIES UNDER FOREIGN LAW**

---

(v) Tax on purchase of products from a Malaysian company

There is no U.S. withholding tax imposed on the purchase of any goods or services from a Malaysian company.

**B. UK**

In United Kingdom, the imposition of withholding tax on any repatriation of capital and the remittance of profits from a UK company to a Danish parent company ("**Danish Parent**") will depend on the form in which the funds are transferred.

(i) Tax on interest

Under the domestic laws of United Kingdom, withholding tax is charged at a rate of 20.00% on payments of yearly interest to non-residents. No withholding tax is charged on payments of "short" interest. Broadly, "short" interest is interest on a loan with a term of less than one year.

Under the terms of the UK-Denmark double tax treaty ("**UK DTT**"), where the Danish Parent is the beneficial owner of the income and the other conditions for the application of the treaty are met, any withholding tax liability shall be reduced to zero.

Under Article 11(4) of the UK DTT where there is a special relationship between the payer and the beneficial owner which results in the amount of the interest paid exceeding the amount which would have been agreed by the parties if no such relationship existed, the excess part of the payments shall be taxable according to the laws of each contracting state (i.e., those excess amounts shall not get the benefit of the UK DTT).

Where the Danish Parent receives interest from the company incorporated in England and Wales, Scotland or Northern Ireland and resident for tax purposes in the United Kingdom ("**United Kingdom company**") and that payment has been subject to United Kingdom tax, Denmark allows for a deduction to any Danish tax incurred on the receipt of the interest payment equal to the amount of United Kingdom tax charged and this deduction cannot exceed that amount.

These UK DTT provisions are also broadly mirrored for payments going from a Danish company to a United Kingdom company.

(ii) Tax on dividends

United Kingdom laws do not impose withholding tax on dividend payments apart from distributions of profits derived from real estate by real estate investment trusts, which are subject to withholding tax at 20.00%.

---

**ANNEXURE C - THE REPATRIATION OF CAPITAL AND REMITTANCE OF PROFIT FROM FOREIGN SUBSIDIARIES UNDER FOREIGN LAW**

---

(iii) Tax on capital gains

United Kingdom laws do not impose withholding tax on capital gains. Non-United Kingdom residents may, however, be liable to account for capital gains tax on disposals of interests in United Kingdom land, or of interests in companies that derive their value from interests in United Kingdom land. For the Danish Parent, this will be United Kingdom corporation tax on chargeable gains at a rate of 25.00%.

(iv) Tax on royalties

Under the domestic laws of the United Kingdom, companies making payments of most forms of royalty that arise in the United Kingdom are required to deduct withholding tax at 20.00%.

Under the terms of the UK DTT, where the Danish Parent is the beneficial owner of the royalties and the other conditions for the application of the treaty are met, any withholding tax liability shall be reduced to zero.

The same provisions apply as with interest on excess payments of royalties due to a special relationship between the payer and payee and tax credits. The UK DTT provisions are also broadly mirrored for royalty payments going from a Danish company to a United Kingdom company.

(v) Tax on purchase of products from a Malaysian company

There is no United Kingdom withholding tax imposed on the purchase of any goods or services from a Malaysian company, unless some or all of the consideration for such purchase comprises a royalty as discussed above.

(vi) Tax on sale of shares

No United Kingdom tax should be imposed at a shareholder level on the sale of the United Kingdom company shares by the Danish Parent, unless the United Kingdom company is a "property-rich company". A company is a "property-rich company" if it is an entity that derives at least 75.00% of its gross asset value from interests in land in the United Kingdom. In such a case, where the United Kingdom company is a "property-rich company" and the Danish Parent transfers its shares, any gain that arises on the sale of shares will be subject to United Kingdom corporation tax on chargeable gains at a rate of 25.00%. This will not apply where the property-rich United Kingdom company is trading before and after the transfer of its shares by the Danish Parent and the United Kingdom land is used in the qualifying trade of the United Kingdom company.

---

## ANNEXURE C - THE REPATRIATION OF CAPITAL AND REMITTANCE OF PROFIT FROM FOREIGN SUBSIDIARIES UNDER FOREIGN LAW

---

An agreement to transfer shares of the United Kingdom company will normally give rise to a charge to stamp duty reserve tax ("**SDRT**") at the rate of 0.50% of the amount or value of the consideration payable for the transfer. SDRT is, in general, payable by the purchaser. Transfers of shares of the United Kingdom company will generally be subject to stamp duty at the rate of 0.50% of the consideration given for the transfer (rounded up to the next £5.00). The purchaser normally pays the stamp duty. If a duly stamped transfer completing an agreement to transfer is produced within six years of the date on which the agreement is made (or, if the agreement is conditional, the date on which the agreement becomes unconditional) any SDRT already paid is generally repayable, normally with interest, and any SDRT charge yet to be paid is cancelled.

United Kingdom laws should not impose any withholding tax on a sale of shares of the United Kingdom company by the Danish Parent.

(vii) Tax on share buyback

If the United Kingdom company buys back its own shares, then stamp duty on shares may be due to HM Revenue & Customs ("**HMRC**") on the total consideration paid by the United Kingdom company to the relevant shareholders at a rate of 0.50%, rounded up to the nearest £5.00. A stamp duty application will need to be submitted to HMRC so that the instrument of transfer (the form SH03) can be stamped by HMRC. Where a subsidiary company purchases some of its own shares from its parent company, relief from the stamp duty charge may be available under group relief provisions, subject to certain conditions.

United Kingdom laws should not impose any withholding tax on a share buyback of the United Kingdom company shares from the Danish Parent.

(viii) Tax on capital reductions

No United Kingdom tax should generally be imposed at a shareholder level or on the United Kingdom company on effecting a capital reduction, provided the capital reduction is implemented by means of a reduction in the nominal value of the United Kingdom company shares. A capital reduction implemented by means of a share cancellation may have alternative consequences. The tax treatment of dividends paid following a capital reduction should be as per section (ii) above.

United Kingdom laws should not impose any withholding tax on the effecting of a capital reduction by the United Kingdom company shares or a subsequent dividend.

Therefore, where United Kingdom withholding tax is payable on interest or royalty payments by a United Kingdom company, less cash will initially be available to the Danish Parent due to the deduction. This however may be mitigated through the use of a deduction from Danish tax on the receipt of the interest payment equal to the amount of withholding tax charged. United Kingdom corporation tax will only be charged on gains accrued on the sale of shares of the United Kingdom company if the United Kingdom company is a "property-rich company". United Kingdom stamp duty or SDRT will be chargeable on the consideration paid by the United Kingdom company to the Danish Parent on a share sale (typically borne by the purchaser) and potentially on a share buyback (payable by the company).

---

## ANNEXURE C - THE REPATRIATION OF CAPITAL AND REMITTANCE OF PROFIT FROM FOREIGN SUBSIDIARIES UNDER FOREIGN LAW

---

### C. Denmark

There are generally no foreign exchange control restrictions imposed under Danish laws and regulations that would restrict or prohibit the repatriation of capital or remittance of profit by a Danish company out of Denmark provided that such transfer is not made to a country or person that is specifically sanctioned and further complies with the relevant corporation and taxation laws and regulations.

(i) Dividends

(a) Corporation rules

Pursuant to Sections 179 to 184 of the Danish Companies Act (No. 470 of 12 June 2009) ("**Danish Companies Act**") any distribution of dividends is subject to the (i) approval by the shareholders at the company's general meeting with simple majority and (ii) amount of dividend may not exceed the amount that has been proposed or approved by the company's board of directors. further, only distributable reserves can be paid as dividends. Distributable reserves consist of retained earnings and distributable reserves under a statute or the company's articles of association. The share capital cannot be paid as dividends.

Further, as a general rule, the board of directors is responsible for ensuring that no distribution of dividends exceeds a reasonable amount, having regard to the company's financial position, including that no distribution is made to the detriment of the company or its creditors.

(b) Tax Rules

Dividends received from Denmark on shares held by a corporate shareholder holding at least 10.00% of the nominal share capital of the issuing company is exempt from Danish tax (including withholding tax) provided the taxation of the dividends is to be waived or reduced in accordance with the Parent-Subsidiary Directive (2011/96/EU) or in accordance with a tax treaty with the jurisdiction in which the parent company is resident. However, the exemption is contingent on the payee being the beneficial owner of the relevant dividend distribution and otherwise are made in compliance with the anti-avoidance rules, primarily the general anti-avoidance rule addressed in section (iv) below.

In relation to dividend payments from Denmark to Malaysia, the Danish-Malaysia double tax treaty states that dividend payment from Denmark to a resident of Malaysia who is subject to Malaysian tax in respect thereof shall be exempt from any tax in Denmark, i.e., such payment is generally exempt from Danish withholding tax provided that the Malaysian parent company is the beneficial owner and subject to Malaysian tax thereof.

It is noted that the above is based on a shareholding of at least 10.00% (as this is a specifically relevant threshold for purposes of dividend payments). Different rules apply if the shareholding is below 10.00%.

---

## ANNEXURE C - THE REPATRIATION OF CAPITAL AND REMITTANCE OF PROFIT FROM FOREIGN SUBSIDIARIES UNDER FOREIGN LAW

---

(ii) Capital Reduction

(a) Corporation rules

Pursuant to Sections 185 to 194 of the Danish Companies Act, a Danish company may reduce its share capital i.e., for distribution of such share capital to its shareholders for any reason provided that the general share capital requirements are adhered to. Further, certain requirements in relation to allowing creditors to give notice of any claims towards the company applies.

(b) Tax Rule

Generally, distributions deriving from a capital reduction will be treated as dividend distributions in accordance with the rules described for dividend distributions above.

(iii) Share buyback (own shares)

(a) Corporation Rules

Pursuant to chapter 12 of the Danish Companies Act, a Danish company may purchase or redeem shares issued by it provided that the funds used for such share buy-back only derives from the company's distributable reserves and by approval by the shareholders at the company's general meeting with simple majority. Such shares held by the company shall not count towards the general minimum share capital requirements.

(b) Tax Rules

Generally, payments to shareholders in consideration for buyback or redemption of the company's own shares will be treated as dividend distributions in accordance with the rules described for dividend distributions above.

(iv) Sale of shares (capital gains)

Generally, shareholders not resident in Denmark are normally not subject to Danish taxation on any gains realised on the sale of shares to third parties, irrespective of the ownership period, subject to a general anti-avoidance rule which is addressed below and potentially other anti-avoidance rules, depending on the circumstances of the sale. However, if the ownership of the shares is attributable to a foreign company's fixed place of business ("**permanent establishment**") in Denmark, gains on shares could be included in the taxable income of said permanent establishment if the selling entity (the foreign entity) holds less than 10.00% of the share capital in the Danish entity.

---

## ANNEXURE C - THE REPATRIATION OF CAPITAL AND REMITTANCE OF PROFIT FROM FOREIGN SUBSIDIARIES UNDER FOREIGN LAW

---

Pursuant to the general anti-avoidance rule of Section 3 of the Danish Tax Assessment Act (Consolidated Act no. 42 of 13 January 2023, as amended) ("**Danish Tax Assessment Act**") an arrangement or series of arrangements:

- (a) not entered into for commercial reasons reflecting the underlying economic reality and
- (b) which are implemented for the primary purpose of obtaining, or one of the primary purposes of which is to obtain, a tax benefit which is against the purpose and intent of the tax laws,

should be ignored for purposes of assessing the Danish tax liability.

Therefore, even if a payment is not subject to Danish taxes, e.g., in accordance with rules described for dividends if a shareholder, whether resident in Denmark or not, is considered to have taken part in an arrangement considered abusive in accordance with Section 3 of the Danish Tax Assessments Act, Danish withholding tax could be levied on payments made to such shareholder.

(v) Tax on interest

Withholding tax on interest payments would likely not apply.

Interest paid from a Danish entity to a foreign related entity is subject to 22.00% withholding tax, provided that the debt in question is considered "controlled debt" for Danish tax purposes. Generally, debt is considered "controlled debt" if the lender directly or indirectly controls more than 50.00% of the votes or more than 50.00% of the share capital of the company.

However, the interest withholding tax does not apply if:

- (a) the interest is attributable to a permanent establishment in Denmark,
- (b) the taxation of interest must be waived or reduced under the Interest-Royalty Directive (Council Directive 2003/49/EC of 3 June 2003), and the paying company and the receiving company have been affiliated for a continuing period of not less than one (1) year, and the time of payment is within this period,
- (c) the taxation of interest must be waived or reduced under a tax treaty with the country where the receiving company etc. is resident,
- (d) the receiving company directly or indirectly for a period of not less than one (1) year is controlled by a Danish parent company as defined in Section 31C of the Danish Company Taxation Act,

---

**ANNEXURE C - THE REPATRIATION OF CAPITAL AND REMITTANCE OF PROFIT FROM FOREIGN SUBSIDIARIES UNDER FOREIGN LAW**

---

- (e) the receiving company is controlled by a parent company who is a resident in a country which has entered into a tax treaty with Denmark, and may be subject to Controlled Financial Company ("**CFC**") taxation on the interest, or
- (f) the receiving company substantiates that the foreign taxation of the interest payments corresponds to at least three quarters of the Danish corporate tax and it does not forward payments of interest to another foreign company which is taxed on such interest payments at a rate of less than three quarters of the Danish corporate tax rate (i.e. at least 16.50%).

For the exemptions to apply, the lender must be the beneficial owner of the interest in question (i.e. the interest may not be transferred from the lender to another entity). Further, the payable interest must be in compliance with the arm's length principle.

(vi) Tax on royalties

Denmark imposes a 22.00% withholding tax on all types of royalty payments (including one-off payments, credits, etc.) from a Danish entity to a foreign entity. However, this general rule of withholding tax on royalty payments does not apply if:

- (a) the foreign entity receiving the royalties in question conducts business in Denmark through a permanent establishment, and
- (b) the exclusive right for which the royalties are paid for is connected to said foreign entity's permanent establishment in Denmark.

Further, the general rule does not apply if the royalty payments are subject to the Interest-Royalty Directive (Council Directive 2003/49/EC of 3 June 2003) regarding taxation of royalty payments between associated entities within the EU to the extent that the parties have been associated for a minimum of one (1) year prior to the relevant royalty payment. For the avoidance of doubt, withholding tax on royalties may be reduced in accordance with a double tax treaty.

(vii) Tax on purchase of products from a Malaysian company

Generally, Denmark does not impose a special withholding tax on products purchased from a Malaysian company. However, said products might be subject to Value Added Tax ("**VAT**") and certain custom duties, typically between 5.00% and 14.00%. Imported products will generally be subject to import VAT at 25.00%. However, the import VAT will also give rise to a corresponding VAT deduction for the importer, subject to VAT reporting. Custom duties generally apply to imported goods from a non-EU country.

Further, purchases from an affiliated Malaysian company must be in compliance with the arm's length principle and might be subject to certain transfer pricing requirements, e.g., being required to provide transfer pricing documentation to the authority.